

# MOTOR TRADE ONE POLICY DOCUMENT



COVER DESIGNED  
FOR THE PROFESSIONAL  
MOTOR TRADER

# Helpline Services

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

These helpline services are provided which the Insured Person may use while this Policy is in force to discuss business problems in the following categories:

**For the purpose of these Helpline Services, Insured Person shall mean:**

The Insured or any partner of the Insured or director of the Insured or Employee and any other individuals declared to and accepted by the Company.

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

### **Eurolaw Commercial Legal and UK Tax Advice Helpline**

**0330 041 3760**

Unlimited access to a team of legal advisors for confidential legal advice on any commercial legal problem such as:

- employment
- Prosecution
- landlord and tenant disputes
- VAT
- contract disputes
- motor-related issues

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

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

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

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

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

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

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

**This helpline is provided on the Company's behalf by ARAG Legal Expenses Insurance Company Limited (ARAG). Calls may be recorded.**

### **Counselling Service**

**0345 878 5029**

Available 24 hours each day, 7 days every week, all year round. A confidential counselling service for the Insured Person (and their family who permanently live with them) over the telephone to all aged 18 or over (or aged between 16 and 18 and in full-time employment), assisting issues such as:

- Stress
- Depression
- Family
- Relationship
- Bereavement

This service can also help with:

- Onward referral to relevant voluntary, self-help groups or professional services
- Details of face to face counsellors in the Insured Person's area

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

**This helpline is provided on the Company's behalf by ARAG Legal Expenses Insurance Company Limited. All calls are dealt with in the strictest confidence, but to assist ARAG with checking and improving service standards, calls may be recorded.**

### **Health and Medical Service**

**0330 041 3760**

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

Advice and assistance, assisting with issues such as:

- Exercise Information
- Giving up smoking
- Comprehensive doctor, clinic and treatment facility database
- Changing doctors
- Inoculations
- Sports injuries
- Nutrition assessment

- Complementary health
- Bespoke fact sheets can be sent out if requested

**This helpline is provided on the Company's behalf by ARAG Legal Expenses Insurance Company Limited. All calls are dealt with in the strictest confidence, but to assist ARAG with checking and improving service standards, calls may be recorded.**

## Business Emergency Assistance Helpline

**0330 041 3760**

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

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

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

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

**This helpline is provided on the Company's behalf by ARAG Legal Expenses Insurance Company Limited. Calls may be recorded.**

**In addition to these helplines, ARAG offer on the Company's behalf access to the following services:**

### Employment Manual

The ARAG Employment Manual offers comprehensive, up-to-date guidance on rapidly changing employment law. To view it, please visit

**[www.arag.co.uk/customer/business-legal-expenses-insurance/employment-manual/](http://www.arag.co.uk/customer/business-legal-expenses-insurance/employment-manual/)**.

If the Insured would like notifications of when updates are made to the Employment Manual please email ARAG at **[employmentmanual@arag.co.uk](mailto:employmentmanual@arag.co.uk)** quoting the Insured's name and Policy number shown in the Schedule.

### ARAG Businesslaw

ARAG Businesslaw contains a range of regularly updated business and legal guides, document builders, interactive checklists and videos that can help the Insured with the day-to-day running of their business, as well as helping the Insured to manage their exposure to legal risk.

ARAG Businesslaw's document builders can help the Insured quickly create documents such as:

- HR policies
- Data protection policy
- Employee contracts
- Copyright and trademark licences
- T&C documentation
- Privacy statements
- Debt recovery letters

In addition, ARAG Businesslaw contains hundreds of regularly updated expert guides and videos on topics such as branding, crowdfunding, financial and tax planning, and marketing strategy to help build and grow the Insured's business.

### How do I get started?

1. Visit **[www.aragbusinesslaw.co.uk](http://www.aragbusinesslaw.co.uk)**;
2. Enter DASBNIG100 into the 'voucher code' text box and press Validate Voucher;
3. Fill out your name and email address, create a password, and specify what type of business you have;
4. Validate your email address by pressing the link in the confirmation email that you receive.

