



# COMMERCIAL COMBINED POLICY

## Allied World

Allied World Assurance Company (Europe) dac is authorised and regulated by the Central Bank of Ireland. Authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. Registered as a designated activity company (limited by shares) with the Companies Registration Office in the Republic of Ireland with registration no. 361888. Head office: 3rd Floor, George's Quay Plaza, George's Quay, Dublin 2 Ireland.

## Other Insurers

Where insurance under this **Policy** is provided by an insurer other than Allied World Assurance Company (Europe) dac the details of that insurer's company registration, authorisation and regulation will be stated in the **Schedule**.

## Notices

Any notices to the **Insurer** or the **Insured** must be sent in writing to the relevant address shown in the **Schedule**.

## Interpretation

This document, the **Schedule** and any **Endorsements**, memoranda or specifications are to be read together as one contract. Any word with a defined meaning appears in **bold print** and its definition can be found either within the *Section* or **Endorsements** containing that word or in the *General Definitions*.

References to the singular include the plural and vice versa. The masculine includes the feminine and vice versa. A statute, statutory instrument, regulation or order includes any amendment or re-enactment of that statute, statutory instrument, regulation or order.

## Observance

The **Insured** and any other persons indemnified by the **Insurer** under this **Policy** must observe the terms of the **Policy** and, to the extent that they relate to anything to be done or complied with, such observance is a condition precedent to the **Insurer's** liability to indemnify under the relevant *Section* of the **Policy**.

## Complaints Procedure

Allied World Assurance Company (Europe) dac is dedicated to providing all **Insureds** with excellent service and is committed to handling any enquiry or complaint fairly and promptly. If an **Insured** is dissatisfied in any way with this insurance or wishes to make an enquiry, please contact either the intermediary that arranged this insurance or Allied World Complaints at the following address:

Allied World Assurance Company (Europe) dac  
19th floor  
20 Fenchurch Street  
London  
EC3M 3BY  
Telephone: 020 7220 0600  
Email: [awe.complaints@awac.com](mailto:awe.complaints@awac.com)

## Financial Ombudsman Services

If in the opinion of the **Insured** the complaint has not been satisfactorily handled, in certain circumstances it may be possible to refer the complaint to the Financial Ombudsman Service. Contact details for the Financial Ombudsman Service are set out below:

Financial Ombudsman Service  
Exchange Tower  
London  
E14 9SR  
Telephone: 0800 023 4567  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

## Financial Services Compensation Scheme

Allied World Assurance Company (Europe) dac is covered by the Financial Services Compensation Scheme. This means that in the unlikely event that the company cannot meet its obligations under this **Policy**, an **Insured** may be entitled, depending on the type of insurance, size of the **Insured's** business and the circumstances of the claim against this **Policy**, to compensation under the scheme.

## Data Protection

The **Insurer** is committed to compliance with the E.U. or U.K., as applicable, General Data Protection Regulation and any applicable implementing or supplementing laws, rules or regulations, and as each may be updated, amended or superseded from time to time. The **Insurer** may collect, use, store, disclose and otherwise process personal data for purposes such as assessing risk and providing insurance, administering a policy and assessing and managing claims. Personal data may be obtained by the **Insurer** directly from the **Insured** or via a third party such as an insurance intermediary. If such personal data is not provided, the **Insurer** may not be able to provide insurance, administer the **Policy**, process a claim or make payments.

The **Insurer's** personal data privacy policy statement contains information on the types of personal data the **Insurer** collects; from where it collects such personal data; the purposes and lawful bases for why it collects such personal data; to whom it discloses or transfers such personal data, such as to related parties or third parties (including outside of the European Economic Area or U.K., as applicable) to, among other things, provide services associated with this **Policy** or to verify information or prevent or detect fraud; and the retention of such personal data. It also contains information on how the **Insured** can exercise its rights, including, under certain circumstances, a right to access the personal data the **Insurer** holds about the **Insured**, to seek rectification or erasure of such data, to restrict or object to the processing of such data, to data portability, to lodge a complaint, or, where processing is based on consent, the right to withdraw consent.

Please see the **Insurer's** personal data privacy policy statement for further information in accordance with applicable laws at <https://www.alliedworldinsurance.com/europe-uk>. A copy may also be requested from, or any personal data privacy queries directed to, [dataprotection@awac.com](mailto:dataprotection@awac.com).

# COMMERCIAL COMBINED POLICY

This **Policy** is designed to provide property and liability covers for businesses and commercial enterprises. Please read this **Policy** together with the **Schedule** to ensure that it meets with the **Insured's** requirements.

This **Policy** only provides insurance in respect of the *Sections* shown as operative in the **Schedule**.

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# Important Information

## Commercial Legal Protection Section

Where operative, the insurance provided under the *Commercial Legal Protection Section* is underwritten by the **Insurer** named in the **Schedule**. Please refer to the Claims Information section of the **Schedule** for relevant contact details and other important information.

# General Definitions

The following defined words will have the same meaning wherever they appear in bold letters within the **Policy**, the **Schedule** and **Endorsements**:

**Annual Turnover** means the **Turnover** during the twelve months just before the **Incident** occurred.

**Bodily Injury** means accidental: death, physical injury, illness, or disease, as well as any psychiatric injury that arises as a result of accidental bodily harm, illness or disease.

**Buildings** means the permanent buildings and structures located at the **Premises** and also:

1. Landlords' fixtures and fittings;
2. Outbuildings, extensions, annexes, canopies, fixed signs, gangways, conveniences, lamp posts and street furniture;
3. Walls, gates and fences;
4. Drains, sewers, piping, ducting, cables, wires, associated control gear, and accessories on the **Premises**, extending to the public mains but only within the **Insured's** responsibility;
5. Yards, car parks, roads, pavements and forecourts, all made of solid materials;
6. Windows, fanlights, rooflights, skylights and glazing; and
7. Sanitary earthenware

for which the **Insured** is responsible, but not property more specifically insured.

**Business** means the activities described in the **Schedule** and includes:

1. The ownership, repair and maintenance of the **Insured's** own property;
2. The provision and management of canteen, social sports and welfare activities for the benefit of the **Insured** or **Employees**;
3. The provision and management of first aid, fire, security and ambulance services; and
4. The performance of private duties carried out by **Employees** with the written consent of the **Insured** for any director, partner or senior official of the **Insured**.

**Consequential Loss** means loss resulting from interruption of, or interference with, the **Insured's Business** at the **Premises** caused directly by an **Incident**.

**Contents** means the property located at the **Premises** that belongs to the **Insured** or is held in trust by the **Insured** for which the **Insured** is responsible. This includes:

1. Computer systems records (up to £10,000 per loss), documents, manuscripts and business books but only for the value of the materials as stationery, together with the cost of clerical labour expended in writing up, and excluding:
  - a. any expenses in connection with re-production, re-compilation or retrieval of the information contained in them;
  - b. the value to the **Insured** of the information contained in them;

2. Patterns, models, moulds, plans and designs not exceeding the cost of the labour and materials used in reinstatement;
3. Directors', **Employees'** and visitors' personal effects or **Employees'** tools (excluding motor vehicles) of any kind, as long as the value of the item does not exceed £500 per person and only if such items are not otherwise more specifically insured either within this **Policy** or elsewhere;
4. Machinery, plant and necessarily related equipment;
5. Improvements, alterations and decorations made by the tenant of the **Insured**; and
6. Wines and spirits kept at the **Premises** for business entertainment purposes but only up to £500 for all claims in the **Period of Insurance**.

However, **Contents** does not mean:

1. **Buildings, Stock, Target Stock, Office Computer Equipment and Portable Power Tools**;
2. **Money**; or
3. **Vehicles** licensed for road use, including accessories attached to them.

**Damage** means the occurrence of accidental and direct physical loss or destruction, or physical damage.

**Data** means data of any kind including tangible or intangible data, programmes or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites or any other form of information.

**Defined Peril** means:

1. fire;
2. lightning;
3. explosion;
4. aircraft or other aerial devices or articles falling from them;
5. riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances or malicious persons other than thieves;
6. **Earthquake**;
7. **Storm**;
8. **Flood**;
9. escape of water from any tank apparatus or pipe; or
10. impact by any mechanically propelled vehicle or rail rolling stock or animal.

**Denial of Service Attack** means any actions or instructions that are intentionally created or generated with the capability to compromise, harm, disrupt or otherwise impact the availability or performance of networks, network services, network connectivity or computer systems or equipment involved in processing, storing, transmitting or receiving **Data**. This includes activities such as generating excessive traffic towards network addresses, exploiting vulnerabilities in systems or networks, generating excessive or fake traffic between networks and the acquisition of such actions or instructions by other computers, equipment or systems.

**Earthquake** means:

1. Earthquake and any subsequent **Damage** but only if caused directly by that earthquake; or
2. Volcanic eruption, which includes explosion or effusion, and any subsequent **Damage** but only if caused directly by that volcanic eruption

but excluding **Flood**.

**Employee** means:

1. Any person who has a contract of service or apprenticeship with the **Insured**;
2. Individuals working for the **Insured** while carrying out tasks related to the **Insured's** business including:
  - i) labour masters or labour-only sub-contractors, or individuals provided by them;
  - ii) self-employed individuals;
  - iii) persons under a contract of service or apprenticeship with another employer, who are hired or borrowed by the **Insured**;
  - iv) prospective employees undergoing practical work experience or individuals participating in any government or authorised work experience, training, study exchange or similar programmes;
  - v) outworkers or home workers; and
  - vi) voluntary helpers.

**Endorsement** means an additional contractual provision of this **Policy** that has been agreed in writing and that becomes part of the **Policy** by express reference in the **Schedule**.

**Excess** means the first amount for which the **Insured** is responsible, as detailed in the **Schedule**.

**Flood** means the escape of water from its normal natural or artificial confines (other than water tanks, apparatus or pipes) or inundation from the sea including tidal wave and tsunami but excluding **Storm**.

**Goods** means physical items owned by the **Insured** or held in trust and for which the **Insured** is responsible, in either case related to the **Business**.

**Hacking** means the unauthorised entry into any computer, equipment, component, system or item involved in the processing, storage, transmission or retrieval of data.

**Incident** means accidental and direct physical loss or destruction of, or physical damage to, property used by the **Insured** at the **Premises** for the purpose of the **Business**.

**Indemnity Period** means the period beginning when the **Incident** first occurs, or the time at which the interruption of or interference with the **Business** as a result of the **Incident** first occurs and ending when the results of the **Business** cease to be adversely or beneficially altered in consequence of the **Incident** but not exceeding the relevant **Maximum Indemnity Period**.

**In Transit** means the period during which the **Goods** are being transported, starting from when they are loaded to when they are unloaded at their destination. This includes:

1. Loading and unloading;



2. The use of recognised 'roll-on roll-off' vehicle ferries, as long as there is no unloading or re-loading of the **Vehicle**; and
3. While the **Goods** are temporarily stored, whether on or off the **Vehicle**, during transportation. However, this excludes any activities such as dismantling, installation, erection or testing.

**Insurable Gross Profit** means the amount by which:

1. The sum of **Turnover** and closing **Stock**, **Target Stock** and **Stock in the Open** exceeds;
2. The sum of the opening **Stock**, **Target Stock** and **Stock in the Open** and any **Uninsured Working Expenses**.

**Insurable Gross Revenue** means money paid or payable to or earned by the **Insured** for goods sold, leased and delivered or services rendered in the ordinary course of the **Business** at the **Premises**.

**Insured** means the person, entity or corporate body named in the **Schedule**.

**Insurer** means the entity identified as the "**Insurer**" in the **Schedule**. In situations where multiple insurers, as listed in the **Schedule**, provide coverage for a particular *Section* of this **Policy**, the use of "the **Insurer**" in the singular form encompasses all subscribing insurers for that *Section*.

**Injury to Land** means accidental: civil trespass or damage to, or encroachment on, or other unlawful interference with, third party land, including interference with any easement or prescriptive right over that land.

**Limit of Indemnity** means the maximum amount of liability for which the **Insurer** is responsible in relation to any relevant claim under the **Policy**. This limit might be referred to as a sub-limit or inner-limit and is specified in the **Schedule** or within this document.

**Limit of Liability** means the maximum amount for which the **Insurer** is liable regarding any relevant claim under the **Policy**. This limit might be referred to as a sub-limit or inner-limit and is specified in the **Schedule** or within this document.

**Machinery Breakdown** means the unforeseen, sudden, accidental and direct physical loss or destruction of, or physical damage to, any machinery, plant, apparatus or equipment owned by the **Insured** or held in trust, and for which the **Insured** is responsible, located at the **Premises** while such machinery, plant, apparatus or equipment is in ordinary use and is caused by:

1. The actual failure, breaking, distortion, or burning out of any part of the machinery, plant, apparatus or equipment due to:
  - i) mechanical or electrical defects in the machinery, plant, apparatus or equipment;
  - ii) failure or fluctuation of power supply; or
  - iii) operator error or omission, except for failure to maintain; or,
2. The fracturing of any part of the machinery, plant, apparatus or equipment by frost, rendering the item inoperative.

**Machinery Breakdown** also includes the resultant loss of coolant, lubricant, insulant, refrigerant or brine.

**Maximum Indemnity Period** means the number of months specified in the **Schedule**.

**Money** means coin, bank and currency notes, postal and money orders, bankers' drafts, cheques, giro cheques, crossed warrants, bills of exchange, securities for money, postage revenue, national insurance and holiday with pay

stamps, stamped national insurance and holiday with pay cards, national savings stamps or certificates, war bonds, premium savings bonds, franking machine impressions other than unused units in postage stamp franking machines, credit company sales vouchers, luncheon vouchers, trading stamps and VAT invoices, phone cards, which is the property of the **Insured** or held in trust by the **Insured** and for which the **Insured** is responsible, in either case in the course of the **Business**.

**Office Computer Equipment** means physical office computer equipment at the **Premises**, which is the property of the **Insured** or held in trust by the **Insured** and for which the **Insured** is responsible, including:

1. All computer equipment (including interconnecting wiring, fixed discs, data carrying materials and communications of electronically processed data) but excluding any such computer equipment controlling a manufacturing process; and
2. Ancillary equipment solely for use with computer equipment comprising air conditioning equipment, generating equipment, uninterruptible power supply, voltage regulating equipment, electronic access equipment, heat, smoke and water detection equipment, lighting and transient over voltage protection devices, computer furniture, gas flooding cylinders and pipe work and computer room partitioning.

**Offshore** means from the moment in time that an **Employee** embarks onto any conveyance at the point of final departure on land to any offshore installation until the moment in time that an **Employee** disembarks from any conveyance onto land upon their return from any offshore installation or associated structure. For the purposes of this **Policy**, 'offshore installation' and 'associated structure' have the meanings given in the Offshore Installations and Pipeline Works (Management and Administration) Regulations 1995.

**Outstanding Debit Balances** means the sums outstanding in the **Insured's** records of the individual amounts owed to them by customers adjusted for:

1. Bad debts; or
2. Amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the **Incident**) to customers' accounts in the period between the date to which that last statement relates and the date of the **Incident**; or
3. Any abnormal conditions of trade which had or could have had a material effect on the **Business**,

so that the figure thus adjusted will represent as nearly as reasonably practicable that which would have been obtained at the date of the **Incident** had the **Incident** not occurred.

**Period of Insurance** means the period stated in the **Schedule**.

**Phishing** means any access or attempted access to **Data** or information made by means of misrepresentation or deception.

**Policy** means this insurance policy wording document, the **Schedule**, and any **Endorsements**, memoranda or specifications relating to this policy.

**Pollution** means:

1. Pollution or contamination of buildings or other structures or of water or land or the atmosphere; and
2. Loss or injury of any kind, including **Damage**, **Bodily Injury**, **Injury to Land** or indirectly caused by such pollution or contamination.

**Portable Power Tools** means portable power tools at the **Premises** for use solely by the **Insured**, which are the property of the **Insured** or held in trust by the **Insured** for which the **Insured** is responsible.

**Premises** means the locations declared to and approved by the **Insurer**, which are used by the **Insured** for the purpose of the **Business** and are stated in the **Schedule**.

**Premium** means the amount specified in the **Schedule**, which the **Insured** is required to pay to the **Insurer**.

**Property Damage** means accidental and direct physical loss of, or damage to, third party physical property and includes directly resulting loss of use of that physical property.

**Property Insured** means the relevant property described in the **Schedule**.

**Rate of Insurable Gross Profit** means the rate of **Insurable Gross Profit** earned on the **Turnover** during the financial year immediately before the date of the **Incident**.

**Rent** means **Rent Payable** or **Rent Receivable**.

**Rent Payable** means periodic payments made by the **Insured** for the lease of **Premises** that do not belong to the **Insured**.

**Rent Receivable** means the amount of rent received or receivable from, and payments for services provided for, the letting of the **Buildings**.

If the **Buildings** are untenanted the amount payable by the **Insurer** will be calculated by reference to:

1. The amounts to be paid or payable for the **Buildings** as evidenced by leases or negotiations;
2. If there are no concluded leases or other evidence of negotiations, the estimate will be based on rent paid or payable for similar property in the same locality as the **Buildings**. Such estimate will be determined by a competent professional valuer acceptable to both the **Insured** and **Insurer**.

**Schedule** refers to the schedule attached to this document, which is an integral part of this **Policy**.

**Standard Insurable Gross Revenue** means the **Gross Revenue** during the twelve months just before the **Incident** occurred, corresponding with the **Indemnity Period**.

**Standard Rent Receivable** means the **Rent Receivable** during the twelve months just before the **Incident** occurred, corresponding with the **Indemnity Period**.

**Standard Turnover** means the **Turnover** during the twelve months just before the **Incident** occurred, corresponding with the **Indemnity Period**.

**Stock** means the stock and materials used in trade for the purposes of the **Business**, including trade samples, but excluding **Target Stock** or **Stock In The Open**, at the **Premises** described in the **Schedule**. This stock is either the property of the **Insured** or held in trust by the **Insured** and for which the **Insured** is responsible.

**Stock In The Open** means the stock and materials used in trade for the purposes of the **Business** that are stored in the open at the **Premises** described in the **Schedule** that is either the property of the **Insured** or held in trust by the **Insured** for which the **Insured** is responsible.

**Storm** means storm, windstorm, hurricane, tornado, tempest and typhoon including directly resulting **Damage** caused by water that backs up from a sewer or drain, but excluding **Flood**.

**Sum Insured** means the relevant sum specified in the **Schedule**.

**Target Stock** means stock and materials used in trade at the **Premises** described in the **Schedule** for the purposes of the **Business**. It includes items such as cigarettes, cigars, tobacco, audiovisual equipment, computer equipment, computer games, mobile phones, radios, photographic equipment, binoculars, non-ferrous metals, jewellery (including precious metals and stones), wines, fortified wines and spirits.

**Tenants Improvements** means improvements and alterations made to the **Premises** by tenants.

**Territorial Limits** cover any location in Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

**Terrorism** refers to any action, threat of action or attempt at action by any individual, group of individuals, body, or organisation, whether acting alone or on behalf of or in concert with any other body, organisation or government. This action, threat or attempt aims to influence, intimidate or coerce any government, international governmental organisation, population, section of the population or community. It is undertaken for the purpose of advancing a political, religious or ideological cause.

**Turnover** means **Money** paid or payable to the **Insured** for **Goods** sold, delivered and services rendered in the course of the **Business** at the **Premises**.

**Uninsured Working Expenses** means:

1. Purchases (net of discounts received);
2. Carriage, packaging and freight;
3. Discounts allowed; or
4. Bad debts

but only to the extent such expenses vary in direct proportion to a variation in the **Turnover**. For the purposes of this definition the amounts of the opening and closing **Stock** will be calculated consistently with the **Insured's** customary accounting methodology and due provision will be made for depreciation.

**Unoccupied** means empty, disused, unfurnished or no longer actively used by the **Insured** or any of the **Insured's** tenants.

**Vehicle** means a mechanically driven conveyance, including trailers whether attached or temporarily detached from such a vehicle while in transit.

**Virus or Similar Mechanism** refers to a programme code, programming instruction or any series of instructions designed with the intent and capability, or intentionally employed, to compromise, harm, disrupt or negatively impact computer programmes, data files or operations. This includes actions such as infiltration or monitoring, whether or not they involve self-replication. Examples include Trojan horses, worms and logic bombs, as well as the exploitation of flaws or vulnerabilities in a computer programme to achieve the same objectives mentioned above.

# General Conditions

Applicable to all *Sections* of the **Policy** unless otherwise stated.

## Arbitration

If the **Insured** and **Insurer** do not agree on:

1. The correct interpretation of the **Policy**, including any queries about the **Insured's** compliance with its terms, or disagreements on the validity or termination of the **Policy**; or
2. The calculation of any amount owed under the **Policy**

the dispute will be referred to an arbitrator, chosen by both parties following the LCIA Arbitration Rules. The issuance of an award will be a necessary condition before pursuing any legal action against the **Insurer**.

## Assignment

This **Policy** and associated rights under this **Policy** cannot be transferred without prior written consent from the **Insurer**.

## Authorisation

The **Insured** will act on behalf of any individual or entity that is part of the **Insured** for:

1. Reporting any claims, losses, circumstances or **Incidents**;
2. Meeting any other requirements outlined in this **Policy**;
3. Paying the **Premium**, including any additional **Premium** or receiving returned **Premium**;
4. Negotiating and agreeing to any amendments to this **Policy**; and
5. Requests, and any subsequent agreements, for extending notification periods.

## Cancellation

The **Insurer** or the **Insured** can terminate this **Policy** during the **Period of Insurance** by providing 14 days of notice, in writing. On termination, the **Insured** will be entitled to a pro-rata return of the **Premium** for the remaining days of the **Period of Insurance**, subject to the application of the *Premium Payment Condition*. A minimum retention of 15% of the **Premium** applies in the event of cancellation by either the **Insured** or the **Insurer**. However, if any claim under the **Policy** has been paid or is pending (including the reporting of any claims, circumstances, **Incidents** or losses) then no **Premium** will be returned.

If the **Policy** is cancelled before the **Premium** or additional **Premium** is received by the **Insurer** in accordance with the *Premium Payment Condition* and:

1. The **Premium** is not received by the **Insurer**, then the **Policy** will be treated as if it had never existed;
2. Any additional **Premium** is not received, then the amendment to the **Policy** will not be effective.

## Change in Risk (not applicable to Property Insurance)

After the start of the **Period of Insurance**, the **Insured** must immediately inform the **Insurer** if there are any important changes in the risks covered by this **Policy** as presented to the **Insurer** prior to inception. This includes

any significant changes to the **Business**, or if the **Business** ceases altogether. The **Policy** will not cover those changes in risk unless the **Insured**:

- a. agrees to any additional terms and conditions required by the **Insurer**; and
- b. promptly pays any additional **Premium** to the **Insurer**, in accordance with the *Premium Payment Condition*, such amount to be calculated at the **Insurer's** discretion unless otherwise agreed by the **Insurer** in writing.

If the **Insurer** does not accept the change in risk, or the **Insured** does not agree to the additional terms and conditions required by the **Insurer**, or does not pay any additional premium required by the **Insurer**, the **Policy** will be terminated from the date the **Insured** became aware of the change.

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

Coverage under each *Section* of the **Policy** will be subject to an **Excess** for which the **Insured**, not the **Insurer**, is responsible. The applicable **Excess** may vary for individual *Extensions* to cover. The **Insurer** may cover all or part of the **Excess** in settling any claims under this **Policy** and seek reimbursement from the **Insured**. If this occurs, the **Insured** must reimburse the **Insurer** for the **Excess** amount paid, upon the **Insurer's** request.

### Fraudulent Claims

If, under this **Policy**, an **Insured** or someone acting on their behalf:

1. Knowingly submits a fraudulent or exaggerated claim under this **Policy**;
2. Knowingly makes a false statement supporting a claim under this **Policy** or submits false or forged documents in support of such a claim;
3. Makes a claim under this **Policy** due to the **Insured's** wilful (or deliberate) misconduct or in connection with the **Insured's** agreement, knowledge or collusion; or
4. Knowingly provides untrue or misleading information to the **Insurer** or its representatives, whether or not such information is material to the **Insured's** right to recover under this **Policy**,

the **Insurer** will reject such a claim and any future claims under this **Policy**, terminating the **Policy** without any **Premium** refund.

### Law and Jurisdiction

Any dispute regarding the interpretation or application of the **Policy** will be subject to and interpreted according to the laws of England and Wales. The parties also agree, subject to the *Arbitration Condition*, to submit to the exclusive jurisdiction of any competent court within England and Wales and comply with all necessary requirements to give that court jurisdiction.

### Legal Representatives

In the event of the **Insured's** death, the **Insurer** will provide indemnity to the **Insured's** estate, heirs or legal representatives for any liabilities previously incurred by the **Insured** that would have been covered under the **Policy**. This coverage is conditional on the estate, heirs or legal representatives complying with the terms, conditions and limitations of the **Policy** to the extent they are applicable.

## Multiple Insureds

If the **Schedule** specifies more than one entity as comprising the **Insured**, the **Insurer's** liability under this **Policy** will not be increased if there is more than one **Insured**. Any provision relating to **Policy** limits will apply on the basis that there is a single **Insured**. This means that the **Sum Insured** or **Limit of Indemnity** will not increase from that shown in the **Schedule** or in the **Policy** wording for any **Section** or other provision.

## Multiple Insurers

If this **Policy** involves multiple insurers, as listed in the **Schedule**, each insurer's legal obligations are separate and limited to their proportion of the risk, as indicated in the **Schedule**. Even though the term 'the **Insurer**' is used in this **Policy**, each insurer's responsibilities are distinct and not shared.

## Notification

Certain **Sections** of the **Policy** contain terms about the **Insured's** duty to inform the **Insurer** of matters for which the **Insured** may seek indemnity under that **Section**. The **Insured** must read and adhere to these terms as necessary. Some of them are conditions precedent, meaning that any failure to comply with them may affect the **Insured's** entitlement to indemnity under the **Policy**.

## Other Insurance

If any:

1. Damage to **Property Insured**;
2. Business interruption or interference, increased costs of working or loss of rent; or
3. Legal costs and expenses or liabilities to third parties

covered by this **Policy** is also covered in whole or in part by any other insurance (or would be so covered if not for this **Policy**), then:

- i) regarding damage to **Property Insured** - the **Insurer's** liability will be limited to its proportional share of that **Damage**. If the other insurance is subject to any "Condition of Average", this **Policy**, if not already subject to such a condition, will also be subject to it in a similar manner. If the other insurance includes a provision preventing it from concurrently covering this **Policy**, in whole or in part, or from contributing proportionally, the **Insurer's** liability under this **Policy** will be limited to the proportion of the **Damage** that the **Sum Insured** under this **Policy** bears to the value of the **Property Insured**.
- ii) concerning business interruption or interference, increased costs of working or loss of rent - the **Insurer's** liability will be limited to their proportional share of such losses.
- iii) in the case of legal costs and expenses or liabilities to third parties - the **Insurer's** liability will be in addition to and not in conjunction with that other insurance.

## Premium Payment

There is no cover under this **Policy** unless the **Insurer** receives the **Premium** within ninety (90) days of **Policy** inception.

Any agreed changes to this **Policy** are not effective unless the **Insurer** receives any applicable additional **Premium** within ninety (90) days of the **Insurer's** notification to the **Insured** that such additional **Premium** is required. In default:

1. For increases in **Limits of Liability** or **Sums Insured**: The **Insurer** may not avoid the cover provided by this **Policy** entirely; but the **Policy's** underinsurance provisions will apply on the basis that there has been no increase in **Limits of Liability** or **Sums Insured**;
2. For premises added to the **Policy**: The **Insurer** may not avoid the cover provided by this **Policy** entirely, but no cover will exist for any location for which such additional **Premium** has not been paid.

For any other changes to the **Policy**, the changes will not be effective.

### Reasonable Precautions

The **Insurer's** obligation to provide indemnity will only arise if the **Insured**:

1. Takes all reasonable precautions to prevent or reduce any liability or loss that may result in a claim under this **Policy**;
2. Takes all reasonable precautions to prevent accidents or activities that might lead to liability to a third party;
3. Takes all reasonable steps to comply with applicable national or local laws, requirements and regulations; and
4. Exercises due care in selecting and supervising **Employees**.

