



Cricket Club Insurance

Please read this document carefully.
Should you have any questions, please contact Paul Jones Insurance Services.



Policy Information

This Policy has been prepared in accordance with Your instructions. Please read it carefully to ensure that it meets Your requirements.

This Policy consists of

1. the introduction which explains the basis on which cover is provided
2. the Schedule which shows details of the Policyholder, Period of Insurance, the Business being covered, the Property or Events insured, Limits of Liability and certain amounts You will be responsible for and details of which Sections are operative
3. the Statement of Fact which is a record of the information that You provided to Your insurance agent about You and Your Business upon which Your insurance quotation is based
4. Policy Definitions and Conditions
5. the Sections of the Policy which give details of the cover
6. General Exceptions to cover applying to the whole Policy
7. Any Endorsements or Warranties which might apply to the Policy or individual Sections and which incorporate cover amendments, extensions, limitations and the like

Immediate notice should be given to Us of any changes which may affect the insurance provided by this Policy.

Alterations in the cover required after the issue of the Policy will be confirmed by a separate Endorsement and/or Schedule and/or Statement of Fact which You should file with Your Policy. You should refer to the Schedule and Statement of Fact and Endorsement(s) and the Policy to ascertain precise details of cover currently in force.

Our Promise to You

Our goal is to provide excellent customer service to all Our customers but we recognise that sometimes things may go wrong. We take complaints seriously and aim to resolve all of Our customers problems promptly.

If this cover does not meet with Your requirements please return all of Your documents and any Employers Liability Certificate(s) to Your insurance agent who has arranged the cover within 14 days of receipt. We will return any premium paid in full.

If You wish to terminate the cover at any other time please contact Your insurance agent who arranged it and any return premium will be at the discretion of Arista Insurance.

Making a Claim

To report or make a claim follow the instructions provided in the General Conditions – Claims Procedure.

To register a claim You should contact **Robins Claims Solution on 0844 770 5150** who provide Our claims service and are authorised to handle and settle claims on Our behalf. If You have a need to seek additional assistance please contact Your insurance agent.

For Policy holders who have elected either the Essential Business Legal Expenses Section or Absolute Business Legal Section You also have access to a website and helplines as described below. These helplines are available 24 hours a day 365 days a year and are available to You free of charge.

Legal and Tax Helpline

0844 581 0400

Through this number Arista Insurance Policyholders have 24 hour access to legal advice on numerous topics including tax, employment issues and health and safety issues.

Staff Counselling Helpline

0844 477 1619

This helpline is accessible by Your staff providing professional confidential support. The counselling can be used for any aspect of their life and is not restricted to work-related matters.

Legal Document Max

www.arag.co.uk/docs

By choosing Arista Insurance, you also have free access to business support via www.arag.co.uk/docs. Legal Document Max provides the essential tools and services to prepare vital legal paperwork; for example, your Health & Safety Policy, up to date employment legal procedures, advice on management and recovery of debts. To register, log on to www.arag.co.uk/docs, click 'Essential Business Legal', click 'Not Registered Yet' and enter the voucher code shown on your Schedule. After completing a short registration form, you will be provided with access to the standard service. You can also upgrade from this free facility to the 'Live' service which entitles you to have all downloaded documents reviewed by a solicitor to ensure that they are legally compliant.

How to Complain

If You have any enquiry or complaint arising from Your Policy please contact Your insurance agent who arranged the Policy for You or the local Arista Insurance office quoting the Policy number in all cases

If You are not satisfied with the way in which a complaint has been dealt with please write to

The Chief Executive
Arista Insurance Limited
23 Austin Friars
London EC2N 2QP

After this action if You are still not satisfied with the way a complaint has been dealt with You should do the following

If Your Underwriter is at Lloyd's You may ask the Policyholder and Market Assistance department at Lloyd's to review Your case (this would not affect Your rights to take legal action if necessary) The address is

Policyholder and Market Assistance,
Lloyd's Market Services,
One Lime Street
London EC3M 7HA

Telephone: 020 7327 5693
Fax: 020 7327 5225
Email: complaints@lloyds.com

Having followed this procedure for Lloyd's Underwriters or if Your Underwriter is not at Lloyd's Your complaint may also be referred to the Financial Ombudsman Service (FOS) The address is

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR

Financial Services Compensation Scheme

The Underwriters are members of the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we are unable to meet our liabilities under this insurance. This depends on the type of business and the circumstances of the claim. Such claims are protected for 90% without any upper limit. For compulsory classes of insurance the claim will be met in full. Further information about the compensation scheme arrangements is available from FSCS. Information can be obtained on request, or by visiting the FSCS website at www.fscs.org.uk

Important Information

The Employers Liability (Compulsory Insurance) Regulations 1998 lay down certain obligations for employers and in particular You should be aware of the following

Display of Certificates

We will provide You with a Certificate of Employers Liability Insurance and this will state clearly the companies covered by it. You must display either an original copy or make available a copy of the Certificate of Employers Liability Insurance in an electronic format at each Business Premises where Your Employees can see it easily

Retention of Certificates

The Employers' Liability (Compulsory Insurance Amendment) Regulations 2008 remove the requirement for You to retain copies of Certificates of Employers Liability Insurance that have expired for at least 40 years. However it is still good business practice to retain the certificates because certain claims eg disease could be made many years after the disease is caused and if Your insurer can not be identified You could be liable for any payments

Data Protection

We may use the details You have given to provide You with a quotation deal with Your Policy to search credit reference agencies who may keep a record of the search to support the development of Our business by including Your details in customer surveys and for market research and compliance business reviews

We share Your details with those companies who are underwriting Your Policy with approved organisations for fraud prevention purposes and with companies where We are legally obliged to do so

We may also share Your details with third parties so that we may tell You of products and services which we think may interest You by telephone email or post. If You do not want to know about these products or services please write to Arista Insurance Limited 23 Austin Friars London EC2N 2QP

Under the Data Protection Act We can only discuss the details given with You. If You would like anyone else to act on Your behalf please let Us know. Your details will not be kept longer than is necessary

Under the terms of the Data Protection Act 1998 You are entitled to a copy of all information Arista Insurance holds about You

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

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The Contract of Insurance and the Underwriters

This Policy is underwritten by certain Underwriters at Lloyd's and other insurance companies (hereinafter called the 'Underwriters') and is administered by Arista Insurance Limited in accordance with the authority granted under binding authority agreement(s)

In consideration of payment of the premium the Underwriters set out above are bound severally and not jointly to indemnify You within the limits terms conditions and exceptions of this Policy against the events set out in the sections operative and occurring in connection with the Business during the Period of Insurance and any subsequent period for which You pay and the Underwriters agree to accept a premium

Where the Underwriters are a Lloyd's syndicate they are made up of Lloyd's Underwriters Each Underwriter is only liable for their own share of the risk and not for any others share You can ask us for the names of the Lloyd's Underwriters and the share of the risk each has taken on

Each Underwriter is only liable in respect of the cover or engineering inspection service provided under the Section(s) of this Policy shown against them below and not any other section

Absolute Business Legal Expenses and Essential Business Legal Expenses Section	BRIT Insurance Limited (FSA Register No 202898) administered by ARAG plc (FSA Register No 452369)
Engineering – Machinery Damage Section	HSB Engineering Insurance Limited (FSA Register No 202738)
Engineering Inspection	HSB Haughton Engineering Insurance Services Limited is accredited by UKAS (ISO7020) as an Inspection Authority
All Other Sections	Lloyd's Syndicate 4444 which is managed by Canopus Management Agents Limited (FSA Register No 204847)

The Underwriters are authorised and regulated by the Financial Services Authority

You have provided information to Us which includes but is not limited to the information detailed in the Statement of Fact You agree that all information provided to Us is true and is incorporated in and forms the basis of this Policy



Signed for and on behalf of the Underwriters

Charles Earle Chief Executive Arista Insurance Limited

Arista Insurance is Registered in England No 5938669

Registered Office: Library House New Road Brentwood Essex CM14 4GD

This Policy is a legal contract You must tell Us about any facts or changes which affect Your insurance which have occurred either since Your Policy started or since the last renewal date

If You are not sure whether certain facts are relevant please ask Your insurance agent or the local Arista Insurance branch If You do not tell Us of relevant changes Your Policy may not be valid or the Policy may not cover You fully

You should keep a written record (including copies of letters) of any information You give Us or Your insurance agent when You renew this Policy

Arista Insurance Limited are appointed representatives of

Canopus Managing Agents Limited FSA Register Number 204847

Equity Syndicate Management Limited FSA Register Number 204851

HSB Engineering Insurance Limited FSA Register Number 202738

ARAG plc FSA Register Number 452369

You can check this information on The Financial Services Authority register by visiting the FSA's website www.fsa.gov.uk/register or by contacting the Financial Services Authority on 0845 606 1234

General Definitions

Each time We use one of the words or phrases listed below it will have the same meaning wherever it appears in Your Policy unless We state otherwise. A defined word or phrase will start with a capital letter each time it appears in the Policy except for headings and titles.

Each Section of the Policy contains definitions which apply to that particular Section and they must be read in conjunction with the following General Definitions.

We/Us/Our

The Underwriters as set out in the section of the Policy headed The Contract of Insurance and the Underwriters.

You/Your/Policyholder

The person(s) or Company shown in the Schedule as the Policyholder.

Business

Activities directly connected with the Business described in the Statement of Fact and specified in the Schedule.

Policy

This Policy Schedule Statement of Fact Employers Liability Certificate and any Endorsements or Warranties attached or issued.

Damage

Accidental loss, destruction or damage.

Employee

Any person working under Your control in connection with the Business who is

1. under a contract of service or apprenticeship with You;
2. a person under a contract of service or apprenticeship with some other employer and who is hired to or borrowed by You;
3. a labour master or person supplied by him;
4. a person engaged by a labour only sub-contractor;
5. a self-employed person working on a labour only basis under Your control or supervision;
6. a driver or operator of hired-in plant;
7. a trainee or person undergoing work experience;
8. a voluntary helper;
9. persons working under the Community Offenders Act 1978, the Community Offenders (Scotland) Act 1978 or similar legislation;
10. at Your request, outworkers or home workers employed under contracts to execute personally any work in connection with the Business.

Excess

The first amount of each and every claim for which you shall be responsible as shown in the Schedule and where applicable as more particularly defined in the relevant sub-section of this Policy.

Injury

Bodily injury including death, illness or disease.

Limit of Liability

The Limit of Liability stated in the Schedule

Money

Current coin bank and currency notes postal and money orders bankers' drafts cheques and giro cheques crossed warrants bills of exchange and securities for money postage revenue national insurance and holiday with pay stamps national insurance and holiday with pay cards national savings certificates war bonds premium savings bonds and franking machine impressions credit company sales vouchers luncheon vouchers trading stamps and VAT invoices

Period of Insurance

The period shown in the Schedule for which We accept Your Premium

Premises

The part of the Premises at the address or addresses specified in the Statement of Fact and described in the Schedule occupied by You for the purpose of the Business

Property

Material property

Schedule

The Schedule for the time being in force showing the cover which applies

Statement of Fact

This is a record of the information that You provided to Your insurance agent upon which Your insurance quotation is based

Sum Insured

The Sum Insured stated in the Schedule

Vacant or Disused

The Premises or any part thereof that have become unoccupied untenanted or which have not been actively used for a period of more than 30 consecutive days

General Conditions

Each Section of the Policy contains conditions and must be read in conjunction with the following General Conditions which apply to all Sections unless otherwise stated

Average

Where a Sum Insured is subject to average if at the time of the Damage the Sum Insured is less than the actual value of the property You will be considered as Your own insurer for the difference and bear a proportionate share of the loss

Cancellation

We may cancel the Policy by sending You 30 days written notice to Your last known address We will refund a proportionate part of the premium paid for the unexpired period

If the premium has not been paid or if there has been a default under an instalment or linked credit agreement this insurance will cease immediately and We will not refund any instalment paid

Choice of Law and Jurisdiction

In the absence of agreement to the contrary this Policy shall be governed by and construed in accordance with the laws of England and Wales Any dispute relating to limits terms conditions and exceptions or validity of this Policy shall be subject to the jurisdiction of the courts of England and Wales

Claims Procedure

If in relation to any claim You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must ensure that

1. You provide written notice to Us immediately You have knowledge of any event occurrence prosecution inquest or inquiry which may result in a claim regardless of Excess and pass to Us immediately on receipt every letter claim writ summons and process in connection with any claim
2. You notify the police immediately of Damage caused by malicious persons or thieves
3. You at Your expense provide Us with a written claim containing as much information as possible of the accident Damage or Injury including the amount of the claim within
 - a. 30 days of Your becoming aware of the event or occurrence
 - b. 7 days in the case of Damage caused by riot civil commotion strikers locked out workers persons taking part in labour disturbances or malicious personsor such further time that We may allow
4. You provide Us with all information and help We require in respect of the claim
5. You pass to Us unanswered immediately all communications from third parties in relation to any event which may result in a claim under this Policy
6. You will not admit or repudiate liability nor offer to settle compromise make payment which may result in a claim or pay any claim under this Policy without Our written agreement
7. You carry out or permit to be taken any action which may be reasonably practicable to prevent or minimise loss and/or interruption of the Business and to prevent further accident Damage or Injury
8. We will be entitled at any time and at Our discretion if Damage occurs which may lead to a claim to
 - a. enter or take possession of the Premises
 - b. take possession of or require to be delivered to Us Property Insured which We will deal with in a reasonable manner
 - c. take over and conduct in Your name the defence or settlement of any claim or to prosecute any claim in Your name for Your benefit and have full discretion in the conduct of any proceedings and in the settlement of any claimwithout incurring liability or reducing Our rights

9. We will not pay for loss destruction or damage or provide cover under the Legal Liabilities Section if You or anyone acting on Your behalf
 - a. do not comply with Our requirements
 - b. hinder or obstruct UsYou are not entitled to abandon Property to Us

Change of Risk

We shall not indemnify You under this Policy if

1. there has been any material change to the risk after the commencement of this insurance whereby the risk of Damage or Injury is increased or
2. Your interest ceases (unless the cessation is brought about by will or operation of law)
3. the Business does any of the following
 - a. making a composition or arrangement with creditors
 - b. have a proposal for a voluntary arrangement for a composition of debts or scheme of arrangement approved in accordance with the Insolvency Act 1986
 - c. have an application made under the Insolvency Act 1986 to the court for the appointment of an administrator
 - d. have a winding up order made or (except for the purposes of amalgamation or reconstruction) a resolution for voluntary winding up passed or have a provisional liquidator receiver or receiver and manager of the business or undertaking duly appointed
 - e. have an administrative receiver as defined in the Insolvency Act 1986 appointed or having possession taken by or on behalf of the holders of any debentures secured by floating charge or of any property comprised in or subject to the floating chargeunless agreed by Us in writing

Contribution

Applicable to the Legal Liabilities Section and Legal Expenses Sections

1. If the insurance provided by these sections is also covered by another policy (or would but for the existence of these sections) We will only indemnify You in respect of any excess beyond the amount which would be payable under such other insurance had these sections not been effected

Applicable to all other Sections insured by this Policy

2. Where any Damage or liability covered by the Policy is also covered by another policy (or would be but for the existence of this Policy) We will only pay a rateable share of the loss
3. If the other insurance is subject to a condition of average and this Policy is not this Policy will become subject to the same condition of average
4. If the Property covered by the other insurance is subject to a provision excluding proportional payment in whole or part the payment We make will be limited to the proportion of Damage as the Sum Insured bears to the value of the property

Contracts (Rights of Third Parties) Act 1999

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

Discharge of Liability

We may at any time pay

1. The Limit of Liability or the Limit of Indemnity or
2. The Sum Insured or
3. A smaller amount for which a claim can be settled after deduction of any sum already paid We will not make any further payments except for costs and expenses incurred prior to the payment of the claim

Fraud

If a claim made by You or anyone acting on Your behalf to obtain a benefit under this Policy is in any respect fraudulent or uses fraudulent means or devices or intentionally exaggerates or a false declaration or statement is made in support of a claim all benefit under this Policy shall be forfeited

Interest Clause

The interests of third parties in the Property which You are required to include on this Policy under the terms of any mortgage property lease or hiring leasing or hire purchase agreement are automatically noted subject to You advising Us as soon as is reasonably practicable

Non Disclosure Misrepresentation or Misdescription

This Policy shall be voidable if You or anyone acting for You fails to disclose misrepresents or misdescribes any material particular

Reasonable Care

If in relation to any claim You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must ensure that You

1. take all reasonable care to prevent or minimise any circumstances or to cease any activity which may cause Damage accident or Injury
2. maintain the business premises machinery equipment and furnishings in a good state of repair
3. exercise care in the selection and supervision of Employees
4. comply with all relevant statutory requirements manufacturers recommendations and other regulations relating to the use inspection and safety of property and the safety of persons
5. make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require

Reinstatement

When we decide or are required to reinstate or replace any Property You will at Your expense provide

1. plans
2. documents
3. books
4. information

which we require

Statement of Fact

This is a record of the information that You provided to Your insurance agent upon which Your insurance quotation is based

Subrogation

Anyone making a claim under this Policy must at Our request and expense do everything We reasonably require to enforce a right or remedy or obtain relief or indemnity from other parties to which We will become entitled or subrogated because of payment for or making good accident Damage or Injury

We may require You to carry out such actions before or after We make any admission of or payment of a claim

Warranties

Every warranty to which this Policy or any Section or item specified in the Schedule is or may be made subject to shall from the time the warranty attaches apply and continue to be in force during the duration of the Period of Insurance

Provided that if this Policy or Section or item specified in the Schedule is renewed a claim in respect of Damage occurring following renewal date shall not be barred by reason of a warranty not having been complied with at any time before the date of renewal

General Exceptions

Each Section of the Policy contains exceptions and must be read in conjunction with the following General Policy Exceptions which apply to all Sections unless otherwise stated

This Policy does not cover

Nuclear Risks

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

1. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the the combustion of nuclear fuel
2. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

Subject to indemnity under the Employers Liability Sub-Section as far as concerns Injury caused to any of Your Employees if such Injury arises out of and in the course of employment or engagement of such person by You this General Exception shall only apply

- a. in respect of liability of any Principal
- b. liability assumed by You under agreement and which would not have attached in the absence of such agreement

War Government Action and Terrorism

1. Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
 - a. War Government Action or Terrorism
 - b. civil commotion in Northern Ireland
2. legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from War Government Action or Terrorism except to the extent stated in the Liability Provisions

For the purpose of this General Exception and its Liability Provisions

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

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

Terrorism shall mean any act(s) of any person(s) or organisation(s) involving

1. the causing occasioning or threatening of harm of whatever nature and by whatever means
 2. putting the public or any section of the public in fear
- in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) are wholly or partly of a political religious ideological or similar nature

In any action suit or other proceedings where We allege that by reason of this Exception as far as it relates to Terrorism any Damage or resulting loss or expense or consequential loss is not covered by this insurance the burden of proving that such Damage loss expense or consequential loss is covered shall be upon You

Liability Provisions

Subject otherwise to the terms definitions exceptions provisions and conditions of this Policy and its Legal Liabilities Section

1. We will indemnify You under the Employers' Liability Sub-Section provided that in respect of any one claim or series of claims arising out of any one original event Our liability in respect of all legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism shall not exceed £5,000,000
2. We will indemnify You under the Public Liability Sub-Section and Products Liability Sub-Section against legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism provided that Our liability for all damages (including interest thereon) shall not exceed
 - a. in respect of or arising out of any one claim or series of claims arising out of one Event £2,000,000 or the amount of the Public Liability and Products Liability indemnity limit stated in the Schedule whichever is the lower but in respect of Products Supplied this limitation shall apply to all insured events occurring in any one Period of Insurance

Pollution and Contamination (This Exception does not apply to Legal Liabilities Section)

Damage caused by or arising from pollution or contamination except (unless otherwise excluded) destruction of or damage to the Property insured caused by

1. pollution or contamination which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers malicious persons other than thieves earthquake storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes sprinkler leakage or impact by any road vehicle or animal
2. any of the Contingencies in (1) above which itself results from pollution or contamination

Date Recognition (This Exception does not apply to Employers Liability Sub-Section)

Damage accident or liability directly or indirectly caused by or consisting of or arising from the failure of any computer data processing equipment or media microchip integrated circuit or similar device or other equipment or system for processing storing or receiving data or any computer software whether Your property or not and whether occurring before during or after the year 2000

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

In respect of Property Damage Business Interruption Loss of Money Business Machines All Risks (Specified Items) Sections this General Exception shall not exclude subsequent Damage not otherwise excluded which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons other than thieves earthquake storm flood escape of water from any tank apparatus or pipe theft or impact by any vehicle or animal

Computer Virus and Hacking

1. Damage to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether Your Property or not where such Damage is caused by Virus or Similar Mechanism or Hacking

2. financial loss directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking but this shall not exclude Damage or financial loss which is not otherwise excluded from this Policy and which results from Fire Lightning Explosion Earthquake Aircraft or other aerial devices or articles dropped from them Riot Civil Commotion Strikes Labour Disturbances Malicious Persons (including the acts of thieves but excluding the acts of Malicious Persons which do not involve physical force or violence) Storm Flood Escape of Water or Oil from any tank apparatus or pipe Impact by any vehicle or animal