## Emergency Glazing & Security Assistance Helpline

**0345 072 7110**

The Company's glass replacement service provides an efficient replacement service for fixed internal and external glass 24 hours a day, 7 days a week throughout the year. In addition, replacement locks or emergency security measures are also available.

Provided the Damage is covered by this Policy, the cost will be settled by the Company directly with the Company's service providers. If, however, this Policy requires payment of the first amount of any claim, or if the Insured is registered for Value Added Tax, the Company's service provider will invoice the Insured direct for this amount.

NOTE: Using any other repairer will not affect the Insured's right to claim under this Policy. This Helpline does not provide assistance in respect of Motor Vehicles.

**This helpline is provided on the Company's behalf by the Company's approved supplier panel. Calls may be recorded.**

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# Motor Trade One Policy

NIG policies are underwritten by Royal & Sun Alliance Insurance Ltd. The Company will provide the insurance described in this Policy (subject to the terms, definitions, conditions, clauses and exclusions) for the Period of Insurance, which consists of individual Sections. The Policy should be read in conjunction with the Schedule which confirms the Sections the Insured is covered for.

# General Definitions

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

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

## Average

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

## Business

The business as stated in the Schedule.

## Business Hours

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

## Company

Royal & Sun Alliance Insurance Ltd trading as NIG and/ or such other authorised insurer as Royal & Sun Alliance Insurance Ltd may contract to underwrite any part of this Policy.

## Computer System

Any computer, hardware, software, communication system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller, including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back-up facility, owned or operated by the Insured or any other party.

## Cyber Act

An unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.

## Cyber Incident

- a Any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
- b any partial or total disruption to, unavailability of, or failure to access, process, use or operate any Computer System or a series of such related events.

## Cyber Loss

Any loss, damage, liability, claim, cost or expense, of whatsoever nature, arising from or connected with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.

## Damage

Accidental loss, destruction or damage.

## Data

Information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored, by a Computer System.

## Data Processing Media

Any physical property insured by this Policy on which Data can be stored but not the Data itself.

## Employee

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

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

### Index Linking

Whenever a Sum Insured is declared to be subject to index linking under this Policy it is adjusted at monthly intervals as follows:

- a** in respect of Buildings and Tenants' Improvements - in accordance with the percentage change in the General Building Cost Information Service.
- b** in respect of Plant, Machinery, Trade Fixtures and Fittings (including all other contents), Employees' Portable Hand Tools, Insured's Portable Hand Tools, Computer Equipment – in accordance with the Durable Goods Section of the Retail Prices Index.
- c** in respect of Stock in Trade, Customers' Goods, Cigarettes, Cigars and Tobacco - in accordance with the Producer Price Index.

At each renewal of the Policy the premium will be adjusted to apply to the Sum Insured which then applies and the Company waives all rights to additional premium arising out of any index linking adjustments prior to renewal. The Company reserves the right to use alternative suitable indices to those mentioned at any time without prior notice if either index becomes unavailable or inappropriate.

### Insured

The person, persons, Limited Liability Partnerships or Limited or Public Limited Company, named in the Schedule and, in respect of Section 5: Employers' Liability and Section 15 Road Risks, the Policyholder stated upon the Certificate of Employers' Liability Insurance and Certificate of Motor Insurance respectively.

### Keys

Any device used to open a lock including, but not restricted to, any electronic device key, card or remote control transmitter.

### Motor Vehicle

Any:

- a** mechanically propelled land vehicle; or
- b** caravan, agricultural implement or trailer, (including accessories and parts, attached to or contained within it), relating to the Business.