Failure to comply means that the **Insurer** is not obliged to pay any claims under the **Policy**.

### Renewal

This **Policy**, or any *Section* of it, will not automatically renew. Unless an offer to renew is accepted, this **Policy** or the relevant *Section* will expire at the end of the **Period of Insurance** without notice.

### Rights of Third Parties

Except as expressly provided in the **Policy**, individuals or companies not party to this **Policy** have no rights under the Contracts (Rights of Third Parties) Act 1999 or any subsequent legislation to enforce any term of this **Policy**. However, this does not affect any right or remedy of a third party that exists independently of that Act.

### Severability

If any part or *Section* of the **Policy** is found to be invalid or unenforceable, the remaining parts will remain in full force and effect.

### Statutory Regulations

The **Insurer's** obligation to pay any claim related to any pressure vessel, machinery, or apparatus (or its contents) belonging to or under the control of the **Insured**, which requires inspection or testing under any statutory, order or regulatory provisions, will only apply if that pressure vessel, machinery or apparatus has been properly inspected or tested, and the **Insured** can demonstrate compliance with any required actions.

### Subrogation

Any claimant under this **Policy** must, upon the **Insurer's** request and at the **Insurer's** expense, take all necessary actions to enforce rights, remedies or indemnities from other parties to which the **Insurer** is or would become entitled or subrogated upon paying for or rectifying any loss under this **Policy**. These actions may be required before or after the claimant's indemnification by the **Insurer**.



# General Exclusions

Not applicable to **Terrorism Section**.

Applicable to all other *Sections* unless otherwise stated.

## Fines and Penalties

This **Policy** does not cover liability for taxes, fines, penalties, punitive damages, aggravated damages, multiple damages, liquidated damages, exemplary damages or any damages that are non-compensatory in nature. It also excludes coverage for the consequences of non-payment or any additional damages as defined in Section 97(2) of the Copyright, Design and Patents Act 1988 or any successor statute. Additionally, it excludes coverage for any claim for indemnity that is deemed uninsurable by law.

## Radioactive and Nuclear Hazards

This **Policy** does not cover:

1. **Damage** to any property or any loss or expense resulting from or arising out of such **Damage** or any consequential loss; or
2. Any liability of any nature,

whether directly or indirectly caused or contributed to by:

- i) ionising radiation or contamination by radioactivity from nuclear fuel, nuclear waste or the combustion of nuclear fuel;
- ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component; or
- iii) any weapon or device that either disperses radioactive material or ionising radiation, or uses atomic or nuclear fission or fusion or other like reaction.

However, for **Employee** injuries arising during their employment or engagement by the **Insured**, this exception applies only to liability of a principal or liability assumed by the **Insured** through an agreement that would not have applied without such an agreement.

## Sanctions

The **Insurer** will not provide cover, pay any claims or offer any benefits under this **Policy** to the extent that doing so would expose the **Insurer** to sanctions, prohibitions or restrictions under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, or United States of America.

## Terrorism (Not applicable to Employers' Liability Section)

This **Policy** excludes coverage for **Damage**, liability, costs or expenses of any nature directly or indirectly caused by, resulting from or connected with:

1. **Terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss; or
2. Any action taken to control, prevent, suppress or in any way relating to **Terrorism**.

If the **Insurer** claims that any **Damage**, cost or expense is not covered due to this *Exclusion*, the burden of proof rests with the **Insured**. If any part of this *Exclusion* is found to be invalid or unenforceable, the remainder remains in full force and effect.

### **War and Civil War**

This **Policy** does not cover **Damage** or legal liability directly or indirectly caused by, resulting from, or connected to war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, confiscation, nationalization, requisition or **Damage** to property by or under the order of any government or public or local authority.

# Property Insurance

Applicable to every Property Insurance Section unless otherwise stated.

## PROPERTY INSURANCE - CONDITIONS

### Alteration

This **Policy** will be terminated by the **Insurer** concerning any of the **Property Insured** in the event of any alteration occurring after the commencement of the **Period of Insurance**:

1. Through removal;
2. Where the interest of the **Insured** ceases, except by will or operation of law; or
3. Where the risk of loss or **Damage** is increased;

unless the **Insured**

- i) notifies the **Insurer** of the alteration immediately on becoming aware of the alteration and before loss or **Damage** occurs;
- ii) agrees to any additional terms and conditions required by the **Insurer**; and
- iii) pays any additional **Premium** to the **Insurer**, in accordance with the *Premium Payment Condition*, such amount to be calculated at the **Insurer's** discretion.

If the **Insurer** does not agree to cover the alteration to the **Property Insured**, or the **Insured** does not agree the additional terms and conditions required by the **Insurer**, or does not pay any additional **Premium** required by the **Insurer**, the **Policy** will be terminated but only in relation to that **Property Insured**.

### Claims Procedures

The following are conditions precedent to the **Insurer's** liability under every *Property Insurance Section*:

In the event of **Damage** for which a claim is or may be made under this **Policy** (including where a claim may fall within any **Excess** under the **Policy**), the **Insured** must:

1. Notify the **Insurer** as soon as reasonably practicable but, in any event, within twenty-eight (28) days of the occurrence of such **Damage**;
2. Notify the police immediately if it becomes evident that any **Damage** has been caused by malicious persons or thieves;
3. Carry out and permit to be taken any action that may be reasonably practicable to prevent further **Damage**; and
4. Deliver to the **Insurer**, at the **Insured's** expense and within thirty (30) days after such **Damage** (seven (7) days in the case of **Damage** caused by riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons) or such further time as the **Insurer** may allow:
  - i) full information in writing of the **Damage**;
  - ii) details of any other insurance on any **Property Insured**;

- iii) all such proofs and information relating to the claim as may reasonably be required; and
- iv) if demanded, a statutory declaration of the truth of the claim and of any matters connected with it.

### Reasonable Precautions

The **Insurer's** liability to indemnify under this *Property Insurance* will only arise if the **Insured** takes all reasonable precautions to prevent **Damage** to the **Property Insured**, including:

1. Performing appropriate maintenance and repair of all **Premises, Buildings**, plant, works and machinery;
2. Addressing or rectifying any defect or hazard that might become apparent in any **Premises, Buildings**, plant, works or machinery;
3. Exercising due care in the selection and supervision of **Employees**;
4. Taking all reasonable precautions to safeguard and protect the **Property Insured**; and
5. Ensuring that all **Vehicles** operated, and all locking and other protective devices, are maintained in good order.

## PROPERTY INSURANCE - EXCLUSIONS

Except to the extent provided in the *Terrorism Section*, if operative, no *Section* covers:

### Electronic Risk

1. **Damage** to any computer, equipment, component, system or item that processes, stores, transmits, retrieves or receives **Data**, or any part of any of the above, whether tangible or intangible. This includes information, programmes or software, whether the property is insured or not. Such **Damage** must be caused by **Virus or Similar Mechanism, Hacking, Phishing or Denial of Service Attack**; or
2. **Consequential Loss** directly or indirectly caused by or arising from **Virus or Similar Mechanism, Hacking, Phishing or Denial of Service Attack**.

However, this does not exclude subsequent **Damage** or **Consequential Loss** resulting from the interruption of or interference with the **Business** caused by a **Defined Peril**, except for acts of malicious persons that do not involve physical force or violence.

### Erasure

**Consequential Loss** caused directly or indirectly by:

1. Erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software caused by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotion or malicious persons;
2. Erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software unless resulting from a **Defined Peril**.

### Miscellaneous

**Damage** or **Consequential Loss** caused by or consisting of:

1. Inherent vice, latent defect, gradual deterioration, wear and tear or frost in the **Property Insured**;
2. Faulty or defective design, materials, workmanship or construction in the **Property Insured**;

3. A change in the water table level;
4. Faulty or defective workmanship, operational errors or omissions, whether by the **Insured** or its **Employees**, or related to the correction of defects in the design or content of computer records or programmes, along with any associated costs and expenses;
5. Corrosion, erosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, mould, dryness, marring, scratching, vermin or insects;
6. A change in temperature, colour, flavour, texture or finish;
7. The collapse or cracking of a building or structure; or
8. The bursting of a boiler, economiser, vessel, machine or apparatus due to steam pressure, except for:
  - i) Boilers used for domestic purposes only; or
  - ii) Boilers or economisers on the **Premises** covered by the *Business Interruption Section*.

However, 1-8 above do not apply to subsequent **Damage** or **Consequential Loss** resulting from a **Defined Peril**.

**Damage** or resulting **Consequential Loss** consisting of:

1. Joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters and pressure vessels, along with any range of steam and feed piping connected to them; or
2. Mechanical or electrical breakdown or derangement, including short-circuiting, of the specific machine, plant, apparatus or equipment in which the breakdown or derangement originates except solely as expressly insured under the *Machinery Breakdown, Deterioration of Stock or Computer Breakdown Sections*.

However, 1 and 2 above do not apply to:

1. Such **Damage** or **Consequential Loss** if resulting from a **Defined Peril**; or
2. A **Defined Peril** caused by 1 or 2 above.

**Damage** or **Consequential Loss** caused by or arising from the impact on any property by any waterborne vessel or craft.

Property that, at the time of **Damage**, is insured, or would be insured but for the existence of this **Policy**, by any marine policy.

**Damage** to property, or resulting **Consequential Loss**, caused by fire, heat or smoke resulting from that property undergoing any heating process or any process involving the application of heat.

**Damage** (other than by fire or explosion) or **Consequential Loss** resulting from any process of production, packing, treatment, testing, commissioning, services or repair.

**Damage** or **Consequential Loss** caused by or consisting of:

1. Normal settlement or bedding down of structures;
2. Settlement or movement of made up ground;
3. Subsidence or ground heave of any part of the site on which the **Property Insured** stands or landslip, for:

- i) yards, car-parks, roads, pavements, walls, gates and fences, unless also affecting the structure of parts of the **Buildings** insured by this **Policy**; or
- ii) settlement or movement of made-up ground;
- 4. Coastal or river erosion;
- 5. Demolition, construction, structural alteration, or repair of any property; or
- 6. Groundworks or excavation at the same **Premises**.

**Damage or Consequential Loss** of any nature that began before the **Period of Insurance**.

**Damage or Consequential Loss** caused by or consisting of:

- 1. Disappearance, unexplained or inventory shortage;
- 2. Misfiling or misplacing; or
- 3. Acts of fraud or dishonesty by the **Insured's Employees**, directors, officers or partners except as expressly insured under the *Fidelity Guarantee Insurance*.

**Damage or Consequential Loss** caused by or involving moveable property in the open, including signs, gates and fences when caused by wind, rain, hail, sleet, snow, **Storm, Flood**, dust, sand, freezing, theft or attempted theft, except solely to the extent expressly insured under the *Property in the Open Extension* under the *Material Damage Section*.

**Damage or Consequential Loss** caused by or consisting of property in transit, except solely to the extent expressly insured under the:

- 1. *Goods in Transit Section*;
- 2. *Temporary Removal Extension* in the *Material Damage Section*;
- 3. *Exhibition Equipment Extension* in the *Material Damage Section*;
- 4. *Documents, Patterns and Transit Extensions* in the *Business Interruption Section*;
- 5. *Specified Items All Risks Section*; and
- 6. *Money Section*.

**Damage to or Consequential Loss of Money** and securities of any description, except solely to the extent expressly insured under the *Money Section*.

**Damage** to vehicles licensed for road use (including its accessories) or **Consequential Loss** arising from such **Damage** to those vehicles.

**Damage or Consequential Loss** caused by or consisting of property in the course of construction or erection and materials or supplies in connection with all such property in the course of construction or erection.

**Damage or Consequential Loss** caused by or consisting of delay or loss of market.

**Damage** to land, including water in or on land, piers, jetties, bridges, culverts, excavations, railway lines, dams, reservoirs, wharves, docks, canals, rigs, wells, pipelines, bridges, tunnels, excavations, mining, property underground or off-shore property or **Consequential Loss** arising from that **Damage**, except solely to the extent expressly insured under the *Landscape Damage Extension* under the *Material Damage Section* or the *Prevention of Access Extension* in the *Business Interruption Section*.

**Damage** to livestock, growing crops or plants of any type or **Consequential Loss** arising from loss, damage or destruction to such property except solely to the extent expressly insured under the *Landscape Damage Extension* or the *Tree Felling and Lopping Extension* in the *Material Damage Section*.

**Damage** caused by or consisting of, or resulting **Consequential Loss** arising out of, theft or attempted theft:

1. From any part of any **Buildings** that are empty, not occupied or in use by the **Insured**;
2. From any outbuildings, sheds or greenhouses or similar unless expressly agreed by the **Insurer** and detailed in the **Schedule**;
3. Not involving entry to, or exit from, a **Building** by forcible and violent means;
4. Not involving assault or violence used against individuals lawfully on the **Premises**;
5. Involving or of **Property Insured** in the open;
6. Contributed to or caused by any person lawfully on the **Premises** except solely as expressly insured under the *Employee Fidelity Section*;
7. Caused by or consisting of theft of the fabric of the **Buildings**; or
8. To **Money** and stamps (including National Insurance stamps), bonds and securities.

However, 1 – 8 above do not apply to the following provisions of the **Policy** solely to the extent that such provisions expressly provide cover:

- i) *Theft Damage to Buildings Extension* in the *Material Damage Section*;
- ii) *Fidelity Guarantee Section*; or
- iii) *Goods in Transit Section*.

### Northern Ireland Civil Commotion

**Damage** caused directly or indirectly by riot or civil commotion in Northern Ireland.

### Pollution

1. **Damage** caused by **Pollution**. However, unless otherwise excluded, this does not exclude the destruction of or **Damage** to the **Property Insured** caused by:
  - i) **Pollution** resulting from a **Defined Peril**; or
  - ii) A **Defined Peril** resulting from **Pollution**.
2. **Consequential Loss** resulting from **Pollution**. Nevertheless, unless otherwise excluded, this does not exclude the loss resulting from property used by the **Insured** at the **Premises** for **Business** purposes being lost, destroyed, or damaged by:
  - i) **Pollution** resulting from a **Defined Peril**; or
  - ii) A **Defined Peril** resulting from **Pollution**.

### Sonic Bangs

**Damage** directly caused by, or loss resulting from, pressure waves caused by aircraft or other aerial devices traveling at sonic or supersonic speeds.

## Unexplained Loss

**Consequential Loss** or **Damage** caused by, consisting of or arising directly or indirectly from disappearance, unexplained loss or inventory shortage, misfiling or misplacing of information.



# Material Damage Section

The **Insured** will only have cover under this *Material Damage Section* if it is stated as operative in the **Schedule**. The cover granted under this *Material Damage Section* is subject to the **Policy's General Conditions, Definitions and Exclusions** and the *Property Insurance Conditions and Exclusions* unless otherwise expressly stated.

## MATERIAL DAMAGE - INSURING AGREEMENT

In the event of **Damage** to **Property Insured** during the **Period of Insurance**, the **Insurer** will pay the **Insured** the value of the **Property Insured** at the time of **Damage**, or, at the **Insurer's** option, reinstate or replace such **Property Insured** or any part of it.

However, the liability of the **Insurer** under this *Material Damage Section* will not exceed:

1. The total **Sum Insured**, or for any item, its **Sum Insured** or any other **Limit of Indemnity** at the time of the **Damage**; or
2. The **Sum Insured** (or any other **Limit of Indemnity**) remaining after deduction for any other **Damage** occurring during the same **Period of Insurance**, unless the **Insurer** has agreed to reinstate any such **Sum Insured** (or **Limit of Indemnity**).

## MATERIAL DAMAGE - CLAUSES

### Architects', Surveyors', Legal, and Consulting Engineers' Fees

The insurance for each item of **Buildings** or **Contents** includes an amount designated for architects', surveyors', legal and consulting engineers' fees. These fees should be both necessary and reasonable for the reinstatement or repair of the **Property Insured** following its **Damage**. However, these fees do not cover the preparation of any claim under this **Policy**. The amount payable for each item will not exceed in total its **Sum Insured**.

### Automatic Reinstatement

Unless the **Insurer** or the **Insured** provides written notice to the contrary, the insurance coverage will not be reduced due to the amount of any **Damage**. The **Insured** must, however, pay the appropriate additional **Premium** for the damaged amount from the date of the **Damage** until the expiration of the **Period of Insurance** and such additional **Premium** must be received by the **Insurer** in accordance with the *Premium Payment Condition*.

### Contract Price

For **Goods** that have been sold but not yet delivered and for which the **Insured** is responsible, under a sale contract that is cancelled due to **Damage** covered by this **Policy**, the **Insurer's** liability will be based on the contract price.

### Contracting Purchasers

If, at the time of **Damage**, the **Insured** has a contract to sell their interest in any **Buildings** covered by this insurance, and the purchase has not yet been completed but will be completed in the future, the purchaser, upon completing the purchase (assuming the **Buildings** are not otherwise insured against such **Damage** by the purchaser or on their behalf), will be entitled to benefits under this *Material Damage Section*. This entitlement is granted without affecting the rights and responsibilities of both the **Insured** and the **Insurer** until the purchase is completed.

## Customers' Goods

If the **Insured** has accepted responsibility to its customers for **Damage** to **Goods** belonging to those customers, or for which the customers may be legally responsible (whether or not manufactured by the **Insured**), which are at the **Premises** to be worked on, are in the process of being worked on, or have been worked on by the **Insured**, or which may be left in the custody of the **Insured**, such **Goods** will be considered insured under the item in the **Schedule** related to **Stock**. This is the case unless they are more specifically insured elsewhere.

## Designation

Subject to the *Customers' Goods Clause* mentioned above, for determining where necessary the category under which any property is insured, the **Insurer** agrees to accept the designation used for that property in the **Insured's** records before the loss.

## Interests of Others

The interest of lessees, freeholders, mortgagees or debenture holders in this insurance are noted and the **Insured** undertakes to declare the names, nature and extent of such interests at the time of the **Damage**.

## Non-Invalidation

Notwithstanding the *Property Insurance - Alteration Condition*, the cover provided by this *Material Damage Section* will not be invalidated by any act, omission or alteration that increases the risk of loss or **Damage**, which is beyond either the **Insured's** knowledge (actual or constructive) or the **Insured's** reasonable control, provided the **Insured** on becoming aware of that increase in risk, immediately notifies the **Insurer** and accepts any additional terms and conditions required by the **Insurer**, and pays any additional **Premium** to the **Insurer**, in accordance with the *Premium Payment Condition*, such amount to be calculated at the **Insurer's** discretion.

If the **Insurer** does not agree to cover the alteration to the **Property Insured**, or the **Insured** does not agree the additional terms and conditions required by the **Insurer**, or does not pay any additional **Premium** required by the **Insurer**, the **Policy** will be terminated but only in relation to that **Property Insured**. In any case, no cover will be provided for any alteration to the **Property Insured** if notice of that alteration is provided after loss or **Damage** has occurred to that **Property Insured**.

## Removal of Debris

The insurance provided by all items in this *Material Damage Section*, except those applying to **Stock**, if insured, covers necessary and reasonable costs and expenses incurred by the **Insured** (with the **Insurer's** prior written consent) in:

1. Removing debris from the portion of the **Property Insured** that is lost, damaged or destroyed by a **Defined Peril**;
2. Dismantling or demolishing;
3. Shoring up or propping; and
4. Boarding up

the part of the **Property Insured** that has been lost, damaged or destroyed due to a **Defined Peril**.

The **Insurer's** liability for this *Material Damage Section* with respect to any item will not exceed the **Sum Insured** for that item of **Property Insured**.

The **Insurer** will not cover any costs or expenses incurred in removing debris from any place other than the site of the insured property and the immediate adjacent area.

### Rent

If **Buildings** or part of **Buildings** are unfit for occupation as a result of **Damage** and:

1. There is an insured item for **Rent Payable** for the **Buildings**: The **Insurer** will pay to the **Insured** the amount of rent that continues to be payable by the **Insured** for the **Buildings** or part of the **Buildings**; or
2. There is an insured item for **Rent Receivable** for the **Buildings**, the **Insurer** will pay to the **Insured** the amount of rent that would have been payable to the **Insured** for the **Buildings** or part of the **Buildings** if not for the **Damage**.

The amount payable will not exceed such proportion of the **Sum Insured** on **Rent Receivable** and **Rent Payable** as the period necessary for reinstatement bears to the term of the insured **Rent Receivable** and **Rent Payable** and not exceeding the **Indemnity Period**.

There is no cover under this *Rent Condition* for any loss for which the **Insured** has relevant cover under *the Business Interruption Section* of this **Policy** or other insurance.

### Seventy Two Hours

All **Damage** by **Storm, Flood, Earthquake** or riot occurring within each and every separate period of 72 hours during the **Period of Insurance** will be deemed to be one occurrence in determining the application of any **Excess** applicable.

### Stock Debris Removal Costs

This **Policy** will provide cover for necessary and reasonable **Stock** debris removal costs and expenses incurred by the **Insured** (with the **Insurer's** prior written consent) in removing debris from the portion of the **Stock** that is lost, damaged or destroyed by a **Defined Peril**. The **Insurer** will not cover any costs or expenses incurred in removing debris from any place other than the site of the **Property Insured** and the immediately adjacent area.

The **Insurer's** total liability for **Stock** and **Stock** debris removal costs will not exceed the **Sum Insured** for **Stock**.

### Subrogation Waiver

If a claim arises under this *Material Damage Section*, the **Insurer** agrees to waive any rights, remedies or relief it might have through subrogation against:

1. Any company that holds the legal status of a parent or subsidiary in relation to the **Insured**, as defined in the Companies Act or Companies (N.I.) Order, as applicable under the laws in force at the time of the **Damage**;
2. Any company that is a subsidiary of a parent company of which the **Insured** themselves are a subsidiary. This definition is in accordance with the Companies Act or Companies (N.I.) Order, as applicable under the laws in force at the time of the **Damage**; and
3. Any tenant or lessee in cases where **Damage** occurs to the part of the **Premises** covered by their lease or to those parts of the **Premises** in which all tenants share a common interest. However, this waiver does not apply when such **Damage** results from a criminal or malicious act committed by the tenant or lessee, even if the **Premium** has been paid by them.

## Workmen

Workmen may be employed for the purpose of effecting minor repairs, decoration, general maintenance, and minor alterations without prejudice to this insurance, provided that the **Insured** takes all reasonable care for the safety and protection of **Property Insured** and ensures that no alteration, interference or changes are made to any alarm system or any other protective device including fire extinguishment or similar apparatus.

When work involves the application or generation of heat, whether by contractors, workmen or otherwise, the **Insured** must ensure that the *Hot Work Permit Condition* is fully complied with.

## MATERIAL DAMAGE - EXTENSIONS

### Capital Additions

This *Material Damage Section*, in accordance with its terms and conditions, will cover:

1. Newly acquired **Buildings** and **Contents** within the **Territorial Limits**, to the extent that they are not otherwise insured;
2. Alterations, additions and improvements made to **Buildings** and **Contents**;

excluding any increase in value during the current **Period of Insurance** at any of the insured **Premises**. However, the following conditions apply:

- i) this coverage for any one of the insured **Premises** will not exceed 10% of the total **Sum Insured** on such **Property Insured**, or £500,000, whichever is less or as stated in the **Schedule** for this *Extension*;
- ii) the **Insured** must promptly provide details of such extended coverage and arrange specific insurance for it, retroactive to the date when the **Insurer's** liability commenced; and
- iii) the provisions of this clause will remain in full effect regardless of any specific insurance obtained under (b) above.

### Drains and Gutters

This **Policy** extends to cover costs and expenses reasonably and necessarily incurred, with the prior written consent of the **Insurer**, to clean, clear or repair drains, gutters or sewers and the like and for which the **Insured** is responsible, following **Damage** to **Property Insured**.

The most that the **Insurer** will pay in any one **Period of Insurance** is stated in the **Schedule** for this *Extension*.

### Exhibition Equipment

**Cover** is extended to include within the definition **Property Insured** any property that the **Insured** uses at exhibitions or trade fairs, including any stands, mobile exhibition units, furnishings or equipment, which the **Insured** owns or holds in trust and for which it is responsible, while that property is at any exhibition or trade fair, including while in transit to or from any exhibition or trade fair, including loading, temporary housing en route, and unloading anywhere within the **Territorial Limits**. However, **Damage** caused by theft or attempted theft from an unattended vehicle owned or operated by the **Insured** is not covered unless:

1. Involving robbery or attempted robbery from a director or **Employee** of the **Insured**; or
2. The vehicle, or the part of the vehicle, containing the stolen property:
  - i) has an integrated fixed metal roof; and

- ii) has all doors, windows and other means of entry securely closed and locked, all security devices set and activated, and all keys, remotes, transponders or opening devices comparable to a key, removed to a secure location; and
- iii) is between the hours of 8pm and 6am in a securely locked building or garage, or guarded compound that is permanently manned by security personnel and protected by a controlled security barrier, unless the vehicle is fitted with an immobiliser approved by the **Insurer** and brought into operation.

It is a condition of the **Insurer's** liability under this *Extension* for any theft claim involving a mobile exhibition unit that the unit is securely locked and immobilised when left unattended.

The most that the **Insurer** will pay in any one **Period of Insurance** is the **Limit of Liability** stated in the **Schedule** for this *Extension*.

### Fire and Security Equipment

The **Insurer** will pay the reasonable costs incurred by the **Insured** for:

1. Refilling or replacing fire extinguishing appliance and recharging gas flooding systems;
2. Replacing used sprinkler heads and refilling sprinkler tanks where costs are metered;
3. Resetting fire and intruder alarms and closed circuit television systems; and
4. Public fire brigade charges for which the **Insured** may be assessed and other charges assessed against the **Insured** by any local authority responsible for preserving public safety;

resulting from **Damage** otherwise insured by this *Material Damage Section*.

The most that the **Insurer** will pay in any one **Period of Insurance** is stated in the **Schedule** for this *Extension*.

### Glass Breakage

The insurance provided by this *Material Damage Section*, where **Buildings** are insured in the **Schedule**, includes:

1. Accidental breakage of fixed glass;
2. The reasonable costs of boarding-up and repairing associated framework resulting from insured **Damage**;
3. Repair or replacement of lettering, alarm foil or other ornamentation on glass, up to a maximum of £500;
4. Repair or replacement of fixed mirrors, up to a maximum of £500; and
5. Removal or replacement of fixtures and fittings that may be necessary due to insured **Damage**, up to a maximum of £500.

This coverage does not apply to **Damage** to any **Buildings** or part of such **Buildings** that remains **Unoccupied** for more than 30 consecutive days.

The most that the **Insurer** will pay in any one **Period of Insurance** is stated in the **Schedule** for this *Extension*.

## Landscape Damage

This *Material Damage Section* is extended to include costs and expenses reasonably and necessarily incurred by the **Insured** with the prior consent of the **Insurer** in restoring any **Damage** to landscaping, including trees, lawns and plants, at the **Premises** caused by the fire brigade or other emergency service during access to or exit from the **Premises** following **Damage to Property Insured**.

The most that the **Insurer** will pay in any one **Period of Insurance** is stated in the **Schedule** for this *Extension*.

## Metered Services

This *Material Damage Section* covers the cost of metered water, electricity, gas, oil or other utility services for which the **Insured** is legally responsible due to:

1. Unauthorised use by individuals who take, possess or occupy the insured **Premises** without the **Insured's** permission. However, the **Insured** must take all reasonable steps to terminate such unauthorised use as soon as they become aware of it; and
2. Accidental discharge resulting from **Damage to Property Insured** under this *Material Damage Section*.

The maximum amount payable for the cost of metered services is stated in the **Schedule** for this *Extension*.

## Property In The Open

The **Insurer** will pay for **Damage** to fixtures and fittings, patio heaters, furniture in the open at the **Premises** but not if caused by **Storm** or **Flood**.

The most that the **Insurer** will pay in any one **Period of Insurance** is stated in the **Schedule** for this *Extension*.