For the purpose of this Exception

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

Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data whether Your Property or not

Date Recognition Computer Equipment

the expected cost which would have been incurred in modifying any computer data processing equipment or media microchip integrated circuit or similar devise or other equipment or system for processing storing or receiving data or any computer software so as to be able correctly to recognise save retain manipulate interpret or process any date after December 31st 1999 where such computer or other property is unable to do so at the time of any Damage insured by this Policy

Marine Policies

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

Sonic Bangs

loss destruction or damage or any consequential loss occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

Property Damage Section

Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in this Section they should also be read in conjunction with the General Definitions at the start of the Policy

Excess/Excesses shall mean

The amount or amounts shown in Your Policy or the Schedule which We will deduct from each and every claim at each separate location and will be deducted after the application of Average

You will repay any such amount paid by Us

Property Insured

Buildings shall mean

1. Structures at the Premises
2. Landlords fixtures and fittings in and on the structures
3. Internal and external fixed glass sanitary ware and signs
4. Central heating systems
5. Concrete paved or asphalt forecourts yards terraces drives and footpaths
6. Walls gates and fences

Plant Machinery Trade Fixtures shall mean

1. Machinery plant fixtures fittings and other trade equipment
2. All office equipment and other contents
3. Money and stamps including National Insurance Stamps (excluding Damage by theft or any attempt thereat) for an amount not exceeding £2,000
4. 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 not for the value to You of the information contained
5. Computer systems records but only for the cost of the materials and clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value to You of the information contained therein up to an amount not exceeding £25,000
6. Patterns models moulds plans and designs for an amount not exceeding the cost of the labour and materials expended in reinstatement
7. Directors partners customers employees and visitors personal effects of every description (other than motor vehicles) for an amount not exceeding £500 any one person in so far as they are not otherwise insured but any cover granted under this Section for Damage by theft shall not apply to personal effects partly or wholly of precious metal jewellery watches furs contact lenses portable electronic entertainment equipment mobile telephones cameras money and securities of any description
8. Wines spirits cigarettes and tobacco held for entertainment purposes for an amount not exceeding £250 in total in respect of Damage by theft or attempt thereat (if insured)
9. To the extent that they are not otherwise insured motor vehicle chassis and their contents

all belonging to You or held by You in trust for which You are responsible but excluding any property which is more specifically insured

Stock in Trade shall mean

Stock and materials in trade work in progress and finished goods owned by You or held by You in trust for which You are responsible

Tenants Improvements shall mean

Structural fixtures and fittings and decorations of Yours as occupier of the Premises

Cover

We will indemnify You in respect of Damage to Property Insured occurring during the Period of Insurance at the Premises and caused by each of the following Contingencies as they appear in the Schedule subject to the Excess

The Sum Insured under each item other than for items solely applying to fees removal of debris rent private dwelling houses churches or buildings in course of erection is separately subject to Average

Limit of Liability

The maximum We will pay under this Section in any one Period of Insurance will not exceed

1. the Sum Insured on each item or
2. the total Sum Insured or
3. any other maximum amount payable or limit of liability specified in the Schedule

Standard Contingencies

Fire

But we will not indemnify You for Damage

1. caused by explosion resulting from fire
2. caused by earthquake or subterranean fire
3. to that portion of any item caused by its own self ignition leakage of electricity short circuiting or over running
4. caused by
 - a. its own spontaneous fermentation or heating
 - b. its undergoing any heating process or involving the application of heat

Lightning

Explosion

But we will not indemnify You for Damage

1. caused by the bursting of any boiler economiser or other vessel machine or apparatus belonging to You or under Your control in which internal pressure is due to steam only
2. to any vessel machine or apparatus or its contents resulting from the explosion thereof but this shall not exclude Damage caused by explosion of any boiler or gas appliance used for domestic purposes only

Aircraft and /or other aerial devices and/or articles dropped therefrom

Riot Civil Commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation

We will not indemnify You in respect of Damage

1. arising from the cessation of work
2. arising from confiscation or destruction or requisition by order of the Government or any public authority
3. by fire caused by strikers locked-out workers or persons taking part in labour disturbances or malicious persons

Malicious Persons not acting on behalf of or in connection with any political organisation but only where Standard Contingency Riot Civil Commotion is also insured by this Section

But we will not indemnify You in respect of Damage (other than by Fire or Explosion)

1. by theft
2. in respect of any Vacant or Disused Buildings

Earthquake and or Subterranean Fire

Theft or attempted theft involving

1. entry to or exit from the Buildings at the Premises by forcible and violent means excluding any loss from any structure which is incapable of being locked
2. violence or threat of violence to You or any director partner or Employee or their families

But we will not indemnify You for

- a. theft from any garden yard or open space
- b. Property Insured in any portion of the Premises which is Vacant or Disused
- c. dishonest or fraudulent action by You Your partners directors or Employees or any person lawfully on the Premises
- d. jewellery precious metals stones or articles composed from them money works of art curiosities rare books bullion or furs except where specifically mentioned in the Schedule as being insured

Storm and falling trees

But we will not indemnify You for Damage

1. attributable solely to change in the water table level
2. caused by
 - a. subsidence ground heave or landslip
 - b. inundation from the sea whether resulting from Storm Tempest or otherwise
 - c. frost
 - d. escape of water from the normal confines or any natural or artificial water course lake reservoir canal or dam
 - e. felling lopping pruning of trees
3. to fences gates and moveable Property in the open or in open sided Buildings

Flood

We will not indemnify You in respect of Damage

1. caused by
 - a. storm or tempest
 - b. subsidence ground heave or landslip
 - c. frost
 - d. by escape of water from any tank apparatus or pipe
 - e. felling lopping or pruning of trees
2. attributable solely to change in the water table level
3. to fences gates and moveable Property in the open or in open sided Buildings

Escape of Water from any tank apparatus pipe or escape of fuel from any fixed oil heating installation

We will not indemnify You for Damage

1. caused by water discharged or leaking from an automatic sprinkler installation
2. whilst the Premises are Vacant or Disused
3. gradual emission or seepage from any fixed oil heating installation

Impact by any animal or road vehicle or by goods falling therefrom or collapse or breakage of television or radio receiving aerials or satellite dishes

We will not indemnify You

1. in respect of the Excess stated in the Schedule if the vehicle or animal is owned by or under the control of
 - a. You or any member of Your family
 - b. any of Your Employees
2. in respect of Damage to goods being carried

Accidental Escape of Water from any Automatic Sprinkler Installation fitted in the Premises

But we will not indemnify You in respect of Damage caused by

1. freezing whilst the Premises insofar as they are in Your ownership or tenancy is Vacant or Disused
2. explosion earthquake subterranean fire or heat caused by fire
3. repairs alterations or extensions to the buildings and/or sprinkler installations

Additional Contingencies

Accidental Damage

But we will not indemnify You for

1. Damage caused by or specifically excluded from any of the Standard Contingencies in this Section
2. Damage caused by or consisting of
 - a. inherent vice latent defect gradual deterioration change in water table level frost wear and tear faulty or defective design or materials
 - b. faulty or defective workmanship operational error or omission by You Your partners directors or Employees or contracted consultantsbut this shall not exclude subsequent Damage which results from a cause not otherwise excluded
3. Damage caused by or consisting of
 - a. corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
 - b. change in temperature colour flavour texture or finish the action of light or atmosphere
 - c. joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
 - d. mechanical or electrical breakdown derangement or overloading in respect of the particular machine apparatus or equipment in which such breakdown or derangement originatesbut this shall not exclude
 - i such Damage not otherwise excluded which itself results from a Standard Contingency or any other accidental cause
 - ii any subsequent Damage which itself results from a cause not otherwise excluded
4. Damage caused by or consisting of
 - a. settling shrinkage or expansion of foundations walls floors ceilings or roof settlement or bedding down of new structures or extensions subsidence ground heave or landslip
 - b. unexplained disappearance unexplained shortage inventory shortage misfiling or misplacing of information
 - c. electrical or magnetic disturbance or erasure of electronic recordings
 - d. You voluntarily parting with the title or possession of any Property or rights to Property
 - e. cessation of work
 - f. the solidification of molten material unless such Damage is directly caused by any other Standard Contingency that is insured by this Section
5. Damage to a Building or structure caused by its own collapse or cracking however We will indemnify You in respect of such Damage if it results from a Standard Contingency and is not otherwise excluded
6. Damage to
 - a. moveable property in the open by wind rain hail sleet snow flood or dust
 - b. Property Insured in transit by air or sea or inland waterway or road
7. Damage in respect of
 - a. Buildings or structures in course of construction or erection and materials or supplies in connection with all such construction or erection
 - b. vehicles licensed or intended to be licensed for road use including accessories thereon attached or unattached caravans trailers watercraft or aircraft
 - c. livestock growing crops or trees
 - d. jewellery precious stones or precious metals or articles composed of them bullion furs curiosities rare books or works of art
 - e. Money credit cards or securities of any description

- f. fixed glass and sanitary ware other than as defined in Buildings unless specifically stated in the Schedule and the Damage is not otherwise excluded
8. Damage to Property resulting from its undergoing
- a. any process of production
 - b. any process of packaging treatment testing commissioning cleaning servicing repair or any other similar process
- However We will indemnify You in respect of such Damage if it is caused by fire or explosion and is not otherwise excluded

Subsidence Ground Heave or Landslip

But we will not indemnify You for Damage

- 1. arising from the settlement or movement of made-up ground or by coastal or river erosion
- 2. occurring as a result of the construction demolition alteration or structural repair of any Buildings/structures at the Premises
- 3. arising from the normal settlement or bedding down of new structures
- 4. that has been provided for or would have been but for the existence of this insurance under any contract or a guarantee or by law
- 5. commencing prior to the issue of cover under this Policy

Section Exceptions

The following exceptions apply to this Section

We will not indemnify You for

- 1. delay loss of market loss of use or consequential loss of any kind unless cover is specified in the Schedule and the Damage is not otherwise excluded
- 2. any Property more specifically insured by or on behalf of You
- 3. Damage to working dynamos motors wires main or electrical apparatus through short circuiting overrunning or excessive pressure

Section Conditions

The following conditions apply to this Section and should be read in-conjunction with the General Conditions applying to the whole Policy

Automatic Reinstatement

We shall in the event of Damage under this Section automatically reinstate the Sum Insured unless there is written notice by Us to the contrary provided that

- 1. You undertake to pay the appropriate additional premium
- 2. You shall take immediate steps to carry out any alterations to the protections of the Premises which We may require

Basis of Claims Settlement

Unless stated otherwise in the Schedule the basis of settlement under this Section shall be

- 1. **Reinstatement** – the amount payable in respect of Buildings Plant Machinery or Tenants Improvements shall be the cost of the reinstatement of the Damage
- For this purpose "reinstatement" means
- a. the rebuilding or replacement of Property Insured lost or destroyed which provided Our liability is not increased may be carried out
 - i. in any manner suitable to Your requirements
 - ii. upon another site
 - b. the repair or restoration of Property Insured damaged

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

Provided that

1. Our liability for the repair or restoration of Property Insured damaged in part only shall not exceed the amount which would have been payable had such Property been wholly lost or destroyed
2. If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the Property covered by any item subject to this Basis of Claims Settlement exceeds its Sum Insured at the commencement of any Damage Our liability shall not exceed that proportion of the amount of the Damage which the Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such Property at that time
3. No payment beyond the amount which would have been payable in the absence of this Basis of Claims Settlement shall be made
 - a. unless reinstatement commences and proceeds without unreasonable delay
 - b. until the cost of reinstatement shall have been actually incurred
 - c. if the Property Insured at the time of the Damage shall be insured by any other insurance effected by You or on Your behalf which is not upon the same basis of reinstatement
4. All the terms and Conditions of this Policy shall apply
 - a. in respect of any claim payable under the provisions of this Basis of Claims Settlement except insofar as they are varied hereby
 - b. where claims are payable as if this Basis of Claims Settlement had not been incorporated
5.
 - a. When We decide or are required to reinstate or replace any Property Insured You will at Your own expense provide all such plans documents books and information as may be reasonably required
 - b. We will not be obliged to reinstate Property Insured exactly but only in a satisfactory manner as circumstances allow

The maximum amount We will pay in respect of any one item is the Sum Insured

2. **Indemnity** – the amount payable in respect of Stock and or all other Property Insured shall be the value at the time of Damage or at Our option the cost of reinstatement or replacement of such Property Insured or any part of it

Provided that

If at the time of Damage the Sum Insured for the item is less than 85% of the value of the item insured then Our liability shall be limited to that proportion of the Damage which the Sum Insured bears to the value of the Property Insured

Change of Occupancy

You must tell Us immediately if

1. any Building becomes Vacant or Disused
2. any Building stated in the Schedule to be Vacant or Disused or any part of it becomes occupied

Construction Heating and Occupation of the Buildings

Unless otherwise stated in the Schedule the Buildings are occupied by You for the sole purpose of the Business and otherwise only as a private dwelling and are

1. mainly constructed of brick stone or concrete
2. roofed with slates tiles concrete metal or other non combustible materials
3. heated by
 - a. low pressure hot water or steam
 - b. oil fired space heaters fed from a fuel tank in the open
 - c. overhead gas or electrical appliance
 - d. gas or electric fires in offices only

Designation

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

Fire Alarms and Fire Doors

If in relation to any claim for Damage by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons if You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

You shall

1. carry out the testing and checking requirements in relation to the automatic fire alarm installation(s) referred to on any completion certificate and remedy promptly any defect disclosed and
2. carry out the maintenance procedures in relation to the automatic fire alarm installation(s) specified by the manufacturers of the equipment and
3. notify to Us immediately of any disconnection or failure of the automatic fire alarm installation likely to leave any area unprotected for more than 12 hours or more record details of all events such as alarm faults tests maintenance and disconnections and keep such details available for examination by Us or Our representatives
4. keep all fire break doors and shutters closed except during working hours and in efficient working order

Fire Extinguishment – Automatic Sprinkler Installations

This Condition will only apply if detailed in the Schedule

If in relation to any claim for Damage caused by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons if You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

When a discount has been allowed in consideration of an automatic sprinkler installation if You have failed to fulfil any of the following conditions the discount may be removed and an additional premium charged to You

You must

1. give Us advance notice in writing if any part of the system is to be altered repaired or rendered inoperative
2. tell Us immediately by telephone or facsimile in the event of any emergency and take precautions as advised by Us
3. allow Us to have access to the Premises at all times to inspect or witness the testing of the system

You must carry out the following tests checks or inspections at weekly intervals and promptly rectify any defects faults or shortcomings revealed by such tests checks and inspections and ensure that any such automatic sprinkler installation(s) are in full and proper operation at all times

1. a test of each installation alarm gong recording the time taken for the alarm to sound
2. an inspection to ensure that all of the following are fully opened and secured by means of a suitable strap and padlock
 - a. installation main stop valves
 - b. incoming water supply stop valves
 - c. subsidiary stop valves
3. a test to establish the condition of
 - a. the circuit between the alarm switch and the control unit
 - b. the connection with the public fire station or alarm receiving centre or public fire brigade controlWhere the circuit is not continuously monitored these tests must be carried out each working day
 - c. the batteries

A maintenance contract and a half yearly inspection of this signalling system must be kept in force with approved engineers

4. a check of any alternate or dry installation valves for correct air pressure and settings including accelerator exhausters air compressors ancillary valves
5. a test of the automatic and where provision has been made the manual starting of the sprinkler water supply pump(s) ensuring that any diesel driven pump(s) is allowed to run for a period of not less than 30 minutes
6. a check of the electrically driven pump(s) to ensure that all
 - a. isolators are correctly set
 - b. circuit breakers are correctly set
 - c. electrical supply phase indicators are illuminated
7. a check of all the diesel driven pump(s) engine oil level fuel tank content internal coolant circuits battery electrolyte level battery charger oil hoses water hoses oil coolers exhaust systems turbo chargers drive belt tensions and where replenishment or rectification is required this shall be carried out immediately on conclusion of the tests
8.
 - a. a check of the
 - i. air pressure tank water level
 - ii. air pressure
 - b. a test of the air and water charging equipment
9. a check of the water storage tank(s) water level the automatic refilling mechanism that incoming supply valves are correctly set that incoming supply valves are functional and that any frost precautions are in operation

You must display prominently at each storage area covered by an automatic sprinkler installation a notice of the terms agreed with Us which specifies

1. the description of goods which may be stored
2. the type of storage
3. the maximum height of storage
4. the minimum permitted clearance between goods stored and the sprinkler deflectors

You must also comply with the terms of the notice and ensure compliance by Your partners directors or Employees

Fire Extinguishing Appliances

If in relation to any claim for Damage by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons if You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

You must maintain all fire extinguishing appliances on the Premises in proper working order and under a contract of maintenance during the Period of Insurance Subject to the observance of this Condition this Section shall not be invalidated by any defect in any of the said appliances due to any circumstances unknown to You or beyond Your control

Intruder Alarm System

This Condition will only apply if it is specified in the Schedule

For the purpose of this Condition only the following definitions apply

Damage

loss or destruction of or damage to the Property caused by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons and theft

Intruder Alarm System

an electrical installation to detect and indicate the presence of entry or attempted entry or exit of an intruder into Protected Premises

Protected Premises

the Premises or those portions of the Premises protected by the Intruder Alarm System as required by Us

Responsible Person

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

Keyholder

You or any person or key holding company authorised by You who must be available at all times to accept notification of faults or alarm signals relating to the Intruder Alarm System attend and allow access to the Premises

If in relation to any claim for Damage by this condition if You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

1. the Premises are protected by an Intruder Alarm System and means of communication used to transmit signals from such Intruder Alarm System designed installed and maintained as agreed by Us
2. the Protected Premises must not be left without at least one Responsible Person in attendance
 - a. unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation
 - b. if the police have withdrawn their response to alarm calls unless We agree otherwise in writing
3. in the event of notification of any activation of the Intruder Alarm System or interruption of any of the means of communication used to transmit signals during any period that the Intruder Alarm System is set a Keyholder shall attend the Premises as soon as reasonably possible in order to confirm the security of the Premises and reset the Intruder Alarm System in its entirety If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to transmit signals are not in full operation a Keyholder must remain at the Premises unless We agree otherwise in writing
4. You shall advise Us as soon as possible and in any event not later than 10.00am on Our next working day
 - a. that police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
 - b. of notice from a local authority or Magistrate imposing any requirement for abatement of nuisance
 - c. that the Intruder Alarm System and the means of communication used to transmit signals from such installation cannot be returned to or maintained in full working order and You must comply with any of Our subsequent requirements
5. You shall not conduct or authorise any alteration or substitution of
 - a. any part of the Intruder Alarm System
 - b. the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System
 - c. the means of communication used to transmit signals from the Intruder Alarm System
 - d. the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System
 - e. the maintenance contract without Our written agreement
6. You and each Keyholder must maintain secrecy of codes and security of keys and setting/ unsetting devices for the operation of the Intruder Alarm System All keys and other setting/ unsetting devices for the Intruder Alarm System must be removed from the Premises when they are left unattended
7. The Intruder Alarm System shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or other such company as agreed by Us

8. You will appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company contracted to maintain the Intruder Alarm System and with the police if they so require

Requirements

If You have failed to implement the requirements set out in the Schedule within the timescales specified You will lose Your right to indemnity or payment for that claim

Minimum Standard of Security – Level 1

If in relation to any claim for fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons theft or attempted theft covered by this Section if You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

Unless agreed otherwise by Us in writing within 30 days of inception of this Policy the following protections shall be fitted to the under-mentioned doors windows and other openings (where these are under Your control) and put into full and effective operation whenever the Premises are closed for business or left unattended

1. on timber final exit doors on other external timber doors and on internal doors giving access to any part of the Premises not occupied solely by You or to any adjoining premises (excluding sliding doors and fire exit doors)
 - a. if single leaf a mortice deadlock conforming to BS3621 with matching boxed steel striking plate
 - b. if double leaf
 - i. on the first closing leaf flush or barrel bolts the latter at least 200mm (8") long or key operated locks or bolts fitted top and bottom in every case
 - ii. on the second closing leaf a mortice deadlock conforming to BS3621 with matching boxed steel striking plate or a substantial padlocking bar and good quality close shackle padlock
 - c. if single or double leaf and also outward opening hinge bolts fitted top and bottom
2. on external aluminium or UPVC doors (excluding sliding and fire exit doors) multipoint locking devices or cylinder operated mortice deadlock and if double leaf flush bolts on the first closing leaf
3. on steel final exit doors and all sliding final exit doors substantial padlocking bar and good quality close shackle padlock
 - a. on all other steel doors and all other sliding doors (excluding sliding patio doors) substantial padlocking bar and good quality close shackle padlock fitted externally or substantial padlocking bar and good quality open shackle padlock fitted internally
 - b. on sliding patio doors
 - i. a manufacturer's patent key-operated locking system which engages boltwork into the doorframe either at the top and bottom of the opening section of each door or into the side frame in at least three points (in the latter case all hook or shoot bolts must be mushroom headed)
 - or
 - ii. two key-operated patio door locks fitted internally one at the top and one at the bottom of each opening section
4. on all fire exit doors panic bar and hinge bolts fitted top and bottom subject to agreement from the Fire Officer
5. on opening basement and ground floor windows and fanlights and on other opening windows fanlights and skylights which are accessible from roofs balconies canopies fire escapes or downpipes key-operated window locks with the keys removed when in operation
or
solid steel bars not less than 16mm (5/8") diameter and not more than 125mm (5") apart securely fixed to the brickwork or masonry surrounding the window