### Period of Insurance

- a** The period beginning with the Effective Date and ending with the Expiry Date (both stated in the New Business Schedule or latest effective Renewal Schedule as applicable); and
  - b** any subsequent period,
- for which the Insured shall pay and the Company shall agree to accept the Insured's premium.

### Policy

This Policy including the Sections, the Schedule and, in respect of Section 15, the Certificate of Motor Insurance, all of which should be read together as one contract.

### Premises

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

### Schedule

The schedule applicable to this Policy.

### Sum Insured

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

### Vacant or Disused

Vacant, unoccupied or not in use for the intended purpose.

# General Conditions

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

## 1 Fair Presentation of the Risk

- a** The Insured has a duty to make to the Company a fair presentation of the risk before:
  - i** the inception of this Policy;
  - ii** an alteration made to this Policy, concerning changes in the risk which are relevant to the proposed alteration; and
  - iii** the renewal of this Policy; and
- b** In the event of a breach of such duty, if the breach is:
  - i** deliberate or reckless, the Company may:
    - a** in relation to an alteration made to this Policy, (notwithstanding the references to notice period and the refunding of premiums in General Condition 5 b) by notice to the Insured in writing at the Insured's last known address treat this Policy as cancelled with effect from the time when the alteration was made and retain any premiums paid;
    - b** in relation to the inception or renewal of this Policy, avoid this Policy and refuse all claims and retain any premiums paid;
  - ii** neither deliberate nor reckless and the Company would not have:
    - a** in relation to an alteration made to this Policy, agreed to the alteration on any terms, the Company may treat this Policy as if the alteration was never made, but in that event the Company:
      - i** will return any extra premium paid; or
      - ii** may (where the total premium was reduced as a result of the alteration), reduce proportionately the amount to be paid on a claim arising out of events after the alteration.  
  
The Company will pay on such claim a percentage of what it would otherwise have been liable to pay (whether on the original terms, or as varied), based on the total premium actually charged compared to the original premium charged; or
    - b** entered into this Policy on any terms, the Company may avoid this Policy and refuse all claims but will return any premiums paid; or

- iii** neither deliberate nor reckless and the Company:
  - a** would have entered into this Policy or agreed to the alteration made to this Policy, but on different terms (other than terms relating to the premium), this Policy or the alteration (as applicable) will be treated as if it had been entered into on those different terms if the Company so requires; and
  - b** in respect of an alteration made to this Policy:
    - i** would have agreed to the alteration, but would have charged an increased premium by more than the Company did or (in the case of an unchanged premium) would have increased the premium, the Company may reduce proportionately the amount to be paid on a claim arising out of events after the alteration.  
  
The Company will pay on such claim a percentage of what it would otherwise have been liable to pay (whether on the original terms, or as varied, or under the different terms provided for by virtue of item **b iii a** above), based on the total premium actually charged compared to the premium that the Company would have charged;
    - ii** (where the total premium was reduced as a result of the alteration), would have agreed to the alteration and the Company would have increased the premium, would not have reduced the premium, or would have reduced it by less than it did, the Company may reduce proportionately the amount to be paid on a claim arising out of events after the alteration.  
  
The Company will pay on such claim a percentage of what it would otherwise have been liable to pay (whether on the original terms, or as varied, or under the different terms provided for by virtue of item **b iii a** above), based on the total premium actually charged compared to the original premium if the Company would not have changed it, and otherwise the increased or (as the case may be) reduced total premium the Company would have charged.
  - c** would have entered into this Policy (whether the terms relating to matters other than the premium would have been the same

or different), but would have charged a higher premium, the Company may reduce proportionately the amount to be paid on a claim.