## Replacement of Locks

The **Insurer** will pay reasonable costs and expenses necessarily incurred by the **Insured** for the replacement of locks following the theft of keys to the **Premises** (including card keys, swipe cards or similar secured access devices), from the **Premises** or private residence of any director or **Employee** of the **Insured** or an authorised representative of the **Insured**.

The most that the **Insurer** will pay in any one **Period of Insurance** is stated in the **Schedule** for this *Extension*.

## Seasonal Increase

The **Sum Insured** for **Stock** stated in the **Schedule** is increased by 30% for the months of November, December and January. If an increase is required by the **Insured** for any other month, this must be separately agreed by the **Insured** and **Insurer** and stated on the **Schedule**.

## Temporary Removal

The **Property Insured** under this *Material Damage Section*, excluding **Stock** if insured, is covered when temporarily removed from the **Premises** for cleaning, renovation, repair or similar purposes elsewhere and during transit to and from such locations within the **Territorial Limits**.

However:

1. The **Insurer's** liability under this clause, concerning each item of this *Material Damage Section* for **Damage** occurring outside the **Premises**, will not exceed 10% of the **Sum Insured** for that item or the **Limit of Liability** stated in the **Schedule** for *Temporary Removal*; and

2. This clause does not apply to **Property Insured** if it is covered by another insurance policy.

### Temporary Removal – Documents and Computer System Records

This *Material Damage Section* also covers the following when temporarily removed to premises not occupied by the **Insured** but within the **Territorial Limits**, including transit to and from these locations:

1. Deeds and other documents, manuscripts, plans, writings of all kinds and books (excluding computer system records) up to 10% of their total value or the **Limit of Liability** stated in the **Schedule** for temporary removal of such items; and
2. Computer system records up to 10% of the **Limit of Indemnity**, as defined in the **Contents** definition or the **Limit of Liability** stated in the **Schedule** for temporary removal of computer system records.

### Theft Damage to Buildings

If the **Insured** is legally responsible for repairing **Damage** to **Buildings** resulting from a theft or attempted theft at the **Premises**, the **Insurer** will indemnify the **Insured** for that **Damage** up to the sub-limit shown in the **Schedule** for this *Extension*.

### Third Party Sites

This **Policy** is extended to include within the definition of **Property Insured** any property of the **Insured** at any third party premises within the **Territorial Limits** which would not otherwise be covered by the *Material Damage Section*.

The most that the **Insurer** will pay in any one **Period of Insurance** is stated in the **Schedule** for this *Extension*.

### Trace and Access

In the event of **Damage** resulting from an escape of water, if insured under this *Material Damage Section*, coverage includes the costs that are necessarily and reasonably incurred with the consent of the **Insurer** for:

1. Locating the source of such **Damage**; and
2. Subsequently repairing the **Damage** caused as a consequence of such **Damage**.

The maximum amount payable under this clause for any occurrence of **Damage** is stated in the **Schedule** for this *Extension*.

### Tree Felling and Lopping

The **Insurer** will pay reasonable costs and expenses necessarily incurred in felling, lopping or removing trees for which the **Insured** is legally responsible and that are an immediate threat to the safety of life or property. There is no cover for:

1. Legal or local authority costs involved in removing trees;
2. Costs incurred solely to comply with a Preservation Order; or
3. The costs incurred for routine maintenance.

The most that the **Insurer** will pay in any one **Period of Insurance** is stated in the **Schedule** for this *Extension*.



## MATERIAL DAMAGE - CONDITIONS

### Average (Underinsurance)

The **Sum Insured** for each item in this *Material Damage Section* (except those solely for fees, rent or removal of debris) is subject to Average.

This means that if the **Sum Insured** is less than the value of the **Property Insured** at the start of any **Damage**, the **Insurer** will reduce proportionately the amount payable for such **Damage**.

Where **Buildings** and **Contents** are to be indemnified on the terms set out in the *Reinstatement Condition*, this *Average (Underinsurance) Condition* will not apply to the same **Damage**.

### Day One Basis

Applicable to items with a **Declared Value** in the **Schedule**.

The **Premium** has been calculated based on the **Declared Value** provided by the **Insured**. "**Declared Value**" means the **Insured's** estimate of the cost of **Reinstatement** of the **Property Insured**. This estimate is to be calculated in accordance with the definition of **Reinstatement** found in the *Reinstatement Condition* at the level of costs applying at inception of the **Policy** (ignoring any amount for subsequent inflation), and must include:

1. Additional expenses for reinstatement to meet local authority requirements;
2. Professional fees; and
3. Debris removal costs.

The **Declared Value** for each item is as listed in the **Schedule**. At the start of each subsequent **Period of Insurance**, the **Insured** must inform the **Insurer** of any revised **Declared Value** for each item. If no revised declaration is made, the last amount declared by the **Insured** will be used as the **Declared Value** for the next **Period of Insurance**.

In cases where the **Insured** has chosen to insure on this Day One Basis, *Special Condition (4)* of the *Reinstatement Condition* is substituted entirely with the following:

Notwithstanding the *Average (Underinsurance) Condition*, if, at the time of the loss, the **Declared Value** of the **Property Insured** for that item is less than the cost of **Reinstatement** at the beginning of the **Period of Insurance**, the **Insurer's** liability for any loss covered by this insurance will be limited to the proportion that the **Declared Value** bears to the cost of **Reinstatement**.

If the application of the *Special Conditions* of the *Reinstatement Condition* results in no payment being made beyond what would have been paid if this condition (or the *Reinstatement Condition*) had not been included in this *Material Damage Section*, the rights and obligations of the **Insurer** and the **Insured** regarding **Damage** will be subject to the terms and conditions of this *Material Damage Section*, including the *Average (Underinsurance) Condition*, as if this *Day One Basis Condition* had not been included. However, the **Sums Insured** will be limited either to 115% of the **Declared Values** listed in the **Schedule** or the agreed percentage as stated in the **Schedule**.

In the event of a loss, the **Insurer's** liability for **Property Insured** to which this clause applies will not exceed the **Sum Insured** as stated in the **Schedule**.



### Fire Break Doors and Shutters

The **Insured** agrees to keep all firebreak doors and shutters within its custody or control in efficient working order and free from obstruction at all times.

### Fire Extinguishing Appliances

The **Insured** undertakes to have fire extinguishing appliances serviced and maintained under an annual service contract with approved suppliers or as agreed with the **Insurer**.

If the above undertaking is observed, this **Policy** will not be invalidated due to any defects in these appliances that are unknown to or beyond the control of the **Insured**.

### Hot Works Permit

There is no cover for **Damage** to the **Property Insured** caused directly or indirectly by fire, heat or smoke if the **Insured** fails to comply with the following condition. The **Insured** must ensure that:

1. Before any hot work commences, a hot work permit in the form set out in the prevailing recommendation of a relevant safety body (e.g. Loss Prevention Recommendation RC7 published by the Fire Protection Association (FPA)), or in substantially the same form, must be completed jointly by the person responsible for carrying out the work (including an employee of the **Insured**, a contractor or sub-contractor or any other person engaged by or on behalf of the **Insured**) and the **Insured's** nominated person responsible for health and safety; and
2. The terms of such permit, including any precautions, inspections or systems of work, as well as any related method statement, are complied with at every stage of the hot work.

'Hot work' means work involving the application of a naked flame or other heat source (including oxyacetylene or electric arc) during any activity including construction, maintenance or repair work.

### Insurer's Rights

Upon the occurrence of **Damage** for which a claim is made under this **Policy**, the **Insurer** or any person authorised by the **Insurer** may, without incurring any liability or reducing any of the **Insurer's** rights under this **Policy**, enter, take possession of the premises where such **Damage** has occurred, and acquire or demand the delivery of any **Property Insured**. They may deal with such property for all reasonable purposes and in any reasonable manner.

No claim under this *Material Damage Section* will be payable unless the conditions of this clause have been complied with.

The **Insured** may not abandon any property to the **Insurer**, whether or not the **Insurer** has taken possession of it.

The **Insurer** is allowed, but not obliged, to conduct inspections of the **Property Insured** and the operations of the **Insured** at any time, if reasonable notice is given.

### Intruder Alarm

**Applicable to each Premises as stated on the Schedule.**

As a condition precedent to liability for **Damage** following theft or attempted theft involving breaking into or out of the **Buildings** by forcible and violent means or by malicious persons or fire by arson, it is required that whenever the **Premises** are left unattended:

1. The **Premises** must be protected by an intruder alarm system in full and efficient working order;
2. Where the intruder alarm specification provides for remote alarm signalling, the system must be:

- i) maintained under an ongoing maintenance contract by a company approved by the National Security Inspectorate (NSI) or a company registered by the Security Systems and Alarm Inspection Board (SSAIB);
  - ii) registered with an Alarm Receiving Centre approved by the NSI or registered by the SSAIB;
  - iii) eligible for police response, via the issue and retention of a valid police unique reference number (URN); and
  - iv) set in its entirety with all means of communication used to transmit to an Alarm Receiving Centre in full operation;
3. All keys to the intruder alarm system must be removed from the **Premises** when the **Premises** are left unattended; and
4. All keys and codes for the operation of the intruder alarm system must be kept secret.

### Minimum Standard of Security

There is no cover for **Damage** to the **Property Insured** caused by theft, or attempted theft, at the **Premises**, if the **Insured** fails to comply with the following conditions, to the extent relevant and possible given the characteristics and design of the **Premises**.

The **Insured** must ensure that:

1. **All hinged final exit doors are secured as follows:**
- i) timber doors – by a mortice deadlock certified as meeting BS3621 and where the frame, or if a double door, the receiving door, has a boxed striking plate;
  - ii) aluminium doors – by a five pin cylinder mortice lock operating a swinging lock bolt;
  - iii) PVCu doors – by a multi-point security device having at least three moving bolts operated by a central handle which is secured by a five pin cylinder lock;
  - iv) sliding and folding doors – by a locking bar and a close shackle padlock where the sliding or folding door meets the stile;
  - v) double leaf doors – by flush or barrel bolts at the top and bottom of the first closing leaf, along with a 5 (or more) lever mortice deadlock conforming to BS3621, with a matching box strike plate, or a locking bar and close shackle padlock on the second closing leaf;
2. **All other hinged external doors and internal doors leading to areas of the Premises not occupied by the Insured, common areas, or to other premises, are either:**
- i) secured by the means set out in (1) (a), (b), (c) and (d) above; or
  - ii) secured internally by lockable bolts or key operated mortice rack bolts fitted at the top and bottom of each door;
3. **All roller shutters:**
- i) that manually operated must be secured with bullet locks or, alternatively, a locking bar and close shackle padlock. Additionally, a staple must be set into concrete, and the locking bar secured to the shutter;

- ii) that are automatically operated internally must have operating chains secured with a hardened shackle padlock to the door frame or another part of the building structure;
  - iii) that are electrically operated externally must be fitted with automatic cutoff devices in case keys are not used; and
  - iv) any wicket gate doors must be secured by a 5 (or more) lever mortice deadlock that conforms to BS3621, with a matching box striking plate, or a locking bar and close shackle padlock;
- 4. **Any cellar trap door** must be secured by means of a centrally positioned internal steel padlock bar secured by a padlock;
  - 5. **All opening basement and ground floor windows or opening upper storey windows that can be reached by a person standing on adjacent or adjoining lower storey roofs or other structural features**, must be secured by a window lock or lockable fastening device or are screwed permanently shut from the inside;
  - 6. **Opening roof lights** must be secured using a proprietary fastening device;
  - 7. Any other security measures stipulated or agreed by the **Insurer** in writing must be implemented; and
  - 8. When the **Premises** are unattended, all such locks and security devices are put into full and effective operation, and all keys removed to a secure place.

Any door or window designated as a fire exit by any person who is legally responsible for fire safety at the **Premises** under current fire safety legislation, is excluded from these requirements. However, any such doors must be secured by a proprietary emergency escape mechanism.

### Mitigation of Loss

This **Policy** is extended to include cover for costs and expenses incurred by the **Insured** as a result of reasonable but emergency measures in order to prevent or minimise actual or imminent impending **Damage** to **Property Insured**, including the prompt execution of temporary repairs, or if less expensive, expedited permanent repairs or replacement and temporary rental or replacement of property if:

- 1. The actual or imminent impending **Damage**:
  - i) was not reasonably foreseeable at a time when non-emergency measures could reasonably have been taken; and
  - ii) would have been the natural outcome if the costs were not incurred; and
- 2. The costs incurred did avoid or mitigate the **Damage** and the **Insurer** is satisfied of this; and
- 3. The costs incurred did not exceed the amount of the loss avoided or the reduction of loss achieved.

### Public Authorities (Including Undamaged Property)

Subject to the following *Special Conditions*, the insurance for **Buildings** and **Contents** includes any extra reinstatement costs incurred solely due to the need to comply with:

- 1. European Community legislation, or
- 2. **Building** or other **Regulations** under or created according to any Act of Parliament or local public authority rules (referred to as '**the Stipulations**') concerning:

- i) the **Property Insured** that is lost, destroyed, or damaged; and
- ii) undamaged portions of the **Property Insured**.

However, this coverage excludes:

1. **Costs** incurred in complying with the **Stipulations**:
  - i) for **Damage** occurring before this **Policy** started;
  - ii) for **Damage** not covered by this **Policy**;
  - iii) when the **Insured** was notified of these requirements before the **Damage** happened;
  - iv) when there is an existing requirement that must be met within a specified time; and
  - v) for entirely undamaged property;
2. Additional costs needed to restore lost, destroyed or damaged **Property Insured** to its original condition when the need to comply with the **Stipulations** did not exist; and
3. Charges or assessments related to increased property value due to compliance with the **Stipulations**, payable by the **Insured** or the property owner.

#### **Special Conditions**

1. The reinstatement work must start promptly and be completed within 12 months after the **Damage**, or within any additional time allowed by the **Insurer** during those 12 months. The work may be done at another location if required by the **Stipulations**, if it does not increase the **Insurer's** liability under this *Condition*;
2. If the **Insurer's** liability under the **Policy** (except for this condition) is reduced due to the terms and conditions of this **Policy**, the **Insurer's** liability under this *Condition* (for the affected item) will also be reduced proportionately;
3. The total amount payable under any **Policy** item for this *Condition* will not exceed:
  - i) the applicable **Sum Insured** for lost, destroyed, or damaged **Property Insured**; or
  - ii) 15% of the total amount for which the **Insurer** would have been liable if the **Property Insured** had been completely destroyed, for undamaged portions of **Property Insured** (excluding foundations).
4. The total amount payable under any **Policy** item will not exceed its **Sum Insured**; and
5. All other terms and conditions of this **Policy**, except those modified here, will apply as if they were included in this *Section*.

#### **Reinstatement**

Subject to the following special conditions, the basis for calculating the amount payable for **Buildings** and **Contents** insured under this *Material Damage Section* is reinstatement of the lost, destroyed or damaged **Property Insured**.

**Reinstatement** means:

1. Rebuilding or replacing lost or destroyed **Property Insured** in a manner suitable to the **Insured's** needs or on another site, if it does not increase the **Insurer's** liability; or
2. Repairing or restoring damaged **Property Insured**,

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

### Special Conditions

If only part of the **Property Insured** is damaged, the **Insurer's** liability for repair or restoration will not exceed the amount that would have been payable if the **Property Insured** had been lost or completely destroyed;

1. No payment will be made until reinstatement starts with reasonable promptness and progresses without undue delay, or until the reinstatement costs are incurred, and in lieu of reinstatement so starting or progressing, the **Insurer's** liability will not exceed the amount that would otherwise be payable in the absence of this *Reinstatement Condition* (i.e. the 'indemnity basis' of calculation will apply);
2. All other terms and conditions of the **Policy** apply, except as altered by this *Reinstatement Condition*;
3. Notwithstanding the *Average (Underinsurance) Condition*, if, at the time of reinstatement, 85% of the cost of reinstating the entire **Property Insured** exceeds the **Sum Insured** at the start of the **Damage**, the **Insurer's** liability will not exceed the proportion of the **Damage** amount that the **Sum Insured** bears to the total reinstatement cost at that time; and
4. If the **Insurer** chooses to carry out the reinstatement, the **Insured** must provide all necessary plans, documents, books and information at their expense.

### Unoccupied Buildings

The cover under this *Material Damage Section* will not apply to **Damage** to any **Buildings** or parts of **Buildings** that are not in use unless the **Insured** notifies the **Insurer** in advance in writing when **Buildings** or parts of them are **Unoccupied** for more than thirty (30) consecutive days. The **Insurer** must confirm receiving this notice in writing to the **Insured**. If required by the **Insurer**, the **Insured** must pay additional **Premium** in accordance with the *Premium Payment Condition*.

The **Insured** must also inform the **Insurer** if the relevant **Buildings** or parts of them are no longer **Unoccupied**.

For any **Unoccupied Buildings** or parts of **Buildings**, the **Insured** must ensure the following:

1. The **Premises** meet the requirements of the *Minimum Standard of Security Condition* detailed above;
2. The specified security devices are fully operational on the **Premises**;
3. All flammable materials, including packaging and crates, are removed;
4. Utilities like water, gas, and electricity are disconnected, except when necessary for the alarm system's operation or when otherwise agreed upon with the **Insurer**;
5. Windows at the **Premises** must be boarded up and any letter box or letter plate must be sealed;
6. The **Premises** are checked both inside and outside every seven days, and a written record of these inspections is kept at a separate location; and
7. Any issues found during inspections are promptly resolved.

Cover under this *Material Damage Section* will only apply to **Damage** caused by fire or explosion. This limited coverage will:

1. Apply only if the **Insured** has complied with the above provisions;

2. Be effective from the date when the **Insurer** confirms receiving notice from the **Insured** that **Buildings** or parts of them have become **Unoccupied**, or from the time when additional **Premium** is received by the **Insurer** in accordance with the *Premium Payment Condition* (whichever is later); and
3. Continue until the date when the **Insured** notifies the **Insurer** that the relevant **Buildings** or parts of them are no longer **Unoccupied**.

Failure to notify the **Insurer** that **Buildings** are **Unoccupied** or to ensure that the **Insurer** receives any additional **Premium** required will mean that there is no cover under this **Policy** for any loss.

There is no cover under this **Policy** for **Buildings** or part of **Buildings** that cease to be **Unoccupied** during the **Period of Insurance** if there is a change in the trade or activities at or the use of **Buildings** or part of **Buildings**, unless:

1. The **Insured** notifies the **Insurer** about the changes in writing;
2. The **Insurer** agree to continue to provide cover for the **Buildings** in writing;
3. The **Insured** agrees in writing to comply with any additional terms of the **Policy** that may be required by the **Insurer**; and
4. The **Insured** pays any additional **Premium** due and the **Insurer** receives such additional **Premium** in accordance with the *Premium Payment Condition*.

# Business Interruption Section

The **Insured** will only have cover under this *Business Interruption Section* if it is stated as operative in the **Schedule**. The cover granted under this *Business Interruption Section* is subject to the **Policy's General Conditions, Definitions and Exclusions** and the *Property Insurance Conditions and Exclusions* unless otherwise expressly stated.

## BUSINESS INTERRUPTION - INSURING CLAUSES

The settlement of claims and the basis of cover under this *Business Interruption Section* is according to the *Item* specified in the **Schedule** and more fully detailed below.

In the event of any **Consequential Loss** during the **Period of Insurance**, the **Insurer** will pay to the **Insured** for each *Item* in the **Schedule** the amount of such **Consequential Loss** as calculated in accordance with the terms of this **Policy** subject to:

1. At the time of the happening of the **Incident** there must be in force either under the *Material Damage Section* of this **Policy** or otherwise, an insurance covering the insurable interest of the **Insured** in the property used by the **Insured** at the **Premises** for the purpose of the **Business**; and
  - i) payment has been made or liability to pay has been admitted under such property insurance; or
  - ii) payment would have been made or liability admitted under such property insurance but for the operation of a proviso in such insurance excluding liability for losses below a specified amount; and
2. The liability of the **Insurer** under this *Section* will not exceed:
  - i) in the whole the **Policy Limit of Liability** or for any *Item* its **Limit of Liability** or **Sum Insured** at the time of **Damage**; or
  - ii) the **Limit of Liability** or **Sum Insured** remaining after deduction for any other interruption or interference occurring during the same **Period of Insurance** unless the **Insurer** agrees to reinstate any such **Limit of Liability** or **Sum Insured** (or other relevant limit if expressly agreed to by the **Insurer**).

### Item 1 – Insurable Gross Profit

The amount payable as indemnity under *Item 1 (Insurable Gross Profit)* is as follows:

1. For reduction in **Turnover**:

the sum produced by applying the **Rate of Insurable Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** falls short of the **Standard Turnover** in consequence of the **Incident**.
2. For increase in cost of working:

the net additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Turnover** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Incident** but not exceeding the sum produced by applying the **Rate of Insurable Gross Profit** to the amount of the reduction avoided or anticipated at the time the expenditure was incurred (if a reasonable business case for such anticipated saving and expenditure proposed to be incurred shall be agreed in advance in writing by the **Insurer**);

less any sum saved during the **Indemnity Period** for such charges and expenses of the **Business** payable out of **Insurable Gross Profit** as may cease or be reduced in consequence of the **Incident**; and

to which adjustments will be made to allow for the trend of the **Business** and for other variations in, or other circumstances affecting, the **Business** either before or after the **Incident** or which would have affected the **Business** had the **Incident** not occurred so that the figures thus adjusted represent as nearly as may be reasonably practicable the results which but for the **Incident** would have been obtained during the relative period after the **Incident**.

For the avoidance of doubt, it is agreed that depreciation will not be included in any such adjustment for savings.

To the extent that any additional expenditure is incurred that would be payable but for the fact that it is not incurred solely to avoid a reduction in **Turnover**, it being also of benefit to the **Insured**, or a party other than those to whom the **Policy** is issued, the admissible expenditure will be deemed a part of the amounts reimbursable to the **Insured** by the **Insurer** under *Item 1(2)*, and will be apportioned between the parties in relation to the respective values at risk or benefits derived.

There is no cover for any increase in cost of working for which the **Insured** has cover under the *Material Damage Section* of this **Policy** or other insurance.

#### **Estimate of Gross Profit**

Prior to each **Period of Insurance** the **Insured** will provide the **Insurer** with an estimate of the amount representing not less than the **Insurable Gross Profit** which it is anticipated will be earned by the **Business** during the financial year most nearly concurrent with the **Period of Insurance** referred to in this **Policy** as the **Estimate** and if the **Maximum Indemnity Period** exceeds twelve (12) months the **Insurer** will increase the declared amount proportionately to arrive at the **Estimate**. The maximum amount payable by the **Insurer** is 133.33% of the declared estimate.

#### **Item 2 – Insurable Gross Revenue**

The amount payable as indemnity under *Item 2 (Insurable Gross Revenue)* is as follows:

1. For loss of **Insurable Gross Revenue**:  
the amount by which the **Insurable Gross Revenue** shall fall short of the **Standard Insurable Gross Revenue** in consequence of the **Incident**;
2. For increase in cost of working:  
the net additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **Insurable Gross Revenue** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Incident**, but not exceeding the amount of reduction avoided or anticipated at the time the expenditure was incurred (if a reasonable business case for such anticipated saving and expenditure proposed to be incurred is agreed in advance in writing by the **Insurer**);

less any sum saved for such charges and expenses of the **Business** payable out of **Insurable Gross Revenue** as may cease or be reduced in consequence of the **Incident**; and

to which adjustments will be made to allow for the trend of the **Business** and for other variations in, or other circumstances affecting, the **Business** either before or after the **Incident** or which would have affected the **Business** had the **Incident** not occurred so that the figures thus adjusted represent as nearly as may be reasonably practicable the results which but for the **Incident** would have been obtained during the relative period after the **Incident**.



For the avoidance of doubt, it is agreed that depreciation will not be included in any such adjustment for savings.

To the extent that any additional expenditure is incurred that would be payable but for the fact that it is not incurred solely to avoid a reduction in **Insurable Gross Revenue**, it being also of benefit to the **Insured**, or a party other than those to whom the **Policy** is issued, the admissible expenditure will be deemed a part of the amounts reimbursable to the **Insured** by the **Insurer** under *Item 2(2)*, and will be apportioned between the parties in relation to the respective values at risk or benefits derived.

There is no cover for any increase in cost of working for which the **Insured** has cover under the *Material Damage Section* of this **Policy** or other insurance.

### **Estimate of Gross Revenue**

Prior to each **Period of Insurance** the **Insured** will provide the **Insurer** with an estimate of the amount representing not less than the **Insurable Gross Revenue** which it is anticipated will be earned by the **Business** during the financial year most nearly concurrent with the **Period of Insurance** referred to in this **Policy** as the **Estimate** and if the **Maximum Indemnity Period** exceeds twelve (12) months the **Insurer** will increase the declared amount proportionately to arrive at the **Estimate**. The maximum amount payable by the **Insurer** is 133.33% of the declared estimate.

### **Item 3 – Rent Receivable**

The amount payable as indemnity under *Item 3 (Rent Receivable)* is as follows:

1. For loss of **Rent Receivable**:  
  
the amount by which the **Rent Receivable** during the **Indemnity Period** falls short of the **Standard Rent Receivable** in consequence of the **Incident**;
2. For additional expenditure:  
  
the net additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **Rent Receivable** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Incident** but not exceeding the amount of the reduction of **Rent Receivable** avoided or anticipated at the time the expenditure was incurred (if a reasonable business case for such anticipated saving and expenditure proposed to be incurred is agreed in advance in writing by the **Insurer**);

less any sum saved during the **Indemnity Period** for such expenses and charges payable out of **Rent Receivable** as may cease or be reduced in consequence of the **Incident** but if the **Sum Insured** by this *Item* be less than the annual **Rent Receivable** (or a proportionately increased multiple where the **Maximum Indemnity Period** exceeds twelve (12) months) the amount payable will be proportionately reduced.

To the extent that any additional expenditure is incurred which would be payable but for the fact that it is not incurred solely to avoid a reduction in **Rent Receivable**, it being also of benefit to the **Insured**, or a party other than those to whom the **Policy** is issued, the admissible expenditure will be deemed a part of the amounts reimbursable to the **Insured** by the **Insurer** under *Item 3(2)*, and will be apportioned between the parties in relation to the respective values at risk or benefits derived.

There is no cover for any **Rent** or additional expenditure for which the **Insured** has cover under the *Material Damage Section* of this **Policy** or other insurance.

#### Item 4 – Additional Increase in Cost of Working

The amount payable as indemnity under *Item 4 (Additional Increase in Cost of Working)* is limited to the additional expenditure necessarily and reasonably incurred in consequence of an **Incident**:

1. For the sole purpose of avoiding or diminishing the reduction in **Turnover** during the **Indemnity Period**;
2. In order to minimise any interruption of or interference with the **Business** carried on by the **Insured** at the **Premises** during the **Indemnity Period**

in excess of the amount otherwise payable under this **Policy** if the **Insurer** will not be liable under this *Item* for more than the **Limit of Liability** as stated in the **Schedule** for this *Item*.

This *Item* applies only when a claim has been admitted by the **Insurer** under *Item 1 (Insurable Gross Profit)* and *Item 2 (Insurable Gross Revenue)*.

#### Item 5 – Increase in Cost of Working Only

The amount payable as indemnity under *Item 5 (Increase in Cost of Working Only)* is limited to the net additional expenditure necessarily and reasonably incurred in consequence of an **Incident** for the sole purpose of avoiding or diminishing any interruption or interference with the **Business** during the **Indemnity Period**.

There is no cover for any increase in cost of working for which the **Insured** has cover under the *Material Damage Section* of this **Policy** or other insurance.