Security

If in respect of any claim for fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons theft or attempted theft covered by this Section if You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must ensure that

1. whenever the Premises are closed for business or left unattended all locks bolts and other security devices including any intruder alarm system(s) are put into full and effective operation
2. any keys for the Premises and/or intruder alarm system are removed from the Premises whenever the Premises are closed for business or are left unattended for any reason whatsoever
3. You maintain the secrecy codes for the operation of the Intruder Alarm System to authorised persons and no details of same are left on the Premises

Stock Declaration

Where 'SDC' appears against the Sum Insured under Stock in Trade in the Schedule the following shall apply the premium for the item(s) is provisional and subject to adjustment as hereinafter provided

1. the separate value of the Property Insured under each such item shall be declared in writing by You to Us either monthly or quarterly as previously agreed and if You fail to give such a declaration then You shall be deemed to have declared the original Sum Insured by the item(s) on the declaration date
2. unless otherwise stated in the Schedule to the contrary the dates on which values are to be calculated shall be
 - a. monthly declarations - the last day of each month or
 - b. quarterly declarations – the last day of every 3 month period commencing from the beginning of the Period of Insurancethe declared values to reach Us within 30 days of the declaration date
3. if You declare a value greater than the Sum Insured We will take the Sum Insured stated in the Schedule to be the value declared
4. at the end of each Period of Insurance We will calculate the actual premium by applying the rate to the average amount declared
5. if the actual premium is more than the provisional premium paid You will pay the difference
6. if the actual premium is less than the provisional premium paid We will refund the difference but this will not exceed 33 1/3% of the first or annual premium respectively
7. the Sum Insured for each item will not be reduced by the amount of any claim however You must pay the additional premium required to reinstate the Sum Insured
8. every insurance on Stock in Trade must be similar in wording with this insurance

Section Extensions

All the following extensions shall apply subject to all other terms conditions limits exceptions of this Policy

Annexes

The Property Insured of

1. annexes conveniences and external hoists gangways and staircases
2. extensions communicating with any of the buildings within described
3. sub-stations

are insured under the respective items applying to the Property Insured to which such Property is attached or belongs

Architects Surveyors Legal and Other Professional Fees

The Sum Insured under each item of Building and Machinery in the Schedule includes an amount in respect of architects' surveyors' legal and other professional fees necessarily incurred in the reinstatement of the Property Insured consequent upon Damage thereto but not for preparing any claim it being understood that the amount payable for such fees shall not exceed those authorised under the scale of charges of the respective professional

bodies at the time of such Damage and that the liability for such Damage and fees shall not exceed in the aggregate the Sum Insured by each such item

Capital Additions

We will indemnify You in respect of Damage to

1. alterations additions and or improvements to the buildings and /or machinery but no appreciation in value thereof
2. newly acquired and/or newly occupied premises provided they are not otherwise insured anywhere in Great Britain Northern Ireland the Isle of Man or the Channel Islands

Provided that

- a. at any one Premises this extension shall not exceed 10 per cent of the Sum Insured under the relevant item or £250,000 in the aggregate whichever is the less
- b. You shall advise Us
 - i. every six months in respect of any such alterations additions and improvements
 - ii. as soon as practicable of any newly acquired and or newly occupied premises

You will pay the appropriate additional premium required from inception of such additional cover and amounts declared shall be added by endorsement to the Sum Insured by the relative item whereupon these provisions shall be fully reinstated

Contract Sale Price

In the event that a contract for the sale of goods (not yet delivered) is cancelled following Damage to goods by reason of conditions attaching to the contract then We will pay the contract price for the goods which have suffered Damage

Any calculation for the purpose of Average will be on the basis of the contract price for all goods sold but not delivered whether suffering Damage of not

Day One Basis

Applicable only to those items showing a Declared Value (DV) as stated in the Schedule

1. You having stated in writing the Declared Value incorporated in each item to which this Extension applies the premium has been calculated accordingly
For the purposes of this Extension Declared Value shall mean
Your assessment of the cost of reinstatement of Buildings Plant Machinery and Tenants Improvements arrived at in accordance with paragraph (1) of the Basis of Claims Settlement Condition at the level of costs applying at the start of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with an allowance for
 - a. the additional cost of reinstatement to comply with
 - i. European Union Legislation
 - ii. Act of Parliament
 - iii. Bye-Laws of any public authority
 - b. professional fees
 - c. debris removal costs
2. You must notify Us of the Declared Value at the start of each Period of Insurance
If You fail to notify Us of the Declared Value at the start of any Period of Insurance We will use the last Declared Value notified to Us for the following Period of Insurance
3. Provisions (2) and (4) of the Basis of Claims Settlement Condition are restated as follows
4. If at the time of the Damage the Declared Value is less than the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (1) of this Condition at the start of the Period of Insurance Our liability for any Damage will be limited to that proportion which the Declared Value bears to the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (1) of this Condition
5. We will not pay under this Condition

- a. until You have incurred the cost of replacing or repairing the Property Insured
- b. if You or someone acting on Your behalf have insured the Property Insured under another policy which does not have the same basis of reinstatement
- c. if You do not comply with any of the provisions of this Condition

However the Sums Insured will be limited to the percentage of the Declared Values stated in the Schedule

Debris Removal

The Sum Insured for each item of Property Insured under this Section includes costs and expenses necessarily incurred by You with Our consent in

- 1. removing debris from
- 2. dismantling and or demolishing
- 3. shoring up or propping

the portion or portions of the Property Insured by the said items following Damage

But we will not indemnify You in respect of costs and expenses

- a. incurred in removing debris except from the Premises where Damage occurred and the area immediately adjacent thereto
- b. arising from pollution or contamination of Property not insured by this Section

The maximum We will pay for costs and expenses in respect of Stock in Trade is £10,000

Drain Clearance

The Sum Insured for each item under Buildings and/or Plant Machinery extends to include costs and expenses necessarily incurred by You and for which We agree to for clearing and /or cleaning drains sewers and gutters for which You are responsible and liable following Damage as insured by this Section

European Union and Public Authorities Clause

Following Damage as insured by this Section to each item under Buildings and Plant Machinery We will pay the additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with any

- 1. European Union legislation or
- 2. building or other regulations under or framed in pursuance of any Act of Parliament or by-laws of any public authority
(both of which are hereinafter referred to as " Regulations" in respect of the destroyed or damaged Property Insured)

This Extension does not apply to

- a. the cost incurred in complying with the Regulations
 - i. in respect of Damage occurring prior to the granting of this Section Extension
 - ii. in respect of Damage not insured by this Section
 - iii. under which notice has been served upon You prior to the happening of the Damage
 - iv. for which there is an existing requirement which has to be implemented within a given period
 - v. in respect of undamaged Property Insured or undamaged portions of Property Insured other than foundations (unless specifically excluded) of that portion of the Property Insured destroyed or damaged for any amount in excess of 15% of the total amount for which We would have been liable had the Property Insured at the Premises where Damage occurred had been wholly destroyed
- b. the additional cost that would have been required to make good the Property Insured destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Regulations not arisen
- c. the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the Property Insured or by the owner thereof by reason of compliance with Regulations

Provided that

1. the work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the Damage or within such further time as We may allow (during the said 12 months) and may be carried out upon another site (if the regulations so necessitate) subject to the Our liability under this Section Extension not being thereby increased
2. if Our liability under any item of this Section apart from this Section Extension shall be reduced by the application of any of the terms conditions and Exceptions of this Section then Our liability under this Section Extension in respect of any such item shall be reduced in like proportion
3. the total amount recoverable under any item of this Section under this Section Extension shall not exceed
 - a. in respect of European Union Legislation
 - i. 15% of the Sum Insured
 - ii. where the Sum Insured by the item applies to Property Insured at more than one Premises 15% of the total amount for which We would have been liable had the Property Insured by the item at the Premises where Damage has occurred been wholly destroyed
 - b. in respect of Regulations the Sum Insured

Fire Brigade Damage

We will indemnify You in respect of costs and expenses necessarily incurred in reinstating or repairing landscaped gardens and grounds following damage caused by fire brigade equipment or personnel in the course of combating fire

The maximum We will pay in respect of any one claim under this Extension is £10,000

Fire Extinguishing Expenses

We will indemnify You in respect of costs and expenses incurred in refilling recharging or replacing any

1. portable fire extinguishing appliances
2. local fire suppression system
3. fixed fire suppression system
4. sprinkler installation
5. sprinkler heads

As a result of Damage as insured by this Section

We will not indemnify You in respect of any costs and expenses recoverable from the maintenance company or fire service

If in relation to any claim for fire extinguishing expenses if You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

You must maintain all such equipment in accordance with the manufacturer's instruction which is acceptable to Us

The maximum We will pay in respect of any one claim under this extension is £10,000

Index Linking

Each item of Property Insured is declared to be subject to Index Linking unless otherwise specified in the Schedule and it is adjusted at monthly intervals as follows

1. in respect of Buildings Landlords Fixtures and Fittings Tenants Improvements and internal decorations in accordance with the percentage change in the General Building Cost Information Service
2. in respect of Stock in Trade Gross Profit Gross Revenue Gross Rentals Outstanding Debit Balances in accordance with the percentage change in the Producer Price Index for Home Sales of Manufactured Products
3. in respect of all other Plant Machinery Trade Fixtures other than Stock in Trade in accordance with the Durable Goods Section of the Retail Prices Index

At each renewal the premium will be adjusted to apply to the Sum Insured which then pertains and We waive all rights to additional premium arising solely out of such index adjustments prior to renewal We reserve the right to use alternative suitable indices to those mentioned at any time without prior notice if either index becomes unavailable

Replacement Locks

We will indemnify You for the cost of replacing locks at the Premises if keys are lost from

1. the Premises
2. Your home
3. the home of any authorised Employee

following Theft or Attempted Theft

or

whilst in Your custody or that of an Employee following Theft or Attempted Theft

If the keys belong to a safe or strongroom they must be

- a. removed from the Premises overnight
- b. kept in a secure place away from the safe when You or an Employee occupies the Premises

The maximum We will pay in respect of any one claim is £2,500

Loss of Metered Water

We will pay for charges for which You are responsible if water is accidentally discharged from a metered water system providing service to the Premises

The maximum We will pay in respect of any one claim under this Extension is £10,000

Mortgagors Freeholders and Lessors

Mortgagors freeholders and lessors shall not be prejudiced by any increase in the risk of Damage resulting from any act of negligence of any mortgagee leaseholder lessee or occupier of any Buildings insured by this Section provided such increase in risk is without their prior knowledge or authority and We are notified immediately they become aware of such increase in risk

Non-invalidation

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

Other Interests

The interest of parties supplying Property to You under a hiring leasing or similar agreement is noted in this insurance the nature and extent of any such interest to be disclosed in the event of Damage

Rent

The insurance on rent applies only if any of the Buildings or any part thereof are unfit for occupation in consequence of Damage thereto but the amount payable shall not exceed such proportion of the Sum Insured on Rent as the period necessary for reinstatement bears to the term of Rent insured

Subrogation Waiver

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

1. any Company standing in the relationship of Parent to Subsidiary (Subsidiary to Parent) to You as defined in the Companies Acts or Companies (NI) Order as appropriate current at the time of Damage

2. any Company which is a Subsidiary of a Parent Company of which You are a subsidiary in each case within the meaning of the Companies Acts or Companies (NI) Order as appropriate current at the time of Damage

Theft Damage to Buildings

We will indemnify You for the cost of repairing Damage by theft or any attempted theft to the buildings at the Premises (whether or not the buildings are insured hereunder) if You are responsible for the repairs and the Damage is not otherwise insured

Temporary Boarding Up

Any cover granted under this Section in respect of Damage to fixed glass includes the reasonable costs of any necessary boarding up or temporary glazing pending the replacement of broken glass and of removing and re-fixing window fittings and other obstacles to replacement

The maximum we will pay in respect of any one claim under this Extension is £5,000

Temporary Removal (General)

We will indemnify You in respect of Damage insured by this Section other than to Stock whilst temporarily removed from the Premises for cleaning renovation repair elsewhere and in transit thereto and therefrom in Great Britain Northern Ireland the Isle of Man or the Channel Islands

The maximum We will pay under this Extension is 10% of the Sum Insured for each item after the deduction of the value of any Building and Stock in Trade included within the item insured

But we will not indemnify You in respect of

1. motor vehicles and motor chassis licensed for normal road use when Damage occurs elsewhere than at the Premises
2. Property Insured elsewhere
3. Property Insured removed for more than 90 consecutive days unless We agree a longer period

Temporary Removal – Documents and Computer Systems Records

Where an item under this Section includes deeds and other documents (including stamps thereon) manuscripts plans and writings of every description and books (written and printed) and computer systems records We will indemnify You in respect of Damage insured by this Section to such item while temporarily removed to any premises not in Your occupation and whilst in transit thereto and therefrom all in Great Britain Northern Ireland the Isle of Man or the Channel Islands

The maximum We will pay under this Extension is 10% of the total value of the item

Transfer of Interest

If at the time of Damage You shall have contracted to sell Your interest in any Buildings and the purchase shall not have been but shall be thereafter completed the purchaser on completion of the purchase if and so far as the Building is not otherwise insured by or on behalf of the purchaser against such Damage shall be entitled to the benefit of this Section so far as it relates to such Damage without prejudice to Our or Your rights and liabilities under this Section up to the date of completion

Trace and Access

We will pay reasonable costs and expenses with Our consent in locating the source of any escape of water from any fixed domestic water services or heating installation or escape of fuel oil including subsequent repair to walls floors or ceilings

But we will not indemnify You

1. for the cost of repairs to any fixed domestic water services or heating installation

2. where Damage results solely from a change in the water table level

Our maximum liability shall under this Extension not exceed £10,000 in the aggregate during any one Period of Insurance

Underground Services

We will pay for Damage for which You are legally liable to underground pipes cables drains and their relevant inspection covers supplying services to and carrying waste from the Premises to the point of junction with public supply lines mains and sewers

The maximum We will pay under this Extension in respect of any claim is £10,000

Workmen

Workmen are allowed in or about any of the Premises for the purposes of carrying out minor alterations repairs decoration and or any maintenance without prejudice to this Policy

Machinery Re-Erection Costs

The insurance in respect of Plant Machinery Trade Fixtures extends to include subject to the terms and conditions of this Property Damage Section the cost of re-erection and of fixing of Plant Machinery Trade Fixtures in consequence of Damage by any Contingency hereby insured against

The maximum We will pay in respect of any one claim shall not exceed the Sum Insured

Business Interruption Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Damage

loss of or damage to the Property used by You at the Premises for the purpose of the Business

Indemnity Period

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

Turnover

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

Maximum Indemnity Period

the period detailed in the Schedule

Gross Profit shall mean the amount by which

1. the sum of the amount of the Turnover and the amounts of the closing stock and work in progress shall exceed
2. the sum of the amount of the opening stock and work in progress and the amount of the Uninsured Working Expenses

The amounts of the opening and closing stocks (including work in progress) shall be arrived at in accordance with Your usual accounting methods due provision being made for depreciation and any discounts allowed

Uninsured Working Expenses

any standing charges of the Business not insured by this Policy having been deducted in arriving at the Sum Insured by the item detailed in the Schedule applicable to this Section

Gross Rentals

the money paid or payable to You for tenancies and other charges and for services rendered in the course of the Business at the Premises

Gross Revenue

the money paid or payable to You for services rendered in the course of the Business less the amount of any Uninsured Working Expenses

Estimated Gross Profit

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

Estimated Gross Revenue

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

Estimated Gross Rentals

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

Outstanding Debit Balances

The money owed to You by Your customers at the date of the Damage taking into account

1. bad debts
2. debit and credit amounts owed and not passed through the books during the period between the last record and the date of the Damage
3. abnormal trading conditions affecting the Business
4. Your last record of amounts owed by customers

Rate of Gross Profit

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

Annual Turnover

the Turnover during the twelve months immediately before the date of the Damage

Standard Turnover

the Turnover during the period in the twelve months immediately before the date of the occurrence which corresponds with the Indemnity Period

Annual Gross Revenue

the Gross Revenue during the twelve months immediately before the date of the Damage

Standard Gross Revenue


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

Annual Gross Rentals

the Gross Rentals during the twelve months immediately before the date of the Damage

Standard Gross Rentals

the Gross Rentals during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period



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

Cover

In respect of each item in the Schedule We will indemnify You in respect of loss resulting from interruption of or interference with the Business carried on by You at the Premises in consequence of Damage occurring during the Period of Insurance caused by the operation of a Contingency under the Property Damage Section of the Policy unless otherwise stated in the Schedule

Provided that

1. payment shall have been made or liability admitted for the Damage under an insurance covering Your interest in the property
or
2. payment would have been made or liability admitted for the Damage but for the operation of a provision in such insurance excluding liability for losses below a specified amount

Limit of Liability

Our liability under this Section shall not exceed

1. 133 1/3% of the Estimated Gross Profit or Estimated Gross Revenue or Estimated Gross Rentals shown in the Schedule
and
2. 100% of the total Sum Insured shown in the Schedule for each other item stated in the Schedule

Basis of Settlement

The following terms of settlement apply only if the paragraph title appears in the Schedule as the Specification

Gross Profit/Estimated Gross Profit

The insurance under this item is limited to loss of Gross Profit due to (1) reduction in Turnover and (2) increase in cost of working and the amount payable as indemnity thereunder shall be

1. in respect of reduction in Turnover
the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall fall short of the Standard Turnover in consequence of the Damage
2. in respect of increase in cost of working
the additional expenditure (subject to the provisions of the Uninsured Working Expenses) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided

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

Provided that

if the sum insured by the item on Gross Profit be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced

Gross Revenue/Estimated Gross Revenue

The insurance under this item is limited to (1) loss of Gross Revenue and (2) increase in cost of working and the amount payable as indemnity thereunder shall be

1. in respect of loss of Gross Revenue
the amount by which the Gross Revenue during the Indemnity Period shall fall short of the Standard Gross Revenue in consequence of the Damage
2. in respect of increase in cost of working
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or

diminishing the reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Gross Revenue thereby avoided

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

If the sum insured by the item on Gross Revenue be less than the Annual Gross Revenue (or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced

Gross Rentals/Estimated Gross Rentals

The insurance under this item is limited to (1) loss of Gross Rentals and (2) increase in cost of working and the amount payable as indemnity thereunder shall be

1. in respect of the loss of Gross Rentals
the amount by which the Gross Rentals during the Indemnity Period shall fall short of the Standard Gross Rentals in consequence of the Damage
2. in respect of increase of cost of working
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross Rentals which but for the expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Gross Rentals thereby avoided

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

If the sum insured by the item on Gross Rentals be less than the Annual Gross Rentals (or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced

Book Debts

If Your account books or other Business books or records whilst on Your Premises or temporarily removed to any premises in Great Britain Northern Ireland the Isle of Man or the Channel Islands or in transit between them sustain Damage as defined which results in Your inability to trace or establish the Outstanding Debit Balances We will pay You

1. the difference between the Outstanding Debit Balances and the total of the amounts received or traced in respect thereof
2. the additional expenditure incurred with Our consent in tracing and establishing customers' debit balances after the Damage
3. auditors' or accountants' charges reasonably incurred for producing and certifying details of a claim under this specification

provided that if the Sum Insured stated in the Schedule is less than the Outstanding Debit Balances the amount payable shall be proportionately reduced

We will not indemnify You as a result of

1. erasure or distortion of information on computer systems or other records
2. deliberate falsification of business records
3. mislaying or misfiling of tapes and records
4. the deliberate act of the public supply undertaking in restricting or withholding electricity supply
5. wear and tear and gradual deterioration vermin rust damp or mildew
6. dishonest or fraudulent acts by any of Your employees

Special Condition

You will record the total amount of Outstanding Debit Balances at least once every seven days and keep a copy

1. in a locked fire-resistant safe or cabinet at the Premises or
2. away from the Premises

The total amount payable in respect of any one claim shall not exceed the Sum Insured stated in the Schedule at the time of the Damage

Additional Increased Cost of Working

We will pay in respect of additional cost of working the additional expenditure incurred due to the Damage to maintain the Business during the Indemnity Period which exceeds the amount recoverable in respect of increase in the cost of working insured by the Specification of this Section

The maximum We will pay is the Sum Insured stated in the Schedule

Section Conditions

The following conditions apply to this Section and should be read in-conjunction with the General Conditions applying to the whole Policy

Alternative Trading

If during the Indemnity Period goods shall be sold accommodation provided or services shall be rendered elsewhere than at the Premises for the benefit of the Business either by You or by others on Your behalf the money paid or payable in respect of such sales accommodation or services shall be brought into account in arriving at the Turnover Gross Revenue Gross Profit or Gross Rentals during the Indemnity Period

Automatic Reinstatement

The Sums Insured stated in the Schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary

However You must pay the additional premium required to reinstate the Sum Insured

Current Cost Accounting

For the purpose of these Section Definitions any adjustment implemented in current cost accounting shall be disregarded

Premium Adjustment

The following provisions apply separately to each item on Gross Profit or Gross Revenue