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

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

## 2 Reasonable Precautions

It is a condition precedent to the liability of the Company that the Insured must:

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

## 3 Change of Risk or Interest

- a** It is a condition precedent to the liability of the Company that the Insured shall immediately notify the Company if any alteration be made either in the Business or at the Premises or in any property therein, relating to the duties of the Insured Person (in respect of Section 13), or in any other circumstances whereby the risk is increased other than in accordance with:

- i** Extensions I Non-Invalidation and M Capital Additions under Section 1: Material Damage, Extension 1 Automatic Cover under Section 8a: Engineering Damage to Machinery and Plant and Extension 1 Automatic Cover applying to Sub-Section 1 under Section 8c: Computer Insurance, of this Policy; or
- ii** General Condition 1,  
at any time after the Effective Date (as stated in the Schedule) of the Period of Insurance.

- b** This Policy shall cease to be in force if:
  - i** the Insured's interest in the Business ends, other than by death; or
  - ii** the Business is to be wound up or carried on by a liquidator or receiver or permanently discontinued,

at any time after the Effective Date (as stated in the Schedule) of the Period of Insurance, unless its continuance be agreed by the Company.

## 4 Adjustment of Premium

If any part of the premium or renewal premium is based on estimates declared by the Insured the Insured shall keep an accurate record containing all relevant particulars in making that estimate and shall allow the Company to inspect such record. In addition to any other declaration requirements specified in this Policy, the Insured shall within one month after the expiry of each Period of Insurance provide the Company with a declaration of:

- a** wage roll, payments to sub-contractors, overall turnover, turnover in respect of exports to the United States of America and/or Canada and/or their dependencies or trust territories;
- b** total annual carryings in respect of Sub-Section 1 of Section 3: Business Money & Personal Accident (Assault) and Section 11: Goods in Transit,

for such expired Period of Insurance.

The premium shall then be adjusted based on the difference between the estimate and the declaration. The difference in premiums shall be paid by or allowed to the Insured. Should the Insured fail to supply the information required under this Condition then the Company shall be entitled to charge a reasonable additional premium.

## 5 Cancellation

### a Cancellation Rights of the Insured

- i** This Policy may be cancelled by the Insured within 14 days of receipt of this Policy (this is known as the "cooling off" period). If the Insured elects to cancel within this period they must return all policy documentation to their broker, intermediary or agent, who must return such documentation to the Company and the Company will refund the full amount of premium paid by the Insured. If a claim has been made or an incident notified to the Company that could give rise to a claim during the "cooling off" period, this Policy will be treated by the Company as in force and no refund of premium will be made.

- ii If the Insured elects to cancel this Policy after the “cooling off” period has expired but still during any Period of Insurance, they must give 14 days’ notice in writing to their broker, intermediary or agent. The Insured will be entitled to a proportionate refund of premium based on the number of days remaining in the Period of Insurance, unless a claim has been made (or an incident notified to the Company that could give rise to a claim) during the Period of Insurance when no refund of premium for the Period of Insurance will be made.
- iii Where the Insured pays premiums by instalments any amount of premium returned under this General Condition will be reduced by any unpaid premiums or instalments due at the time of cancellation.

#### **b Cancellation Rights of the Company**

- i The Company may cancel this Policy (or any Section of it) at any time and in any Period of Insurance by giving a minimum of 14 days’ notice in writing to the Insured at the Insured’s last known address.
- ii If the Company cancels this Policy then the Insured will be entitled to a proportionate refund of premium, based on the number of days remaining in the Period of Insurance, unless a claim has been made (or an incident notified to the Company that could give rise to a claim) during the Period of Insurance when no refund of premium will be made.
- iii Where the Insured pays premiums by instalments, any amount of premium refunded under this General Condition will be reduced by any unpaid premiums or instalments due at the time of cancellation.

In relation to cancellation in any of the circumstances outlined above, if the Insured is a resident of Northern Ireland, Isle of Man or the Channel Islands the Insured must declare to the Company that all hard copies of their Certificate(s) of Motor Insurance, which have been issued in connection with this Policy, have been destroyed and all electronic copies deleted.

The total amount refunded to the Insured will be calculated by the Company in accordance with the process set out above. The calculation made by the Company will be final and binding.