#### Item 6 – Outstanding Debit Balances

The amount payable as indemnity under *Item 6 (Outstanding Debit Balances)* is as follows:

1. For **Outstanding Debit Balances**:  
  
the amount by which the **Outstanding Debit Balances** traced or received following the **Incident** falls short of the **Outstanding Debit Balances** in customers' accounts kept by the **Insured** at the end of the financial period immediately preceding the date of the **Incident** adjusted for bad debts and amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the **Incident**) to customers' accounts in the period between the date to which that last statement relates and the date of the **Incident**; or
2. In respect of additional expenditure: the additional expenditure incurred with the previous consent of the **Insurer** in tracing and establishing the **Outstanding Debit Balances**,

to which adjustments will be made to allow for the trend of the **Business** and for other variations in, or other circumstances affecting, the **Business** either before or after the **Incident** or which would have affected the **Business** had the **Incident** not occurred so that the figures thus adjusted represent as nearly as may be reasonably practicable the results which but for the **Incident** would have been obtained during the relative period after the **Incident**.

Every three months the **Insured** must deposit with its accountants or bank a signed statement of the current total **Outstanding Debit Balances**.

## BUSINESS INTERRUPTION - EXTENSIONS

Cover under any of the following *Extensions* is only available where the **Schedule** shows the *Extension* to be operative. Unless otherwise stated, all terms of this **Policy** apply to *Extensions* of cover. Payments made under any *Extension*, including any agreed by **Endorsement**, form part of the **Limit of Liability** for this *Business Interruption Section* and the **Policy Limit of Liability**; furthermore, some *Extensions* might be subject to a **Maximum Indemnity Period**, sub-limit or inner-limit, as stated in the **Schedule**: such limits apply in the aggregate in any one **Period of Insurance** for all locations, irrespective of the number of **Incidents**, including 'deemed **Incidents**'; where more than one *Extension* provides cover for an **Incident**, including any 'deemed **Incident**', the maximum the **Insurer** will pay is the highest of the relevant *Extension* limits shown in the **Schedule**.

Unless otherwise stated the *Extensions* of cover only apply within the **Territorial Limits**.

### Contract Site

**Damage** at any situation in the **Territorial Limits** not in the **Insured's** occupation where the **Insured** is carrying out a contract will be deemed to be an **Incident**.

For the purposes of this *Extension*:

1. The **Maximum Indemnity Period** is 12 months; and
2. The most the **Insurer** will pay for any one **Incident** is the **Limit of Liability** as stated in the **Schedule** for this *Extension*.

### Documents

**Damage** to documents belonging to the **Insured** or held in trust by the **Insured** whilst temporarily at premises not in the **Insured's** occupation while in transit in the **Territorial Limits** will be deemed to be an **Incident**.

For the purposes of this *Extension*:

1. The **Maximum Indemnity Period** is 12 months; and
2. The most the **Insurer** will pay in respect of any one **Incident** is the **Limit of Liability** as stated in the **Schedule** for this *Extension*.

### Exhibition Site

**Damage** at any situation in the **Territorial Limits** not in the **Insured's** occupation where the **Insured** is carrying out an exhibition will be deemed to be an **Incident**.

For the purposes of this *Extension*:

1. The **Maximum Indemnity Period** is 12 months; and
2. The most the **Insurer** will pay in respect of any one **Incident** is the **Limit of Liability** as stated in the **Schedule** for this *Extension*.

### Food Safety Act

An enforcement action under the Food Safety Act or any food safety legislation current at the time against products of the **Insured** which subsequent analysis establishes are not contaminated and are safe for human consumption ('**Enforcement Action**') will be deemed to be an **Incident**, except for:

1. Any sum saved for the charges and expenses of the **Business** as may cease or be reduced in consequence of the **Enforcement Action**; and
2. Any sum payable to the **Insured** as compensation under the terms of the Food Safety Act current at the time or otherwise.

This *Extension* does not cover:

1. Any loss arising from fear created by the imposition of the **Enforcement Action**; or
2. Any costs incurred in the cleaning, repair, replacement, recall or checking of products.

For the purposes of this *Extension*:

1. **Indemnity Period** means the period beginning with the date the **Enforcement Action** is imposed and ending not later than the date the **Enforcement Action** ceases during which the results of the **Business** are affected but not exceeding the **Maximum Indemnity Period**;
2. The **Maximum Indemnity Period** is 12 months; and
3. The most the **Insurer** will pay for any one **Incident** is the **Limit of Liability** as stated in the **Schedule** for this *Extension*.

### Loss of Attraction

**Damage** to property within a one mile radius of the **Premises** that directly results in a reduced attraction for customers and an identifiable reduction in the **Business** will be deemed to be an **Incident**.

For the purposes of this *Extension*:

1. The **Maximum Indemnity Period** is three months; and
2. The most the **Insurer** will pay in any one **Period of Insurance** is the **Limit of Liability** as stated in the **Schedule** for this *Extension*.

There is no cover for any loss:

1. During the first 24 hours of the **Indemnity Period**; or
2. As a result of obstruction by **Storm, Flood** or snow.

### Patterns

**Damage** to patterns, jigs, models, templates, moulds, dies, tools, plans, drawings and designs owned by the **Insured** or held by the **Insured** in trust and for which the **Insured** is responsible while at the premises of any machine makers, engineers, foundries or other metal workers excluding any premises wholly or partly occupied by the **Insured** or while in transit all in the **Territorial Limits** will be deemed to be an **Incident**.

For the purposes of this *Extension*:

1. The **Maximum Indemnity Period** is 12 months; and
2. The most the **Insurer** will pay in respect of any one **Incident** is the **Limit of Liability** as stated in the **Schedule** for this *Extension*.

### Prevention of Access

**Damage** to property within a one mile radius of the **Premises** that prevents or hinders the use of or access to the **Premises** will be deemed to be an **Incident**. For the purposes of this *Extension*:

1. The **Maximum Indemnity Period** is three months; and
2. The most the **Insurer** will pay in any one **Period of Insurance** is the limit stated in the **Schedule** for this *Extension*.

There is no cover under this *Extension* for any loss, destruction or damage to 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**.

### Property Stored

**Damage to Property Insured** while it is stored anywhere within the **Territorial Limits** will be deemed to be an **Incident**, except:

1. At the **Premises**;
2. In any vehicle; or
3. In the open.

For the purposes of this *Extension*:

1. The **Maximum Indemnity Period** is 12 months; and
2. The most the **Insurer** will pay for any one **Incident** is the **Limit of Liability** as stated in the **Schedule** for this *Extension*.

### Public Utilities (Electricity, Gas, Water & Telecommunications)

The following will be deemed to be an **Incident**:

1. **Damage** to property at any of the following locations from which the **Insured** obtains electricity, gas, water or telecommunication services:
  - i) generating station or sub-station of the electricity supply undertaking;
  - ii) land-based premises of the gas supply undertaking or of any natural gas producer linked directly to the gas supply undertaking;
  - iii) water works or pumping station of the water supply undertaking; or
  - iv) land-based premises of the telecommunications undertaking;
2. Accidental failure at the premises of:
  - i) the terminal ends of the electricity supply utility service feeders;
  - ii) the supply of gas at the supply utility meters;
  - iii) the supply of water at the supply utility main stopcock; or

- iv) the supply of telecommunication services at the incoming line terminal or receivers. This does not include damage to any satellite or interference or interruption with the supply of telecommunication following damage to any satellite.

For the purposes of this *Extension*:

1. The **Maximum Indemnity Period** is 12 months; and
2. The most the **Insurer** will pay in respect of any one **Incident** is the **Limit of Liability** for this *Extension*.

However, this *Extension* does not insure:

1. Any loss or disruption that does not result in a cessation of supply for at least four consecutive hours concerning electricity, gas, water, or at least twenty-four consecutive hours regarding telecommunications;
2. Loss due to interruption caused by:
  - i) a deliberate act by a supply company in withholding the supply of water, gas, electricity, or telecommunications services (unless such discontinuation is due to a deliberate act of the supply authority to protect life or safeguard any part of the supply system or a rationing scheme resulting from damage to the supply company's facilities);
  - ii) strikes or any labour or trade disputes;
  - iii) drought;
  - iv) other atmospheric or weather conditions; however, this does not exclude failure due to equipment damage caused by such conditions; or
  - v) loss, damage, cost, or expense resulting from a reduction in the function, availability, range of use, or accessibility of data, software or computer programmes.

### Specified Customers

**Damage** at premises of those **Customers** detailed in the **Schedule** will be deemed to be an **Incident**.

For the purposes of this *Extension*:

1. The **Maximum Indemnity Period** is as stated in the **Schedule** for this *Business Interruption Section*; and
2. The most the **Insurer** will pay for any one **Incident** is the **Limit of Liability** as stated in the **Schedule** for this *Extension*.

### Specified Disease, Vermin, Defective Sanitary Arrangements, Murder or Suicide

Any:

1. Occurrence of a **Specified Disease** at the **Premises**;
2. Discovery of an organism or substance at those **Premises** likely to result in the occurrence of a **Specified Disease**;
3. Injury or illness caused by a **Specified Disease** resulting from the consumption of food or drink supplied from the **Premises**;
4. Discovery of vermin or pests at the **Premises**;

5. Accident causing defects in the drains or other sanitary arrangements at the **Premises** which causes restrictions on the use of the **Premises** on the order or advice of the competent local authority; or
6. Occurrence of murder or suicide at the **Premises**

will be deemed to be an **Incident**.

**Specified Disease** means any disease specified below, but only to the extent that such disease is confirmed to have been discovered at the **Insured's Premises** and such discovery restricts the use of those **Premises** on the order of the competent civil authority in the area relevant to those **Premises**.

**Specified Diseases:**

- |                        |  |                                  |
|------------------------|--|----------------------------------|
| • Acute encephalitis   | • Lyme Disease                             | • Smallpox                       |
| • Acute poliomyelitis  | • Malaria                                  | • Tetanus                        |
| • Anthrax              | • Measles                                  | • Puerperal Fever                |
| • Chickenpox           | • Meningitis                               | • Rabies                         |
| • Cholera              | • Meningococcal infection                  | • Viral hepatitis                |
| • Diphtheria           | • Mumps                                    | • Toxoplasmosis                  |
| • Dysentery            | • Ophthalmia neonatorum                    | • Tuberculosis                   |
| • Erysipelas           | • Paratyphoid fever                        | • Typhus or Typhoid fever        |
| • Legionellosis        | • Plague (bubonic, pneumonic, septicaemic) | • Viral haemorrhagic fever (VHF) |
| • Legionnaires Disease | • Relapsing fever                          | • Whooping Cough                 |
| • Leprosy              | • Rubella                                  | • Yellow fever                   |
| • Leptospirosis        | • Scarlet fever                            |                                  |

There is no cover under this *Extension* where such **Specified Disease** is or becomes epidemic, whether or not declared as such by any competent civil authority in the area relevant to those **Premises**, or declared or categorised by the World Health Organisation as a Public Health Emergency of International Concern or pandemic. Where such epidemic, Public Health Emergency of International Concern or pandemic occurs, this **Policy** provides no cover at all, including for any period of interference or interruption after the confirmation of discovery of disease but prior to such epidemic, Public Health Emergency of International Concern or pandemic.

For the purposes of this *Extension*:

1. The **Maximum Indemnity Period** is 12 months; and
2. The most the **Insurer** will pay in any one **Period of Insurance** is the **Limit of Liability** stated in the **Schedule** for this *Extension*.

### Specified Suppliers

**Damage** at the premises of those **Suppliers** detailed in the **Schedule** will be deemed to be an **Incident**.

For the avoidance of doubt, this *Extension* does not include cover for suppliers of **Suppliers**.

For the purposes of this *Extension*:

1. The **Maximum Indemnity Period** is as stated in the **Schedule** for this *Business Interruption Section*; and
2. The most the **Insurer** will pay in respect of any one **Incident** is the **Limit of Liability** as stated in the **Schedule** for this *Extension*.

### Transit

**Damage** to property owned by the **Insured** or held by the **Insured** in trust and for which the **Insured** is responsible and used in the **Business** while **In Transit** in the **Territorial Limits** but excluding any damage to the conveying vehicle will be deemed to be an **Incident**.

For the purposes of this *Extension*:

1. The **Maximum Indemnity Period** is 12 months; and
2. The most the **Insurer** will pay for any one **Incident** is the **Limit of Liability** as stated in the **Schedule** for this *Extension*.

### Unspecified Customers

The following will be deemed to be an **Incident**:

1. **Damage** at the premises of any of the **Insured's** customers within the **Territorial Limits**; or
2. **Damage** caused by fire, lightning, explosion or aircraft at the premises of any of the **Insured's Customers** outside the **Territorial Limits** but within the European Economic Area.

For the purposes of this *Extension*:

1. The **Maximum Indemnity Period** is as stated in the **Schedule** for this *Business Interruption Section*;
2. The most the **Insurer** will pay in respect of any one **Incident** inside the **Territorial Limits** is the **Limit of Liability** as stated in the **Schedule** for this *Extension*; and
3. The most that the **Insurer** will pay in any one **Period of Insurance** for any loss arising from damage at the premises of unspecified **Customers** outside the **Territorial Limits** but inside the European Economic Area is the amount stated in the **Schedule** for this *Extension*.

### Unspecified Suppliers

The following will be deemed to be an **Incident**:

1. **Damage** at the premises of any of the **Insured's** Suppliers within the **Territorial Limits**; or



2. **Damage** caused by fire, lightning, explosion or aircraft at the premises of any of the **Insured's Suppliers** outside the **Territorial Limits** but inside the European Economic Area.

For the purposes of this *Extension*:

1. **Supplier** includes manufacturers or processors of components, goods or materials with whom the **Insured** has a direct contractual relationship at the date of the **Incident** for the sale or supply of goods, property or services to the **Insured**, but excluding:
  - a. the premises of any supply undertaking from which the **Insured** obtains electricity, gas, water or telecommunications services;
  - b. premises not occupied by the **Insured** where **Property Insured** is stored; and
  - c. suppliers of the **Insured's Suppliers**;
2. The **Maximum Indemnity Period** is as stated in the **Schedule** for this *Business Interruption Section*;
3. The most the **Insurer** will pay for any one **Incident** inside the **Territorial Limits** is the **Limit of Liability** as stated in the **Schedule** for this *Extension*; and
4. The most that the **Insurer** will pay in any one **Period of Insurance** for any loss arising from unspecified **Suppliers** outside the **Territorial Limits** but inside the European Economic Area is the amount stated in the **Schedule** for this *Extension*.

## BUSINESS INTERRUPTION - DEFINITIONS

The words defined below are additional definitions for this *Business Interruption Section*. The words will have the same meaning wherever they appear in bold letters within this *Business Interruption Section*, the **Schedule** and **Endorsements** relating to this *Business Interruption Section* and take precedence over any *General Definitions* to the contrary.

**Customer** means any party with whom the **Insured** has a direct contractual relationship at the date of the **Incident** for the sale or supply of goods, property or services provided by the **Insured**.

**Supplier** means any party with whom the **Insured** has a direct contractual relationship at the date of the **Incident** for the sale or supply of goods, property or services to the **Insured** (excluding utility suppliers).

## BUSINESS INTERRUPTION - CONDITIONS

### Accumulated Stocks

In adjusting any loss, account will be taken and an equitable allowance made if any shortage in **Turnover** due to an **Incident** is postponed by reason of the **Turnover** being temporarily maintained from accumulated stocks of finished goods.

### Alternative Trading

If, during the **Indemnity Period**, **Goods** are sold or services are provided elsewhere other than at the insured **Premises** for the benefit of the **Business**, whether by the **Insured** or by others on behalf of the **Insured**, the money received or due for these sales or services will be taken into account when determining the **Turnover** during the **Indemnity Period**.

### Automatic Reinstatement

The **Policy Limit of Liability** or **Limit of Liability** will be reduced in whole or in part by the amount of any **Consequential Loss**.

The amount of the reduction will be automatically reinstated from the date of the **Incident** to the expiry of the **Period of Insurance** if:

1. The **Insurer** receives any additional **Premium** required within thirty (30) days' of notice from the **Insurer** to the **Insured** of such requirement;
2. The **Insurer** will not be liable in respect of any one **Incident** for more than the **Policy Limit of Liability** or **Limit of Liability** applicable; and
3. Any **Limit of Liability** that applies in the aggregate during the **Period of Insurance** will not be reinstated.

### Departmental Clause

For Basis of Cover, *Item 1 (Insurable Gross Profit)*, *Item 2 (Insurable Gross Revenue)* and *Item 3 (Rent Receivable)*:

If the **Business** is conducted in departments, the independent trading results of which are ascertainable and can be distinguished from each other department, the provisions of each *Item* above will apply separately to each department affected by the **Incident**.

### New Business

In the event of a claim due to **Damage** occurring before the completion of the first year of trading at the insured **Premises**, the term '**Rate of Insurable Gross Profit**' will have a specific meaning, different from what has been previously mentioned.

**Rate of Insurable Gross Profit** - This refers to the proportionate equivalent of the **Gross Profit** earned during the period between the start of the **Business** and the date when the **Incident** occurred, for a duration matching the **Indemnity Period**.

Adjustments will be made as necessary to account for:

1. The **Business's** trend;
2. Any variations or other circumstances affecting the **Business**

whether they occurred before or after the **Incident**, or would have affected the **Business** if the **Incident** had not taken place.

These adjustments aim to reasonably approximate the results that would have been achieved during the corresponding period after the **Incident**, had the **Incident** not occurred.

### Professional Accountants' Charges

Any particulars in the **Insured's** accounts or other information or evidence which may be required by the **Insurer** under the terms of this **Policy** for the purpose of investigating or verifying any claim may be produced by professional accountants if at the time they are acting regularly as such for the **Insured** and their report will be prima facie evidence of the information to which it relates.

The **Insurer** will pay the reasonable charges payable by the **Insured** to the accountants for producing such information but the sum of the amount payable under this clause and the amount otherwise payable under this **Policy** will in no case exceed the **Limit of Liability**.

For the avoidance of doubt, it is the duty of the **Insured** to make claims at its own cost and the indemnity payable by the **Insurer** for this clause does not include the cost of preparing or presenting a claim to the **Insurer**.

### Salvage Sales

If following an **Incident** giving rise to a claim under this **Policy** the **Insured** holds a salvage sale during the **Indemnity Period**, clause (1) of the **Basis of Cover** for *Item 1 (Insurable Gross Profit)* of the *Business Interruption Section* of this **Policy** will read as follows:

1. For reduction in **Turnover**

the amount produced by applying the **Rate of Insurable Gross Profit** earned on the **Turnover** during the financial year immediately before the date of the **Incident** to the amount by which the **Turnover** during the **Indemnity Period** (less the **Turnover** for the period of the salvage sale) will in consequence of the **Incident** fall short of the **Turnover** during the corresponding period in the twelve (12) months immediately before the date of the **Incident** from which amount will be deducted the **Insurable Gross Profit** actually earned during the period of the salvage sale.

### Tax

To the extent that the **Insured** is accountable to the tax authorities for Value Added Tax, goods and services tax or other similar tax, all terms in this **Policy** will be exclusive of such tax.

### Uninsured Standing Charges

If certain standing charges of the **Business** are not covered by this **Policy** (as they were deducted when calculating the **Gross Profit**, as defined here), then when calculating the amount that can be claimed as an increase in cost of working, only the portion of any extra expenses will be considered that is proportionate to the **Gross Profit** in comparison to the total of the **Gross Profit** and the standing charges not covered by the insurance.

# Terrorism Section

The **Insured** will only have cover under this *Terrorism Section* if it is stated as operative in the **Schedule**. The cover granted under this *Terrorism Section* is subject to the **Policy's General Conditions, Definitions and Exclusions** and the *Property Insurance Conditions and Exclusions* unless otherwise expressly stated.

## TERRORISM - INSURING AGREEMENT

The *Property Insurance Sections* stated as operative in the **Schedule**, are extended to include **Damage to Property Insured** in **Great Britain** proximately caused by an **Act of Terrorism** provided that:

1. The **Act of Terrorism** is certified by HM Treasury or a competent tribunal from time to time as an **Act of Terrorism**;
2. The insurance by this *Terrorism Section* is not subject to the *General Exclusions* but is otherwise subject to all the terms and conditions of the **Policy** except where expressly varied within this *Terrorism Section*;
3. The **Insurer's** liability in respect of all losses arising out of one **Event** and in the aggregate in any one **Period of Insurance** will not exceed the **Limit of Indemnity**;
4. In any action, suit or other proceedings where the **Insurer** alleges that any **Damage** is not covered by this *Terrorism Section* the burden of proving that such **Damage** is covered will be upon the **Insured**;
5. The insurance by this *Terrorism Section* is subject otherwise to all terms, conditions and provisions of this **Policy**;
6. This *Terrorism Section* is not subject to any terms in this **Policy** that provide for adjustments of **Premium** based upon declarations on expiry;
7. Any Long Term Agreement or Undertaking applying to this **Policy** does not apply to this *Terrorism Section*; and
8. This *Terrorism Section* is not subject to any provision in this **Policy** which provides for a refund of **Premium** following cancellation. In the event the **Insured** cancels coverage under this *Terrorism Section*, any paid **Premium** for this *Terrorism Section* will be deemed fully earned and retained by the **Insurer**; any outstanding unpaid **Premium** must be paid to the **Insurer**.

## TERRORISM - DEFINITIONS

Notwithstanding the *General Definitions* of this **Policy**, the words defined below will have the following special meanings wherever they appear in bold letters within this *Terrorism Section*.

**Act of 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 His Majesty's Government in the United Kingdom or any other government de jure or de facto in any country.

**Computer System** means a computer or other equipment or component or system or item which processes stores, transmits or receives **Data**.

**Data** means data of any sort whatever, including without limitation, tangible or intangible data and any programmes 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** means 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 and 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** means 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 **Insurer** may choose the date and time when any such period of 72 hours shall commence.

**Great Britain** means the nations of England, Wales and Scotland, excluding adjacent territorial seas as defined by the Territorial Seas Act 1987, Northern Ireland, the Isle of Man and the Channel Islands. England includes the Channel Tunnel up to the frontier with the Republic of France, as set out by the Treaty of Canterbury 1986.

**Hacking** means unauthorised access to any **Computer System** whether the property of the **Insured** or not.

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

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

**Nuclear Reactor** means 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** means any access or attempted access to data or information made by means of misrepresentation or deception.

**Property/Property Insured** means the tangible property specified in the **Schedule** (which is itself more particularly defined in this **Policy**) that belongs to the **Insured** or the **Insured** holds in trust and for which the **Insured** is responsible but excluding:

1. Any land or building which is occupied as a private residence or any part thereof which is so occupied unless:
  - i) the remainder of the building which is not a private residence is insured under the **Policy**; or
  - ii) not insured in the name of an individual.
2. 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**.

**Virus or Similar Mechanism** means programme 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 programmes, **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, logic bombs and the exploitation of bugs or vulnerabilities in a computer programme to damage, interfere with, adversely affect, infiltrate or monitor as above.

## TERRORISM - EXCLUSIONS

The insurance by this *Terrorism Section* does not cover

1. **Damage, Consequential Loss** or any loss or expenditure 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.
2. **Damage, Consequential Loss**, or any loss or expenditure whatsoever directly or indirectly caused by contributed to, by or occasioned by or resulting from:
  - i) Damage to or the destruction of any **Computer System**; or
  - ii) 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**.

### PROVISO TO EXCLUSION 2

Save that loss covered by this *Terrorism Section* otherwise falling within this *Exclusion 2* will not be treated as excluded by *Exclusion 2* solely to the extent that loss covered by this extension:

- a. results directly (or, solely as regards (b) (iii) 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
- b. comprises;
  - i. the cost of **Reinstatement**, replacement or repair in respect of damage to or destruction of **Property Insured**; or
  - ii. the amount of business interruption loss suffered directly by the **Insured** 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** or as a direct result of denial, prevention or hindrance of access to or use of **Property Insured** by reason of an **Act of Terrorism** causing damage to other **Property** within one mile of **Property Insured** to which access is affected; or
  - iii. 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

- c. is not proximately caused by an **Act of Terrorism** in relation to which the relevant organization or any persons acting on behalf of or in connection with that organization are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.
- d. the meaning of “**Property**” for the purposes of the above Proviso shall (additionally to those exclusions in *Exclusion 3* below) exclude:
  - i. any money (including **Money**) 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
  - ii. any **Data**.
- e. notwithstanding the exclusion of **Data** from **Property**, to the extent that damage to or destruction of **Property** within the meaning of subparagraph (b) 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 (a) 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 (a) and (b) above from being recoverable under the **Policy**. In no other circumstances than the previous sentence, however, will any loss or losses directly or indirectly caused by, contributed to or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of **Data** be recoverable under the **Policy**.

For the avoidance of doubt, the burden of proof shall be on the **Insured** to prove or establish all the matters referred to in subparagraphs (a) to (b) above.

- 3. Any loss arising under:
  - i) Marine, Aviation and Transit Policies (and the term ‘Marine Policy’ shall for these purposes mean marine policies and all marine business wherever written and in whatever form of policy);
  - ii) Motor Insurance Policies;
  - iii) any form of reinsurance policy or agreement whatsoever provided by the **Insurer**;
  - iv) Bankers Blanket Bond Policies; or
  - v) Contingency policies unless written as an integral component of the **Policy**.

# Machinery Breakdown Section

The **Insured** will only have cover under this *Machinery Breakdown Section* if it is stated as operative in the **Schedule**. The cover granted under this *Machinery Breakdown Section* is subject to the **Policy's General Conditions, Definitions and Exclusions** and the *Property Insurance Conditions and Exclusions* unless otherwise expressly stated.

## MACHINERY BREAKDOWN - INSURING AGREEMENT

In the event of **Machinery Breakdown** or **Consequential Loss** resulting from **Machinery Breakdown** of **Property Insured** during the **Period of Insurance**, the **Insurer** will pay the **Insured** the value of such **Property Insured** at the time of the **Machinery Breakdown**, or at the **Insurer's** option, reinstate or replace such **Property Insured** or any part of it, and such **Consequential Loss**, subject to the following requirements:

1. The machinery or plant:
  - i) is not operated until it is installed, its performance acceptance testing is complete, and it is handed over to the **Insured** by the manufacturer or supplier, ready for regular use;
  - ii) is suitable for service, without known faults or defects, and is in good working condition at the start of the **Period of Insurance**;
  - iii) is inspected, tested or certified as required by any relevant law, order or regulation;
  - iv) is not used or altered beyond the specifications set by the manufacturer;
  - v) is in an efficient and fit-for-purpose condition, and it is maintained and serviced following the manufacturer's or supplier's requirements; and
2. Any lifting operation that involves more than one piece of lifting equipment at the same time must comply with applicable national (e.g. BS) or international (e.g. ISO) standards for multiple lifting.

## MACHINERY BREAKDOWN – LIMIT OF INDEMNITY

The liability of the **Insurer** under this *Machinery Breakdown Section* will not exceed:

1. The total **Sum Insured** or any other **Limit of Indemnity** at the time of the **Machinery Breakdown** as stated in the **Schedule** for this *Machinery Breakdown Section*; or
2. The **Sum Insured** (or any other **Limit of Indemnity**) as stated in the **Schedule** for this *Machinery Breakdown Section* remaining after deduction for any other **Machinery Breakdown** occurring during the same **Period of Insurance**, unless the **Insurer** has agreed to reinstate any such **Sum Insured** (or **Limit of Indemnity**).

## MACHINERY BREAKDOWN - EXCLUSIONS

The coverage provided by this *Machinery Breakdown Section* does not apply to **Machinery Breakdown**:

1. Caused by or occurring during testing, commissioning, intentional overloading of machinery or plant, or using any tool or process during the modification, maintenance, repair, or overhaul of that machinery or plant, except when it is caused by or occurs during:
  - i) checking the correct working for regular use of the machinery or plant;



- ii) checking safety installations or protective devices of the machinery or plant; or
  - iii) repairing damage to the machinery or plant covered under this **Policy**;
2. Caused by or occurring during hydraulic testing;
  3. Caused by, or consisting of, the burning or distortion by heat of mechanical parts of furnaces, kilns or stoking or firing units;
  4. Consisting of **Damage** to:
    - i) painted or polished surfaces;
    - ii) non-metallic protective linings and bands, brushes, pipes or hoses, rubber tyres, driving or conveyor belts, ropes or chains, sieves and batteries;
    - iii) exchangeable tools of all kinds, including drills, crushers, patterns for casting, knives, saw blades, stones and stamps;
    - iv) foundation blocks and brick linings of furnaces, ovens and containers, firing grids, burner nozzles; or
    - v) fuels, filter fillings, cooling media, cleaning products, lubricants, oil fillings, catalysts, chemicals or contact agents;
  5. Caused by or consisting of **Damage** to machinery or plant that is prototype, experimental or untried; and
  6. Consisting of **Damage** to:
    - i) computer or data processing equipment (unless linked and wholly dedicated to controlling any machine or production or treatment process);
    - ii) communications or alarm systems, vending machines, games machines, office equipment including but not limited to typewriters, adding machines, calculators, facsimile machines, and equipment for printing or reproducing documents or other records;
    - iii) any item or part of the **Property Insured** sold, supplied, processed, serviced, manufactured or stored in the course of the **Business**;
    - iv) vehicles or self-propelled machinery other than purpose-built lifting and handling machinery; or
    - v) machinery and plant located underground.