1. Where the premium paid is not on a provisional basis it may be adjusted at the end of the Period of Insurance
We will allow a pro rata return of premium not exceeding 50% of the premium paid if the premium calculated at the appropriate rate on the actual Gross Profit or actual Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance as reported by Your auditors is less than the premium paid
If any Damage shall have occurred giving rise to a claim for loss of Gross Profit or Gross Revenue the above mentioned declaration shall be increased by Us for the purpose of premium adjustment by the amount by which the Gross Profit or Gross Revenue was reduced during the financial year solely in consequence of the Damage
2. Where a provisional premium is paid at the commencement of each Period of Insurance You shall declare to Us within six months of the expiry of each period the actual Gross Profit or actual Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance as reported by Your auditors
The premium will be calculated at the appropriate rate on the declaration and the premium paid will be adjusted as stated below provided that

if any Damage shall have occurred giving rise to a claim for loss of Gross Profit or Gross Revenue the above mentioned declaration shall be increased by Us for the purpose of premium adjustment by the amount by

which the Gross Profit or Gross Revenue was reduced during the financial year solely in consequence of the Damage

- a. in respect of Limit of Liability (1) in this Section if the premium calculated is
 - i. less than the premium paid We will repay the difference to You
 - ii. greater than the premium paid You shall pay the difference
- b. in respect of Limit of Liability (2) in this Section if the premium calculated is
 - i. less than the premium paid We will repay the difference to You but not exceeding the difference between the premium paid and the premium payable on 50% of the Sum Insured
 - ii. greater than the premium paid You shall pay the difference not exceeding the difference between the premium paid and the premium payable on the full Sum Insured

In the event that no declaration is received within six months of the expiry of the Period of Insurance the Sum Insured will be deemed to be the declaration and the additional premium due will become payable

Excess

We will deduct the amount of the excess stated in the Schedule in respect of each and every claim as calculated after the application of all other terms of this Section

Departmental Clause

If you conduct the Business in departments and independent trading results are obtainable the Basis of Settlement of the Gross Profit Gross Revenue or Gross Rentals will apply separately to each department affected by the Damage

If the insurance is not on a declaration linked basis if the Sum Insured by such item is less than the total of all the sums produced by applying the Rate of Gross Profit Gross Revenue or Gross Rentals for each department of the Business (affected by the Damage or not) to its relative Annual Turnover (proportionately increased where the Maximum Indemnity Period exceeds 12 months) You will be Your own insurer for the difference and bear a rateable share of the loss

New Business

For the purposes of any claims arising from Damage occurring before the completion of the first years trading of the Business such loss will be ascertained by applying the Gross Profit or Gross Revenue or Gross Rentals earned during the period between the commencement of the Business and the date of the Damage to the amount by which the Gross Profit or Gross Revenue or Gross Rentals during the period of interruption or interference will have fallen short of the proportional equivalent for that period of the Gross Profit or Gross Revenue or Gross Rentals realised during the period between the commencement of the Business and the date of such Damage

Payments on Accounts

Claims payments on account may be made to You during the Indemnity Period if required

Professional Accountants

We will pay Your auditors and professional accountants reasonable charges for

1. producing information We require for investigating any claim and
2. confirming the information is in accordance with Your business books

The maximum We will pay for any claim including auditors and professional accountants charges is the Sum Insured

Subrogation Waiver Clause

In the event of a claim arising under this Section We agree to waive any rights remedies or relief to which We may be entitled by subrogation against

1. any company whose relationship to You is either a parent to subsidiary or subsidiary to parent
2. any company which is a subsidiary of a parent company of which You are Yourself a subsidiary

as defined in or within the meaning of the relevant Companies Act or Companies (NI) Order current at the time of the Damage

Value Added Tax

To the extent that You are accountable to HM Customs and Excise for Value Added Tax all terms in this Section shall be exclusive of such tax

Section Extensions

The following extensions shall apply subject to all other terms conditions limits exceptions of this Policy where specified in the Schedule

We will indemnify You in respect of interruption of or interference with the Business in consequence of Damage during the Period of Insurance caused by the operation of a Contingency under the Property Damage Section of the Policy unless otherwise stated in the Schedule to

1. the under noted premises or situations
- or
2. to the under noted property

Our liability under each extension for any one occurrence will not exceed

- a. the amount
- or
- b. the percentage of the Sum Insured (or 133 1/3% of the Estimated Amount)

stated in the Schedule as the Limit

Specified Suppliers

to property at the premises of Your suppliers as named in the Schedule

Unspecified Suppliers

to property at the premises of any of Your suppliers within Great Britain Northern Ireland the Channel Islands or the Isle of Man but excluding the premises of any supply undertaking from which You obtain gas water electricity or telecommunications services

The maximum We will pay in respect of any claim shall be £10,000 unless detailed otherwise in the Schedule

Supplier of Suppliers

to property at the premises of Your supplier suppliers within Great Britain Northern Ireland the Channel Islands or the Isle of Man but excluding the premises of any supply undertaking from which You obtain gas water electricity or telecommunications services

Specified Customers

to property at the premises of Your customers as stated in the Schedule

Unspecified Customers

to property at the premises of any of Your customers with Great Britain Northern Ireland the Channel Islands or the Isle of Man

Public Utilities – Electricity

to property at the premises of any generating station or sub-station of Your electricity supplier in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Public Utilities - Gas

to property at the premises of Your gas supplier and any natural gas producer directly linked to Your gas supplier in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Public Utilities - Water

to property at the premises of any water works or pumping station of Your water supplier in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Public Utilities - Telecommunications

to property at any land based premises of Your Telecommunications supplier in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Prevention of Access

to property in the vicinity of the Premises which hinders or prevents access to the Premises

The maximum We will pay in respect of any one claim shall £10,000 unless otherwise stated in the Schedule

Property Stored

to Your property whilst stored in any premises within Great Britain Northern Ireland the Channel Islands or the Isle of Man

We will not indemnify You in respect of property stored in any premises You partially or fully occupy

Patterns

to Your patterns models jigs moulds ties tools templates drawings and designs including those for which You are responsible while at any premises in Great Britain Northern Ireland the Channel Islands or the Isle of Man of any machine makers engineers founders or other metal workers

We will not indemnify You in respect of Damage at any premises You partially or fully occupy

Transit

To Your property while in transit by road rail or inland waterway all in Great Britain Northern Ireland the Channel Islands or the Isle of Man

We will not indemnify You in respect of impact to or collision with the conveying vehicle

1. road or rail vehicles
2. waterborne craft

Motor Vehicles

to motor vehicles belonging to You anywhere in within Great Britain Northern Ireland the Channel Islands or the Isle of Man but not in any premises that You occupy

Contract Sites

to any situation within Great Britain Northern Ireland the Channel Islands or the Isle of Man where You are carrying out a contract

Exhibition Sites

to any situation within Great Britain Northern Ireland the Channel Islands or the Isle of Man where You are exhibiting goods

Additional Contingencies

The following Additional Contingencies only apply to this Section if they are stated in the Schedule

Action by the Police Authority

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

However We will not indemnify You for any interruption or interference lasting less than 12 hours

The maximum We will pay under this Additional Contingency is £50,000 or 10% of the Sum Insured shown under the Specification in the Schedule whichever is the lower in respect of the total of all losses occurring during the Period of Insurance unless otherwise stated in the Schedule

The provisions of any Automatic Reinstatement Condition do not apply in respect of this Additional Contingency

Full Failure of Utilities – Electricity

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of accidental failure of Your supply of electricity at the terminal ends of Your suppliers feed to the Premises

We will not indemnify You in respect of accidental failure

1. caused by the deliberate act of any supply authority
2. caused by the exercise of any supply authority's power to withdraw or restrict supply or services
3. caused by industrial action
4. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man
5. lasting less than 4 consecutive hours

The maximum We will pay for any one claim will not exceed the limit stated in the Schedule

Full Failure of Utilities – Water

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of accidental failure of Your supply of water at the terminal ends of Your suppliers feed to the Premises

We will not indemnify You in respect of accidental failure

1. caused by the deliberate act of any supply authority
2. caused by the exercise of any supply authority's power to withdraw or restrict supply or services
3. caused by industrial action
4. caused by drought or other weather conditions unless equipment has been damaged
5. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man
6. lasting less than 4 consecutive hours

The maximum We will pay for any one claim will not exceed the limit stated in the Schedule

Full Failure of Utilities - Gas

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of accidental failure of Your supply of gas at the terminal ends of Your suppliers feed to the Premises

We will not indemnify You in respect of accidental failure

1. caused by the deliberate act of any supply authority
2. caused by the exercise of any supply authority's power to withdraw or restrict supply or services
3. caused by industrial action

4. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man
5. lasting less than 4 consecutive hours

The maximum We will pay for any one claim will not exceed the limit stated in the Schedule

Telecommunications

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of accidental failure of the telecommunications services at the incoming line terminals or receivers at the Premises

We will not indemnify You in respect of accidental failure

1. caused by the deliberate act of any supply authority
2. caused by the exercise of any supply authority's power to withdraw or restrict supply or services
3. caused by industrial action
4. caused by atmospheric or weather conditions but this will not exclude accidental failure due to Damage caused by such conditions
5. caused by failure of any satellite
6. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man
7. lasting less than 24 consecutive hours

The maximum We will pay for any one claim will not exceed the limit stated in the Schedule

Glass Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Glass

All fixed plain sheet or plain plate glass in windows doors fanlights skylights partitions furniture display and show cases counters or shelves owned by You or for which You are responsible

Sanitary ware

Fixed baths washbasins pedestals bidets shower trays sinks lavatory pans and cisterns shower trays and splash backs owned by You or for which You are responsible

Breakage

Accidental fracture extending through the entire thickness of the Glass or Sanitary ware

Cover

We will indemnify You in respect of Breakage of Glass or Sanitary ware situated at the Premises occurring during the Period of Insurance

We will replace such Glass or Sanitary ware or at Our option pay to You the costs of replacement

Limit of Liability

Our liability under this Section shall not exceed £5,000 or the limit stated in the Schedule or limit specified in any Extension to this Section

Section Extensions

The following Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

1. as a direct result of Breakage of Glass We will indemnify You for
 - a. the reasonable cost of
 - i. boarding up
 - ii. repair or replacement of window frames framework security fittings and or alarm foil for an amount not exceeding £1,000 any one occurrence
 - b. Damage to any lettering embossing beading silvering or ornamental work for an amount not exceeding £2,500 any one occurrence
 - c. Damage to goods displayed for an amount not exceeding £1,000 any one occurrence provided such Damage was not a direct result of theft or attempted theft
2. We will indemnify You as a result of Damage to any sign provided such cover is indicated in the Schedule and a Sum Insured is placed thereon The maximum We will pay in respect of signs shall not exceed the Sum Insured

Section Exceptions

The following exceptions apply to this Section and should be read in conjunction with the General Exceptions

We will not indemnify You in respect of

1. Breakage and/or Damage caused by fire lightning explosion or storm
2. Breakage and/or Damage to glass in light fittings signs Stock in Trade or goods in trust vehicles vending machines greenhouses and conservatories unless specifically accepted by Us
3. defects in the frames and framework

4. caused by or arising from faulty or defective workmanship on the part of You or any of Your Employees
5. scratching wear tear gradual deterioration mechanical or electrical breakdown of neon and illuminated signs and electrical light fittings
6. the Excess stated in the Schedule
7. repair alteration or other fittings to the Premises
8. Breakage and/or Damage occurring in any Vacant or Disused building
9. any consequential loss

Money and Personal Accident Assault Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Bodily Injury

Bodily Injury by violent and visible means

Business Hours

Your normal working hours and any other period which You Your Employee director or partner entrusted with Money are on the Premises in connection with the Business

Loss of Limb

Physical separation of one or more limbs at or above the wrist or ankle or permanent and total loss of use of one or more hands arms legs or feet

Non-Negotiable Money

Crossed cheques crossed giro cheques stamped National Insurance Cards crossed money orders crossed postal orders crossed bankers' drafts crossed warrants national savings certificates premium savings bonds unexpired units in franking machines credit card sales vouchers debit card sales vouchers VAT purchase invoices

Person Insured

You or any of Your partners directors or Employees and in respect of cover (b) Assault aged not less than 16 year old and not more than 75 years

Cover (a) Money

We will indemnify You in respect of loss of Money by any cause occurring at the Premises in transit or at the private residences of any Person Insured anywhere within Great Britain Northern Ireland the Isle of Man or the Channel Islands during the Period of Insurance

Limit of Liability

Our liability under this Section shall not exceed the limits stated in the Schedule or limit specified in any Extension to this Section

Section Extensions applicable to Cover (a) Money Only

The following Section Extensions shall apply to Cover (a) Money subject to all other terms conditions limits and exceptions of this Policy

We will indemnify You for loss or destruction of or damage to

1. any cases bags containers belts or waistcoats owned by You or for which You are responsible being used for carrying Money resulting from theft or attempted theft of Money up to a limit of £1,000 any one occurrence
2. clothing and personal effects belonging to You or any Person Insured resulting from theft or attempted theft of Money up to a limit of £500 any one person

We will indemnify You in respect of the cost of changing locks or lock mechanisms on doors windows safes and strongrooms at the Premises to maintain security following theft of keys from the Premises or from Your home or the home of any Person Insured up to a limit of £1,000 any one occurrence

Section Exceptions applicable to Cover (a) Money Only

We shall not indemnify You in respect of loss destruction or damage

1. arising from fraud or dishonesty of any director partner or Employee unless discovered and reported to the Police and Us in writing within 7 days after the event
2. resulting from use of any form of payment which proves to be counterfeit false invalid uncollectable irrecoverable for any reason
3. where a more specific insurance is in force except for any excess beyond the amount recoverable thereunder
4. due to errors or omissions
5. from unattended vehicles being any vehicle with no person in charge or keeping the vehicle under observation and able to observe or prevent any attempt by any person to interfere with the vehicle
6. outside Great Britain Northern Ireland the Channel Islands and the Isle of Man
7. resulting directly or indirectly from forgery fraudulent alteration or substitution fraudulent use of a computer or electronic transfer
8. from any gaming machine vending machine or automated teller machine or cash dispensing machine unless specifically stated in the Schedule

Section Conditions applicable to Cover (a) Money Only

The following conditions apply to Cover (a) Money and should be read in conjunction with the General Conditions applying to the whole Policy

Accompaniment Limits

The following are conditions precedent to Our liability to indemnify You in relation to any claim for Loss of Money in transit If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

Whenever Money (other than Non-Negotiable Money) is in transit it is to be accompanied by the following numbers of authorised persons between the ages of 18 and 65 unless varied in the Schedule

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

The maximum amount we will pay in respect of any item insured under this Section is the limit stated in the Schedule

Records and Key Security

We will not indemnify You unless

1. a complete record of all Money held by You is kept in a secure place other than in any safe or other receptacle containing Money
2. safe keys are removed from the Premises outside Business Hours
3. all security devices to protect the Premises are properly fitted and put into full operation outside Business Hours

Adjustment to Premium

The premium having been calculated in whole or in part on estimates provided by You and stated in Schedule

1. within one month after the expiry of each Period of Insurance You will provide Us with an accurate declaration so that the premium for that Period of Insurance can be calculated and the difference paid or allowed to You subject to any minimum premium We may require being retained by Us

2. should You fail to supply such a declaration as described in (1) above We will be entitled to charge an additional premium in respect of that Period of Insurance

Theft Protections

The following are conditions precedent to Our liability to indemnify You in relation to any claim for loss of Money at the Premises outside Business Hours If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

all fastenings and protections on the Premises at the commencement of this Policy and all additional fastening and protections which have been stipulated by Us shall be maintained in full and effective working order during the Period of Insurance and put into full and effective operation outside Business Hours

Additional Section Conditions

The following additional conditions apply to Cover (a) Money only if they are specified in the Schedule and should also be read in conjunction with the General Conditions applying to the whole Policy

Intruder Alarm System

For the purpose of this Condition only the following definitions apply

Intruder Alarm System

an electrical installation to detect and indicate the presence entry or attempted entry or exit of an intruder into Protected Premises

Protected Premises

the Premises or those portions of the Premises protected by the Intruder Alarm System as required by Us

Responsible Person

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

Keyholder

You or any person or key holding company authorised by You who must be available at all times to accept notification of faults or alarm signals relating to the Intruder Alarm System attend and allow access to the Premises

If in relation to any claim for loss or damage caused by theft or attempted theft involving entry to or exit from the Premises by forcible and violent means You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must ensure that whenever the Premises are unattended

1. the Premises are protected by an Intruder Alarm System and means of communication used to transmit signals from such Intruder Alarm System designed installed and maintained as agreed by Us
2. the Protected Premises must not be left without at least one Responsible Person in attendance
 - a. unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation
 - b. if the police have withdrawn their response to alarm calls unless We agree otherwise in writing
3. in the event of notification of any activation of the Intruder Alarm System or interruption of any of the means of communication used to transmit signals during any period that the Intruder Alarm System is set a Keyholder shall attend the Premises as soon as reasonably possible in order to confirm the security of the Premises and reset the Intruder Alarm System in its entirety If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to transmit signals are not in full operation a Keyholder must remain at the Premises unless We agree otherwise in writing

4. You shall advise Us as soon as possible and in any event not later than 10.00am on Our next working day
 - a. that police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
 - b. of notice from a local authority or magistrate imposing any requirement for abatement of nuisance that the Intruder Alarm System and the means of communication used to transmit signals from such installation cannot be returned to or maintained in full working order and You must comply with any of Our subsequent requirements
5. You shall not conduct or authorise any alteration or substitution of
 - a. any part of the Intruder Alarm System
 - b. the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System
 - c. the means of communication used to transmit signals from the Intruder Alarm System
 - d. the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System
 - e. the maintenance contract without Our written agreement
6. You and each Keyholder must maintain secrecy of codes and security of keys and setting/ unsetting devices for the operation of the Intruder Alarm System All keys and other setting/ unsetting devices for the Intruder Alarm System must be removed from the Premises when they are left unattended
7. The Intruder Alarm System shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or other such company as agreed by Us
8. You will appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company contracted to maintain the Intruder Alarm System and with the police if they so require

Requirements

If in relation to any claim You have failed to implement the Requirements as required by Us within the timescales specified You will lose Your right to indemnity or payment for that claim

Contingent Security Company Cover

We will indemnify You in respect of loss of Money in the custody of any security company You have an agreement with if You are unable to recover the Money from the security company

If in relation to any claim in respect of loss of Money in the custody or control of any security company You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must

1. provide Us with a copy of the agreement between You and the security company
2. obtain Our written agreement before any changes are made to the agreement
3. comply with the terms of the agreement

Cover (b) Assault

We will pay compensation as detailed in the Schedule in respect of any Bodily Injury sustained by any Person Insured in the course of the Business caused solely and directly by violence occurring during theft or attempted theft of Money and which directly and independently of any other cause results in any of the Contingencies detailed below

Contingencies

1. death (which shall not be presumed by disappearance of the Person Insured) occurring within 24 months of Bodily Injury
2. disablement occurring within 24 months of Bodily Injury being

- a. total and permanent loss of all sight in one or both eyes or
- b. total Loss of Limb
3. permanent total disablement which after 24 months of Bodily Injury prevents the Person Insured from pursuing any occupation
4. total disablement which within 24 months of Bodily Injury prevents the Person Insured from pursuing their normal occupation
5. partial disablement which within 24 months of Bodily Injury prevents the Person Insured from pursuing a substantial and essential part of their normal occupation
6. Incurred medical expenses

Clauses

Amounts payable

1. We will pay
 - a. weekly compensation at 4 weekly intervals
 - b. compensation under Contingencies 4 and 5 for a maximum of 2 years from the date that the disablement started
2. weekly benefit being paid for the same Bodily Injury will end if We pay compensation under Contingencies 1-3
3. insurance will end for the Person Insured if We pay compensation under Contingencies 1–3
4. reimbursement up to a sum of £500 in respect of Contingency 6

Section Conditions applicable to (b) Assault

1. In the event of death We shall be entitled to have a post mortem at Our own expense
2. In the event of any Bodily Injury the Person Insured must immediately place himself/herself under the care of a qualified medical practitioner and act upon such medical and/or surgical advice as is given as soon as reasonably practicable
3. In the event of any Bodily Injury the Person Insured must as often as may be required submit to medical examination at Our expense
4. The amount payable under Contingencies 4 and 5 shall be payable when the total amount has been agreed or at Your request at intervals of not less than four weeks (but not in advance) commencing four weeks after We have received written notice of any Bodily Injury

Section Exceptions applicable to (b) Assault

We will not be liable under Cover (b) Assault in respect of any death or disablement attributable to contributed to or accelerated by pregnancy or any pre-existing physical or mental condition

Goods in Transit Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Damage

Loss or destruction of or damage to the Property Insured

Property Insured

General merchandise connected with the Business belonging to You or for which You have accepted responsibility

Clothing and Personal Effects

Personal possessions of Your or Your drivers' worn or carried during transit excluding cash bank notes credit cards watches and jewellery

Excess

The amount or amounts shown in Your Policy or the Schedule which We will deduct from each and every claim at each separate location and will be deducted after the application of Average

Overnight

Means from 21.00 hours or whenever the Vehicle or trailer was last occupied (whichever is the earlier) to 06.00 hours or until the Vehicle is first used whichever is the later

Vehicle

Any motor vehicle and/or trailer and/or container which You own or operate in connection with the Business