## **6 Instalments**

- a Notwithstanding General Condition 5 b, where the premium under this Policy is payable by instalments and the Insured fails to pay one or more instalments, the Company may cancel this Policy by giving 7 days’ notice in writing to the Insured at the Insured’s last known address.

If the Insured is a resident of Northern Ireland, Isle of Man or the Channel Islands the Insured must declare to the Company that all hard copies of their Certificate(s) of Motor Insurance, which have been issued in connection with this Policy, have been destroyed and all electronic copies deleted.

- b Any amount of premium returned under this General Condition will be reduced by any unpaid premiums or instalments due at the time of cancellation.

The total amount of premium refunded to the Insured will be calculated by the Company in accordance with the process set out in General Condition 5 above. The calculation made by the Company will be final and binding.

## **7 Choice of Law**

The Company and the Insured may choose which law will apply to this Policy. Unless both parties agree otherwise, English law will apply. However, if the Insured is resident in Jersey, Guernsey, Alderney or the Isle of Man, the law of the island where the Insured is resident will always apply to this Policy and any dispute in relation to it will be within the jurisdiction of that island’s relevant court.

The Company has supplied this Policy and other information to the Insured in English and will continue to communicate with the Insured in English.

## **8 Contracts (Rights of Third Parties) Act 1999**

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

## **9 Motor Insurance Database (Section 15 Road Risks only)**

It is a condition of the Policy that the Insured supply directly to the Motor Insurers’ Information Centre details of the Motor Vehicles whose use is covered by the Policy as are required by the relevant law applicable in Great Britain and Northern Ireland for entry on the motor insurance database.

## 10 Survey & Risk Improvement

It is a condition precedent to the liability of the Company that:

- a** if required by the Company, the Company will be allowed access to the Premises to carry out a survey either:
  - i** after the inception of this Policy;
  - ii** prior to or post renewal of this Policy; or
  - iii** the date the Company confirms cover in respect of an alteration made to this Policy;
- b** the Insured will in respect of such survey:
  - i** supply an appropriate contact name, contact telephone number and email address (where appropriate) to facilitate the survey;
  - ii** co-operate fully with the Company during the visit on the agreed date(s); and
  - iii** implement any risk improvement requirements set out in a risk improvement report forwarded after survey to the Insured by the Company, within the timescales specified therein and all risk improvement requirements remain in place and fully operational throughout the currency of this Policy.

The Company reserves the right to amend terms, definitions, conditions, clauses, exclusions and premium, of this Policy, or withdraw cover under this Policy if the Insured fails to comply with any of the above. If the Company exercises any of the above options then the Company will advise the Insured in writing confirming the action being taken.

## 11 Sanctions, Prohibitions or Restrictions

The Company shall not provide coverage or be liable to provide any indemnity or payment or other benefit under this Policy if and to the extent that doing so would breach any prohibition.

If any prohibition takes effect during the Period of Insurance, the Company or the Policyholder may cancel that part of this Policy which is prohibited or restricted with immediate effect by giving written notice to the other at their last known address.

If the whole or any part of this Policy is cancelled, the Company shall, if and to the extent that it does not breach any prohibition, return a proportionate amount of the premium for the unexpired period subject to minimum premium requirements and provided no claims have been paid or are outstanding.

For the purpose of this General Condition a prohibition shall mean any prohibition or restriction imposed by law or regulation including but not limited to:

- a** any prohibition or restriction under United Nations resolutions;
- b** any prohibition or restriction under the trade and/or economic sanctions laws and/or regulations of the United Kingdom, the European Union, the United States of America (including secondary sanctions) or any other jurisdiction relevant to the parties; and
- c** any licence requirement and/or regulations in respect of transit and/or export control, under those laws and/or regulations, unless such licence or regulatory approval has been obtained prior to the activity commencing and the Company has approved the provision of insurance for the activity concerned.