# Goods In Transit Section

The **Insured** will only have cover under this *Goods in Transit Section* if it is stated as operative in the **Schedule**. The cover granted under this *Goods in Transit Section* is subject to the **Policy's General Conditions, Definitions and Exclusions** and the *Property Insurance Conditions and Exclusions* unless otherwise expressly stated.

## GOODS IN TRANSIT - INSURING AGREEMENT

In the event of **Damage** to **Goods** while **In Transit** during the **Period of Insurance**, the **Insurer** will pay the **Insured** the value of the **Goods** at the time of the **Damage** or, at the **Insurer's** option, reinstate or replace such **Goods** or any part of them. The **Insurer** will pay:

1. The value, or for the reinstatement or replacement, of damaged **Goods** while they are in or on any road **Vehicle** operated by the **Insured**, hauliers, parcel post or by rail;
2. Reasonable expenses incurred for:
  - i) transferring **Goods** to another road **Vehicle** and delivering them to the original destination or returning them to the place of dispatch due to fire, collision or overturning of any road **Vehicle** operated by the **Insured**;
  - ii) reloading **Goods** onto any road **Vehicle** operated by the **Insured** if they have fallen from such **Vehicle**;
  - iii) removing debris and clearing the site after **Damage** to **Goods**;
  - iv) breaking up or dismantling **Goods** as required to facilitate 2(a), 2(b) and 2(c) above;
3. Sue and labour costs that the **Insured** needs to pay for (1) and (2) above while the **Goods** are **In Transit** within the **Territorial Limits**.

Additionally, the **Insurer** will, within the **Limit of Indemnity**, cover **Damage** to:

1. Tarpaulin sheets and ropes used while carried on any road **Vehicle** operated by the **Insured** within the **Territorial Limits**, limited to £1,000 for any single loss or as stated in the **Schedule**; and
2. **Personal Effects** while inside any road **Vehicle** operated by the **Insured** within the **Territorial Limits**, limited to £250 for any single loss or as stated in the **Schedule**.

## GOODS IN TRANSIT – LIMIT OF INDEMNITY

The liability of the **Insurer** under this *Goods in Transit Section* will not exceed:

1. The total **Sum Insured** or any other **Limit of Indemnity** at the time of the **Damage** to **Goods In Transit** as stated in the **Schedule** for this *Goods in Transit Section*; or
2. The **Sum Insured** (or any other **Limit of Indemnity**) as stated in the **Schedule** for this *Goods in Transit Section* remaining after deduction for any other **Damage** to **Goods In Transit** occurring during the same **Period of Insurance**, unless the **Insurer** has agreed to reinstate any such **Sum Insured** (or **Limit of Indemnity**).

## GOODS IN TRANSIT - DEFINITIONS

The words defined below are additional definitions to this *Goods In Transit Section*. The words will have the same meaning wherever they appear in bold letters within this *Goods In Transit Section*, the **Schedule** and **Endorsements** relating to this *Goods In Transit Section* and take precedence over any *General Definitions* to the contrary.

**Personal Effects** means personal belongings of the **Insured's** drivers or attendants, excluding **Money**, credit cards, car audio equipment, televisions or jewellery.

**Working Hours** means the whole period during which the **Vehicle** is being driven or loaded or unloaded. It does not include periods of time in which the **Vehicle** is parked except when the **Vehicle** is being actively loaded or unloaded.

## GOODS IN TRANSIT - CONDITIONS

### Alarms and Immobilisers

Any alarm or immobiliser system will be serviced and maintained by a qualified person and no alterations to the system will be made without the prior approval of the **Insurer**. All alarm and immobiliser systems must be kept in effective operation.

### Condition of Average (Underinsurance)

If the value of the **Goods** contained in any one package or **Vehicle** or if the total value at risk at any one location will at the time of **Damage** exceed the **Limit of Indemnity** the **Insured** will be considered as being their own insurer for the difference and will bear a rateable share of the loss accordingly.

### Security

In the event of **Damage** or unexplained shortages to the **Property Insured** from any unattended **Vehicle** owned or operated by the **Insured**, the **Insurer's** obligation to provide indemnity will not arise unless, at the time of such **Damage** or unexplained shortage the **Property Insured** is concealed from view and:

#### During Working Hours

1. All doors, windows and other means of access have been securely fastened and locked;

#### Outside Working Hours

2. All doors, windows and other means of access have been securely fastened and locked and any alarm or immobiliser switched on and made fully operational and all keys to doors, ignition or other services removed; and the **Vehicle** kept:
  - i) in a securely locked building of substantial construction; or
  - ii) in a compound which has secure walls or fences and securely locked gates; or
  - iii) if in a security park, with a security guard.

## GOODS IN TRANSIT - EXCLUSIONS

This *Goods In Transit Section* excludes:

1. Claims related to or arising from:
  - i) depreciation, delay, insufficient documentation, consequential loss;

- ii) wear and tear, refrigeration breakdown, faulty packaging, mould, pests, contamination;
  - iii) transporting explosives or other hazardous items or materials; or
  - iv) transporting livestock, gold or silver items, precious metals or gemstones, jewellery, watches, furs, wines, spirits, tobacco, cigars and cigarettes, television sets, DVD players and recorders, digital television decoders, audio equipment, computers, computer games consoles, and similar items, non-ferrous metals and scrap, **Money**, stamps, stamp collections or bonds unless specifically agreed and endorsed in the **Schedule** to this *Goods In Transit Section*;
2. Loss from a convertible, open-topped, open-sided, or curtain-sided **Vehicle** caused by theft or attempted theft (unless the **Vehicle** is stolen at the same time) or **Storm**;
  3. Rioters, strikers, civil commotion, locked out workers or individuals involved in labour disturbances or cessation of work whether involving physical force or violence or not occurring outside the **Territorial Limits**;
  4. Delay, confiscation, destruction or detention by order of any government or any other authority; and
  5. **Damage** to containers, trailers, demountable vans or similar items.

# Computer Breakdown Section

The **Insured** will only have cover under this *Computer Breakdown Section* if it is stated as operative in the **Schedule**. The cover granted under this *Computer Breakdown Section* is subject to the **Policy's General Conditions, Definitions and Exclusions** and the *Property Insurance Conditions and Exclusions* unless otherwise expressly stated.

## COMPUTER BREAKDOWN - INSURING AGREEMENT

In the event of **Computer Breakdown** of **Office Computer Equipment** during the **Period of Insurance**, the **Insurer** will pay the **Insured**:

1. The value of such **Office Computer Equipment** at the time of the **Computer Breakdown** or, at the **Insurer's** option, reinstate or replace such **Office Computer Equipment** or any part of it; and
2. The additional reasonable expenditure necessarily incurred by the **Insured** as a result of the **Computer Breakdown** to prevent or minimise the interruption or interference with the **Business**.

## COMPUTER BREAKDOWN – LIMIT OF INDEMNITY

The liability of the **Insurer** under this *Computer Breakdown Section* will not exceed:

1. The total **Sum Insured** or any other **Limit of Indemnity** at the time of the **Computer Breakdown** as stated in the **Schedule** for this *Computer Breakdown Section*; or
2. The **Sum Insured** (or any other **Limit of Indemnity**) for **Office Computer Equipment** as stated in the **Schedule** for this *Computer Breakdown Section* remaining after deduction for any other **Computer Breakdown** occurring during the same **Period of Insurance**, unless the **Insurer** has agreed to reinstate any such **Sum Insured** (or **Limit of Indemnity**).

## COMPUTER BREAKDOWN - DEFINITIONS

The words defined below are additional definitions for this *Computer Breakdown Section*. The words will have the same meaning wherever they appear in bold letters within this *Computer Breakdown Section*, the **Schedule** and **Endorsements** relating to this *Computer Breakdown Section* and take precedence over any *General Definitions* to the contrary.

**Computer Breakdown** means **Damage** caused by sudden, accidental mechanical or electrical breakdown of **Office Computer Equipment** by internal causes or power fluctuations which requires repair or replacement to resume normal working use for the purposes of the **Business**.

**Office Computer Equipment** means physical office computer equipment at the **Premises**, which is the property of the **Insured** or held in trust by the **Insured** and for which the **Insured** is responsible, including:

1. All computer equipment (including interconnecting wiring, fixed discs, data carrying materials and communications of electronically processed data) but excluding any such computer equipment controlling a manufacturing process; and
2. Ancillary equipment solely for the use with computer equipment comprising air conditioning equipment generating equipment, uninterruptible power supply, voltage regulating equipment, electronic access equipment,

heat, smoke and water detection equipment, lighting and transient over voltage protection devices, computer furniture, gas flooding cylinders and pipe work and computer room partitioning.

## COMPUTER BREAKDOWN - EXTENSIONS

### Additional Lease Charges

The **Insurer** will pay for additional lease or hire charges for the replacement of a lease or hire agreement for **Office Computer Equipment** necessarily and reasonably incurred with **Insurer's** prior consent as a result of insured **Computer Breakdown**, but:

1. The **Insurer** will not be responsible for charges for a period in excess of the expiry date of the original agreement, or for a maximum period of 12 months, whichever is earlier; and
2. The **Insurer's** liability in respect of any one claim will not exceed the amount stated in the **Schedule** for this *Extension*.

### Reinstatement of Data

In the event of insured **Computer Breakdown**, the **Insurer** will pay for the costs of recompiling, restoring or reinstating **Data** or software or to replace third party software, but the **Insurer's** liability for any one claim will not exceed the amount stated in the **Schedule** for this *Extension*.

## COMPUTER BREAKDOWN - CONDITIONS

### Backup

The **Insured** must ensure:

1. **Data** records are backed up on a daily basis and safely stored off site;
2. **Backup** facilities are kept in effective working order to ensure business continuity in the event of **Damage**; and
3. **Backup** arrangements must be regularly tested.

Failure to comply may mean that the **Insurer** is not obliged to pay any claim under the **Policy**.

### Information Security

The **Insured** must:

1. Maintain an effective information security policy for all **Employees**, networks and systems;
2. Ensure that access to all networks and systems is protected by individual user identifications and passwords which are changed every 90 days;
3. Firewalls are in place in for of all networks and systems;
4. Ensure that remote users are authenticated before being granted access to the **Insured's** networks and systems; and
5. Ensure that anti-virus software is installed and kept in up to date and effective working order in respect of all **Computer Equipment**.

Failure to comply may mean that the **Insurer** is not obliged to pay any claim under the **Policy**.

## Maintenance Agreement

There is no cover under this *Computer Breakdown Section* unless the **Insured** takes all reasonable precautions to prevent **Computer Breakdown** to the **Office Computer Equipment**, including ensuring that there is in force a maintenance agreement warranty or guarantee for the **Office Computer Equipment**.

## COMPUTER BREAKDOWN - EXCLUSIONS

In addition to the *General Exclusions* to this **Policy**, the cover provided by this *Computer Breakdown Section* does not apply to any loss or **Damage** caused by or consisting of:

1. **Consequential Loss** except as expressly insured by this *Computer Breakdown Section*;
2. Any additional expenditure incurred during the first four hours following any **Computer Breakdown**;
3. Items such as:
  - i) personal items belonging to staff or customers including laptops and other computer equipment;
  - ii) mobile phones, digital cameras, photocopiers, facsimile machines; or
  - iii) **Stock, Target Stock or Stock in the Open**.
4. Any item while outside of the **Premises**;
5. The value of **Data**, the loss of Bitcoin or any other electronic or cyber currency or equivalent;
6. Loss for which manufacturers, suppliers or agents are responsible for under a guarantee or maintenance agreement;
7. Loss for which the **Insured** is not responsible under a lease, hire or rental agreement;
8. The costs and expenses of replacing:
  - i) Programmes;
  - ii) Software;
  - iii) **Office Computer Equipment**; or
  - iv) Any item whether or not tangible;that is no longer supported by the manufacturer or supplier;
9. Inventory losses or unexplained disappearances;
10. Tests, experiments or inspections.
11. Abnormal working conditions;
12. Failure to correctly install any equipment, system, software or programme;
13. Defects, incompatibilities or errors that begin before the inception of this **Policy**;
14. Programming errors or design defects in software;
15. Failure to install, operate, maintain or update **Computer Equipment** or associated items, software, programmes and systems whether tangible or not in accordance with manufacturers' or supplier's instructions;
16. Software or programmes that are prototype, experimental or untried;

17. The deliberate act of any telecommunications authority or the exercise by any authority of its powers to withhold or restrict operation of the system or the inability of the authority to maintain the system due to industrial action by its employees; and
18. The use of any equipment which is not approved by the telecommunication authority as properly installed and compatible.



# Specified Items All Risks Section

The **Insured** will only have cover under this *Specified Items All Risks Section* if it is stated as operative in the **Schedule**. The cover granted under this *Specified Items All Risks Section* is subject to the **Policy's General Conditions, Definitions and Exclusions** and the *Property Insurance Conditions and Exclusions* unless otherwise expressly stated.

## SPECIFIED ITEMS ALL RISKS - INSURING AGREEMENT

In the event of **Damage** to the specified **Property Insured** as identified in the **Schedule** occurring within the **Territorial Limits** and during the **Period of Insurance**, the **Insurer** will pay the **Insured** the value of the **Property Insured** at the time of the **Damage**, or at the **Insurer's** option, reinstate or replace such items but in no circumstances will the liability of the **Insurer** exceed for each item its **Sum Insured** or its intrinsic value whichever is the lesser in any one **Period of Insurance**.

## SPECIFIED ITEMS ALL RISKS - DEFINITIONS

The words defined below are additional definitions for this *Specified Items All Risks Section*. The words will have the same meaning wherever they appear in bold letters within this *Specified Items All Risks Section*, the **Schedule** and **Endorsements** relating to this *Specified Items All Risks Section* and take precedence over any *General Definitions* to the contrary.

**Territorial Limits** means the geographical area as stated in the **Schedule** for this *Specified Items All Risks Section*.

## SPECIFIED ITEMS ALL RISKS - CONDITIONS

### Condition of Average (Underinsurance)

The **Sum Insured** by each item of this *Specified Items All Risks Section* is declared to be separately subject to this *Condition of Average (Underinsurance)*.

Whenever a **Sum Insured** is declared to be subject to this *Condition of Average (Underinsurance)* if such sum will at the commencement of any **Damage** be less than the value of the specified **Property Insured**, the amount payable by the **Insurer** in respect of such **Damage** will be proportionately reduced.

## SPECIFIED ITEMS ALL RISKS - EXCLUSIONS

In addition to the *General Exclusions* to this **Policy**, the cover provided by this *Specified Items All Risks Section* does not apply to any loss or **Damage** caused by or consisting of:

1. **Damage** caused by:
  - i) wear and tear, moth, vermin, atmospheric or climatic conditions or any gradually operating cause;
  - ii) alterations, maintenance, repairs, or any process of cleaning or restoring;
  - iii) delay, confiscation, destruction or detention by order of any government or any other authority;
  - iv) counterfeit, substitute or foreign coins; or
  - v) mechanical or electrical breakdown or derangement;

2. Breakage of electrical valves, bulbs or tubes unless forming part of the **Property Insured** or fixed to it and happening as the result of **Damage** to such **Property Insured**;
3. The contents of machines unless such contents are shown in the **Schedule**;
4. Depreciation, contamination, consequential loss or consequential **Damage** of any kind or description;
5. **Damage** consequent upon any person obtaining any **Property Insured** by deception or dishonesty;
6. **Damage** to china, glass, marble or earthenware or scratching or bruising of furniture, household or musical goods unless caused by accident to the vessel or conveyance in which such property is being carried;
7. **Damage** to deeds, bonds, coins, money, securities, stamp collections, plans, patterns, designs, documents of title, contracts or other documents, **Business** books or manuscripts unless specified in the **Schedule** as **Property Insured**;
8. Rioters, strikers, civil commotion, locked out workers or individuals involved in labour disturbances or cessation of work whether involving physical force or violence or not occurring outside the **Territorial Limits**; and
9. **Damage** or unexplained shortages to the **Property Insured** from any unattended **Vehicle** owned or operated by the **Insured**, unless, at the time of such **Damage** or unexplained shortage:
  - i) all doors, windows and other means of access have been securely fastened and locked and any alarm or immobiliser switched on and made fully operational and all keys to doors, ignition or other services removed;
  - ii) the **Vehicle** is in a securely locked building of substantial construction or placed in a compound which has secure walls or fences and securely locked gates or in a security park with a guard; and
  - iii) the **Property Insured** is concealed from view.

# Money Section

The **Insured** will only have cover under this *Money Section* if it is stated as operative in the **Schedule**. The cover granted under this *Money Section* is subject to the **Policy's General Conditions, Definitions and Exclusions** and the *Property Insurance Conditions and Exclusions* unless otherwise expressly stated.

## MONEY - INSURING AGREEMENT

In the event of **Damage** to **Money** during the **Period of Insurance** occurring:

1. On the **Premises** outside **Business Hours** not contained in locked safes or strongrooms;
2. In the private residence of the **Insured** or any authorised partner, director or **Employee** of the **Insured**;
3. On the **Premises** outside **Business Hours** contained in locked safes or strongrooms described in the **Schedule**;
4. On the **Premises** during **Business Hours**; or
5. In transit between the **Premises** and the **Insured's** place of banking while in the custody of the **Insured** or the **Insured's** authorised representative,

held in connection with the **Business** for amounts not exceeding the applicable **Limit of Indemnity**, the **Insurer** will pay the **Insured** the value of the **Money** at the time of the **Damage**.

## MONEY – LIMIT OF INDEMNITY

The liability of the **Insurer** under this *Money Section* will not exceed:

1. The total **Sum Insured** or any other **Limit of Indemnity** at the time of the **Damage** as stated in the **Schedule** for this *Money Section*; or
2. The **Sum Insured** (or any other **Limit of Indemnity**) for **Money** as stated in the **Schedule** for this *Money Section* remaining after deduction for any other **Damage** occurring during the same **Period of Insurance**, unless the **Insurer** has agreed to reinstate any such **Sum Insured** (or **Limit of Indemnity**).

## MONEY - DEFINITIONS

The words defined below are additional definitions for this *Money Section*. The words will have the same meaning wherever they appear in bold letters within this *Money Section*, the **Schedule** and **Endorsements** relating to this *Money Section* and take precedence over any *General Definitions* to the contrary.

**Business Hours** means the **Insured's** usual office hours and the working hours (including overtime) during which the **Insured**, the **Insured's** principals or **Employees** entrusted with **Money** are on the **Premises** for the purpose of the **Business**.

**Medical Expenses** means reasonable expenses necessarily incurred by the **Person Insured** for medical, hospital, surgical, manipulative, massage, therapeutic, x-ray or nursing treatment including the cost of medical supplies and ambulance hire.

**Permanent** means lasting 24 calendar months and being beyond hope of improvement at the expiry of that period.

**Person Insured** means any director, manager or partner of the **Insured** or person employed by the **Insured** aged not less than 16 years and not more than 70 years.

**Total Disablement** means disablement which necessarily and continuously disables a **Person Insured** from attending to their usual occupation.

## MONEY - EXTENSIONS

### Assault

If the **Person Insured** suffers an injury in connection with the **Business** and caused solely and directly as a result of robbery or attempted robbery the **Insurer** will pay to the **Insured** or the **Person Insured's** legal personal representative any appropriate amount as specified in the **Compensation Table** below:

Compensation Table		
1.	Death	£12,500
2.	Loss of eye or irrecoverable loss of use of one or both eyes	£12,500
3.	Loss of limb or irrecoverable loss of use of one or more limbs	£12,500
4.	<b>Permanent Total Disablement</b> other than shown in (2) and (3) above	£12,500
5.	Reimbursement of incurred <b>Medical Expenses</b>	£250
6.	<b>Damage</b> to clothing and <b>Personal Effects</b> belonging to the <b>Person Insured</b>	£250
7.	Temporary <b>Total Disablement</b>	£125 per week

### Compensation Clauses

1. Compensation for (7) Temporary **Total Disablement** will be:
  - i) payable for a period not exceeding 104 weeks from the commencement of the relevant assault; and
  - ii) payable when the total amount has been agreed or at the request of the **Insured** at intervals of not less than four weeks (but not in advance) commencing four weeks after receipt of written notice by the **Insurer** of any applicable injury;
2. Compensation will not be payable for:
  - i) any item unless occurring within two years of sustaining the assault; and
  - ii) more than one item under the **Compensation Table** other than (7);
3. Compensation payable under (7) will be deducted from any compensation payable under (1) to (4) arising from the same injury.

## Safes and Strongrooms

This *Money Section* is extended to include **Damage** caused by thieves to safes and strongrooms, stamp franking machines, approved security cases, bags or waistcoats containing **Money** but the liability of the **Insurer** for any one loss will not exceed £5,000 for the purposes of this *Extension*.

## MONEY - CONDITIONS

### Money in Transit

When **Money** in excess of £2,000 is in transit between the **Premises** and the **Insured's** place of banking, in the custody of the **Insured** or the **Insured's** authorised representative, they must be escorted as follows:

Amount in Transit	Minimum Escort
£2,001 to £5,000	Two able bodied persons (including carrier)
£5,001 to £10,000	Three able bodied persons (including carrier)
£10,001 and over	Specialist security company

### Protections

Whenever the **Premises** are closed for business or left unattended, all security devices provided to protect **Money** held on the **Premises** must be properly fitted and put into full operation. In addition, the *Material Damage Section's Minimum Standard of Security Condition* applies to cover granted under this *Money Section*.

### Records and Keys

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

1. A complete record is kept of any **Money**;
2. Such record is deposited in a secure place other than in the safes and strongrooms containing the **Money**; and
3. Outside **Business Hours** the safes and strongrooms are kept locked and the keys of the safes and strongrooms are removed from the **Premises**.

## MONEY - EXCLUSIONS

In addition to the *General Exclusions* to this **Policy**, the cover provided by this *Money Section* does not cover **Damage** consisting of or arising from:

1. Shortages due to clerical or accounting errors;
2. The fraud or dishonesty of any authorised partner, director or **Employee** of the **Insured**:
  - i) not discovered within seven working days of its first occurrence; or
  - ii) insured by any other insurance except for any loss beyond the amount payable under such other insurance;
3. **Money** from or within:

- i) vending or gaming machines unless specifically stated in the **Schedule**; or
  - ii) unattended vehicles;
4. **Money** elsewhere than within the **Territorial Limits**.

# Deterioration In Stock Section

The **Insured** will only have cover under this *Deterioration in Stock Section* if it is stated as operative in the **Schedule**. The cover granted under this *Deterioration in Stock Section* is subject to the **Policy's General Conditions, Definitions and Exclusions** and the *Property Insurance Conditions and Exclusions* unless otherwise expressly stated.

## DETERIORATION IN STOCK - INSURING AGREEMENT

In the event of **Deterioration** of **Stock** as a result of an **Accident** during the **Period of Insurance**, the **Insurer** will pay the **Insured** the value of the insured **Stock** as calculated using the **Basis of Settlement** below if all **Freezers** are:

1. Only operated when properly installed, performance acceptance testing is complete and handed over to the **Insured** by the manufacturer or supplier ready for regular use;
2. Suitable for service, without known faults or defects and in good working condition at the start of the **Period of Insurance**;
3. Inspected, tested or certified as required by any relevant law, order or regulation;
4. Not used or altered beyond the specifications set by the manufacturer; and
5. In efficient and fit-for-purpose condition and maintained and serviced in accordance with manufacturer or supplier requirements at all times.

## DETERIORATION IN STOCK - LIMIT OF LIABILITY

The liability of the **Insurer** under this *Deterioration of Stock Section* will not exceed:

1. The total:
  - i) **Limit of Liability** for **Stock** at the time of the **Accident** as shown in the **Schedule**; or
  - ii) the **Limit of Liability** in any particular **Freezer** as shown in the **Schedule**,whichever is the lower; or
2. The **Limit of Liability** remaining after deduction for any other **Deterioration** of **Stock** occurring during the same **Period of Insurance** unless the **Insurer** has agreed to reinstate any such **Limit of Indemnity**.

## DETERIORATION IN STOCK - DEFINITIONS

The words defined below are additional definitions for this *Deterioration of Stock Section*. The words will have the same meaning wherever they appear in bold letters within this *Deterioration of Stock Section*, the **Schedule** and **Endorsements** relating to this *Deterioration of Stock Section* and take precedence over any *General Definitions* to the contrary.

**Accident** means a sudden and unforeseen change in the temperature of a **Freezer** as a result of:

1. **Damage** to the **Freezer** or its associated equipment including wiring;
2. Escape of refrigerant fumes; or

3. Accidental and unforeseen failure of the **Insured's** electricity supply.

**Deterioration** means progressive changes and decline in the quality of **Stock** that would otherwise be prevented by its being stored in a **Freezer** at an appropriate temperature and that causes the **Stock** to be unusable for its normal intended use for the purposes of the **Business**.

**Freezer** means frozen or chilled compartment, cabinet or space for cold storage that is used by the **Insured** at the **Premises** for the purposes of the **Business** and that is owned or held in trust by the **Insured** or for which the **Insured** is responsible.

**Stock** means items owned by the **Insured** or held in trust for the **Insured** or for which the **Insured** is responsible, and which must be stored in a **Freezer** to maintain or preserve features which are necessary for normal intended use for the purposes of the **Business**.

## DETERIORATION IN STOCK - CONDITIONS

### Basis of Settlement

In the event of **Deterioration** of **Stock** as insured by this **Policy**, and subject to the terms of this **Policy** including the *Average (Underinsurance) Condition*, the liability of the **Insurer** will be limited to:

1. The cost of replacing the insured **Stock**;
2. Costs and expenses which are necessarily and reasonably incurred with the **Insurer's** consent caused by:
  - i) associated costs of processing and packaging which are necessarily and reasonably incurred; and
  - ii) disposal of waste **Stock**,less any amount received by the **Insured** from the sale or use of insured **Stock**.

## DETERIORATION IN STOCK - EXCLUSIONS

This *Deterioration of Stock Section* does not cover loss or **Damage** consisting of or caused by:

1. **Deterioration** and any other changes that would not be prevented by refrigeration in any event;
2. Inherent defects in the **Stock**;
3. **Freezers** or associated equipment that is more than ten years old;
4. **Freezers** or associated equipment that is improperly maintained or operated inconsistently with instructions from the manufacturer, supplier or maintenance professionals;
5. Any loss for which the **Insured** has cover under the *Care, Custody and Control Extension* in the *General Liability Insurance* of this **Policy**;
6. **Employee** personal effects;
7. Any loss that does not directly result from the **Accident** that has caused the claim;
8. Fire, lightning, **Flood**, explosion, aircraft or other aerial devices, or articles dropped from either, occurring at the **Premises**;
9. Acts of malicious persons, rioters, strikers, civil commotion, locked out workers or individuals involved in labour disturbances or cessation of work whether involving physical force or violence or not;



10. A failure of the supply of electricity caused by:
- i) a deliberate act of a utilities supplier not performed for the sole purpose of safeguarding life or protecting any part of the supply system;
  - ii) a scheme of rationing not necessitated by loss, destruction or damage to the supplier's generating or supply equipment; or
  - iii) industrial action; or
11. Wilful neglect.