Tools

Tools tool kits or test equipment which You own or are hired by You or used by You in connection with the Business and for which You are responsible

Cover

We will indemnify You in respect of Damage to Property Insured occurring during the Period of Insurance whilst being carried by the means of transit as detailed in the Schedule anywhere within or between Great Britain Northern Ireland the Isle of Man and the Channel Islands including whilst

1. loading and unloading
2. temporarily stored in or on a Vehicle during transit
3. conveyed on recognised "roll-on roll-off" vehicle ferries providing no unloading or reloading of the vehicle is involved

Limit of Liability

Our liability under this Section shall not exceed the limits stated in the Schedule or limit specified in any Extension to this Section

Section Extensions

The following Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

Additional Expenses

We will indemnify You for costs and expenses reasonably incurred by You with Our consent

1. in transferring the Property Insured to any other vehicle or trailer or delivering such property to its original destination or returning to its place of dispatch consequent upon collision or overturning of the conveying vehicle or trailer
2. the reloading of Property Insured to the conveying vehicle or trailer following accidental discharge
3. the removal of debris and site clearance following Damage to Property Insured up to a limit of £5,000 or the amount as stated in the Schedule

Clothing and Personal Effects

We will indemnify You for Damage to Clothing and Personal Effects caused by or following an accident to any Vehicle up to a limit of £500 any one claim or the limit as stated in the Schedule

Property on Approval with Customers

We will indemnify You against Damage to Property Insured whilst

1. in transit to or from Your customers premises on approval
2. on approval at the customers premises anywhere in Great Britain Northern Ireland the Channel Islands and the Isle of Man excluding Damage when in use

up to a limit of £10,000 in respect of any one claim

Property on Demonstration

We will indemnify You against Damage to Property Insured whilst

1. in transit to or from any premises for the purpose of demonstration
2. at the premises where the demonstration takes place within Great Britain Northern Ireland the Channel Islands the Isle of Man excluding Damage caused during the demonstration itself

up to a limit of £10,000 in respect of any one claim

Tarpaulins Sheets Ropes

We will indemnify You for Damage to sheets ropes chains tarpaulins toggles or packing materials owned by You or for which You are responsible while carried on any Vehicle

We will replace such tarpaulins as new if such tarpaulins were not more than one year old at the time of Damage

Tools

We will indemnify You for Damage to Tools

1. in or on any Vehicle
2. whilst temporarily stored on any Vehicle during transit

up to a limit of £500 any one claim or the amount as stated in the Schedule

Travellers Samples

We will indemnify You against Damage to travellers samples

1. in or on any Vehicle
2. whilst they are temporarily removed from any Vehicle and kept in any stockroom hotel or private dwelling house provided that they remain in the custody or control of You or Your Employee partner or director

up to a limit of £2,500 any one claim or the amount as stated in the Schedule

Section Exceptions

The following exceptions apply to this Section and should be read in conjunction with the General Exceptions

We will not provide an indemnity in respect of

1. Damage caused by
 - a. defective or inadequate packing insulation or labelling delay inadequate documentation disappearance or unexplained or inventory shortage

- b. evaporation or ordinary leakage
 - c. vermin insects wear tear inherent vice latent defect gradual deterioration
 - d. pollution or contamination
 - e. an existing or hidden defect
 - f. indirect or consequential loss
 - g. vibration denting scratching or bruising
 - h. mechanical or electrical breakdown derangement defect or failure
2. Shortage in weight
 3. Damage caused by deterioration or variation in temperature unless directly consequent upon fire theft or overturning or collision of the carrying vehicle
 4. Damage arising from
 - a. confiscation requisition or destruction by order of any government or any public authority
 - b. riot civil commotion strikes lockouts or labour disturbances
 5. Damage
 - a. occurring outside Great Britain Northern Ireland the Channel Islands and the Isle of Man
 - b. not connected with the Business
 6. Damage to
 - a. jewellery precious stones watches clocks gold and silver articles furs curios
 - b. wines spirits perfumes and tobacco products
 - c. audio visual equipment
 - d. computer hardware and software
 - e. rare books and works of art
 - f. Money and bullion non ferrous metals
 - g. living creatures
 - h. explosives

Unless such Property Insured is specifically stated in the Schedule as insured and the Damage is not otherwise excluded
 7. Damage caused by theft or attempted theft of the Property Insured and/ or Tools and/or Clothing and Personal Effects from any unattended Vehicle being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle

Unless You have ensured that

 - a. all doors windows and other points of access have been locked where locks have been fitted and
 - b. all manufacturers' security devices have been put into effect and
 - c. the keys have been removed from any unattended Vehicle and
 - d. unattached trailers have anti-hitching devices fitted and they are put into effect
 8. Damage resulting from theft or attempted theft from any unattended Vehicle during the hours from 9pm until 6am unless such Vehicle is
 - a. garaged in a securely locked building of substantial nature or
 - b. a compound which has secure walls and/or fences and securely locked gates
 9. property in transit for hire or reward
 10. the Excess as stated in the Schedule
 11. loss of market or indirect or consequential loss

Section Conditions

The following conditions apply to this Section and should be read in conjunction with the General Conditions applying to the whole Policy

Automatic Reinstatement

The Limits of Liability stated in the Schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary

You must pay the additional premium required to reinstate the Limit of Liability

Average

Where a Sum Insured is subject to average if at the time of the Damage the Sum Insured is less than the total value of the Property Insured You will be considered as Your own insurer for the difference and bear a proportionate share of the loss

Basis of Claims Settlement

The amount payable shall be the value of the Property Insured at the time of its Damage or at Our option the reinstatement or replacement of such property or any part of it

Reasonable Care

If in relation to any claim under this Section for Damage to Property Insured You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must

1. take all reasonable measures to
 - a. prevent Damage
 - b. secure loads properly
 - c. maintain any Vehicle in accordance with current law
 - d. ensure any Vehicle is suitable for the purpose for which it is to be used
2. allow Us access to examine any Vehicle which You operate or premises from which You operate

Substitution of Vehicles

Where Vehicles are individually specified in the Schedule We will insure subject to the Limit of Liability and any other terms and conditions applicable to the original Vehicle the Property Insured whilst in or on any other vehicle

1. temporarily substituted for the specified Vehicle whilst the Vehicle is out of use for maintenance repair or official vehicle testing
2. permanently substituted for the specified Vehicle provided that You inform Us in writing within 21 days of the substitution

Section Endorsements

The following Endorsements only apply to this Section if specified in the Schedule

Alarm Clause – Specified Vehicles

We will not indemnify You in respect of Damage resulting from theft or attempted theft from any specified unattended Vehicle being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle unless the alarm system approved by Us is

1. put into operation and all alarm keys removed and
2. maintained in accordance with the terms and conditions of the installing company's agreement

Alarm Clause – Unspecified Vehicles

We will not indemnify You in respect of Damage resulting from theft or attempted theft from any unattended Vehicle owned or operated by You being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle unless the alarm system approved by Us is

1. put into operation and all alarm keys removed and
2. maintained in accordance with the terms and conditions of the installing company's agreement

Declarations

The insurance on the Property Insured is subject to the following

The first and annual premiums paid are provisional

1. You must declare to Us the actual value of the property in transit for the Period of Insurance within one month of the expiry of the Period of Insurance
2. At the end of each Period of Insurance We will calculate the actual premium by applying the rate to the average amount declared
3. If the actual premium is more than the provisional premium paid You will pay the difference
If the actual premium is less than the provisional premium paid We will refund the difference
4. Every insurance on the Property Insured must be similar in wording with this insurance

Legal Liabilities Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Asbestos

crocidolite amosite chrysotile fibrous actinolite fibrous anthophyllite or fibrous tremolite or any mixture containing any of those materials fibres or particles of Asbestos or any material containing Asbestos or Asbestos dust

Costs and Expenses

Costs and Expenses shall be deemed to mean

1. costs and expenses of claimants for which You are legally liable and which may be the subject of indemnity under this Section
2. other costs and expenses incurred with Our written consent in respect of any claim which may be the subject of indemnity under this Section
3. legal costs and expenses incurred with Our written consent for representation by You at
 - a. any proceedings brought in any court arising out of any alleged breach of a statutory duty resulting in Injury
 - b. any coroners inquest or inquiry in respect of any death which may be the subject of indemnity under this Section

Compensation

damages including interest

Event

Any accident or occurrence including continuous or repeated exposure to substantially the same general conditions which results during the Period of Insurance in Injury or Damage to Property All Events or series of Events consequent on one cause shall be regarded as one Event for the purposes of this Policy

Limit of Indemnity

the limit as specified in the Schedule including all costs and expenses

Offshore

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

Product Supplied

Any product or thing including packaging containers instructions and labels sold supplied erected repaired altered treated installed tested serviced or delivered by or through You in the course of the Business within the Territorial Limits

Territorial Limits

1. anywhere within Great Britain Northern Ireland the Isle of Man or the Channel Islands other than Offshore
2. elsewhere in the world (other than the United States of America or Canada or Offshore) for temporary visits by non-manual employees in connection with the Business undertaken by You or any of Your directors or Employees normally resident in (1) above
3. elsewhere in the world in respect of any Product Supplied (other than those to Your knowledge sold supplied erected repaired altered treated or installed by You in or for delivery or use in the United States of America or Canada)

Employers Liability Sub-Section

Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation including Costs and Expenses in respect of Injury sustained by any Employee caused during the Period of Insurance within the Territorial Limits and arising out of employment by You in the course of the Business

Limit of Indemnity

Our liability for Compensation and Costs and Expenses payable under this Sub-Section in respect of any claim or series of claims against You as a result of or arising out of one Event shall not exceed the Limit of Indemnity

Right of Recovery

The indemnity provided under this Sub-Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain Northern Island the Channel Islands or the Isle of Man You must repay to Us all sums paid by Us that We would not have been liable to pay but for the provisions of such law

Extensions to this Sub-Section

The following Sub-Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

Unsatisfied Court Judgments

This Sub-Section extends to include the following

In the event of Injury sustained by any Employee caused during the Period of Insurance within the Territorial Limits and arising out of employment by You in the course of the Business which results in a judgment for Compensation being obtained by the Employee or the personal representatives of the Employee and which remains unsatisfied in whole or part six months after the date of such judgment We will at Your request pay to the Employee or the personal representatives of the Employee the amount of any such Compensation and any costs awarded to the Employee or the personal representatives of the Employee to the extent that they remain unsatisfied provided that

1. the judgment for Compensation is obtained
 - a. in a court of law within Great Britain Northern Island the Channel Islands or the Isle of Man
 - b. against a company partnership or individual other than You conducting a business at or from premises within the territories described in (a) above
2. there is no appeal outstanding
3. if any payment is made under the terms of this Extension the Employee or the personal representatives of the Employee must assign the judgment to Us

Exceptions to this Sub-Section

The following exceptions apply to this Sub-Section and should be read in conjunction with the Policy Exceptions

Vehicles

We will not provide indemnity in respect of any legal liability for which compulsory motor insurance or security is required in accordance with any road traffic legislation within the European Union

Public Liability Sub-Section

Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation including Costs and Expenses in respect of

1. accidental Injury to any person
2. accidental loss of or damage to Property
3. accidental nuisance or trespass obstruction loss of amenities or interference with any right of way light air or water

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

Limit of Indemnity

Our liability for Compensation and Costs and Expenses payable under this Sub-Section in respect of any claim or series of claims against You as a result of or arising out of one Event shall not exceed the Limit of Indemnity

Extensions to this Sub-Section

The following Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

Contingent Motor Liability

Notwithstanding Exception (4) of this Sub-Section We will indemnify You in respect of legal liability arising out of the use in the course of the Business of any motor vehicle not belonging to or provided by You anywhere in Great Britain Northern Ireland the Channel Islands or the Isle of Man provided that this indemnity shall not apply

1. in respect of Damage to the vehicle or to any property conveyed therein
2. whilst the vehicle is being driven by You or any person with Your general consent who to Your knowledge or anyone on Your behalf does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
3. in respect of which You are entitled to indemnity under any other insurance
4. in respect of liability arising from circumstances in which it is compulsory for You to insure or provide security in respect of such vehicles as a requirement of relevant road traffic legislation

Data Protection Act 1998

We will indemnify You and at Your request any of Your directors or partners or Employees against all sums which You or any of Your directors or partners or Employees become(s) legally liable to pay as Compensation together with Costs and Expenses under Section 13 of the Data Protection Act 1998 caused in connection with the Business during the Period of Insurance provided that You are

1. a registered user in accordance with the terms of the Act
2. not in business as a computer bureau

The total amount payable including all Costs and Expenses under this Extension in the aggregate any one Period of Insurance is limited to £250,000

The indemnity provided by this Extension shall not apply to

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

- f. claims which arise out of circumstances notified to previous insurers or known to You at inception of this Policy
- g. legal liability where indemnity is provided by any other insurance

Defective Premises Act

We will indemnify You in respect of legal liability in respect of accidental Injury or accidental loss of or damage to Property incurred by virtue of Section 3 of the Defective Premises Act 1972 or of Section 5 of the Defective Premises (Northern Ireland) Order 1975 provided that

1. such liability is not otherwise insured
2. We will not be liable in respect of
 - a. damage to that part of such premises on which You or anyone on Your behalf has worked if such damage directly results from such work
 - b. the cost of remedying any defect or alleged defect in the premises disposed of by You

Employees and Visitors Personal Belongings

Notwithstanding Exception (2) of this Sub-Section We will indemnify You in respect of legal liability for accidental damage to the vehicles and personal belongings of Your directors partners Employees and visitors which are in Your custody or control

We will not provide indemnity where this Property is

1. loaned leased hired or rented to You
2. stored for a fee or other consideration
3. in Your custody or control for the purposes of being worked upon

Overseas Personal Liability

We will indemnify You and if You so request any of Your directors partners or Employees or spouse or civil partner of such person against legal liability incurred in a personal capacity whilst temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man but excluding the United States of America or Canada in connection with the Business

The indemnity will not apply to legal liability

1. arising out of the ownership or occupation of land or buildings
2. in respect of which any person referred to above is entitled to indemnity under any other insurance

Damage to Leased or Rented Premises

Notwithstanding Exception (2) of this Sub-Section We will indemnify You in respect of legal liability for loss of or damage to premises (or fixtures or fittings thereof) hired or rented to You provided that this extension shall not apply to liability in respect of

1. legal liability arising under agreement unless legal liability would have attached to You in the absence of such agreement
2. the first £500 in respect of any claim caused otherwise than by fire or explosion

Exceptions to this Sub-Section

The following exceptions apply to this Sub-Section and should be read in conjunction with the Policy Exceptions

We will not indemnify You against legal liability in respect of

1. Injury to any Employee
2. loss of or damage to Property belonging to You held in trust by You or in Your custody or control or which is leased let rented hired or lent to You
3. the costs of remedying any defect or alleged defect in land or premises sold or disposed of by You or for any reduction in value thereof

4. the ownership possession or use by You or on Your behalf of any craft (air or waterborne) or mechanically propelled vehicles (including power assisted cycles) other than mechanically-propelled garden implements used within the grounds of Your Premises
5. any advice treatment design formula or specification provided by You or on Your behalf for a fee or in circumstances where a fee would normally be charged
6. professional services rendered for which a fee is charged
7. the Excess shown in the Schedule in respect of each and every claim for Damage to Property
8. liability arising out of Product Supplied after they have ceased to be in Your custody or control other than
 - a. food or drink sold or supplied for consumption by Your directors partners Employees or visitors
 - b. the disposal of furniture and office equipment originally intended solely for use by You in connection with the Business and which is no longer required for that purpose
9. any liquidated damages fine or penalty
10. punitive exemplary aggravated or restitutionary damages or any additional damages resulting from the multiplication of compensatory damages

Products Liability Sub-Section

Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation including Costs and Expenses in respect of

1. accidental Injury to any person
2. accidental loss of or damage to Property

and occurring during the Period of Insurance within the Territorial Limits caused by any Product Supplied

Limit of Indemnity

Our liability for Compensation and Costs and Expenses payable in respect of any claim or series of claims against You as a result of or arising out of one Event and in the aggregate any one Period of Insurance shall not exceed the Limit of Indemnity

Extensions to this Sub-Section

The following Sub-Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

Consumer Protection Act Costs

We will indemnify You and at Your request any director partner or Employee in respect of legal costs and expenses incurred with Our written consent in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of Part II of The Consumer Protection Act 1987 provided that

1. the proceedings relate to an offence alleged to have been committed in the course of the Business and during the Period of Insurance
2. We will not indemnify You in respect of
 - a. fines or penalties
 - b. costs and expenses insured by any other policy
 - c. proceedings consequent upon any deliberate management decision act or omission of management

The maximum amount We will pay shall not exceed £100,000

Exceptions to this Sub-Section

The following exceptions apply to this Sub-Section and should be read in conjunction with the General Exceptions

We will not indemnify You against legal liability in respect of

1. Injury to any Employee
2. loss of or damage to Property belonging to You held in trust by You or in Your custody or control or which is leased let rented hired or lent to You
3. any advice treatment design formula or specification provided by You or on Your behalf for a fee or in circumstance where a fee would normally be charged
4. the ownership possession or use by You or on Your behalf of any mechanically propelled motor vehicles or mobile plant
 - a. which is licenced for road use
 - b. for which compulsory motor insurance or security is required
 - c. which is more specifically insured

Provided always that this exception will not apply in respect of

- i. liability arising during the act of loading or unloading any mechanically propelled motor vehicle or mobile plant or the bringing to or the taking away of a load from such vehicle

- ii. the authorised movement on Your Premises of any mechanically propelled motor vehicle or mobile plant
unless more specifically insured or unless compulsory motor insurance or security is required
- 5. the ownership possession or use by You or on Your behalf of any craft designed to travel through air or space hovercraft or waterborne vessels other than hand propelled watercraft
- 6. professional services rendered for which a separate fee is charged
- 7. loss of or damage to any Product Supplied or for the costs of recall removal repair alteration replacement or reinstatement of such Product Supplied or any part thereof caused by any defect therein
- 8. any Product Supplied which to Your knowledge is for use in or on any aircraft missile or for aviation or aerospace purposes or for the safety or navigation of marine craft of any sort
- 9. any liquidated damages fine or penalty
- 10. punitive exemplary aggravated or restitutionary damages or any additional damages resulting from the multiplication of compensatory damages
- 11. any Product Supplied which is in Your custody or control

Extensions applicable to Legal Liabilities Section

The following Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

Additional Persons Insured

We will indemnify

1. in the event of the death of any person entitled to indemnity under this Section the deceased's legal representatives but only in respect of legal liability incurred by such deceased person
2. at Your request
 - a. any of Your directors partners or Employees in respect of legal liability arising in connection with the Business provided that You would have been entitled to indemnity under this Section if the claim had been made against You
 - b. any officer committee or member of Your canteen sports social or welfare organisations fire security first aid medical or ambulance services in their respective capabilities as such
 - c. any of Your directors or senior officials in respect of private work undertaken by any Employee for that director or senior official

Provided that

1. such persons are not entitled to indemnity under any other policy covering such liability
2. each person will as though they were You observe fulfil and be subject to the terms of this Policy insofar as they can apply
3. We shall retain sole conduct and control of any claim
4. where We are required to indemnify more than one party Our total liability shall not exceed the relevant Limit of Indemnity

Compensation for Court Attendance

In the event of any director partner or Employee attending court as a witness at Our request in connection with any claim made against You we will provide compensation to You up to a maximum of £250 per day on which attendance is required

Contractual Liability and Indemnity to Principal

Notwithstanding the Liability under Contract or Agreement Exception to this Section We will indemnify You under the Employers Liability and Public Liability Sub-Sections in respect of Injury or loss of or damage to Property as follows To the extent that any contract or agreement entered into by You with any Principal so requires We will indemnify You against liability assumed by You and the Principal in like manner to You in respect of the liability of the Principal where the liability arises out of the performance by You of such contract or agreement provided that

1. the conduct and control of claims is vested in Us

2. the Principal shall observe fulfil and be subject to the terms of this Policy so far as they apply
3. the indemnity shall not apply in respect of liquidated damages or any penalty clause
4. the indemnity granted under the Employers Liability Sub-Section shall only apply in respect of liability to any person who is an Employee of Yours
5. the indemnity shall not apply in respect of loss or damage against which You are required to effect insurance under the terms of the Joint Contracts Tribunal Standard of Building Contract 1963 Edition Clause 19 (2) (a) 1980 Edition Clause 21.2.1 or any subsequent amendments thereof or any form of contract requiring a similar indemnity
6. where indemnity is granted to any Principal We will treat each Principal and You as though a separate Policy had been issued to each of them provided that the total amount of indemnity payable to all parties shall not exceed the Limit of Indemnity of any Sub-Section of this Section

For the purpose of the extension Principal means the other party to a contract or agreement for whom You are undertaking work or service or providing a Product Supplied where such party is responsible for setting out the terms of the contract or agreement

Cross Liabilities

If more than one insured is referred to in the Schedule We will treat each party as if a separate Policy had been issued to each provided that the total amount of indemnity payable to all parties in respect of Compensation together with Costs and Expenses does not exceed the Limit of Indemnity under any Sub-Section of this Section