# Claims Conditions

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

## 1 Observance of Terms

Failure to comply with any of the terms and conditions of this Policy where they are material or relevant to any claim will entitle the Company to reduce or avoid the Insured's claim.

## 2 Action by the Insured

It is a condition precedent to the liability of the Company that the Insured shall:

- a** immediately notify the Company on the happening of any incident which could result in a claim under this Policy.
- b** immediately notify the Company of, and deliver to the Company at their own expense, a claim with such detailed particulars and proofs as may reasonably be required by the Company and (if demanded by the Company) a statutory declaration of the truth of the claim and any matters connected therewith, within:
  - i** 7 days of the event giving rise to the claim, in the case of loss, destruction or damage, caused by riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons;
  - ii** 30 days of the expiry of the Indemnity Period (as defined in Section 2: Business Interruption and Section 9: Engineering Business Interruption, of this Policy respectively) in respect of business interruption claims; or
  - iii** 30 days of the event giving rise to the claim in the case of any other claim, or such further time as the Company may allow; and

notwithstanding items **b i** to **iii** above, the Insured shall immediately forward any claim by a third party or notice of any proceedings or any other correspondence and information received by the Insured relating to such claim on receipt;
- c** give immediate notification to the police in respect of:
  - i** vandalism;
  - ii** theft or any attempt thereat; or
  - iii** loss of money by any cause whatsoever,

in relation to this Policy;
- d** make no admission of liability or offer, promise or payment, without the Company's written consent;

- e** inform the Company immediately of any impending prosecution, inquest or fatal accident enquiry or civil proceedings and send to the Company immediately every relevant document;
- f** take all reasonable action to minimise any interruption or interference with the Business;
- g** produce to the Company such books of account or other business books or documents or such other proofs, as may reasonably be required by the Company for investigating or verifying the claim; and
- h** in respect of Damage to the property insured under Sections 8a: Engineering Damage to Machinery and Plant and 8c: Computer Insurance, of this Policy respectively, discontinue use of any damaged property unless the Company authorises otherwise until such property has been repaired to the satisfaction of the Company. Any damaged parts that are replaced shall be kept for inspection by the Company.

## 3 The Rights of the Company

The Company shall be entitled:

- a** on the happening of any loss, destruction or damage, in respect of which a claim is made under this Policy, and without thereby incurring any liability or diminishing any of the Company's rights under this Policy, to enter, take or keep possession of the premises where such loss, destruction or damage has occurred and to take possession of, or require to be delivered to the Company any property insured by this Policy and deal with such property for all reasonable purposes and in a reasonable manner;
- b** at its discretion to take over and conduct in the name of the Insured, or any other person, the defence or settlement of any claim and to prosecute at its own expense and for its own benefit any claim for indemnity or damages against any other persons in respect of any risk insured by this Policy, and the Insured shall give all information and assistance required by the Company;
- c** to any property for the loss of which a claim is paid under this Policy and the Insured shall execute all such assignments and assurances of such property as may be reasonably required, but the Insured shall not be entitled to abandon any property to the Company; and
- d** in the event of any Occurrence (as defined in Section: 5 Employers' Liability, Section 6: Public Liability and Section 7: Defective Workmanship, of this Policy respectively) resulting in any claim(s) under Sections 5, 6 and/or 7, of this Policy respectively, to pay to the

Insured the amount of the Indemnity Limit (as defined in Sections 5, 6 and 7, of this Policy respectively) for such Occurrence (less any sums already paid as damages in respect of such Occurrence and, in respect of Section 5 of this Policy, less costs and expenses, incurred before the date of payment) or any lesser amount for which the claim(s) can be settled. After such payment the Company shall have no further responsibility in connection with such claim(s), except in respect of Sections 6 and 7, of this Policy, for costs and expenses, incurred before the date of payment.