# Employee Fidelity Section

The **Insured** will only have cover under this *Employee Fidelity Section* if it is stated as operative in the **Schedule**. The cover granted under this *Employee Fidelity Section* is subject to the **Policy's General Conditions, Definitions and Exclusions** and the *Property Insurance Conditions and Exclusions* unless otherwise expressly stated.

## EMPLOYEE FIDELITY - INSURING AGREEMENT

In the event of loss caused by or consisting of **Theft** of **Money** or **Goods** during the **Period of Insurance** by an **Employee** and discovered not later than six months after the termination of:

1. This insurance;
2. The insurance for an **Employee** specified by name or position; or
3. The employment of any **Employee**,

whichever occurs first, the **Insurer** will pay the **Insured** the value of the loss.

The cover available under this *Section* is subject to:

1. Any **Money** of the **Employee** held by the **Insured** upon discovery of any loss and any money which but for the **Employee's Theft** would have been due from the **Insured** to the **Employee** will be deducted from the amount of the loss before a claim is made under this **Policy**;
2. Any further monies which are recovered less any costs incurred in recovery will be applied in the following order:
  - i) if the claim has exceeded the **Limit of Indemnity** firstly to the **Insured's** benefit to reduce the amount of the loss (but not the **Excess**);
  - ii) to the **Insurer's** benefit to the extent of the claim paid or payable;
  - iii) if any sums remain, to the **Insured's** benefit where the excess had been deducted from the claim.

## EMPLOYEE FIDELITY – LIMIT OF INDEMNITY

The **Insurer's Limit of Indemnity** under this *Employee Section* will not exceed the amount stated in the **Schedule** for this *Employee Fidelity Section* of the **Policy** in any one **Period of Insurance**, irrespective of the number of:

1. Claims made under this *Section*;
2. Parties indemnified under this *Section*; or
3. Instances of **Theft**.

## EMPLOYEE FIDELITY - DEFINITIONS

The words defined below are additional definitions for this *Employee Fidelity Section*. The words will have the same meaning wherever they appear in bold letters within this *Employee Fidelity Section*, the **Schedule** and **Endorsements** relating to this *Employee Fidelity Section* and take precedence over any *General Definitions* to the contrary.

**Theft** means the unauthorised taking of items insured by this **Policy** without the permission of the **Insured** and with the intention to permanently deprive the **Insured** of such items.

## EMPLOYEE FIDELITY - CONDITIONS

### Auditors' Fees

The **Insurer** will pay for auditors' fees necessarily and reasonably incurred with the **Insurer's** prior written consent solely to substantiate the amount of the claim.

### Police

The **Insured** must report the **Theft** to the police or any other appropriate body or organisation in the circumstances and co-operate with any investigation to recover for any loss under this **Policy**.

### Superseded Fidelity Insurance

If this insurance immediately supersedes a fidelity insurance effected by the **Insured** (the '**Superseded Insurance**') any loss discovered during the continuation of this **Policy** but committed during the continuation of the **Superseded Insurance** if the loss is not recoverable under the **Superseded Insurance** solely because the period allowed for discovery has expired if:

1. Such insurance had been continuously in force from the time of the loss until inception of this insurance;
2. The loss would have been insured by this *Section* had it been in force at the time of the loss;
3. The liability of the **Insurer** will not exceed the lesser of either the:
  - i) amount recoverable under the **Superseded Insurance** in force at the time of the loss; or
  - ii) the **Limit of Indemnity** under this *Section*.

The **Insurer's** total liability for any loss continuing through both the term of the **Superseded Insurance** and the continuation of this insurance will not exceed the **Limit of Indemnity** applicable under this *Section*.

## EMPLOYEE FIDELITY - EXCLUSIONS

The **Insurer** will not be liable under this *Section* for:

1. Loss of interest or **Consequential Loss** of any kind; or
2. Further acts of **Theft** by an **Employee** immediately following discovery of any act of **Theft** by such **Employee**.

# Loss Of Licence Section

The **Insured** will only have cover under this *Loss of Licence Section* if it is stated as operative in the **Schedule**. The cover granted under this *Loss of Licence Section* is subject to the **Policy's General Conditions, Definitions and Exclusions** and the *Property Insurance Conditions and Exclusions* unless otherwise expressly stated.

## LOSS OF LICENCE - INSURING AGREEMENT

In the event of a **Loss of Licence** during the **Period of Insurance** the **Insurer** will pay the **Insured** value of the loss sustained for:

1. The depreciation in the value of the **Insured's** interest in the **Premises** resulting from the **Loss of Licence**; and
2. The costs and expenses necessarily and reasonably incurred by the **Insured** with the written consent of the **Insurer** for any appeal against such **Loss of Licence**.

The **Insurer's** liability under this *Section* for loss sustained for 1. and 2. above will not exceed the **Limit of Indemnity** as stated in the **Schedule** for this *Section* in any one **Period of Insurance**.

## LOSS OF LICENCE - DEFINITIONS

The words defined below are additional definitions for this *Loss of Licence Section*. The words will have the same meaning wherever they appear in bold letters within this *Loss of Licence Section*, the **Schedule** and **Endorsements** relating to this *Loss of Licence Section* and take precedence over any *General Definitions* to the contrary.

**Licence** means a licence granted for the:

1. Retail sale of excisable liquors at the **Premises**; or
2. Use of the **Premises** to hold civil marriage ceremonies and civil partnership ceremonies.

**Loss of Licence** means a **Licence** being:

1. Forfeited or revoked under the provisions of the appropriate legislation governing the issue of such **Licences**; or
2. Refused renewal by the appropriate licensing authority after proper application

in either case, due to reasons beyond the control of the **Insured**.

## LOSS OF LICENCE - CONDITIONS

### Duty of the Insured

The **Insured** must immediately notify the **Insurer** on becoming aware of any:

1. Change in tenancy, management or operation of the **Premises** or transfer or proposed transfer of the **Licence**;
2. Complaint against the **Premises** or control of the **Premises**, or proceedings against or conviction of the **Licence**-holder, manager, tenant or other occupier of the **Premises** for any breach of the licensing laws or any other matter in which the character or reputation of the person concerned may impacted in relation to honesty, moral standing or sobriety; or

3. Objection to renewal or other circumstances which might endanger the **Licence** or renewal of that **Licence**.

Failure to comply may mean that there is no cover available under the **Policy** in the event of a claim for **Loss of Licence** or for any cover which would otherwise be available under this **Policy**.

### **Notification Following Loss of Licence**

In the event of **Loss of Licence** the **Insured** must notify the **Insurer** within 24 hours and must provide such information and assistance as the **Insurer** may reasonably require.

Failure to comply may mean that there is no cover available under the **Policy** in the event of a claim for **Loss of Licence** or for any cover which would otherwise be available under this **Policy**.

## **LOSS OF LICENCE - EXCLUSIONS**

This *Loss of Licence Section* does not cover loss or damage caused by or consisting of:

1. Any loss for which the **Insured** is entitled to compensation by virtue of any legislation relating to the **Loss of Licence**;
2. Where the **Loss of Licence** arises:
  - a. directly or indirectly by the misconduct, connivance, neglect, delay, error or omission of the **Insured** or any other cause within or under the control of the **Insured**;
  - b. by alteration of the **Premises** without consent of the appropriate authority; or
  - c. by the **Premises** being closed for any period that is not required by law or not being maintained in a sanitary condition or satisfactory state of repair;
  - d. due to any scheme of town or country planning, improvement, redevelopment or compulsory purchase or the surrender, reduction or redistribution of **Licences** in connection with any such scheme;
  - e. through an alteration in the law;
3. Any depreciation in value not as a sole and direct result of the **Loss of Licence**; or
4. Loss that arises indirectly as a result of the **Loss of Licence**.

# General Liability Insurance

The **Insured** will only have cover under any *Section* of this *General Liability Insurance* if it is stated as operative in the **Schedule**. The cover granted under this *General Liability Insurance* is subject to the **Policy's General Conditions** and *General Exclusions* unless otherwise expressly stated.

## GENERAL LIABILITY - EXTENSIONS

Applicable to all *Sections* of *General Liability Insurance* unless otherwise stated

Payments made under any *Extension* to this *Section*, including any agreed by **Endorsement**, form part of the **Limit of Indemnity** for this *General Liability Insurance* as shown in the **Schedule**.

### Care, Custody or Control

Under the **Public Liability**, **Product Liability** and **Pollution Liability Insurances** only, if operative, and notwithstanding the *Owned Property Exclusion*, the **Insurer** further agrees to indemnify the **Insured** for **Damages** the **Insured** becomes legally liable to pay for **Property Damage** where that property is the personal property of any **Employee**, partner, director, officer, visitor or guest of the **Insured**, and that property is in the **Insured's** care, custody or control, if the **Property Damage** occurs in the course of the **Insured's Business**, during the **Period of Insurance** and within the **Territorial Limits**.

There is no cover under this *Extension* for any loss for which the **Insured** has cover under the *Property Insurance* of this **Policy** or other insurance.

### Court Witness Attendance; Defence Preparation; Court Observers

If in the opinion of the **Insurer** the attendance of an **Employee**, partner, director or officer of the **Insured** is required to either give evidence at court or attend a mediation meeting in a claim for **Damages** for which that *Section* might provide indemnity then the **Insurer** will pay:

1. Partner, director or officer: GBP500 per day;
2. **Employee:** GBP250 per day.

Where in the opinion of the **Insurer** the attendance of an **Employee**, partner, director or officer at court as an observer and not as a witness is required, the **Insurer** will pay the sums shown below, but payment will be limited to one observer per day:

1. Partner, director or officer: GBP250 per day;
2. **Employee:** GBP125 per day.

The **Insurer** further agrees to pay the **Insured** the sums shown below if, in the opinion of the **Insurer**, time is required to be spent by an **Employee**, partner, director or officer of the **Insured** in meetings or interviews with lawyers, including conferences with Counsel, for the purpose of providing a witness statement or related activities required either for representation at a Coroner's Inquest or Fatal Accident Inquiry, or the defence of the **Insured** in a claim for **Damages** for which that *Section* might provide indemnity:

1. Partner, director or officer: GBP50 per hour;
2. **Employee:** GBP25 per hour

if the time spent by the **Employee**, partner, director or officer is certified by the lawyers with the conduct of the defence.

### Indemnity to Principals

Under the *Employers' Liability* and *Public Liability Insurances* only, if operative, and notwithstanding the *Contractual Liability Exclusion* the **Insurer** further agrees to indemnify the **Insured** for **Damages** the **Insured** becomes legally liable to pay for **Bodily Injury** or **Property Damage** to the extent required by a contract under which the **Insured** is performing work, where that **Bodily Injury** or **Property Damage** occurs directly and solely from the **Insured's** performance of that work, provided that the **Insurer** has sole conduct and control of the claim alleging such liability against the **Insured**. This *Extension* does not cover contractual fines, penalties or liquidated damages, warranties or guarantees or any liability for **Property Damage** where that property is, or comprises, or is to be incorporated in to, the executed contract works undertaken by the **Insured**.

### Legal Costs Extension

Under the *Public Liability*, *Product Liability* and *Pollution Liability Sections* only, if operative, the **Insurer** will pay legal costs that are reasonably and necessarily incurred with the **Insurer's** prior written consent and at the **Insured's** request by an **Employee**, partner, director or officer of the **Insured** for:

1. Representation at a Coroner's Inquest or Fatal Accident Inquiry;
2. Defending proceedings brought under Section 33(1)(a)-(c) of the Health and Safety at Work etc. Act 1974 or equivalent legislation;
3. Defending proceedings brought under Section 12 of the Consumer Protection Act 1987 or equivalent legislation; or
4. Defending proceedings brought under the Corporate Manslaughter and Corporate Homicide Act 2007,

subject to the following:

1. Those legal costs are incurred in proceedings that relate to **Bodily Injury** arising out of the **Insured's Business**, caused during the **Period of Insurance** and within the **Territorial Limits**;
2. The relevant operative *Section* of this **Policy** might provide indemnity for **Damages** for that **Bodily Injury**;
3. The **Insurer** will not provide indemnity for:
  - i) fines or penalties of any kind, remedial or publicity orders or prosecution costs imposed as a consequence of such prosecution;
  - ii) any circumstances for which indemnity is provided by any other insurance;
  - iii) proceedings consequent upon a deliberate act by, or omission of, any person otherwise entitled to indemnity under this extension if the result could reasonably have been expected having regard to the nature and circumstances of such act or omission; and
  - iv) proceedings that arise out of any activity or risk excluded from this **Policy**;
4. The liability of the **Insurer** for all such legal costs and expenses will not exceed the sum of £1,000,000 for each **Occurrence**.

This *Extension* will not apply where, in the opinion of counsel (selected and instructed by the **Insurer**), there is no reasonable prospect of successfully defending the prosecution.

This *Extension* will not apply to any legal costs incurred after the date of settlement or withdrawal of the **Damages** claim related to the proceedings.

### Multiple Insureds and Cross Liabilities

If the **Schedule** specifies more than one entity as comprising the **Insured**, the **Insurer** agrees to indemnify separately each entity as if individual policies had been issued, including claims for **Damages** made by one **Insured** against another **Insured**.

This does not apply to any provision relating to **Policy** limits. Any provision relating to **Policy** limits applies on the basis that there is a single **Insured**. This means that the **Insurer's Limit of Indemnity** will not increase from that shown in the **Schedule** or in the **Policy** wording for any *Section* or other provision.

## GENERAL LIABILITY - DEFINITIONS

The words defined below are additional definitions for the *General Liability Sections*. The words will have the same meaning wherever they appear in bold letters within such *Sections*, the **Schedule** and **Endorsements** relating to *General Liability Insurance* and take precedence over any *General Definitions* to the contrary.

**Damages** means compensatory damages. It does not mean:

1. That part of a damages award that results from the multiplication of compensatory damages;
2. Aggravated damages;
3. Exemplary damages; or
4. Fines, penalties or other pecuniary sanction.

**Injury to Land** means accidental: civil trespass or damage to, or encroachment on, or other unlawful interference with, third party land, including interference with any easement or prescriptive right over that land.

**Occurrence** means an accidental event, or series of accidental events attributable to the same, or substantially the same, original cause or source, and includes continuous or repeated exposure to the same injurious or harmful conditions.

**Personal Injury** means false imprisonment, wrongful arrest or unlawful eviction.

**Product** means any goods manufactured, sold, supplied, hired out, modified, treated, erected, repaired, serviced, designed, tested, installed, processed, distributed or cleaned by the **Insured** within the **Territorial Limits** and which is no longer in the **Insured's** care, custody or control. **Product** also means any container, packaging, labelling or instructions for use with those goods.

**Property Damage** means accidental and direct physical loss of, or damage to, third party physical property and includes directly resulting loss of use of that physical property.



## GENERAL LIABILITY - CONDITIONS

Applicable to all *General Liability Sections* unless otherwise stated.

### Claims Procedure and Subrogation

The **Insurer's** liability to indemnify will only arise if the **Insured** complies with the following:

1. The **Insured** must give the **Insurer** notice of any event or circumstance that might give rise to a claim under this **Policy** as soon as reasonably practicable, with the fullest particulars the **Insured** has obtained, and must continue to provide the **Insurer** with all additional information as the **Insurer** may reasonably require;
2. The **Insured** must forward to the **Insurer** any correspondence, letter of claim, claim form, particulars of claim, writ, summons, petition, notice of impending prosecution or other similar process that relates to any event or circumstance that might give rise to a claim under this **Policy**, as soon as it is received by the **Insured**;
3. The **Insured** must not admit fault to anyone or negotiate, offer or enter into any settlement of any claim without the prior written consent of the **Insurer**; and
4. The **Insured** must permit the **Insurer**, at the **Insurer's** election, to take over the conduct and control of the defence, settlement, counter-claim or claim for contribution or indemnity, in the name of the **Insured**, and must support and cooperate with the **Insurer** to this end.

The **Insurer** may at any time pay the relevant **Limit of Indemnity** or any lesser amount necessary to settle a claim or a series of claims, including claimant costs, and will after that payment relinquish the conduct and control of the defence of that claim or claims and will have no further liability to the **Insured** for that claim or those claims, including claimant costs, or any defence costs incurred after that payment.

### Cover Under Multiple Sections

Where liability arising out of an **Occurrence** is indemnified under two or more operative *Sections* of the *General Liability Insurance*, each of the *Sections* will apply separately but the total amount paid by the **Insurer** for any **Occurrence** will not exceed the greatest of the available **Limits of Indemnity** among those operative *Sections*.

### Defence Costs Apportionment

Under the **Public Liability**, **Product Liability** and **Pollution Liability Insurances** only, if operative, where the amount of a claim for **Damages** against the **Insured** exceeds the **Insurer's** liability to the **Insured**, the liability of the **Insurer** to pay any legal costs to settle or defend that claim, or to recover contribution or indemnity from another party, will be in proportion to the **Insurer's** share of the total **Damages** awarded or settled.

### Personal Protective Equipment

It is a condition of cover that:

1. All **Employees** are made aware of the dangers of not using personal protective equipment;
2. Personal protective equipment is provided to **Employees** by the **Insured**; and
3. A register is maintained that demonstrates that **Employees** have received appropriate training, and are fully conversant with, the way in which to access such personal protective equipment.

### Sub-Contractors

It is a condition precedent to liability that the **Insured** will take all reasonable steps to ensure all sub-contractors have *Employers' Liability* and *Public Liability* insurances for liability at law for **Bodily Injury** and **Damage** to property arising in connection with the **Business** and that:

1. The **Limit of Indemnity** of the *Public Liability Section* will not be less than the **Limit of Indemnity** provided by this **Policy** for any **Occurrence**; and
2. Such insurances have been extended to indemnify the **Insured** as principal against all liability for such **Bodily Injury** and **Property Damage** to property.

## GENERAL LIABILITY - EXCLUSIONS

**Applicable to all General Liability Sections unless otherwise stated.**

### Aircraft, Spacecraft, Hovercraft and Watercraft

Any liability arising out of the ownership, possession, control or use by the **Insured** or on the **Insured's** behalf of any aircraft, spacecraft, hovercraft or watercraft except:

1. Manually propelled watercraft; or
2. Watercraft of less than 26ft

but only when operated within inland waterways or territorial waters.

### Asbestos

Any liability directly or indirectly arising out of the manufacturing, mining, processing, distributing, installing, testing, remediating, removing, stripping-out, demolishing, storing, transporting, disposing, selling or use of, or exposure to, asbestos or materials containing asbestos.

### Contract Works

Any liability arising out of **Property Damage** where that property is or comprises, or is to be incorporated into, the executed contract works undertaken by the **Insured**.

### Contractual Liability

Any liability assumed under a contract or agreement, including liability to pay liquidated damages, penalty clauses, contractual fines, or liability by virtue of warranties, guarantees or indemnities. However, this does not apply to the *Indemnity to Principals or Leased or Rented Premises Extensions*, if operative.

### Cyber Related Liability

The **Insurer** will not indemnify any liability arising out of the compromise of the confidentiality, availability, functionality, or integrity of electronic data or information, or digital services, arising out of the use of any information and communication technology (ICT) network or system such as the internet and telecommunication networks (including the inability to use such ICT network or system due to its inoperability or malfunction).

**Applicable to the Public Liability, Pollution and Product Liability Sections unless otherwise stated.**

Notwithstanding any other terms of this **Policy** to the contrary, no *General Liability Section* will indemnify the **Insured** for:

### **Employees**

Any liability for **Bodily Injury** to an **Employee** arising out of that **Employee's** employment in the **Insured's Business**.

### **Epidemics and W.H.O. Declarations**

1. An outbreak of a disease that becomes an epidemic whether or not declared to be an epidemic by any competent civil authority;
2. An outbreak of a disease declared or categorised by the World Health Organisation as a pandemic; or
3. A Public Health Emergency of International Concern as declared by the World Health Organisation.

For the avoidance of doubt, where an epidemic, pandemic or Public Health Emergency of International Concern occurs, the **Insurer** will not indemnify any such liability whether arising in the period prior to and following such epidemic, pandemic or Public Health Emergency of International Concern occurring or being declared.

### **Foreign Judgments**

The **Insurer** will not indemnify any liability to pay **Damages** awarded in legal proceedings brought against the **Insured** in any country outside the **Territorial Limits**. This *Exclusion* also applies to proceedings within the **Territorial Limits** to enforce, or which are based on, a claim brought outside the **Territorial Limits**.

This *Exclusion* does not apply to:

1. The *Overseas Personal Liability Extension* in the *Public Liability Section*;
2. The *Work Abroad Extension* in the *Public Liability Section*; or
3. The *Products Section*.

### **Mechanically Propelled Vehicles**

Any liability arising out of the ownership, possession, control or use by the **Insured** or on the **Insured's** behalf, of any vehicle, mechanically propelled vehicle or mobile plant, including any trailer ordinarily attached to that vehicle or plant which is required by any road traffic legislation to be the subject of compulsory insurance or other security. This *Exclusion* does not apply to liability arising out of the loading or unloading of any vehicle, plant or trailer.

However, this does not apply to the *Motor Contingent Liability Extension*, if operative.

### **Offshore**

The **Insurer** will not indemnify any liability for **Bodily Injury** or any other loss sustained by any person **Offshore**.

If the **Insurer** is required by compulsory insurance regulations to make a payment for **Bodily Injury** occurring **Offshore** then the **Limit of Liability** is £5,000,000 any **Occurrence**.

### **Owned Property**

Any liability for any **Property Damage** where that property is owned by or rented, hired, leased, loaned to or borrowed by the **Insured** or is held in trust by the **Insured** or otherwise in the **Insured's** care, custody and control. This *Exclusion* does not apply to property temporarily occupied by the **Insured** for the purpose of carrying out work on that property, in the course of the **Insured's Business**.

However, this does not apply to the *Care, Custody and Control* or *Leased or Rented Premises Extensions* if operative.

### **Pollution**

Any liability arising out of **Pollution**. This *Exclusion* does not apply to the *Pollution Liability Section*.

### **Products**

Any liability arising out of any **Product**. This *Exclusion* does not apply to the *Product Liability Section*.

### **Professional duties, advice and services**

Any liability arising out of any breach of professional duty, or any provision of, or failure to provide, professional advice or services, designs, specifications, inspection, certification, formulae, plans, directions, surveys or testing, by the **Insured** for a fee, or in circumstances where a fee would normally be charged.

# Employers' Liability Section

## EMPLOYERS' LIABILITY - INSURING AGREEMENT

The **Insurer** agrees to indemnify the **Insured** for **Damages** the **Insured** becomes legally liable to pay, including related claimant costs awarded, for **Bodily Injury** sustained by an **Employee**, arising out of and in the course of employment in the **Insured's Business**, caused during the **Period of Insurance** and within the **Territorial Limits**.

The **Insurer** agrees to pay legal costs reasonably and necessarily incurred by or on behalf of the **Insured**, with the **Insurer's** prior written consent, to settle or defend, or to recover contribution or indemnity from another party in relation to, a claim for **Damages** made against the **Insured** that might be indemnified under this *Section*.

### Limits of Indemnity

The **Limits of Indemnity** under this *Section* are those shown in the **Schedule** and include all claimant costs awarded and legal costs incurred. The limits apply irrespective of the number of:

1. Claims against the **Insured**; or
2. Parties or entities being indemnified under this *Section*

arising out of an **Occurrence** that causes **Bodily Injury**.

Notwithstanding the above, the **Insurer's** liability under this *Employers' Liability Section* will not exceed £5,000,000 in any one **Period of Insurance** for any claims directly or indirectly resulting from **Terrorism**.

## EMPLOYERS' LIABILITY - EXTENSIONS

Unless otherwise stated, all terms of this **Policy** apply to the *Extensions* of cover that follow. Some *Extensions* may be subject to a sub-limit as shown in the **Schedule**. Payments made under any *Extension* to this *Section*, including any agreed by **Endorsement**, form part of the **Limit of Indemnity** for this *Section* as shown in the **Schedule**.

### Acquisitions

Any company newly created or acquired by the **Insured** for a maximum period of ninety (90) days from the date of creation or acquisition, if:

1. All terms of this **Policy** apply to that company as they do to the **Insured** to the fullest extent possible;
2. The company's business activities are substantially the same as the **Insured's Business** as shown in the **Schedule** and defined within the **Policy**;
3. The forecast for the newly created company's first year's payroll, or in the case of an acquired company, its payroll in the year immediately prior to acquisition, does not exceed ten per cent (10%) of the **Insured's** annual payroll; and
4. The **Insured** notifies the **Insurer** of this creation or acquisition and provides the **Insurer** with all relevant risk information as soon as reasonably practicable, but not later than ninety (90) days from the date of creation or acquisition.

## Legal Costs

Legal costs reasonably and necessarily incurred with the **Insurer's** prior written consent for an **Employee**, partner, director or officer of the **Insured** for:

1. Representation at a Coroner's Inquest or Fatal Accident Inquiry;
2. Defending proceedings brought under Section 33 (1)(a)-(c) of the Health and Safety at Work etc. Act 1974 or equivalent legislation; or
3. Defending proceedings brought under Section 12 of the Consumer Protection Act 1987 or equivalent legislation.

The cover that is available under this *Extension* is on the basis that:

1. Those legal costs are incurred in proceedings that relate to **Bodily Injury** sustained by an **Employee**, arising out of and in the course of employment in the **Insured's Business**, caused during the **Period of Insurance** and within the **Territorial Limits**; and
2. This *Section* would indemnify the **Insured** for **Damages** for that **Bodily Injury**.

This *Extension* will not apply where, in the opinion of counsel (selected and instructed by the **Insurer**), there is no reasonable prospect of successfully defending the prosecution. This *Extension* will not apply to any legal costs incurred after the date of settlement or withdrawal of the **Damages** claim related to the proceedings.

## Overseas Work

**Damages** the **Insured** becomes legally liable to pay, including related claimant costs awarded, for **Bodily Injury** sustained by an **Employee**, arising out of and in the course of employment in the **Insured's Business**, caused during the **Period of Insurance** and outside the **Territorial Limits**, if:

1. The claim for **Damages** is brought in a court within the **Territorial Limits**; and
2. The **Employee** was outside the **Territorial Limits** temporarily for a period not exceeding one hundred and eighty (180) days and engaged in exclusively clerical, supervisory or managerial work in that time.

## Unsatisfied Judgments

At the request of the **Insured**, that part of any award of **Damages** obtained by an **Employee** against another party, or their personal representative, that remains unpaid six months from the date of judgment, if:

1. The award of **Damages** is for **Bodily Injury** sustained by that **Employee**, arising out of and in the course of employment in the **Insured's Business**, caused during the **Period of Insurance** and within the **Territorial Limits**;
2. Judgment is given by a court within the **Territorial Limits**;
3. No appeal is outstanding;
4. All reasonable steps have been taken to enforce judgment;
5. Judgment is assigned to the **Insurer** after payment;
6. The assignor provides all information and assistance as the **Insurer** may reasonably require; and
7. The **Insured** would have been indemnified under this *Section* if **Damages** had been awarded against the **Insured**.

## EMPLOYERS' LIABILITY - CONDITIONS

### Right of Recovery

The indemnity provided by this *Section* is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in the jurisdictions within the **Territorial Limits** but the **Insured** must repay to the **Insurer** all sums paid by the **Insurer** that the **Insurer** would not have been liable to pay but for the provisions of that law.

## EMPLOYERS' LIABILITY - EXCLUSIONS

This *Employers' Liability Section* does not cover:

### Road Traffic Legislation

Any liability for **Bodily Injury** or any other loss sustained by an **Employee**, or any other person, for which compulsory motor insurance is required by the relevant road traffic legislation or other laws of the place that comprises the **Territorial Limits**.

# Public Liability Section

## PUBLIC LIABILITY – INSURING AGREEMENT

The **Insurer** agrees to indemnify the **Insured** for **Damages** the **Insured** becomes legally liable to pay, including related claimant costs awarded, for:

1. **Bodily Injury**; or
2. **Injury to Land**; or
3. **Personal Injury**; or
4. **Property Damage**

occurring during the **Period of Insurance** and within the **Territorial Limits**, arising out of and in the course of the **Insured's Business**.