Health and Safety at Work Costs

We will indemnify You and at Your request any director partner or Employee in respect of legal costs and expenses with Our written consent and costs awarded against You or any director partner or Employee arising in connection with any criminal proceedings (including an appeal against any conviction resulting from such proceedings) as a result of an offence committed or alleged to have been committed during the Period of Insurance and in the course of the Business under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain Northern Ireland the Channel Islands or the Isle of Man provided that

1. the proceedings relate to the health safety or welfare of Employees
2. We will not indemnify You for
 - a. fines or penalties
 - b. costs and expenses insured by any other policy
 - c. proceedings consequent upon a deliberate management decision act or omission of management

The maximum amount We will pay shall not exceed £100,000

Exceptions applicable to Legal Liabilities Section

The following exceptions apply to this Section and should be read in conjunction with the General Exceptions

Asbestos

We will not provide indemnity in respect of

1. exposure to
2. inhalation of
3. fears of the consequences of exposure to or inhalation of
4. the costs incurred by anyone in repairing removing replacing recalling rectifying reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of

Asbestos Asbestos Dust or Asbestos Containing Materials

Except in respect of the Employers Liability Sub-Section to the extent that it is necessary to comply with the minimum requirements of the law within Great Britain Northern Ireland the Isle of Man or the Channel Islands relating to compulsory insurance of liability to Employees

Pollution or Contamination (applicable to Public Liability Sub-Section and Products Liability Sub-Section)

We will not indemnify You in respect of Pollution or Contamination

1. occurring in the United States of America or Canada or dependency or trust territory
2. occurring elsewhere unless caused by a sudden identifiable unintentional and unexpected incident which takes place in its entirety at specific moment in time and place during the Period of Insurance

All Pollution or Contamination which arises out of one event shall be deemed to have occurred at the time such event takes place

Our liability for all Compensation together with Costs and Expenses payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance will not exceed in the aggregate the Limit of Indemnity shown in the Schedule in respect of any Sub-Section of this Section

For the purpose of this exclusion and limitation "Pollution or Contamination" shall be deemed to mean

- a. all pollution or contamination of buildings or other structures or of water or land or the atmosphere
and
- b. all loss or damage to Property or Injury directly or indirectly caused by such pollution or contamination

Liability under Contract or Agreement

We shall not indemnify You against liability which is assumed by You by agreement unless such liability would have attached in the absence of such agreement

Absolute Business Legal Expenses Section

This Section is only operative if specified in the Schedule

Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section and should also be read in conjunction with the General Definitions at the start of the Policy

Appointed Advisor

The solicitor accountant or other advisor appointed by Us to act on behalf of the Person-Insured under the terms of the Section

Conditional Fee Agreement

The separate agreement between the You and Your Appointed Advisor for paying his or her professional fees which is an enforceable conditional fee agreement within the meaning of sections 58 58A Courts and Legal Services Act 1990 (as substituted and inserted by section 27 Courts and Legal Services Act 1990) the format and contents of which have been agreed to by Us before it is entered into

Collective Conditional Fee Agreement

The separate agreement between Your Appointed Advisor and Us for paying his or her professional fees which is an enforceable conditional fee agreement within the meaning of sections 58 58A Courts and Legal Services Act 1990 (as substituted and inserted by section 27 Courts and Legal Services Act 1990) which does not refer to specific proceedings but which provides for Your Appointed Advisor's fees and expenses to be payable on a common basis

Employment Audit

A review of Your employment and human resources systems records and procedures carried out by Us or an appointed agent to ensure compliance with current statutory and common law requirements and good practice

Legal Costs & Expenses

1. In respect of all Insured Events other than as provided for in (2) and (3) below
 - a. Reasonable legal costs fees and disbursements reasonably and proportionately incurred by the Appointed Advisor on the Standard Basis and agreed in advance by Us
 - b. Reasonable accountancy fees disbursements and other costs reasonably incurred by the Appointed Advisor and agreed in advance by Us
 - c. Other sides costs incurred in civil claims where the Person-Insured has been ordered to pay them or pay them with Our agreement
2. In respect of Insured Event 7 where the claim is brought within England and Wales and falls outside the jurisdiction of the Small Claims Court reasonable legal costs reasonably and proportionately incurred by the Appointed Advisor on the Standard Basis and agreed in advance by Us
3. Your loss of earnings incurred under Insured Event 5 (8)

Limit of Indemnity

£250,000 or as detailed in the Schedule which is the maximum Legal Costs and Expenses and Compensation Awards We will pay in respect of all claims related by time or original cause In respect of Compensation Awards £1,000,000 which is the maximum amount We will pay in respect of all claims aggregated in any one Period of Insurance

Person-Insured

1. You or any of Your partners directors or Employees aged not less than 16 years nor more than 75 years
2. The estates heirs legal representatives or assigns of any persons mentioned in (1) in the event of such person dying

3. A person declared to Us who is contracted to perform work for You who is in all other respects insured by You on the same basis as Your other Employees and who performs work under Your supervision

Reasonable Prospects of Success

In civil proceedings (other than claims under Insured Event 1 Employment where reasonable prospects of success need not apply) and criminal prosecution claims (except where the Person-Insured pleads guilty) where the Person-Insured has a greater than 50% chance of successfully pursuing or defending their claim. If the Person-Insured is seeking damages or compensation there must also be a greater than 50% chance of enforcing any judgment that might be obtained.

In criminal prosecution claims where the Person-Insured pleads guilty there is a greater than 50% chance of successfully mitigating the Person-Insured's sentence or fine.

In tax claims any dispute or appeal where the Person-Insured has a greater than 50% chance of being successful.

In all claims (including those covered Insured Event 1 Employment) involving an appeal where the Person-Insured has a greater than 50% chance of being successful.

Small Claims Court

A court in England & Wales that hears a claim falling under the small claims track in the County Court as defined by Section 26.6 (1) of the Civil Procedure Rules 1999.

Territorial Limit

For Insured Events 5 and 7 Great Britain Northern Ireland the Channel Islands and the Isle of Man and countries in the European Union.

For all other Insured Events Great Britain Northern Ireland the Channel Islands and the Isle of Man.

Cover

For those Insured Events shown in the Schedule We will pay the Person-Insured's Legal Costs & Expenses (and Compensation Awards under Insured Event 2) up to the Limit of Indemnity including the cost of appeals provided that

1. You have paid the insurance premium
2. the Insured Event arises in connection with the Business shown in the Schedule and occurs within the Territorial Limit
3. the claim
 - a. always has Reasonable Prospects of Success (other than employment claims under Insured Event 1 that are not the subject of an appeal)
 - b. is reported to Us
 - i. during the Period of Insurance
 - ii. immediately after the Person-Insured first becomes aware of circumstances which could give rise to a claim under this Section
4. the Person-Insured always agrees to use the Appointed Advisor nominated by Us in any claim
 - a. falling under the jurisdiction of an Employment Tribunal or the Small Claims Court and/or
 - b. prior to the issue of legal proceedings
5. any proceedings or hearing are dealt with by a court tribunal or other body that We agree to in the Territorial Limit
6. in respect of a claim under Insured Event 7 You enter into a Conditional Fee Agreement with Your Appointed Advisor or Your Appointed Advisor enters into a Collective Conditional Fee Agreement with Us if the claim will be decided in a court within England & Wales and falls outside the jurisdiction of the Small Claims Court

Insured Events Covered

1- Employment

Defending You in an employment dispute with an Employee ex-employee prospective employee or trade union acting on their behalf arising from a breach or an alleged breach of their

1. contract of service with You and/or
2. statutory rights under employment legislation

Providing that You have implemented any recommendations We make following an Employment Audit

An employment dispute is deemed to have occurred once all internal dismissal disciplinary and grievance procedures as set out under the Employment Act 2002 (Dispute Resolution) Regulations 2004 have been or ought to have been concluded

What is not insured under Insured Event 1

Any claim

1. for redundancy or alleged redundancy or unfair selection for redundancy occurring during the first 180 days of this Section except where You have had equivalent cover in force up until the start of this Section
2. arising from or relating to any transfer of business which falls under the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006
3. for Legal Costs & Expenses relating to an internal disciplinary hearing or grievance

2 - Employment Compensation Awards

Following a claim We have accepted under Insured Event 1 We will pay any

1. basic and compensatory award made against You by a tribunal
2. amount agreed by Us in settlement of a dispute

Provided that

- a. in respect of any compensation payable for redundancy alleged redundancy or unfair selection for redundancy You have sought and followed advice from Us or Our agent throughout including prior to serving any notice of a redundancy
- b. You are responsible for the first £1,000 Excess or as shown in the schedule

What is not insured under Insured Event 2

Any Compensation Awards relating to

1. trade union activities membership or non membership industrial or labour arbitration collective bargaining agreements trade union recognition or matters concerning European Works Council
2. money due to an Employee under a contract of employment or a statutory provision relating thereto
3. Your failure to comply with a reinstatement or re-engagement order
4. a breach of an Employees statutory rights under the National Minimum Wage Act 1998
5. civil claims or statutory rights relating to trustees of occupational pension schemes

3 -Tax Protection

1. a formal aspect or full enquiry into Your business tax affairs
2. any appeal proceeding following an assessment by HM Revenue & Customs relating to Value Added Tax
3. a dispute about Your compliance with regulations relating to
 - a. Pay As You Earn or
 - b. Social Security or
 - c. National Insurance Contributions

following a review by HM Revenue and Customs

4. a formal aspect or full enquiry into the personal tax affairs of Your directors and/or partners

Provided that

- a. all returns are completed and have been submitted within the statutory timescales permitted
- b. in respect of aspect enquiries the Person-Insured is responsible for the Excess as shown in the Schedule

What is not insured under Insured Event 3

Any claim arising from or relating to

1. an investigation by the Special Civil Investigation Office or the Special Compliance Office of HM Revenue and Customs
2. an investigation under the Civil Investigation of Fraud procedure
3. a tax avoidance scheme
4. the submission of returns or accounts where the HM Revenue & Customs levy a penalty or claim for interest or which contain negligent misstatements or where the Person-Insured falls below the standard of a reasonably prudent businessman in keeping books and records
5. Your failure to register for VAT

4 - Property

A dispute relating to Property which You own or is Your responsibility

1. following an event which causes or could cause physical damage to Your Property
2. following a public or private nuisance or trespass
3. and which You wish to recover or repossess from an Employee or ex-Employee

What is not insured under Insured Event 4

Any claim arising from or relating to

- a. a contract between You and the third party except for a claim under 4 (3)
- b. defending any claim brought against You unless defending a counter-claim
- c. a motor vehicle whilst at your Premises
- d. goods in transit or goods lent or hired out
- e. the compulsory purchase of or restrictions or controls placed on Your Property by any government local or public authority

5 – Compliance and Regulation

1. defending the Person-Insured when dealing with the police or Health & Safety Executive prior to the Person-Insured being charged
2. defending the Person-Insured following an event other than parking offences leading to the Person-Insured being prosecuted in a court of criminal jurisdiction
3. representing You following a notice by the relevant authority to alter suspend revoke or refuse to renew Your statutory licence
4. appealing against the terms of a Statutory Notice served against You
5. representing the Person-Insured at a formal investigation or disciplinary hearing by any trade association professional or regulatory body
6. defending You in a civil action alleging wrongful arrest arising from an allegation of theft
7. defending the Person-Insured in a civil action for compensation under section 13 of the Data Protection Act 1998 including compensation awarded against the Person-Insured provided that You are registered with the Information Commissioner
8. the Person-Insureds loss of earnings incurred when the Person-Insured is absent from work to attend any court tribunal arbitration disciplinary hearing or regulatory proceedings at the request of the Appointed Advisor or whilst on Jury Service The amount We pay shall not exceed £100 per day or part thereof less whatever is recoverable from the court or tribunal subject to a maximum limit of £1000

6 – Employees Extra Protection

At Your request

1. defending an Employee in civil proceedings under legislation for unlawful discrimination on the grounds of sex race disability sexual orientation age religious belief or political opinion
2. defending an Employee as a trustee of a pension fund set up for the benefit of Your employees
3. pursuing a claim following an event causing Injury or death to an Employee or member of their family

provided that the Employee is under a contract of service with You

Optional Cover – included when detailed in the Schedule

7- Contract and Debt Recovery

A breach or alleged breach of an agreement or alleged agreement which has been entered into by You or on Your behalf relating to the purchase hire hire purchase lease servicing maintenance testing sale or provision of goods or services

Provided that

1. the amount in dispute exceeds £200 or if the amount in dispute is payable in instalments then the instalment due and payable at the time of making the claim must exceed £200
2. if the amount in dispute exceeds £5,000 You are responsible for the first £500 in each and every claim
3. in respect of a claim for an undisputed debt
 - a. You notify us within 90 days of the money becoming due and payable
 - b. You have exhausted Your normal credit control procedures

What is not insured under Insured Event 7

Any claim relating to

- a. computer software or systems which have been tailored to Your requirements
- b. the sale or provision of computer hardware software systems or services by You
- c. the letting leasing or licensing of land or buildings where You act as the landlord
- d. the sale or purchase of any land or buildings
- e. loans mortgages endowments pensions or any other financial product
- f. the settlement payable under an insurance policy
- g. any claim that would be covered under Insured Event 1

Exceptions Under This Section

You are not insured for any claim arising from or relating to

1. Legal Costs & Expenses or Compensation Awards incurred before We accept a claim
2. any actual or alleged act omission or dispute occurring prior to or existing at the inception of the Section and which the Person-Insured knew or ought reasonably to have known could give rise to a claim under this Section
3. an allegation against the Person-Insured involving
 - a. assault violence or dishonesty
 - b. the manufacture dealing in or use of alcohol illegal drugs indecent or obscene materials
 - c. malicious falsehood
 - d. illegal immigration
 - e. offences under Part 7 of the Proceeds of Crime Act 2002 (money laundering offences)
4. the defence of legal proceedings relating to
 - a. damages for personal injury (other than injury to feelings) or loss or damage to Property owned by the Person-Insured
 - b. a breach or alleged breach of professional duty
 - c. any tortious liability except where covered under Insured Event 4 Property
5. fines penalties or compensation except as covered under Insured Events 2 or 5 (7)
6. costs awarded against the Person-Insured by a court of criminal jurisdiction following a conviction

7. patents copyright trade marks passing-off trade or service marks registered designs secrecy and confidential information
8. a dispute with any subsidiary parent associated or sister company or between shareholders or partners
9. franchise rights or agency rights where You have the legal capacity to alter the legal relations of another
10. a judicial review
11. a dispute with Us not dealt with under Condition 6
12. defamation

Conditions Which Apply to the Whole Section

Failure to keep to any of these conditions may lead Us to cancel this Section refuse a claim or withdraw from an ongoing claim We also reserves the right to recover Legal Costs & Expenses from the Person-Insured should this occur

The Person-Insureds responsibilities

A Person-Insured must

1. observe and keep to the terms of this Section
2. not do anything that hinders Us or the Appointed Advisor
3. tell us immediately after You first become aware of any cause event or circumstances which could give rise to a claim under this Section
4. tell Us immediately of anything that may materially alter Our assessment of the claim
5. cooperate fully with the Appointed Advisor and Us give the Appointed Advisor any instructions We require and keep them updated with progress of the claim
6. provide Us with everything We need to help Us handle the claim
7. take reasonable steps to recover Legal Costs & Expenses that We pay and pay to Us all costs that are recovered should these be paid to You
8. tell the Appointed Advisor to have the Legal Costs & Expenses assessed or audited if We require
9. minimise any Legal Costs & Expenses and try to prevent anything happening that may cause a claim
10. allow Us at any time to take over and conduct in the Person-Insureds name any claim proceeding or investigation

The Appointed Advisor

1. In certain circumstances as set out in 2 below the Person-Insured may choose an Appointed Advisor In all other cases no such right exists and We shall choose the Appointed Advisor
2. Where the Person-Insured wishes to exercise their right to choose they should write to Us with their nominated representatives name and address The Person-Insureds chosen Appointed Advisor must agree to act under Our standard terms of business and cooperate with Us at all times
We may refuse to accept the Person-Insureds nomination in exceptional circumstances If we disagree over the appointment of an Appointed Advisor then We will agree for another suitably qualified person to decide the matter
3. If We agree to start legal proceedings and the court or tribunal requires any representative to be legally qualified or there is a conflict of interest the Person-Insured may choose a suitably qualified Appointed Advisor The right of the Person-Insured to choose never applies to Employment Tribunal Tax or Small Claims Court claims unless there is a conflict of interest
4. If the Appointed Advisor refuses to continue acting for the Person-Insured with good reason the Person-Insured dismisses the Appointed Advisor without good reason or the Person-Insured withdraws from the claim without Our agreement cover will end immediately unless We agree to appoint another Appointed Advisor
5. The Appointed Advisor must enter into a Conditional Fee Agreement with You or a Collective Conditional Fee Agreement with Us if a claim under Insured Event 7 will be decided in a court within England & Wales and falls outside the jurisdiction of the Small Claims Court

Our consent

We must give Our written consent to the Person-Insured to incur any Legal Costs & Expenses or Compensation Awards We do not accept any liability for Legal Costs & Expenses or Compensation Awards incurred without Our written consent

Settlement

1. We have the right to settle the claim by paying the value of Your claim
2. The Person-Insured must not negotiate settle the claim or agree to pay any Legal Costs & Expenses incurred without Our written agreement
3. If the Person-Insured refuses to settle the claim following
 - a. a reasonable offer or
 - b. advice to do so from the Appointed Advisor

We may refuse to pay further Legal Costs & Expenses

Counsels Opinion

We may require the Person-Insured to obtain and pay for an opinion from counsel regarding the merits or value of the claim If the opinion supports the Person-Insured then We will pay for the opinion

Arbitration

If there is a dispute between the Person-Insured and Us about the handling of a claim or the choice of an Appointed Advisor the matter will be referred to a suitably qualified person agreed upon by both parties The loser of the dispute shall be liable to pay the costs incurred If We fail to agree on a suitable person We will ask the president of the relevant Law Society to nominate

Acts of Parliament & Jurisdiction

All Acts of Parliament referred to within the policy shall include equivalent legislation in Scotland Northern Ireland the Isle of Man and the Channel Islands and any subsequent amendment or replacement legislation

This Section will be governed by English Law

Data Protection Act 1998

It is agreed by Us that any information provided to Us regarding the Person-Insured will be processed by Us in compliance with the provisions of the Data Protection Act 1998 for the purpose of providing insurance and handling claims if any which may necessitate providing such information to third parties

Essential Business Legal Expenses Section

This Section is only operative if specified in the Schedule

Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section and should also be read in conjunction with the General Definitions at the start of the Policy

Appointed Advisor

The solicitor accountant or other advisor appointed by Us to act on behalf of the Person-Insured under the terms of this Section

Conditional Fee Agreement

The separate agreement between the You and Your Appointed Advisor for paying his or her professional fees which is an enforceable conditional fee agreement within the meaning of sections 58 58A Courts and Legal Services Act 1990 (as substituted and inserted by section 27 Courts and Legal Services Act 1990) the format and contents of which have been agreed to by Us before it is entered into

Collective Conditional Fee Agreement

The separate agreement between Your Appointed Advisor and Us for paying his or her professional fees which is an enforceable conditional fee agreement within the meaning of sections 58 58A Courts and Legal Services Act 1990 (as substituted and inserted by section 27 Courts and Legal Services Act 1990) which does not refer to specific proceedings but which provides for Your Appointed Advisor's fees and expenses to be payable on a common basis

Legal Costs & Expenses

1. In respect of all Insured Events other than as provided for in (2) and (3) below
 - a. Reasonable legal costs fees and disbursements reasonably and proportionately incurred by the Appointed Advisor on the Standard Basis and agreed in advance by Us
 - b. Reasonable accountancy fees disbursements and other costs reasonably incurred by the Appointed Advisor and agreed in advance by Us
 - c. Other sides costs incurred in civil claims where the Person-Insured has been ordered to pay them or pay them with Our agreement
2. In respect of Insured Event 7 where the claim is brought within England and Wales and falls outside the jurisdiction of the Small Claims Court reasonable legal costs reasonably and proportionately incurred by the Appointed Advisor on the Standard Basis and agreed in advance by Us
3. Your loss of earnings incurred under Insured Event 5 (8)

Limit of Indemnity

£100,000 or as detailed in the Schedule which is the maximum Legal Costs and Expenses and Compensation Awards We will pay in respect of all claims related by time or original cause In respect of Compensation Awards £1,000,000 which is the maximum amount We will pay in respect of all claims aggregated in any one Period of Insurance

Person-Insured

1. You or any of Your partners directors or Employees aged not less than 16 years nor more than 75 years
2. The estates heirs legal representatives or assigns of any persons mentioned in (1) in the event of such person dying
3. A person declared to Us who is contracted to perform work for You who is in all other respects insured by You on the same basis as Your other Employees and who performs work under Your supervision

Reasonable Prospects of Success

In civil proceedings and criminal prosecution claims (except where the Person-Insured pleads guilty) where the Person-Insured has a greater than 50% chance of successfully pursuing or defending their claim. If the Person-Insured is seeking damages or compensation there must also be a greater than 50% chance of enforcing any judgment that might be obtained.

In criminal prosecution claims where the Person-Insured pleads guilty where there is a greater than 50% chance of successfully mitigating the Person-Insured's sentence or fine.

In tax claims any dispute or appeal where the Person-Insured has a greater than 50% chance of being successful.

In all claims involving an appeal where the Person-Insured has a greater than 50% chance of being successful.

Small Claims Court

A court in England & Wales that hears a claim falling under the small claims track in the County Court as defined by Section 26.6 (1) of the Civil Procedure Rules 1999.

Territorial Limit

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

Cover

For all Insured Events shown in the Schedule We will pay the Person-Insureds Legal Costs and Expenses (and Compensation Awards under Insured Event 2) up to the Limit of Indemnity including the cost of appeals provided that

1. You have paid the insurance premium
2. the Insured Event arises in connection with the Business shown in the Schedule and occurs within the Territorial Limit
3. the claim
 - a. always has Reasonable Prospects of Success
 - b. is reported to Us
 - i. during the Period of Insurance
 - ii. immediately after the Person-Insured first becomes aware of circumstances which could give rise to a claim under this Policy
4. the Person-Insured always agrees to use the Appointed Advisor nominated by Us in any claim
 - a. falling under the jurisdiction of an Employment Tribunal or Small Claims Court and/or
 - b. prior to the issue of legal proceedings
5. any proceedings or hearing are dealt with by a court tribunal or other body that We agree to in the Territorial Limit
6. in respect of a claim under Insured Event 7 You enter into a Conditional Fee Agreement with Your Appointed Advisor or Your Appointed Advisor enters into a Collective Conditional Fee Agreement with Us if the claim will be decided in a court within England & Wales and falls outside the jurisdiction of the Small Claims Court

Insured Events Covered

1 - Employment

Defending You in an employment dispute with an Employee ex-employee prospective employee or trade union acting on their behalf arising from a breach or an alleged breach of their

1. contract of service with You and/or
2. statutory rights under employment legislation

An employment dispute is deemed to have occurred once all internal dismissal disciplinary and grievance procedures as set out under the Employment Act 2002 (Dispute Resolution) Regulations 2004 have been or ought to have been concluded.

What is not insured under Insured Event 1

Any claim

1. for redundancy or alleged redundancy or unfair selection for redundancy occurring during the first 180 days of this Policy except where You have had equivalent cover in force up until the start of this Policy
2. arising from or relating to any transfer of business which falls under the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006
3. for Legal Costs and Expenses relating to an internal disciplinary hearing or grievance

2 - Employment Compensation Awards

Following a claim We have accepted under Insured Event 1 We will pay any

1. basic and compensatory award made against You by a tribunal
2. amount agreed by Us in settlement of a dispute

Provided that

- a. Reasonable Prospects of Success exist for a wholly successful defence throughout
- b. In respect of any compensation payable for redundancy alleged redundancy or unfair selection for redundancy You have sought and followed advice from Us or Our agent throughout including prior to serving any notice of a redundancy
- c. the compensation is awarded by a tribunal or through the ACAS Arbitration Scheme under a judgment made after full argument other than by consent or default or is payable under a settlement approved in writing by Us

What is not insured under Insured Event 2

Any Compensation Awards relating to

1. trade union activities membership or non membership industrial or labour arbitration collective bargaining agreements trade union recognition or matters concerning European Works Council
2. Money due to an Employee under a contract of employment or a statutory provision relating thereto
3. Your failure to comply with a reinstatement or re-engagement order
4. a breach of an Employees statutory rights under the National Minimum Wage Act 1998
5. civil claims or statutory rights relating to trustees of occupational pension schemes

3 - Tax Protection

1. a formal aspect or full enquiry into Your business tax affairs
2. an appeal following an assessment by HM Revenue & Customs relating to Value Added Tax
3. a dispute about Your compliance with regulations relating to
 - a. Pay As You Earn or
 - b. Social Security or
 - c. National Insurance Contributionsfollowing a review by HM Revenue and Customs
4. a formal aspect or full enquiry into the personal tax affairs of Your directors and/or partners

Provided that

- a. all returns are completed and have been submitted within the statutory timescales permitted
- b. in respect of aspect enquiries the Person-Insured is responsible for the first £250 of any claim

What is not insured under Insured Event 3

Any claim arising from or relating to

1. an investigation by the Special Civil Investigation Office or the Special Compliance Office of HM Revenue and Customs
2. an investigation under the Civil Investigation of Fraud procedure
3. a tax avoidance scheme

4. the submission of returns or accounts where the HM Revenue & Customs levy a penalty or claim for interest or which contain negligent misstatements or where the Person-Insured falls below the standard of a reasonably prudent businessman in keeping books and records
5. Your failure to register for VAT

4 - Property

A dispute relating to Property which You own or is Your responsibility

1. following an event which causes or could cause physical damage to your Property
2. following a public or private nuisance or trespass
3. and which You wish to recover or repossess from an Employee or ex-Employee

What is not insured under Insured Event 4

Any claim arising from or relating to

1. a contract between You and the third party except for claim under 4 (3)
2. defending any claim brought against You unless defending a counter-claim
3. a motor vehicle whilst at Your premises
4. goods in transit or goods lent or hired out
5. the compulsory purchase of or restrictions or controls placed on Your Property by any government local or public authority

5 - Compliance and Regulation

1. defending the Person-Insured when dealing with the police or Health & Safety Executive prior to the Person-Insured being charged
2. defending the Person-Insured following an event other than a parking offence leading to the Person-Insured being prosecuted in a court of criminal jurisdiction
3. representing You following a notice by the relevant authority to alter suspend revoke or refuse to renew Your statutory licence
4. appealing against the terms of a Statutory Notice served against You
5. representing the Person-Insured at a formal investigation or disciplinary hearing by any trade association professional or regulatory body
6. defending You in a civil action alleging wrongful arrest arising from an allegation of theft
7. defending the Person-Insured in a civil action for compensation under section 13 of the Data Protection Act 1998 including compensation awarded against the Person-Insured provided that You are registered with the Information Commissioner
8. the Person-Insureds loss of earnings incurred when the Person-Insured is absent from work to attend any court tribunal arbitration disciplinary hearing or regulatory proceedings at the request of the Appointed Advisor or whilst on Jury Service The amount We pay shall not exceed £100 per day or part thereof less whatever is recoverable from the court or tribunal subject to a maximum limit of £1,000

6 - Employees Extra Protection

At Your request

1. defending an Employee in civil proceedings under legislation for unlawful discrimination on the grounds of sex race disability sexual orientation age religious belief or political opinion
2. defending an Employee as a trustee of a pension fund set up for the benefit of Your Employees
3. pursuing a claim following an event causing an Injury or death to an Employee or member of their family provided that the Employee is under a contract of service with You

Optional Cover – included when detailed in the Schedule

7- Contract and Debt Recovery

A breach or alleged breach of an agreement or alleged agreement which has been entered into by You or on Your behalf relating to the purchase hire purchase lease servicing maintenance testing sale or provision of goods or services

Provided that

1. the amount in dispute exceeds £200 or if the amount in dispute is payable in instalments then the instalment due and payable at the time of making the claim must exceed £200
2. if the amount in dispute exceeds £5,000 You are responsible for the first £500 in each and every claim
3. in respect of a claim for an undisputed debt
 - a. You notify us within 90 days of the money becoming due and payable
 - b. You have exhausted Your normal credit control procedures

What is not insured under Insured Event 7

Any claim relating to

1. computer software or systems which have been tailored to Your requirements
2. the sale or provision of computer hardware software systems or services by You
3. the letting leasing or licensing of land or buildings where You act as the landlord
4. the sale or purchase of any land or buildings
5. loans mortgages endowments pensions or any other financial product
6. the settlement payable under an insurance policy
7. any claim that would be covered under Insured Event 1

Exceptions Under This Section

You are not insured for any claim arising from or relating to

1. Legal Costs and Expenses or Compensation Awards incurred before We accept a claim
2. any actual or alleged act omission or dispute occurring prior to or existing at the inception of this Section and which the Person-Insured knew or ought reasonably to have known could give rise to a claim under this Section
3. an allegation against the Person-Insured involving
 - a. assault violence or dishonesty
 - b. malicious falsehood
 - c. the manufacture dealing in or use of alcohol illegal drugs indecent or obscene materials
 - d. illegal immigration
 - e. offences under Part 7 of the Proceeds of Crime Act 2002 (money laundering offences)
4. fines penalties or compensation except as covered under Insured Events 2 or 5 (7)
5. the defence of legal proceedings relating to
 - a. damages for Injury (other than injury to feelings) or loss or damage to Property owned by You
 - b. a breach or alleged breach of professional duty
 - c. any tortious liability except where covered under Insured Event 4 Property
6. costs awarded against the Person-Insured by a court of criminal jurisdiction following a conviction
7. patents copyright trade marks passing-off trade or service marks registered designs secrecy and confidential information
8. a dispute with any subsidiary parent associated or sister company or between shareholders or partners
9. franchise rights or agency rights where You have the legal capacity to alter the legal relations of another
10. a judicial review
11. a dispute with Us not dealt with under Arbitration Condition below
12. defamation

Conditions Which Apply to This Section

Failure to keep to any of these conditions may lead Us to cancel this Section refuse a claim or withdraw from an ongoing claim We also reserve the right to recover Legal Costs and Expenses from the Person-Insured should this occur

The Person-Insureds responsibilities

A Person-Insured must

1. observe and keep to the terms of this Section
2. not do anything that hinders Us or the Appointed Advisor
3. tell us immediately after the Person-Insured becomes aware of any cause event or circumstances which could to give rise to a claim under this Section
4. tell Us immediately of anything that may materially alter Our assessment of the claim
5. cooperate fully with the Appointed Advisor and Us give the Appointed Advisor any instructions We require and keep them updated with progress of the claim
6. provide Us with everything We need to help Us handle the claim
7. take reasonable steps to recover Legal Costs and Expenses that We pay and pay to Us all costs that are recovered should these be paid to You
8. tell the Appointed Advisor to have the Legal Costs and Expenses assessed or audited if We require
9. minimise any Legal Costs and Expenses and try to prevent anything happening that may cause a claim
10. allow Us at any time to take over and conduct in the Person-Insureds name any claim proceeding or investigation

The Appointed Advisor

1. In certain circumstances as set out in 2 below the Person-Insured may choose an Appointed Advisor In all other cases no such right exists and We shall choose the Appointed Advisor
2. Where the Person-Insured wishes to exercise their right to choose they should write to Us with their nominated representatives name and address The Person-Insureds chosen Appointed Advisor must agree to act under Our standard terms of business and cooperate with Us at all times
3. We may refuse to accept the Person-Insureds nomination in exceptional circumstances If We disagree over the appointment of an Appointed Advisor then We will agree for another suitably qualified person to decide the matter
4. If We agree to start legal proceedings and the court or tribunal requires any representative to be legally qualified or there is a conflict of interest the Person-Insured may choose a suitably qualified Appointed Advisor The Person-Insureds right to choose never applies to Employment Tribunal Small Claims Court or Tax claims unless there is a conflict of interest
5. If the Appointed Advisor refuses to continue acting for the Person-Insured with good reason the Person-Insured dismisses the Appointed Advisor without good reason or the Person-Insured withdraws from the claim without Our agreement cover will end immediately unless We agree to appoint another Appointed Advisor
6. The Appointed Advisor must enter into a Conditional Fee Agreement with You or a Collective Conditional Fee Agreement with Us if a claim under Insured Event 7 will be decided in a court within England & Wales and falls outside the jurisdiction of the Small Claims Court

Our consent

We must give Our written consent to the Person-Insured to incur any Legal Costs & Expenses or Compensation Awards We do not accept any liability for Legal Costs & Expenses or Compensation Awards incurred without Our written consent

Settlement

1. We have the right to settle the claim by paying the value of Your claim
2. The Person-Insured must not negotiate settle the claim or agree to pay any Legal Costs & Expenses incurred without Our written agreement
3. If the Person-Insured refuses to settle the claim following
 - a. a reasonable offer or
 - b. advice to do so from the Appointed AdvisorWe may refuse to pay further Legal Costs & Expenses

Counsels Opinion

We may require the Person-Insured to obtain and pay for an opinion from counsel regarding the merits or value of the claim. If the opinion supports the Person-Insured then We will pay for the opinion.

Arbitration

If there is a dispute between the Person-Insured and Us about the handling of a claim or the choice of an Appointed Advisor the matter will be referred to a suitably qualified person agreed upon by both parties. The loser of the dispute shall be liable to pay the costs incurred. If We fail to agree on a suitable person We will ask the president of the relevant Law Society to nominate.

Acts of Parliament & Jurisdiction

All Acts of Parliament referred to within the policy shall include equivalent legislation in Scotland Northern Ireland the Isle of Man and the Channel Islands and any subsequent amendment or replacement legislation.

This Section will be governed by English Law.

Data Protection Act 1998

It is agreed by Us that any information provided to Us regarding the Person-Insured will be processed by Us in compliance with the provisions of the Data Protection Act 1998 for the purpose of providing insurance and handling claims if any which may necessitate providing such information to third parties.

Business Machines All Risks (Specified Items) Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Defined Peril

Fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked out workers persons taking part in labour disturbances malicious persons earthquake subterranean fire storm tempest flood escape of water from any tank apparatus or pipe impact by any road vehicle or animal theft or attempted theft

Geographical Limits

- A. the Premises
- B. anywhere in Great Britain Northern Ireland the Channel Islands and the Isle of Man including the Premises
- C. anywhere in Great Britain Northern Ireland the Channel Islands and the Isle of Man and the countries of the European Union
- D. anywhere in the World

Responsible Person

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

Cover

We will indemnify You in respect of Damage occurring during the Period of Insurance to Property described in the Schedule provided the Damage occurs within the Geographical Limits as detailed in the Schedule

The Sums Insured under each item is separately subject to Average

Limit of Liability

Our liability under this Section shall not exceed the Sum Insured shown against each item in the Schedule for the Period of Insurance as stated in the Schedule

Basis of Claims Settlement

The amount payable shall be an amount equal to the cost of repair reinstatement or replacement of the property when new without deduction for wear and tear to a condition equivalent to or substantially the same but not better or more extensive than its condition when new subject to the monetary limit specified in the Schedule

Provided that repair reinstatement or replacement has been effected

Section Exceptions

We will not indemnify You for

1. consequential loss of any kind or description
2. Damage caused by
 - a. inherent vice latent defect gradual deterioration wear and tear frost change in water table Your own faulty or defective design or materials
 - b. faulty or defective workmanship operational error or omission on the part of You or any of Your Employeesbut this shall not exclude subsequent Damage which itself results from a cause not being an excepted cause under this Section or otherwise excluded
3. Damage caused by

- a. corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
 - b. change in temperature or atmospheric or climatic conditions
 - c. mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates
- but this shall not exclude
- i. such Damage which itself results from a Defined Peril or from any other cause not being an excepted cause under this Section or otherwise excluded
 - ii. subsequent Damage which itself results from a cause not being an excepted cause under this Section or otherwise excluded
- 4. any loss from an unattended vehicle of trailer vehicle being any vehicle with no person in charge or keeping the vehicle under observation and able to observe or prevent any attempt by any person to interfere with the vehicle
 - 5. Damage caused by
 - a. acts of fraud or dishonesty by Your Employees
 - b. unexplained disappearance unexplained or inventory shortage misfiling or misplacing of information
 - c. any process of fitting testing servicing repair renovation or adjustment
 - 6. the Excess stated in the Schedule

Section Conditions

Automatic Reinstatement

In the absence of written notice from Us to the contrary the Sum Insured by this Section shall not be reduced by the amount of loss and in return You undertake to pay the appropriate extra premium at a rate to be agreed on the amount of the loss from the date thereof

Average

Where a Sum Insured is subject to average if at the time of the Damage the Sum Insured is less than the total value of the property You will be considered as Your own insurer for the difference and bear a proportionate share of the loss

Intruder Alarm System

This Condition will only apply if it is specified in the Schedule

For the purpose of this Condition only the following definitions apply

Damage

loss or destruction of or damage to the Property caused by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons and theft

Intruder Alarm System

an electrical installation to detect and indicate the presence entry or attempted entry of an intruder into Protected Premises

Protected Premises

the Premises or those portions of the Premises protected by the Intruder Alarm System as required by Us

Responsible Person

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

Keyholder

You or any person or key holding company authorised by You who must be available at all times to accept notification of faults or alarm signals relating to the Intruder Alarm System attend and allow access to the Premises

The following are conditions precedent to Our liability to indemnify You in relation to any claim for Damage If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

1. the Premises are protected by an Intruder Alarm System and means of communication used to transmit signals from such an Intruder Alarm System designed installed and maintained as agreed by Us
2. the Protected Premises must not be left without at least one Responsible Person in attendance
 - a. unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation
 - b. if the police have withdrawn their response to alarm calls unless We agree otherwise
3. in the event of notification of any activation of the Intruder Alarm System or interruption of any of the means of communication during any period that the Intruder Alarm System is set a Keyholder shall attend the Premises as soon as reasonably possible in order to confirm the security of the Premises and reset the Intruder Alarm System in its entirety If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to transmit signals are not in full operation a Keyholder must remain at the Premises unless We agree otherwise in writing
4. You shall advise Us as soon as possible and in any event not later than 10.00am on Our next working day
 - a. that police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
 - b. of notice from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
 - c. that the Intruder Alarm System and the means of communication used to transmit signals from such installation cannot be returned to or maintained in full working order and You must comply with any of Our subsequent requirements
5. No alteration or substitution of
 - a. any part of the Intruder Alarm System
 - b. the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System
 - c. the means of communication used to transmit signals from the Intruder Alarm System
 - d. the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System
 - e. the maintenance contractshall be made without Our written agreement
6. You and each Keyholder must maintain secrecy of codes and security of keys and setting/unsetting devices for the operation of the Intruder Alarm System All keys and other setting/unsetting devices for the Intruder Alarm System must be removed from the Premises when they are left unattended
7. The Intruder Alarm System shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or other such company as agreed by Us
8. You will appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company contracted to maintain the Intruder Alarm System and with the police if they so require

Requirements

The following is a condition precedent to Our liability to indemnify You in relation to any claim

If You have failed to implement the requirements set out in the Schedule within the timescales specified You will lose Your right to indemnity or payment for that claim

Theft Protections

The following are conditions precedent to Our liability to indemnify You in relation to any claim for loss under this Section at the Premises outside Business Hours If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

all fastenings and protections on the Premises at the commencement of this insurance and all additional fastening and protections which have been stipulated by Us shall be maintained during the currency of this insurance

Engineering - Machinery Damage Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Limit of Indemnity

Our liability in respect of any one loss or series of losses arising out of any one occurrence shall not exceed the amount specified in the Schedule as the Limit of Indemnity or Sum Insured

Insured Property

Wherever the term Insured Property is used in this Section it shall mean only that property insured by this Section and as described in the Schedule

Machinery

Machinery shall include all component parts of the permanent structure of any item described in the Schedule commencing in the case of a fixed unit at the point of anchorage and in the case of a travelling unit at the road or track wheels

Machinery shall not include within its meaning

1. superheaters economisers piping and ancillary electrical or mechanical plant attached to boilers or pressure vessels chimneys or appliances used for attaching the load to any lifting machine glass bulbs or valves or electronic apparatus
2. supporting structures lift enclosures (other than landing gates) rail tracks anchorage bolts or fixing appliances brickwork masonry or foundations
3. tools cutting edges moulds dies patterns non-metallic linings pulverising and crushing surfaces flexible pipes trailing cables driving belts or bands or parts requiring periodic renewal
4. parts not made of metal (other than ropes integral gearing bearings bushes batteries tyres slabs of switchboards and insulation of electrical conductors)

Unless specified otherwise in the Schedule

Breakdown

Breakdown shall mean

1. the actual breaking failure distortion or burning out of any part of the Machinery whilst in ordinary use arising from defects in the Machinery causing its sudden stoppage and necessitating repair or replacement before it can resume work
2. fracturing of any part of the Machinery by frost when such fracture renders the Machinery inoperative
3. the actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary

Explosion

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

Collapse

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

Pressure Plant

Machinery which stores fluids either below or above atmospheric pressure

Cover

We will indemnify You against loss of or damage to Machinery described in the Schedule from sudden and unforeseen cause whilst at the Premises specified in the Schedule

Additional Cover

In respect of each claim for loss or damage for which liability is accepted the Cover provided by this Section extends to include

Automatic Cover

Additional Machinery belonging to You from the time the installation is completed and the Machinery is ready to commence normal working at the Premises shown in the Schedule

Provided that

1. the Machinery belongs to a category shown in the Schedule and is of a type similar to that which You previously declared Your intention to insure
2. the Machinery shall be insured to the same extent as Machinery of a similar type
3. the Machinery is free from defects so far as You are aware and complies with any statutory obligations concerning its examination and certification
4. You shall inform Us in writing of such Machinery within twelve months of installation and shall pay the appropriate additional premium

Subject otherwise to the terms Conditions and Exceptions of this Policy

Temporary Removal

loss of or damage to the Machinery occurring within the European Union or European Free Trade Area whilst temporarily located at any other location or in transit for the purposes of repair service overhaul or maintenance

Debris Removal

In respect of each claim for loss or damage for which liability is accepted the cover provided by this Policy extends to include costs incurred in the removal of debris and protection of the Property following indemnifiable damage not exceeding £25,000 or 20% of the indemnifiable loss or damage whichever is the lower

Loss Avoidance Measures

Subject to the Limit(s) of Indemnity We will pay reasonable costs incurred in taking exceptional measures to prevent or mitigate impending loss or damage for which indemnity is provided by this Section