In addition, the **Insurer** agrees to pay legal costs reasonably and necessarily incurred by or on behalf of the **Insured**, with the **Insurer's** prior written consent, to settle or defend, or to recover contribution or indemnity from another party in relation to, a claim for **Damages** made against the **Insured** that might be indemnified under this *Public Liability Section*.

### Limits of Indemnity

The **Limits of Indemnity** under this *Section* are those shown in the **Schedule** and include claimant costs awarded. The limits apply irrespective of the number of:

1. Claims against the **Insured**; or
2. Parties or entities being indemnified under this *Section*

arising out of an **Occurrence** that causes **Bodily Injury**, **Injury to Land**, **Property Damage** or **Personal Injury**.

The **Insurer's** liability under this *Section* to pay legal costs incurred by or on behalf of the **Insured** to settle or defend, or to recover contribution or indemnity from another party in relation to, a claim for **Damages** made against the **Insured** will be in addition to the **Limits of Indemnity** but will be subject to the *Defence Costs Apportionment Condition* in the *General Conditions* in the *General Liability Insurance*.

Notwithstanding the paragraphs above, any sub-**Limit of Indemnity** under this *Section* shown in the **Schedule** for **Personal Injury** is the most the **Insurer** will pay for each **Occurrence** and in the aggregate for all claims for **Personal Injury** occurring during the **Period of Insurance**. The sub-**Limit of Indemnity** for **Personal Injury** will be part of and not in addition to the **Limit of Indemnity** for this *Section*.



## PUBLIC LIABILITY – EXTENSIONS

Some *Extensions* may be subject to a sub-limit as shown in the **Schedule**. Payments made under any *Extension* to this *Section*, including any agreed by **Endorsement**, form part of the **Limit of Indemnity** for this *Section* as shown in the **Schedule**.

### Data Protection

Compensation the **Insured** becomes liable to pay under article 82 of the UK General Data Protection Regulation, for material or non-material damage, suffered by a third party, arising out of and in the course of the **Insured's Business**, caused during the **Period of Insurance** and within the **Territorial Limits** if:

1. The **Insured** is a data controller, as defined in article 4(7) of the UK General Data Protection Regulation, subject to Section 6(1)(a) of the Data Protection Act 2018, and has paid the relevant fee under the Data Protection (Charges and Information) Regulations 2018;
2. Material or non-material damage was not caused by a deliberate or intentional act by, or omission of, the **Insured**, the effect of which the **Insured** knew or ought reasonably to have known would result in liability under the UK General Data Protection Regulation;
3. The costs of replacing, reinstating, rectifying or erasing any personal data, or costs incurred in relation to a compliance order is excluded from this *Extension*;
4. Liability does not arise as a result of the provision by the **Insured** of the services of a data processor, as defined by article 4(8) of the UK General Data Protection Regulation, but not including a processor within the meaning of Section 6(2) of the Data Protection Act 2018, or the recording or provision of data for reward or for determining the financial status of any person; and
5. The **Limit of Indemnity** will not exceed one million pounds (GBP1,000,000) during the **Period of Insurance**;
6. In addition, the **Insurer** agrees to indemnify the **Insured** for legal costs reasonably and necessarily incurred with the **Insurer's** prior written consent for defending proceedings brought against the **Insured** under article 79(1) of the UK General Data Protection Regulation where the claimant alleges breach of article 82; any amount paid for these legal costs forms part of the **Limit of Indemnity**, which is shown at paragraph 5 of this *Extension*; and
7. The **Insurer** will not provide indemnity:
  - i) for the first 10 per cent of each claim subject to a minimum payment by the **Insured** of £500 and a maximum payment by the **Insured** of £5,000; or
  - ii) against liability caused by, or arising from, any incident or circumstances known to the **Insured** at inception which may give rise to a claim.

The *Cyber Related Liability Exclusion* does not apply to the cover provided by this *Data Protection Extension*.

### Defective Premises Act 1972

**Damages** the **Insured** becomes liable to pay under Section 3 of the Defective Premises Act 1972, for **Bodily Injury** or **Property Damage** occurring during the **Period of Insurance**, which results from premises that have been disposed of by the **Insured** within the **Territorial Limits** and that were previously owned or occupied in connection with the **Insured's Business**, provided that:

1. The **Insurer** will not indemnify any costs incurred in removing, re-building, repairing, rectifying or replacing the premises or part of the premises;
2. The liability is not more specifically insured under other insurance; and
3. The liability arises for **Bodily Injury** or **Property Damage** occurring exclusively after disposal by the **Insured**.

### Leased or Rented Premises

**Damages** the **Insured** becomes legally liable to pay, for **Property Damage** sustained by a third party where that property is premises, within the **Territorial Limits**, occupied by the **Insured** under a lease, tenancy or licence agreement, where that **Property Damage** is caused during the **Period of Insurance** and arises out of and in the course of the **Insured's Business**.

This *Extension* will not apply to any **Damages** for liability:

1. Assumed under the lease, tenancy or licence agreement unless that liability would have attached in the absence of such an agreement;
2. Arising out of a peril against which insurance is required to be effected under the lease, tenancy or licence agreement, or by law, regulation or commercial custom, whether for or on behalf of the **Insured**, or not; and
3. Arising out of a breach of any term, condition or warranty of any otherwise applicable insurance policy.

### Motor Contingent Liability

**Damages** the **Insured** becomes legally liable to pay for accidental **Bodily Injury** or **Property Damage** sustained by a third party, arising out of the use of any vehicle mechanically propelled vehicle or plant in the course of the **Insured's Business**, caused during the **Period of Insurance** and within the **Territorial Limits**, if:

1. The claim for **Damages** is brought in a court within the **Territorial Limits**;
2. The vehicle or plant is not:
  - i) owned by or rented, hired, leased or loaned to, or borrowed by, the **Insured**;
  - ii) otherwise covered under a policy specifically arranged by the **Insured**, or a policy under which the **Insured** is entitled to indemnity, for the same **Bodily Injury** or **Property Damage**;
  - iii) used by the **Insured**;
  - iv) used with the general consent of either the **Insured** or the **Insured's** representative (which includes any manager, director, officer or employee), by a person who the **Insured** or the representative knows, or ought reasonably to have known, was not licensed to use that vehicle or plant; or
  - v) engaged in racing, pace making, reliability trials or speed testing.

The **Insurer** will not indemnify any liability for **Property Damage** where that damage is to the vehicle or plant itself, or to goods contained or carried inside, except where that damage arises out of loading or unloading.

### Motor Vehicles Tool of Trade Risk

Liability caused by or arising from:

1. The use of plant as a tool of trade at the **Premises** or on any site at which the **Insured** is working;
2. The loading or unloading of any vehicle or the bringing to or taking away of a load from any vehicle; or

3. **Damage** to any building, bridge, weighbridge, road or to anything beneath, caused by vibration or by the weight of any vehicle or its load

within the **Territorial Limits** including transits except that the **Insurer** will not provide indemnity against liability for which:

1. Compulsory insurance or security is required under any legislation governing the use of the vehicle; or
2. Indemnity is provided by any other insurance.

### Overseas Personal Liability

**Damages** that any **Employee**, partner, director or officer of the **Insured**, or the spouse of that person accompanying them becomes legally liable to pay for **Bodily Injury** or **Property Damage** sustained by a third party, arising out of personal activities while temporarily outside the **Territorial Limits** for up to 90 days in the course of the **Insured's Business**, caused during the **Period of Insurance**, but excepting any liability arising from the ownership or occupation of any land or buildings if:

1. Any person entitled to indemnity under this *Extension* acts as though they were the **Insured** and subject to the terms and conditions of this **Policy** insofar as they can apply;
2. Nothing in this *Extension* will increase the liability of the **Insurer** to pay any amount exceeding the **Limit of Liability** regardless of the number of persons claiming to be indemnified;
3. The **Insurer** will not provide indemnity against:
  - i) liability for which indemnity is provided by any other insurance;
  - ii) liability for **Damage** to property belonging to, or in the custody, or under the control of, any person entitled to indemnity under this *Extension*; or
  - iii) liability for **Bodily Injury** to any person entitled to indemnity under *Extension*; or
  - iv) liability caused by or arising from:
    - i. the ownership or occupation of land or buildings;
    - ii. the carrying on of any business, profession, trade or employment; or
    - iii. the ownership, possession or use of animals other than domestic dogs or cats.

### Work Abroad

**Damages** that any **Employee**, partner, director or officer of the **Insured** becomes legally liable to pay to a third party:

1. In any member state of the European Economic Area where such **Employee**, partner, director or officer is temporarily engaged for the purposes of the **Business**; and
2. Anywhere in the world where such **Employee**, partner, director or officer is temporarily engaged in administrative, clerical or supervisory work for the purposes of the **Business**.

There is no cover available under this *Extension* for:

1. **Employees**, partners, directors or officers of the **Insured** that are not ordinarily resident within the **Territorial Limits**;
2. Legal liability assumed by agreement that would not have attached in the absence of such agreement; or
3. Legal liability arising from manual work outside of the European Economic Area.

# Pollution Liability Section

## POLLUTION LIABILITY - INSURING AGREEMENT

The **Insurer** agrees to indemnify the **Insured** for **Damages** the **Insured** becomes legally liable to pay, including related claimant costs awarded, for:

1. **Bodily Injury;**
2. **Injury to Land;** or
3. **Property Damage,**

caused directly by sudden, identifiable, unintended and unexpected **Pollution** arising out of and in the course of the **Insured's Business** if:

1. The **Pollution** occurs entirely at a specific time and place during the **Period of Insurance** within the **Territorial Limits**; and
2. All liability for **Bodily Injury, Injury to Land** or **Property Damage** caused by an **Occurrence** of **Pollution** will be deemed to have accrued at the time of that **Occurrence**.

In addition, the **Insurer** agrees to pay legal costs reasonably and necessarily incurred by or on behalf of the **Insured**, with the **Insurer's** prior written consent, to settle or defend, or to recover contribution or indemnity from another party in relation to, a claim for **Damages** made against the **Insured** that might be indemnified under this *Section*.

### Limit of Indemnity

The **Limit of Indemnity** under this *Pollution Section* is shown in the **Schedule** and includes claimant costs awarded. The limit applies irrespective of the number of:

1. Claims against the **Insured**; or
2. Parties or entities being indemnified under this *Section*

arising out of an **Occurrence** that causes **Bodily Injury, Injury to Land** or **Property Damage**, and also applies in the aggregate in any one **Period of Insurance** irrespective of the number of claims, **Insureds** or **Occurrences**.

The **Insurer's** liability under this *Section* to pay legal costs incurred by or on behalf of the **Insured** to settle or defend, or to recover contribution or indemnity from another party in relation to, a claim for **Damages** made against the **Insured** will be in addition to the **Limits of Indemnity** but will be subject to the *Defence Costs Apportionment Condition* in the *General Conditions* of the *General Liability Insurance*.

## POLLUTION LIABILITY - EXCLUSIONS

This *Pollution Liability Section* does not cover:

### Property of the Insured

Any liability for:

1. **Property Damage** where that property is or has been owned or occupied by the **Insured**; or
2. **Injury to Land** where that land, or the water beneath that land, is within the boundary of land that is owned or has previously been owned or occupied by the **Insured**.

# Product Liability Section

## PRODUCT LIABILITY - INSURING AGREEMENT

The **Insurer** agrees to indemnify the **Insured** for **Damages** the **Insured** becomes legally liable to pay, including related claimant costs awarded, for third party **Bodily Injury** or **Property Damage** caused by a **Product** during the **Period of Insurance** anywhere in the world, and arising out of and in the course of the **Insured's Business**.

In addition, the **Insurer** agrees to pay legal costs reasonably and necessarily incurred by or on behalf of the **Insured**, with the **Insurer's** prior written consent, to settle or defend, or to recover contribution or indemnity from another party in relation to, a claim for **Damages** made against the **Insured** that might be indemnified under this *Section*.

### Limit of Indemnity

The **Limit of Indemnity** under this *Section* is shown in the **Schedule** and includes claimant costs awarded.

The limit applies irrespective of the number of:

1. Claims against the **Insured**; or
2. Parties or entities being indemnified under this *Section*

arising out of an **Occurrence** that causes **Bodily Injury** or **Property Damage**, and also applies in the aggregate in any one **Period of Insurance** irrespective of the number of claims, **Insureds** or **Occurrences**.

The **Insurer's** liability under this *Section* to pay legal costs incurred by or on behalf of the **Insured** to settle or defend, or to recover contribution or indemnity from another party in relation to, a claim for **Damages** made against the **Insured** will be in addition to the **Limits of Indemnity** but will be subject to the *Defence Costs Apportionment Condition* in the *General Conditions* of the *General Liability Insurance*.

The **Limit of Indemnity** shown in the **Schedule** for this *Product Liability Section* is the most that the **Insurer** will pay in the aggregate in any one **Period of Insurance** for all **Damages**, costs and expenses for claims arising in or from the United States of America or Canada or their dependencies or trust territories.

## PRODUCT LIABILITY - EXTENSIONS

Some *Extensions* may be subject to a sub-limit as shown in the **Schedule**. Payments made under any *Extension* to this *Section*, including any agreed by **Endorsement**, form part of the **Limit of Indemnity** for this *Section* as shown in the **Schedule**.

### Food Safety Act

Legal costs necessarily and reasonably incurred with the **Insurer's** prior written consent by the **Insured**, any director, partner or Employee of the **Insured**, in the defence of any criminal proceedings brought for a breach of Sections 7 and 8 of the Food Safety Act 1990, including such legal costs and expenses incurred in an appeal against conviction arising from such proceedings and prosecution costs awarded in connection with those proceedings, subject to:

1. The proceedings must relate to an offence alleged to have been committed during the **Period of Insurance** and in the course of the **Business** and within the **Territorial Limits**; and
2. The **Insurer** will not provide indemnity for:

- i) fines or penalties of any kind;
  - ii) any proceedings arising from circumstances for which indemnity is provided by any other insurance;
  - iii) proceedings consequent upon a deliberate act by, or omission of, any person entitled to indemnity under this *Products Liability Section Extension* if the result could reasonably have been expected having regard to the nature and circumstances of such act or omission;
  - iv) proceedings which arise out of any activity or risk excluded from this **Policy**; and
  - v) any proceedings which the **Insurer** considers do not have reasonable prospects of success; and
3. The director, partner or **Employee** will, as though they were the **Insured**, be subject to the terms and conditions of this **Policy** insofar as they can apply.

### Vendor's Liability

At the **Insured's** request, **Damages** that any legal personality (here referred to as "**Vendor**") is legally liable to pay but only:

- 1. In connection with the sale or distribution of any **Products** in the course of the **Vendor's** business;
- 2. In so far as is necessary to meet the terms of any agreement between the **Insured** and the **Vendor**;
- 3. To the extent that the **Insured** would have been indemnified under this *Products Liability Section* if the **Damages** had been awarded against the **Insured**, however:
- 4. This *Extension* will not apply to liability caused by or arising from:
  - i) Any alteration, treatment or preparation, made by the **Vendor** to any **Products**;
  - ii) Labelling, packing or repacking, by the **Vendor** of any **Products** other than repacking into the original packing;
  - iii) Any failure by the **Vendor** to maintain any **Products** in a merchantable quality;
  - iv) Any advice or express warranty, given by the **Vendor** other than in accordance with the instructions given by the **Insured**;
  - v) Any distribution or sale, for a purpose unauthorised by the **Insured**; or
  - vi) The fault or negligence of the **Vendor**;
- 5. The **Vendor** must not be a subsidiary or parent company of the **Insured**;
- 6. The **Vendor** must observe, fulfil and be subject to the terms, *Definitions*, *Conditions*, clauses and *Exclusions* of this **Policy**, in so far as they can apply;
- 7. Nothing in this *Extension* will increase the **Insurer's** liability beyond the amount for which the **Insurer** would have been liable had this *Extension* not applied; and
- 8. The **Vendor** must not be a person, company or organisation, operating within the United States of America or Canada or their dependencies or trust territories.

## PRODUCT LIABILITY – EXCLUSIONS

This *Product Liability Section* does not cover:

### Aircraft, Spacecraft and Watercraft

The **Insurer** will not indemnify any liability arising out of any **Product** that is knowingly supplied, sold, erected, repaired, altered, treated or installed by the **Insured** for ultimate use in or on any aircraft, spacecraft or watercraft where that **Product** is critical to safety, airworthiness, spaceworthiness or seaworthiness.

### Damage and Recall

The **Insurer** will not indemnify any liability for **Property Damage** where that property, or part of that property, is a **Product**, including any cost or expense in repairing, removing, replacing, recalling, rectifying, reinstating, reconditioning or disposing of any **Product**.

### United States of America and Canada

The **Insurer** will not indemnify any liability for any **Products** exported to the United States of America or Canada or their dependencies or trust territories with the **Insured's** knowledge.

# Personal Accident Section

The **Insured** will only have cover under this *Personal Accident Section* if it is stated as operative in the **Schedule**. The cover granted under this *Section* is subject to the **Policy's General Conditions** and *General Exclusions* unless otherwise expressly stated.

## PERSONAL ACCIDENT - INSURING AGREEMENT

If an **Insured Person** sustains **Bodily Injury**:

1. Within the **Operative Time of Cover**;
2. During the **Period of Insurance**; and
3. The **Bodily Injury** is the sole and direct cause of an **Event**; and
4. Such **Event** occurs within 24 months of the date of the **Bodily Injury**,

the **Insurer** will pay the **Insured** the amount of **Benefit** specified in the **Schedule** (unless otherwise stated in this *Section*).

### Limit of Liability

The **Insurer's** liability will not exceed:

1. £1,000,000 for all claims arising from one **Event**, source or original cause irrespective of the number of:
  - i) Claims;
  - ii) **Events** arising from **Bodily Injury**;
  - iii) **Insured Persons** that sustain **Bodily Injury**; or
  - iv) Accidents causing **Bodily Injury**.

If the total value of claims under this *Personal Accident Section* would exceed £1,000,000 if not for this provision, the amounts payable for all **Events** will be proportionately reduced accordingly to ensure that the **Insurer** does not pay more than £1,000,000 in one **Period of Insurance**;

2. The **Maximum Limit Any One Person** in respect of an **Insured Person** for all claims arising from one event, source or original cause;
3. The **Benefit Period** for any one **Insured Person** for all periods of disablement arising from one event, source or original cause,

as stated in the **Schedule**.

## PERSONAL ACCIDENT - EXTENSIONS

### Exposure

If an **Insured Person** suffers death or disablement as a result of exposure to the elements, such death or disablement will be deemed to be an **Event** caused by **Bodily Injury**.



## Medical Expenses

**Medical Expenses** reasonably and necessary incurred by an **Insured Person** as a result of an **Event** with the **Insurer's** prior written consent.

The **Insurer's** liability under this *Extension* will not exceed 20% of amounts paid as a result of an **Event** or £5,000 whichever is less or as stated in the **Schedule** for this *Extension*.

## PERSONAL ACCIDENT - DEFINITIONS

Notwithstanding the **General Definitions** of this **Policy**, the words defined below will have the following special meanings wherever they appear in bold letters within this *Personal Accident Section*.

**Annual Salary** means for an **Insured Person** who is:

1. An **Employee** (excluding a self-employed worker), the total annual remuneration, excluding payments for overtime, commission or bonus payable to the **Insured Person**; or
2. Self-employed, the annual taxable earnings after the deduction of relevant business expenses of the **Insured Person**,

at the date of occurrence of the **Bodily Injury**.

**Benefit** means the amount payable under the **Policy** as a result of an **Event** sustained by an **Insured Person**.

**Benefit Period** means the maximum period as stated in the **Schedule** for which amounts are payable for an **Event**. Such period begins at the end of the **Excess Period** and ends no later than the number of weeks stated in the **Schedule**.

**Bodily Injury** means accidental physical **bodily injury** caused solely and directly by external violent and visible means.

**Event** means one of the following events when solely and directly caused by **Bodily Injury**:

1. **Death**;
2. **Loss of Limb**;
3. **Loss of Sight**;
4. **Loss of Hearing**;
5. **Loss of Speech**;
6. **Permanent Total Disablement**;
7. **Temporary Total Disablement**.

**Excess Period** means the period of time that begins when an **Insured Person** first sustains an **Event** for which no amounts will be payable as stated in the **Schedule**.

**Insured Person** means any person or category of person shown in the **Schedule** under 65 years of age at the start of the **Period of Insurance**.

**Loss of Hearing** means the permanent, total and irrecoverable loss of hearing.

**Loss of Limb** means:

1. Loss of a leg - permanent physical severance at or above the ankle or permanent and total loss of use of a complete foot or leg; or
2. Loss of an arm - permanent physical severance at or above the wrist or permanent and total loss of use of a complete hand or arm.

**Loss of Sight** means the permanent and irrecoverable loss of sight:

1. In both eyes; or
2. In one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen Scale (which means seeing at 3 feet what an **Insured Person** should see at 60 feet).

**Loss of Speech** means the permanent total and irrecoverable loss of speech.

**Medical Expenses** means the cost of medical or surgical attention, treatment or appliances prescribed by a suitably qualified and registered medical professional.

**Operative Time of Cover** means 24 hours.

**Permanent Total Disablement** means the total and absolute disablement caused other than by **Events (1) to (5)** that will entirely prevent the **Insured Person** from engaging in their usual occupation for the remainder of their life.

**Temporary Total Disablement** means disablement that temporarily prevents the **Insured Person** from attending to any part of the **Insured Person's** usual occupation.

**Weekly Wage** means for an **Insured Person** who is:

1. An **Employee** (excluding a self-employed worker), the total weekly remuneration excluding payments for overtime, commission or bonus payable to the **Insured Person** at the date of occurrence of the **Bodily Injury**; or
2. Self-employed, the average taxable earnings after the deduction of relevant business expenses of the **Insured Person** for the preceding 13 weeks prior to the date of occurrence of the **Bodily Injury**.

## PERSONAL ACCIDENT - CONDITIONS

The **Insurer's** liability under this *Personal Accident Section* will be limited to:

1. A single **Benefit** for one of **Events (1) to (6)** for all **Bodily Injury** sustained by an **Insured Person** as a result of any one event, source or original cause;
2. In respect of **Events (1) to (5)**, the equivalent of up to five times the **Insured Person's Annual Salary** or the amount stated in the **Schedule** (whichever is the lesser). This does not apply to directors of the **Insured**; and
3. In respect of **Event (7)**, the amount equivalent to a maximum of 75% the **Insured Person's Weekly Wage** or the amount stated in the **Schedule** (whichever is the lesser).

Further, if an **Insured Person** is included under more than one **Category** within the **Schedule** then the amount payable as a result of sustaining **Bodily Injury** will be the highest stated amount and not cumulative.

### Disappearance

Death will not be presumed if an **Insured Person** disappears.

### 104 Weeks

No **Benefit** will be payable under this *Section* until **104 weeks** have passed since the date of the **Bodily Injury**. This does not apply to **Event (1)** or **Event (7)**.

### Event 1

In the event of a claim under **Event 1**:

1. The **Insurer** will be entitled to arrange a post-mortem examination at the **Insurer's** expense.
2. If there is no cover for **Event (1)** under this **Policy**, the **Insurer** will not be liable to pay any compensation under **Events (2) to (6)** if the **Insured Person's** death occurs within 13 weeks of the cause of the **Bodily Injury**.

### Medical Examination

An **Insured Person** that sustains an **Event** must immediately place themselves under the care of a suitably qualified and registered medical practitioner and submit to medical examination at the **Insurer's** expense as often may be required.

### Event 7

If an **Insured Person** sustains **Event 7**:

1. No amount is payable under this *Section* in respect of **Event (7)** unless the total amount has been agreed by the **Insurer** or at the request of the **Insured** at intervals of four consecutive weeks to begin four consecutive weeks after the **Insurer** has received written notice of the **Event**. Payments will not be made in advance in any circumstances;
2. Any payments under **Event (7)** will cease upon any payment under **Events (1) to (6)** when such **Events** arise from the same event, source or original cause;
3. Any **Benefit** payment made under **Event (7)** will be deducted from any **Benefit** that is subsequently paid for any other **Event** for **Bodily Injury** arising from the same event, source or original cause; and
4. The maximum **Benefit Period** is 104 weeks following the **Excess Period**.

### Excess Period

The **Excess Period** will apply as stated in the **Schedule**.

### Evidence

All evidence requested by the **Insurer** to support a claim under this *Section* will be provided at the expense of the **Insured** and as specified by the **Insurer**.

## PERSONAL ACCIDENT - EXCLUSIONS

The **Insurer** will not be liable to pay any claim under this *Personal Accident Section*:

1. Arising directly or indirectly from or in connection with or aggravated by:
  - i) an **Insured Person**:
    - i. committing a criminal act including but not limited to, assault, fighting (save in bona fide self-defence), violation or attempted violation of the law or resistance to arrest;
    - ii. wilful exposure to needless peril unless in an attempt to save human life;
    - iii. committing or attempting to commit suicide or intentional self-injury;
    - iv. flying other than as a fare-paying passenger in an aircraft operated by a regular commercial airline or in an aircraft of a recognised charter operator;
    - v. engaging or taking part in armed forces services or operations;
    - vi. taking part in professional sports;
    - vii. engaging in motorcycling as either a driver or a passenger;
    - viii. being under the influence of drugs or alcohol (other than drugs taken for medical supervision unless for the treatment of substance addiction), or insanity (temporary or otherwise) or any sexually transmitted or communicable disease;
  - ii) practising for, engaging, riding or driving in any kind of race, sky diving, rock climbing requiring the use of guides or ropes, sub-aquatic or subterranean pursuits, white water rafting, bungee jumping, aeronautic sports, winter sports, polo playing, steeplechasing, hunting, motorcycling (including motor scooters but not motor-assisted pedal cycles), pillion riding of any kind, mountaineering or show jumping;
  - iii) any physical or psychological impairment, defect, chronic or recurring disease, disorder or other condition that the **Insured Person** has required treatment for, sought medical advice on or has suffered in the 12 months before inception of this *Personal Accident Section*;
  - iv) any gradually operating cause;
  - v) invasion, acts of foreign enemies, hostilities (whether war be declared or not) civil war or any act, condition or warlike operation incidental to war;
  - vi) warlike action by a regular or irregular military force or civilian agents or any action taken by any government, sovereign or other authority to hinder or defend against an actual or expected attack;
  - vii) insurrection, rebellion, revolution, attempt to usurp power or popular uprising or any action taken by governmental or martial authority in hindering or defending against any of these;
  - viii) the discharge, explosion or use of a weapon of mass destruction employing nuclear fission or fusion or chemical, biological, radioactive or similar agents by any party at any time for any reason;
  - ix) radioactive contamination; or
  - x) travel against the advice of the Foreign & Commonwealth Office. Such advice may be found at [www.gov.uk/foreign-travel-advice](http://www.gov.uk/foreign-travel-advice);
2. In respect of the **Excess Period** stated in the **Schedule**; or
3. Loss for which there is more specific insurance under this or any other insurance policy. This includes, but is not limited to, the *Money Section* of this **Policy**.

# Commercial Legal Protection Section

This Section of the Policy is provided by ARAG plc on behalf of the **insurer**.

ARAG plc is authorised and regulated by the Financial Conduct Authority (FRN452369). Registered Address: Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW. Registered in England. Company Number 02585818.

ARAG plc is authorised to administer this insurance on behalf of the insurer ARAG Legal Expenses Insurance Company Limited.

ARAG Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FRN202106) and the Prudential Regulation Authority. Registered Address: Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW. Registered in England and Wales. Company Number 103274.

## How to contact us about your insurance policy

### TO MAKE A CLAIM

#### Telling us about your claim

1. If an **insured** needs to make a claim, they must notify **us** as soon as possible.
2. If an **insured** instructs their own solicitor or accountant without telling **us**, they will be liable for costs that are not covered by this policy.
3. A claim can be made online at [www.arag.co.uk/newclaims](http://www.arag.co.uk/newclaims). Alternatively, an **insured** can obtain a claim form by downloading one at [www.arag.co.uk/newclaims](http://www.arag.co.uk/newclaims) or by calling **us** on 0330 303 1955 between 9am and 5pm weekdays (except bank holidays).
4. The completed application and supporting documentation can be submitted online or sent to **us** by email, or post. Further details are set out on **our** website.

#### What happens next?

1. **We** will send the **insured** an acknowledgment by the end of the next working day after receiving their claim.
2. Within five working days of receiving all the information needed to assess the availability of cover under the policy, **we** will write to the **insured** either:
  - i) confirming cover under the terms of this policy and advising the **insured** of the next steps to progress their claim; or
  - ii) if the claim is not covered, **we** will explain in full the reason why and advise whether **we** can assist in another way.
3. When a representative is appointed by **us**, they will try to resolve the **insured's** dispute without delay, arranging alternative dispute resolution, such as mediation whenever appropriate.
4. **We** will check on the progress of the **insured's** claim with the **appointed advisor** from time to time. Sometimes matters cannot be resolved quickly, particularly if the other side is slow to cooperate or a legal timetable is decided by the courts.

## How to contact us for advice

**We** record and monitor calls for training purposes, to improve the quality of **our** service, to help **us** deal with queries or complaints from **you** and to prevent and detect fraud and financial crime. All helplines are subject to fair and reasonable use. The level of fair usage will depend on individual circumstances. However, if **our** advisors consider that **your** helpline usage is becoming excessive they will tell **you**. If following that warning, usage is not reduced to a more reasonable level, **we** can refuse to accept further calls

### Legal and tax advice 0344 571 7978

If **you** have a legal or tax problem relating to **your** business, **we** recommend **you** call **our** confidential legal and tax advice helpline. Legal advice is available 24 hours a day, 365 days of the year, and tax advice is available between 9am and 5pm on weekdays (except bank holidays)

**We** give advice about business-related legal matters within UK, Isle of Man, Channel Islands and EU law and tax matters within the UK. **Your** query will be dealt with by a qualified specialist who is experienced in handling legal and tax-related matters. Use of this service does not constitute reporting of a claim.

### Redundancy assistance 0330 303 1955

If **you** are planning redundancies and need extra legal support, **we** can arrange specialist consultancy assistance for **you**. Redundancy assistance will help **you** to implement a fair selection process and ensure that the redundancy notices are correctly served. The service offers document review and telephone or written advice and is subject to a charge. If **you** would like **us** to arrange Redundancy assistance please call **us** between 9am and 5pm on weekdays (except bank holidays).

### Executive suite – identity theft resolution 0333 000 2083

This service is available to the principal, executive officers, directors and partners of the **business** between 9am and 5pm on weekdays (except bank holidays). **We** provide telephone advice to help executives keep their personal identity secure. Where identity theft is suspected, **our** specialist caseworkers can help the victim to restore their credit rating and correspond with their card issuer, bank or other parties. Identity theft expenses are insured under **Executive Suite c** when **your** executives use this helpline.

### Crisis communication 0344 571 7964

Following an event that has attracted negative publicity which could affect **your business**, **you** can access professional public relations support from **our** Crisis communication experts. This service is available 24 hours a day, 365 days of the year.

In advance of any actual adverse publicity, where possible, initial advice for **you** to act upon will be provided over the phone. If **your** circumstances require professional work to be carried out at that time, **we** can help on a consultancy basis and subject to **you** paying a fee.

Where an event has led to actual publicity online, in print or broadcast, that could damage **your business**, **you** are insured against the costs of crisis communication services under **Crisis Communication** when **you** use this helpline.

### Counselling assistance 0333 000 2082

**Our** qualified counsellors will provide free confidential support and advice by phone to **your employees** or their family members who are suffering from emotional upset or feeling worried and anxious about a personal or work-related problem. This service is available 24 hours a day, 365 days of the year. Calls to the Counselling assistance service will not be recorded.

### How to access Business Legal Services

[www.araglegal.co.uk](http://www.araglegal.co.uk)

### Getting started

**You** will need to enter voucher code X1232KC79BB5 when **you** register to use the website.

Once **you** have registered **you** can access the website at any time to create and securely store **your** legal documents.

**You** can visit **our** website to see a video about this service.

### More help?

If **you** have problems using the website please contact **our** digital technical support team. Contact details can be found on the website. **Our** digital technical support team cannot give **you** legal or insurance advice.

## COMMERCIAL LEGAL PROTECTION SECTION – COVER

For claims covered by WHAT IS COVERED, the **insurer** will pay **legal costs & expenses** including the cost of appeals (and compensation awards under **Employment Compensation Awards**), up to

- a. £100,000
- b. an aggregate limit of £1,000,000 compensation awards under **Employment Compensation Awards** subject to all the following requirements being met:
  1. **You** have paid the insurance premium.
  2. The **insured** keeps to the terms of this **policy** and cooperates fully with **us**.
  3. Unless otherwise stated in this policy, the event arises in connection with **your business** and occurs within the **territorial limits**.
  4. The claim
    - a. always has reasonable prospects of success and
    - b. is reported to **us**
      - i) during the period of insurance and
      - ii) as soon as the **insured** first becomes aware of circumstances which could give rise to a claim.
  5. Unless there is a conflict of interest, the **insured** always agrees to use the **appointed advisor** chosen by **us**
    - a. in any claim to be heard by an Employment Tribunal and/or
    - b. before proceedings have been or need to be issued.
  6. Any dispute will be dealt with through mediation or by a court, tribunal, Advisory Conciliation and Arbitration Service or a relevant regulatory or licensing body within the territorial limits.

**We** consider that a claim has been reported to **us** when **we** have received the **insured's** fully completed claim application.

This policy will pay any otherwise covered claim involving the use of or inability to use a computer, including devices such as smart phones, tablets and wearable technology. This cover is subject to all other policy terms.

## COMMERCIAL LEGAL PROTECTION - SUB-SECTIONS OF COVER

### Employment

#### What is covered?

A dispute between **you** and **your employee**, ex-**employee**, or a prospective **employee**, arising from a breach or an alleged breach of their

- a. contract of service with **you**
- b. related legal rights.

**You** can claim under the policy as soon as all internal procedures as set out in the

- i) ACAS Code of Practice for Disciplinary and Grievance Procedures, or
- ii) Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland

have been or ought to have been concluded.

#### What is not covered?

Any claim arising from or relating to:

1. the pursuit of an action by **you** other than an appeal against the decision of a court or tribunal

2. actual or alleged redundancy that is notified to **employees** within 180 days of the start of this policy, except where **you** have had equivalent cover in force up until the start of this policy
3. costs **you** incur to prepare for an internal disciplinary hearing, grievance or appeal
4. a pension scheme where actions are brought by ten or more **employees** or ex-**employees**.

## Employment Compensation Awards

### What is covered?

Following a claim **we** have accepted under **Employment**, the **insurer** will pay any

- a. basic and compensatory award or
- b. an amount agreed by **us** in settlement of a dispute.

Provided that compensation is:

- i) agreed through mediation or conciliation or under a settlement approved by **us** in advance or
- ii) awarded by a tribunal judgment after full argument unless given by default.

### What is not covered?

1. Money due to an **employee** under a contract or a statutory provision relating thereto.
2. Compensation awards or settlement relating to
  - i) trade union membership, industrial or labour arbitration or collective bargaining agreement
  - ii) civil claims or statutory rights relating to trustees of occupational pension schemes

## Employment Restrictive Covenants

### What is covered?

- a. A dispute with **your employee** or ex-**employee** which arises from their breach of a restrictive covenant where **you** are seeking financial remedy or damages.  
Provided that the restrictive covenant
  - i) is designed to protect **your** legitimate business interests, for a period not exceeding 12 months and
  - ii) is evidenced in writing and signed by your **employee** or ex-**employee** and
  - iii) extends no further than is reasonably necessary to protect the **business** interests.
- b. A dispute with another party who alleges that **you** have breached their legal rights protected by a restrictive covenant.

## Tax Disputes

### What is covered?

- a. A formally notified enquiry into **your business** tax.
- b. A dispute about **your** compliance with HMRC regulations relating to **your employees**, workers or payments to contractors.
- c. An enquiry with HMRC about Value Added Tax.

Provided that:

- a. **you** keep proper records in accordance with legal requirements and
- b. in respect of any appealable matter **you** have requested an Internal Review from HMRC where available.



### What is not covered?

Any claim arising from or relating to:

1. tax returns which are submitted late or for any other reason, result in HMRC imposing a penalty, or which contain careless and/or deliberate misstatements or omissions
2. an investigation by the Fraud Investigation Service of HMRC
3. circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to **your** financial arrangements
4. any enquiry that concerns assets, monies or wealth outside of Great Britain and Northern Ireland
5. **your** failure to register for VAT.

## Property

### What is covered?

A dispute relating to material property which **you** own or is **your** responsibility

- a. following an event which causes physical damage to **your** material property
- b. following a public or private nuisance or trespass
- c. which **you** wish to recover or repossess from an **employee** or ex-**employee**.

### What is not covered?

Any claim arising from or relating to:

1. a contract between **you** and a third party except for a claim under **Property c**
2. goods lent or hired out
3. compulsory purchase, demolition restrictions, controls or permissions placed on land or property by any government, local or public authority.

## Legal Defence

### What is covered?

- a. A criminal investigation and/or enquiry by:
  - i) the police
  - ii) other body with the power to prosecutewhere it is suspected that an offence may have been committed that could lead to the **insured** being prosecuted.
- b. The charge for an offence or alleged offence which leads to the **insured** being prosecuted in a court of criminal jurisdiction.

### What is not covered?

Any claim relating to a parking offence.

## Compliance & Regulation

### What is covered?

- a. Receipt of a Statutory Notice that imposes terms against which **you** wish to appeal.
- b. Notice of a formal investigation or disciplinary hearing by any professional or regulatory body.
- c. A civil action alleging wrongful arrest arising from an allegation of theft.
- d. A claim against **you** for compensation under the Data Protection Act 2018 provided that
  - i) **you** are registered with the Information Commissioner

- ii) **you** are able to evidence that **you** have in place a process to
    - investigate complaints from data subjects regarding a breach of their privacy rights
    - offer suitable redress where a breach has occurred and that **your** complaints process has been fully engaged.
- e. A civil action alleging that an **insured** (or an ex-**employee** provided that they have **your** agreement to claim under this policy) has
  - i) committed an act of unlawful discrimination; or
  - ii) failed to correctly exercise their fiduciary duty as a trustee of a pension fund set up for the benefit of **your employees**.
- f. Representing **you**
  - i) throughout a pre investigation assessment and statutory investigation by the investigations and enforcement unit of the Charity Commissioners of England & Wales
  - ii) to appeal to the First Tier and/or Upper Tier tribunal against a decision of the Charity Commission of England & Wales.

### What is not covered?

Any claim arising from or relating to:

1. the pursuit of an action by **you** other than an appeal
2. a routine inspection by a regulatory authority
3. an enquiry, investigation or enforcement action by HMRC
4. a claim brought against **your business** where unlawful discrimination has been alleged.

## Statutory Licence Appeals

### What is covered?

An appeal against a formal written proposal by the relevant authority to alter, suspend, revoke or refuse to renew a licence or compulsory registration required to run **your business**.

## Loss of Earnings

### What is covered?

The **insured's** absence from work to attend court, tribunal, arbitration, regulatory proceedings or a professional body's disciplinary hearing at the request of the **appointed advisor** or whilst on jury service which results in loss of earnings.

### What is not covered?

Any sum which can be recovered from the court.

## Personal Injury

### What is covered?

An event that causes bodily injury to, or the death of, an **insured**.

### What is not covered?

Any claim arising from or relating to a condition, illness or disease which develops gradually over time.

## Executive Suite

### What is covered?

This event applies only to the principal, executive officers, directors and partners of **your business**

- a. An HMRC enquiry into the executive's personal tax affairs
- b. A motoring prosecution that arises from driving for personal, social or domestic use, including commuting to or from **your business**
- c. A claim that arises from personal identity theft provided that the person claiming has sought and followed advice from the Executive suite identity theft resolution helpline
- d. A dispute that arises from the terms of **your business** partnership agreement that is to be referred to mediation
- e. **Crisis communication** as described below shall be available to the principal, executive officers, directors and partners of the **business** for matters occurring in their private and personal capacity that cause significant adverse publicity or reputational damage.

### What is not covered?

1. Any claim arising from or relating to:
  - i) tax returns which are submitted late or for any other reason, result in HMRC imposing a penalty or which contain careless and/or deliberate misstatements or omissions
  - ii) an investigation by the Fraud Investigation Service of HMRC
  - iii) circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to the executive's financial arrangements
  - iv) any enquiry that concerns assets, monies or wealth outside of the United Kingdom
  - v) a parking offence
  - vi) costs incurred in excess of £25,000 for a claim under **Executive Suite d** and **Executive Suite e**.
2. Crisis communication for a matter that has not actually resulted in adverse publicity appearing online, in print or broadcast.

## Contract & Debt Recovery

### What is covered?

A breach or alleged breach of an agreement or alleged agreement which has been entered into by **you** or on **your** behalf to buy, sell, hire, lease, goods or services or to rent **your business** premises, provided that if **you** are claiming for an undisputed debt **you** have exhausted **your** normal credit control procedures.

### What is not covered?

Any claim arising from or relating to:

1. an amount which is less than £200
2. disputes with a tenant or lessee where **you** are the landlord or lessor
3. the sale or purchase of land or buildings
4. loans, mortgages, endowments, pensions or any other financial product
5. computer hardware, software, internet services or systems which
  - a. have been supplied by **you** or
  - b. have been tailored to **your** requirements
6. a breach or alleged breach of a professional duty by an **insured**
7. the settlement payable under an insurance policy
8. a dispute relating to an **employee** or ex-**employee**
9. adjudication or arbitration.

## Crisis Communication

### What is covered?

Following an event which causes significant adverse publicity or reputational damage which is likely to have a widespread financial impact on **your business**, we will

- a. liaise with **you** and **your** solicitor (whether the solicitor is an **appointed advisor** under this policy, or acts on **your** behalf under any other policy), to draft a media statement or press release
  - b. prepare communication for **your** staff/customers/suppliers and/or a telephone or website script or social media messaging
  - c. arrange, support and represent an **insured** at an event which media will be reporting
  - d. support the **insured** by taking phone calls/emails and managing interaction with media outlets
  - e. support and prepare the **insured** for media interviews
- provided that **you** have sought and followed advice from **our** Crisis Communication helpline.

### What is not covered?

Any claim arising from or relating to:

1. matters that should be dealt with through **your** normal complaints procedures
2. a matter that has not actually resulted in adverse publicity appearing online, in print or broadcast
3. costs incurred in excess of £25,000.

## COMMERCIAL LEGAL PROTECTION SECTION - DEFINED TERMS

Some of the words in this Section have a specific meaning and **we** have highlighted these to you by showing them in **bold** print.

### Appointed advisor

The

1. solicitor, accountant or other advisor (who is not a mediator), appointed by **us** to act on behalf of the **insured**;
2. mediator appointed by **us** to provide impartial dispute resolution in relation to a claim accepted by **us**.

### Business

The occupation, trade profession or enterprise carried out by the entity shown in the schedule that attaches to this policy.

### Collective conditional fee agreement

A legally enforceable agreement entered into on a common basis between the **appointed advisor** and **us** to pay their professional fees on the basis of either

1. 100% "no-win no-fee" or
2. where discounted, that a discounted fee is payable.

### Conditional fee agreement

A legally enforceable agreement between **you** and the **appointed advisor** for paying their professional fees on the basis of either

1. 100% "no-win no-fee" or
2. where discounted, that a discounted fee is payable.

### Employee

A worker who has or alleges they have entered into a contract of service with **you**.

### Insured

1. **You, your** directors, partners, managers, officers and **employees of your business.**
2. A person declared to **us**, who is contracted to perform work for **you**, who in all other respects **you** have arranged to insure on the same basis as **your employees** and who performs work under **your** supervision.

### Insurer

ARAG Legal Expenses Insurance Company Limited

### Legal costs & expenses

1. Reasonable legal costs and disbursements reasonably and proportionately incurred by the **appointed advisor** on the standard basis and agreed in advance by **us**. The term “standard basis” can be found within the Courts’ Civil Procedure Rules Part 44.3.
2. In civil claims, other side’s costs, fees and disbursements where the **insured** has been ordered to pay them or pays them with **our** agreement.
3. Reasonable accountancy fees reasonably incurred under **Tax Disputes** by the **appointed advisor** and agreed by **us** in advance.
4. Health and Safety Executive Fees for Intervention.
5. **Your employee’s** basic wages or salary under **Loss of Earnings** in the course of their employment with **you** while attending court or tribunal at the request of the **appointed advisor** or whilst on jury service where lost wages or salary cannot be claimed back from the court or tribunal.
6. The reasonable cost of phone calls, postage (including special delivery), image scanning, photocopying or credit reports incurred under **Executive Suite c** where the **insured** has taken advice from **our** Executive suite identity theft resolution helpline.
7. The professional fees and expenses of an **appointed advisor** selected by **us** to reduce the actual adverse or negative publicity or media attention directed under **Executive Suite e** and **Crisis Communication**.

### Reasonable prospects of success

1. Other than as set out in 2 and 3 below, a greater than 50% chance of the **insured** successfully pursuing or defending the claim and, if the **insured** is seeking damages or compensation, a greater than 50% chance of enforcing any judgment that might be obtained. Under **Contract & Debt Recovery**, there must be a greater than 50% chance of successfully defending the claim in its entirety.
2. In criminal prosecution claims where the **insured**
  - a. pleads guilty, a greater than 50% chance of reducing any sentence or fine or
  - b. pleads not guilty, a greater than 50% chance of that plea being accepted by the court.
3. In all claims involving an appeal, a greater than 50% chance of the **insured** being successful.

Where it has been determined that **reasonable prospects of success** do not exist, the **insured** shall be liable to pay any legal costs incurred should they pursue or defend their claim irrespective of the outcome.

### Territorial limits

1. For **Legal Defence** and **Contract & Debt Recovery**, the United Kingdom, Channel Islands, Isle of Man, Norway, Switzerland and countries in the European Union.
2. For all other covers, the United Kingdom, Channel Islands and the Isle of Man.

### We/us/our

ARAG plc who is authorised under a binding authority agreement to administer this insurance on behalf of the **insurer**.

### You/your

The individual, partnership or corporate body named in the schedule, including any subsidiary and/or associated companies.

## COMMERCIAL LEGAL PROTECTION SECTION - SPECIAL OR UNUSUAL CONDITIONS AND TERMS OF THIS POLICY

Where the **insurer's** risk is affected by the **insured's** failure to keep to these conditions the **insurer** can refuse a claim or withdraw from an ongoing claim. The **insurer** also reserves the right to claim back **legal costs & expenses** from the **insured** if this happens.

### The insured's Responsibilities

An **insured** must:

- a. tell **us** immediately of anything that may make it more costly or difficult for the **appointed advisor** to resolve the claim in the **insured's** favour
- b. cooperate fully with **us**, give the **appointed advisor** any instructions **we** require, and keep them updated with progress of the claim and not hinder them
- c. take reasonable steps to claim back **legal costs & expenses** and, where recovered, pay them to the **insurer**
- d. allow the **insurer** at any time to take over and conduct in the **insured's** name, any claim.

### Freedom to Choose an appointed advisor

- a. In certain circumstances as set out in b below the **insured** may choose an **appointed advisor**. In all other cases no such right exists and **we** shall choose the **appointed advisor**.
- b. If:
  - i) a suitably qualified advisor considers that it has become necessary to issue proceedings or proceedings are issued against an **insured**, or
  - ii) there is a conflict of interestthe **insured** may choose a qualified **appointed advisor** except, where the **insured's** claim is to be dealt with by the Employment Tribunal, **we** shall always choose the **appointed advisor**.
- c. Where the **insured** wishes to exercise the right to choose, the **insured** must write to **us** with their preferred representative's contact details.
- d. Where the **insured** chooses to use their preferred representative, the **insurer** will not pay more than **we** agree to pay a solicitor from **our** panel and will pay only the costs that the **insurer** would have been liable to pay. (**Our** panel solicitor firms are chosen with care and **we** agree special terms with them including rates which may be lower than those available from other firms).
- e. If the **insured** dismisses the **appointed advisor** without good reason, or withdraws from the claim without **our** written agreement, or if the **appointed advisor** refuses with good reason to continue acting for an **insured**, the **insurer's** liability in respect of that claim will end immediately.
- f. In respect of pursuing a claim **you** must enter into a **conditional fee agreement** (unless the **appointed advisor** has entered into a **collective conditional fee agreement**) where legally permitted.

### Consent

- a. The **insured** must agree to **us** having sight of the **appointed advisor's** file relating to the **insured's** claim. The **insured** is considered to have provided consent to **us** or **our** appointed agent to have sight of their file for auditing and quality and cost control purposes.
- b. An **insured** must have **your** agreement to claim under this policy.

### Settlement

- a. The **insurer** can settle the claim by paying the reasonable value of the **insured's** claim.
- b. The **insured** must not negotiate or settle the claim without **our** written agreement

- c. If the **insured** refuses to settle the claim following advice to do so from the **appointed advisor** the **insurer** reserves the right to refuse to pay further costs.

### **Barrister's Opinion**

**We** may require the **insured** to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of the claim. If the opinion supports the **insured**, then the **insurer** will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by **us**, then the **insurer** will pay for a final opinion which shall be binding on the **insured** and **us**. This does not affect the **insured's** right under **Arbitration** below.

### **Arbitration**

If any dispute between the **insured** and **us** arises from this policy, the **insured** can make a complaint to **us** and **we** will try to resolve the matter. If **we** are unable to satisfy the **insured's** concerns and the matter can be dealt with by the Financial Ombudsman Service the **insured** can ask them to arbitrate over the complaint.

If the dispute cannot be dealt with by the Financial Ombudsman Service, it can be referred for independent arbitration to a qualified person agreed upon by both parties. The loser of the dispute shall be liable to pay the costs incurred.

If **we** and the **insured** fail to agree on a suitable person to arbitrate the matter **we** will ask the President of the relevant Law Society to nominate. The arbitration shall be subject to the Arbitration Acts and the arbitrator's decision shall be binding on the parties.

### **Other Insurance**

The **insurer** will not pay more than their fair share (rateable proportion) for any claim covered by another policy, or any claim that would have been covered by any other policy if this policy did not exist; even if the other insurer refuses the claim.

### **Fraudulent Claims and Claims Tainted By Dishonesty**

- a. If the **insured** makes any claim which is fraudulent or false, the policy may become void and all benefit under it may be lost.
- b. An **insured** shall at all times be entirely truthful, accurate and open in any evidence, disclosure or statement they give and shall act with complete honesty and integrity throughout. Where, on the balance of probabilities and having considered carefully all the facts of the claim, it appears that the **insured** has breached this condition and that the breach has:
- i) affected **our** assessment of **reasonable prospects of success**, and/or
  - ii) prejudiced in any part the outcome of the **insured's** claim
- the **insurer** shall have no liability for **legal costs & expenses** incurred from the date of the **insured's** breach.

### **Cancellation**

In addition to the Cancellation condition as set out under the General Conditions Section, where there is a valid reason for doing so, the **insurer** has the right to cancel the policy at any time by giving **you** at least 21 days written notice. The **insurer** will refund the premium for the time remaining of the period of insurance. **We** will set out the reason for cancellation in writing. Valid reasons may include but are not limited to:

- a. where the party claiming under this policy fails to cooperate with or provide information to **us** or the **appointed advisor** in a way that materially affects **our** ability to process a claim, or **our** ability to defend the **insurer's** interests,

- b. where the **insured** uses threatening or abusive behaviour or language, or intimidates or bullies **our** staff or suppliers,
- c. where **we** have evidence that the **insured** has committed a fraudulent act.

The **insurer** may also cancel this Section of the policy and refund the premium for the remaining period of insurance if at any time **you**:

- a. enter into a voluntary arrangement or a deed of arrangement or
- b. become bankrupt, are placed into administration, receivership or liquidation or
- c. have **your** affairs or property in the care or control of a receiver or administrator.

### Acts of Parliament, Statutory Instruments, Civil Procedure Rules & Jurisdiction

All legal instruments, bodies and rules referred to within this policy shall include the equivalent in Wales, Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any subsequent amendment or replacement. This policy will be governed by English law.

## COMMERCIAL LEGAL PROTECTION SECTION - WHAT IS NOT COVERED BY THIS SECTION OF THE POLICY?

The **insured** is not covered for any claim arising from or relating to:

1. costs or compensation awards incurred without **our** consent
2. any actual or alleged act, omission or dispute happening before, or existing at the start of the insurance provided by this policy, and which the **insured** knew or ought reasonably to have known could lead to a claim
3. an allegation against the **insured** involving:
  - a. assault, violence, malicious falsehood or defamation
  - b. indecent or obscene materials
  - c. the use of alcohol or its unauthorised or unregulated manufacture, unlicensed dealing in alcohol or dealing in or using illegal drugs
  - d. illegal immigration
  - e. money laundering or bribery offences, breaches of international sanctions, fraud, or any other financial crime activities
 except in relation to **Crisis Communication**
4. defending a claim in respect of damages for personal injury (other than injury to feelings in relation to **Employment**), or defending a claim in respect of loss or damage that has been caused to **your** property
5. National Minimum Wage and/or National Living Wage Regulations
6. patents, copyright, passing-off, trade or service marks, registered designs and confidential information (except in relation to Employment Restrictive Covenants)
7. a dispute with any subsidiary, parent, associated or sister company or between shareholders or partners (except in relation to mediation under **Executive Suite d**)
8.
  - a a franchise agreement
  - b an agency agreement through which one party has the legal capacity to alter the legal relations of the other
9. a judicial review
10. a dispute with **us**, the **insurer** or the party who arranged this cover not dealt with under the **Arbitration** condition.
11. The payment of fines, penalties or compensation awarded against the **insured** (except as covered under **Employment Compensation Awards**); or costs awarded against the **insured** by a court of criminal jurisdiction.

## PRIVACY STATEMENT

This is a summary of how ARAG collect, use, share and store personal information. To view ARAG's full privacy statement, please see ARAG's website [www.arag.co.uk](http://www.arag.co.uk).



### Collecting Personal Information

ARAG may be required to collect certain personal or sensitive information which may include name, address, date of birth and if appropriate medical information. ARAG will hold and process this information in accordance with all relevant data protection regulations and legislation. Should ARAG ask for personal or sensitive information, ARAG undertake that it shall only be used in accordance with ARAG's privacy statement.

ARAG may also collect information for other parties such as suppliers ARAG appoint to process the handling of a claim.

### Using Personal or Sensitive Information

The reason ARAG collect personal or sensitive information is to fulfil their contractual and regulatory obligations in providing this insurance product, for example to process premium or handle a claim. To fulfil these obligations, ARAG may need to share personal or sensitive information with other organisations.

ARAG will not disclose personal or sensitive information for any purpose other than the purpose for which it was collected.

Please refer to ARAG's full privacy statement for full details.

### Keeping Personal Information

ARAG shall not keep personal information for any longer than necessary.

### Your Rights

Any person insured by this policy has a number of rights in relation to how ARAG hold personal data including; the right to a copy of the personal data ARAG hold; the right to object to the use of personal data or the withdrawal of previously given consent; the right to have personal data deleted.

## HOW TO MAKE A COMPLAINT

ARAG is committed to providing a first class service at all times. However, if a complaint arises, this should be addressed to **our** Customer Relations Department who will arrange to have it reviewed at the appropriate level.

**We** can be reached in the following ways:

ARAG plc

Unit 4a

Greenway Court

Bedwas

Caerphilly CF83 8DW

Telephone: 0117 917 1561

Email: [customerrelations@arag.co.uk](mailto:customerrelations@arag.co.uk)

If **we** are not able to resolve the complaint to **your** satisfaction then **you** can refer it to the Financial Ombudsman Service (FOS) provided that it falls within their jurisdiction. They can be contacted at:

Financial Ombudsman Service

Exchange Tower

London, E14 9SR

Telephone: 0800 023 4567 or 0300 123 9123

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. **You** can find out more information on the Financial Ombudsman Service at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

The FOS's decision is binding upon the **insurer**, but **you** are free to reject it without affecting **your** legal rights.