Provided that

1. loss or damage would reasonably be expected if such measures were not implemented
2. We are satisfied that loss or damage has been avoided or mitigated by means of the exceptional measures
3. the amount payable will be limited to the cost of loss or damage which would have otherwise occurred
4. the terms Conditions and Exceptions of this Section apply as if loss or damage had occurred

Expediting Costs

We will pay costs necessarily and reasonably incurred in making temporary repairs upon and / or expediting the repair reinstatement or replacement of the Property as a result of indemnifiable loss or damage provided that Our liability shall not exceed 50% of the cost of such loss or damage or £50,000 whichever is the lower

Repair Costs Investigation

With Our prior written agreement We will pay costs relating to repair investigations and tests following indemnifiable damage to Property by consulting engineers not exceeding £25,000 in any one Period of Insurance

We shall not be liable under this Additional Cover for fees incurred in preparing a claim under this Section

Optional Extensions and Limitations

Subject otherwise to the terms Conditions and Exceptions of this Section where any of the following symbols appear against any item of Machinery the Cover is amended accordingly

BDN - Breakdown Limitation Cover Clause

Liability for loss or damage shall be limited to damage to Machinery caused by Breakdown

EXP - Explosion/Collapse Limitation Cover Clause

Liability for loss or damage shall be limited to damage to Machinery caused by its Explosion or Collapse

ADL - Accidental Damage Limitation Cover Clause

We shall not be liable for loss of or damage to Machinery caused by or arising from Breakdown Explosion or Collapse

MDL - Material Damage Limitation Cover Clause

We shall not be liable for any loss of or damage to the Machinery

ISE - Inspection Service Exclusion Cover Clause

Notwithstanding Special Condition – Inspection of this Section neither HSB Engineering Insurance Limited nor HSB Houghton Engineering Insurance Services Limited undertake to make periodical inspections of the Machinery nor to report thereon

LGE - Lifted Goods Extension Cover Clause

We will subject to the Limit of Indemnity for this Extension indemnify You against accidental direct damage to property belonging to or in Your custody and control whilst being handled by the Machinery and arising out of its normal use

This Extension does not cover damage resulting from a fault in or fragility of the property being lifted or its container

FRA - Fragmentation Extension Cover Clause

We will subject to the Limit of Indemnity for this Extension indemnify You against accidental damage by impact to surrounding property belonging to or in Your custody and control for which You are responsible resulting from fragmentation of any part of the Machinery

This Extension does not cover damage

1. to the Machinery causing the damage or any Machinery directly driving or driven by the Machinery
2. to property being handled conveyed heated cooled or processed by or contained in the Machinery
3. caused by leakage or by lack of heat cooling light power or steam
4. caused by and occurring during testing of Machinery

OSP - Own Surrounding Property Extension Cover Clause

We will subject to the Limit of Indemnity for this Extension indemnify You against damage to property belonging to or in Your custody and control for which You are responsible

1. directly resulting from any damage to the Machinery insured under this Specification
2. caused by impact through the normal operation of lifting and handling Machinery though the Machinery itself may not be damaged

This Extension does not cover damage

- a. to the Machinery causing the damage or any Machinery directly driving or driven by the Machinery
- b. to property being handled conveyed heated cooled or processed by or contained in the Machinery
- c. caused by leakage or by lack of heat cooling light power or steam

excepting that (b) and (c) above shall not apply to damage directly consequent upon and solely due to Explosion

SPECIAL CONDITIONS

Inspection

Where contracted to do so HSB Houghton Engineering Insurance Services Limited will periodically inspect the Machinery described in the Schedule and will report thereon

You must at Your expense have the Machinery properly prepared to enable HSB Houghton Engineering Insurance Services Limited to carry out inspections

In undertaking inspections HSB Houghton Engineering Insurance Services Limited shall be deemed to be acting as Our agent

HSB Houghton Engineering Insurance Services Limited shall not carry out or witness special tests of a non routine nature (including any ultrasonic radiographic tests or in the case of lifting and handling Machinery any proof load stability anchorage or similar tests) unless specifically agreed otherwise

Average

If any item of Property has an individual Sum Insured set against it and at the time of any loss or damage to the item its value exceeds that Sum Insured then You shall be considered Your own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly

Multiple Lifting Operations

For the insurance provided under this Section to be operative during any operation in which a load is shared between any items of Machinery classed as lifting plant or lifting equipment (whether insured under this Section or not) the lifting operation must be conducted in accordance with BS7121

Basis of Settlement

In respect of

1. Machinery less than three years old at the time of a claim
2. boilers and associated pipework or Pressure Plant

the basis upon which the amount payable for loss of or damage to the Machinery (excluding stock in trade or goods in process of manufacture) belonging to You or in Your custody or control or for which You are responsible is to be calculated shall be Reinstatement of the Machinery

Reinstatement shall mean

Where Machinery or other Property is destroyed or damaged to the extent that repair is uneconomic or impractical

1. if a building its re-building
2. if not a building its replacement by similar Machinery or property but in either case in a condition equal to but not better or more extensive than its condition when new

Where Property other than Machinery is damaged the repair of the damage and the restoration of the damaged portion of the Property to a condition substantially the same as but not better or more extensive than its condition when new

Where Machinery is damaged the repair of the damaged item to a condition substantially the same as that immediately before the occurrence of the damage

Reinstatement shall include additional costs incurred to comply with European Union Legislation Building or other Regulations under or framed in pursuance of any Act of Parliament or with Bye-Laws of any Municipal or Local Authority where necessary

Provided that

1. Our liability shall not exceed the Limits of Indemnity stated in the Schedule for loss of or damage to the Machinery or other Property belonging to You
2. the work of Reinstatement must be commenced and carried out expeditiously and must be completed within twelve months of the destruction or damage or within any further time We may allow and may be carried out wholly or partially upon another site (if Legislation Act Regulations or Bye-laws require) provided that Our liability is not increased
3. where Property is partially damaged or destroyed the Our liability shall not exceed the sum which We would have been called upon to pay for Reinstatement in the event of total destruction
4. no payment beyond the amount which would have been payable had this Basis of Settlement not been incorporated shall be made until the cost of Reinstatement has been incurred
5. no payment beyond the amount which would have been payable had this Basis of Settlement not been incorporated shall be made if at the time of destruction or damage to the Machinery or other Property it is covered by any other insurance held by or on behalf of You which is not upon a Reinstatement basis
6. the amount recoverable shall not include
 - a. the cost incurred in complying with any Legislation Acts Regulations or Bye-Laws
 - i. in respect of destruction or damage occurring prior to the application of this Condition
 - ii. under which notice had been served upon You prior to the happening of the destruction or damage
 - iii. in respect of undamaged Machinery or other Property or undamaged portions of Machinery or Property
 - b. the amount of any rate tax duty development or other charge or assessment arising out of capital appreciation which may be payable in respect of the Property or by the owner by reason of compliance with any Legislation Acts Regulations or Bye-Laws
7. where by reason of the above Provisions no payment will be made beyond the amount which would have been payable if this Basis of Settlement had not been incorporated Our rights and liability in respect of the destruction or damage shall be subject to the terms and Conditions of this insurance as if this Basis of Settlement had not been incorporated

Subject otherwise to the terms Conditions and Exceptions of this Policy

SPECIAL EXCLUSIONS

We shall not be liable for

Excluded Perils

1. Loss of or damage to Machinery caused by or from
 - a. fire lightning explosion (other than Explosion as defined in this Section) earthquake flood storm tempest inundation escape of water from water containing apparatus leakage from sprinkler installations aircraft and other aerial devices or articles dropped therefrom
 - b. theft or attempted theftbut damage to any Machinery insured under this Section by its own Explosion as a result of any such cause is not excluded

This Exception shall not apply in respect of Machinery whilst in transit for the purposes of repair service overhaul or maintenance

2. Loss or damage caused directly by
 - a. wear and tear gradual deterioration or rust
 - b. gradually developing defects
 - c. scratching or chipping of painted or polished surfaces
 - d. erosion or corrosion
 but this shall not exclude resultant loss or damage not otherwise excluded
3. Loss or damage occurring at Your Premises caused by or arising from riot strike lock-out or civil commotion
4. Loss or damage caused by or arising out of
 - a. any intentional act or wilful omission of You (other than an act or omission the purpose of which is an exceptional measure to prevent injury loss or damage) which having regard to the nature and circumstances of the act or omission could reasonably be expected to cause contribute to or exacerbate any loss or damage
 - b.
 - i. intentional overloading
 - ii. testing or experiments involving the imposition of any abnormal conditions

Application of Tools

Loss or damage caused by or arising out of the direct application of any tool or process during the course of repair maintenance inspection modification or overhaul

Guarantees of Performance

Liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency

Airborne and Waterborne Craft

Loss of or damage to airborne or waterborne vessels craft platforms or rigs or any Insured Property situated thereon or being loaded onto or offloaded therefrom

Pollution or Contamination

Loss or Damage caused by or arising from pollution or contamination

This exception shall not apply to cost arising from pollution or contamination of Insured Property caused directly by an occurrence which is insured by this Section provided that Our liability shall be limited to a maximum of £50,000 in respect of pollution or contamination

Erection Risk

Loss of or damage to Machinery during installation erection dismantling re-siting transportation or removal other than re-siting transportation or removal under its own power whilst at its operating site

Consequential Loss

Loss of use or consequential loss or damage of any kind or description unless specifically provided for elsewhere within this Section

Excluded Parts

Loss of or damage to

1. safety or protective devices due to their functioning
2. tyres by cuts bursts punctures or the application of brakes unless arising from a malicious act
3. batteries other than loss or damage due to extraneous cause

Engineering Inspection Section

Inspection Service Contract

1. Definitions

The following words have been given the specific meaning set forth below and have the same meaning wherever they appear in the Contract whether singular or plural

1.1 Normal Working Hours

8:00 am to 6:00 pm Monday to Friday excluding public bank and local holidays

1.2 Competent Person

An Engineer Surveyor employed and authorised by Us to perform Inspection Service

1.3 Plant

The machinery appliances and equipment shown in The Schedule

1.4 Inspection Service

Thorough Examination of Plant in accordance with the requirements of such statutory regulations as apply to the Plant or Inspection of Plant in compliance with good established engineering practice

Unless otherwise agreed in writing this term shall not include approval or verification of the fitness for purpose of any design or design features of Plant performing or witnessing tests of a non-routine nature including but not limited to ultrasonic radiographic hydrostatic or other non-destructive examination or in the case of lifting and handling Plant any proof load stability anchorage or similar test

We shall

- (i) Periodically perform Thorough Examination/Inspection of Plant within Normal Working Hours
- (ii) Provide a written report of the Thorough Examination/Inspection within a reasonable time

2 Provision of Inspection Service

2.1 We shall comply with Your safe systems of work provided such systems are notified to Us in advance of any visit

2.2 We may

2.2.1 refuse to carry out any Inspection Service if at its sole discretion to do so would pose a health safety or welfare risk

2.2.2 appoint sub-contractors to carry out all or any part of the Inspection Service

2.2.3 make a charge in addition to the fee shown in the Schedule if

2.1.3.1 You request and We agree to perform Inspection Service outside Normal Working Hours

2.1.3.2 You require additional copies of reports

2.1.3.3 You fail to prepare or make the Plant available at the date and time agreed

2.1.3.4 You require additional services or

2.1.3.5 You require the Competent Person to undertake training specific to the Your own health safety and welfare procedures

3 Client Responsibilities

3.1 You shall

3.1.1 be responsible for the care custody and control of the Plant at all times

3.1.2 allow Us access to Your site or site of operation and Plant at such reasonable times as shall be agreed

3.1.3 provide Us with

3.1.3.1 A safe working environment on the site on which the Plant is located

3.1.3.2 A safe physical means by which to gain access to perform the Inspection Service

3.1.4 have the Plant properly prepared dismantled and reassembled as necessary in order to enable Us to carry out the appropriate Inspection Service

3.1.5 Cooperate with and upon request provide Us with information and data relating to the Plant as required

in order to perform the Inspection Service

4 Fees

- 4.1 We shall charge fees for the provision of the Inspection Service and such fees shall be subject to Value Added Tax at the appropriate rate
- 4.2 You shall pay the fee shown in the Schedule at the beginning of the Contract and at subsequent renewals of the Contract
- 4.3 If You add or delete Premises during the Contract term the fee will be adjusted

5 Term and Termination

- 5.1 The term of this Contract is as shown in the Schedule
- 5.2 Either party may terminate this Contract by giving 30 days written notice to the other party if the other commits any breach of the Contract

6 Confidentiality

- 6.1 Unless otherwise agreed all reports and similar material prepared by Us in connection with Inspection Service shall be released only to You or Your designated representative
- 6.2 We may use data gathered in connection with Inspection Service for statistical purposes

7 Limitation of Liability and Indemnification

- 7.1 Neither We nor any of Our employees shall be liable directly or indirectly for any loss damage or injury to property or persons resulting from any accident or defect in any Plant nor shall We be liable directly or indirectly for loss damage or injury of any kind arising from or connected in any way with any Inspection Service or documentation of any Inspection Service or from the omission of any Inspection Service or documentation of any Inspection Service whether or not such Inspection Service documentation or omission was at Your request
- 7.2 Neither We nor any of Our employees makes any warranty express or implied concerning the activities described in this Contract
- 7.3 Notwithstanding anything else in this Contract to the contrary to the fullest extent permitted by law
 - 7.3.1 We shall not be liable to You for any special incidental indirect consequential or exemplary damages including but not limited to loss of profits or revenue loss of use loss of opportunity loss of goodwill cost of substitute facilities goods or services cost of capital governmental and regulatory sanctions and claims of third parties for such damages
 - 7.3.2 The total cumulative liability of Us to You whether in tort or in contract for all claims losses damages and expenses resulting in any way from this Contract shall not be greater than the total amount received by Us from You as compensation during the Contract term specified in the Schedule
 - 7.3.3 Except in the case of death or personal injury caused by Our negligence or in other circumstances where liability may not be so limited under applicable law Our liability under or in connection with this Contract whether arising in contract tort negligence breach of statutory duty or otherwise shall not exceed the sum of £5,000,000 (five million pounds)
- 7.4 Upon completion of the Inspection Service or termination of this Contract the provisions relating to indemnity waivers limitations of remedies and limitations of liability including but not limited to those contained in this section shall remain in full force and effect

8 Force Majeure

- 8.1 We shall not be liable for any delay or the consequences of any delay if such delay is due to any cause beyond its reasonable control and shall be entitled to a reasonable extension of time for performance of the Contract

9 General

All matters relating to the validity performance or interpretation of this Contract shall be governed by the laws of England and Wales We and You hereby submit to the exclusive jurisdiction of the Courts of England and Wales

- 9.1 No term of this Contract is intended either expressly or by implication or other inference to purport to confer a benefit or right of action upon any third party No such third party (whether or not in existence at the date of this Contract) is named or described herein The Contracts (Rights of Third Parties) Act 1999 is expressly excluded to the fullest extent permitted by law
- 9.2 The provision of Inspection Service under this Contract does not relieve the Client of any statutory obligation to have the Plant inspected
- 9.3 Inspection Service will only be subcontracted to suitably qualified subcontractors with the agreement of both Parties and We shall retain responsibility for the execution of such work

Loss of Licence Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Loss of Licence shall mean temporary or permanent

1. forfeiture of a Licence
2. refusal to renew a Licence by the licensing authority

due to reasons beyond Your control

Licence

Licence granted under the Licensing Act 2003 or any subsequent legislation in respect of the Premises for the the sale by retail of alcohol

Cover

We will pay the reduction in the value during the Period of Insurance of Your interest in

1. the Premises or
2. the Business

following Loss of Licence

The most We will pay is the Limit of Liability stated in the Schedule in addition We will also pay for costs and expenses incurred with Our written consent where You appeal against the Loss of Licence

Exceptions

We will not pay You where

1. You are entitled to obtain payment of compensation under any legislation or Bye-law in respect of the refusal to renew the Licence
2. Where the Loss of Licence arises out of
 - a. any town planning improvement or redevelopment
 - b. a change in law
 - c. compulsory purchase or surrender
 - d. a reduction or redistribution of Licences

Conditions Precedent

The following conditions precedent apply to this Section

1. It is a condition precedent to Our liability that You shall notify Us in writing immediately and supply such additional information and give assistance as We may reasonably require if You become aware of any
 - a. complaint against the Business and/or Premises
 - b. proceedings against or conviction of the Licence holder manager tenant or occupier of the Business and/or Premises for any breach of any relevant licencing law or regulation or any other matter whatsoever where the character or reputation of the person concerned is affected or called into question with respect to their honesty moral standing or sobriety
 - c. change in the tenancy or management of the Business and/or Premises
 - d. transfer or proposed transfer of the Licence
 - e. alteration in the purpose for which the Premises is used
 - f. objection to renewal or other circumstances which may endanger the Licence or its renewal
2. In the event of death bankruptcy or incapacity or desertion of the Premises or conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect to his honesty

moral standing or sobriety) of the Licence holder tenant manager or occupier You will where practicable and at Our request procure a suitable person to replace him and one to whom the Licence will be transferred or a new Licence will be granted by way of renewal

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

Terrorism Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in this Section and they should also be read in conjunction with the General Definitions at the start of the Policy

Act of Terrorism

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

Denial of Service Attack

Any actions or instruction constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems

This includes but is not limited to the generation of excess traffic into the network addresses the exploitation system or network weaknesses and generation of excess or non genuine traffic between or amongst networks

Excess

The amount or amounts shown in the Schedule which We shall deduct from each and every claim to each separate location

You will repay any such amount paid by the Underwriters

Hacking

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

Head/Heads of Cover

Any of the following types of direct insurance cover

1. Buildings and completed structures
2. Any other Property Insured hereunder as provided in the Schedule
3. Business interruption
4. Book Debts

Private Individual

Any person other than

1. a company association or partnership
2. a trustee or body of trustees where insurance is arranged under the terms of a trust
3. a person who owns Residential Property for the purpose of their business as a sole trader
4. a person who owns Residential Property of which in excess of more than 20 per cent of the property is commercially occupied

Note

- a. where the Residential Property is occupied by a trustee or a sole trader as a private residence and where the property is not a block of flats each will be deemed to be a Private individual in respect of that same property and
- b. where two or more persons have arranged insurance on Residential Property in their several names and/or the name of the policyholder includes the name of a bank or a building society or other financial institution for the purpose of noting their interest in the property insured they will be deemed to be a Private Individual in respect of that property

Residential Property

1. Private dwelling houses and flats
2. Household goods and personal effects

Treasury

The Lords Commissioners of Her Majesty's Treasury from time to time or any successor relevant authority

Virus or Similar Mechanism

Program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not

This includes but is not limited to trojan horses worms and logic bombs

Cover

We will indemnify You in respect of all losses arising under any Head of Cover resulting from loss or destruction of or damage to Property Insured under this Policy caused by an Act of Terrorism occurring during the Period of Insurance at the Premises but only in England Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Channel Islands or the Isle of Man

The maximum We will pay under this Section in any one Period if Insurance will not exceed the Limit of Liability or Sum Insured for each of the Heads of Cover specified in the relevant Section of this Policy where the Head of Cover is otherwise insured

Exceptions

The following exceptions apply to this Section

1. We will not indemnify You in respect of any losses arising under any Head of Cover directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from
 - a. damage to any computer or other equipment component system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information programs or software) and whether Your property or not where such Damage is caused by Virus or Similar Mechanism Hacking or Denial of Service Attack
 - b. 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. We will not indemnify You in respect of losses arising under any Head of Cover as a result of loss or destruction of or damage to Residential Property insured in the name of a Private individual

Special Conditions

The following Special Conditions apply to the Section

1. The insurance provided by this Section is subject to all the definitions exceptions conditions clauses endorsements and conditions precedent of the Sections of this Policy where the Head of Cover is otherwise insured together with the Policy Definitions Exceptions Conditions Precedent and Policy Conditions except
 - a. any which provide for adjustments of premium
 - b. any aggregate limit on the amount borne by You as a result of the operation of an Excess
 - c. any provision for the automatic reinstatement of Sums Insured
 - d. any long term undertakingand providing that if there is conflict between this Section and the rest of the Policy this Section shall prevail

2. We will not indemnify You under this Section unless and until
 - a. the Treasury issues a certificate certifying that any loss was caused by an Act of Terrorism as defined in this Sectionor in the event of the Treasury refusing to issue such a certificate
 - b. a tribunal formed by agreement between Us and Pool Reinsurance Company Limited decides that the cause of such loss was an Act of Terrorism as defined by this Section
3. We may cancel the cover provided by this Terrorism Section
 - a. by sending You 30 days written notice to Your last known address We will refund a proportionate part of any premium paid for the unexpired periodor
 - b. immediately if the premium has not been paid or if there has been a default under an installment or linked credit agreement We will not refund any installment paid
4. In any action or suit or proceedings where We allege that any loss is not covered by this Section the burden of proving that such loss is covered shall be upon You

Conditions Precedent

It is a Condition Precedent to Our liability under this Section that

1. You must declare to Us all Property and/or premises owned by You or for which You are responsible including all such Property and/or premises of subsidiary companies unless it is the practise of any subsidiary company to effect its own insurance
2. You must purchase Terrorism insurance from a Pool Reinsurance Company Limited member company in respect of all such Property and/or premises



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