#### 4 Fraudulent Claims

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

- a shall not be liable to pay the claim;
- b may recover from the Insured any sums paid by the Company to the Insured in respect of the claim; and
- c may (notwithstanding the references to notice period and the refunding of premiums in General Condition 5 b) by notice to the Insured in writing at the Insured's last known address treat this Policy as having been cancelled with effect from the time of the fraudulent act and may:
  - i refuse all liability to the Insured under this Policy in respect of any event that gives rise to the liability of the Company occurring after the time of the fraudulent act; and
  - ii retain any premiums paid under this Policy.

#### 5 Subrogation

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

#### 6 Other Insurances

Unless otherwise stated in this Policy:

- a if at the time of any Occurrence (as defined in Section 5: Employers' Liability, Section 6: Public Liability and Section 7: Defective Workmanship, of

this Policy respectively), incident, accident, injury, loss, destruction or damage, which gives rise to a claim, there is any other insurance effected by or on behalf of the Insured applicable to such Occurrence, incident, loss, destruction or damage, the liability of the Company shall be limited to its rateable proportion thereof; and

- b if any other such insurance is subject to any provision whereby it is excluded from ranking concurrently with this Policy, whether in whole or in part or from contributing rateably, then the liability of the Company hereunder shall be limited to any excess beyond the amount which would have been payable under such other insurance had this Policy not been effected.

#### 7 Arbitration

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

# General Exclusions

These General Exclusions set out what is not covered under this Policy (other than in respect of Section 8b: Engineering Inspection and Section 14: Terrorism, of this Policy). Where additional exclusions apply to a specific Section of this Policy, they are set out in that Section.

## This Policy does not cover

### 1 War, Government Action and Terrorism (not applicable to Section 15: Road Risks)

- a loss, destruction or damage, to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any other costs directly or indirectly caused by or contributed to by or arising from:
  - i War, Government Action, Terrorism (or any action taken in controlling, preventing, suppressing or in any way relating to Terrorism); or
  - ii civil commotion in Northern Ireland;

except:

- a where directly or indirectly caused by or contributed to by or arising from the detonation of munitions of war, or parts thereof, within one mile of the property insured by this Policy, provided that the presence of such munitions does not result from a state of war current at the time of loss, destruction or damage.

This exception shall not apply to:

- i property insured which is outside the United Kingdom, the Channel Islands or the Isle of Man; or
  - ii Section 8a: Engineering Damage to Machinery and Plant, Section 8c: Computer Insurance, and Section 9: Engineering Business Interruption, of this Policy; and
- b to the extent stated in Section 14: Terrorism, of this Policy, where insured;
- b legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from:
    - i War, Government Action, Terrorism (or any action taken in controlling, preventing, suppressing or in any way relating to Terrorism); or
    - ii civil commotion in Northern Ireland,

except to the extent stated in the Terrorism Liability Provisions relating to this General Exclusion as set out below.

For the purpose of this General Exclusion:

**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 or damage to 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 or acts of any person or persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence and/or the threat thereof, of HM Government in the United Kingdom or any other government de jure or de facto.

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

### Terrorism Liability Provisions

Subject otherwise to the terms, definitions, conditions, clauses and exclusions, of this Policy, the Company will indemnify the Insured under Section 5: Employers' Liability, Section 6: Public Liability and Section 7: Defective Workmanship, of this Policy, where insured, in respect of legal liability arising from:

- i an act or acts of Terrorism (as defined above but excluding any act or acts consisting solely of the threat of force or violence); and
- ii such act or acts occurring in England, Scotland or Wales but not in the territorial sea adjacent thereto as defined by the Territorial Sea Act 1987,

provided that under:

- 1 Section 5 of this Policy, notwithstanding the Indemnity Limit (as defined in Section 5 of this Policy) stated in the Schedule, the Company's liability (inclusive of interest thereon and all costs and expenses) payable in respect of any one Occurrence (as defined in Section 5 of this Policy) or in the aggregate in respect of a series of such Occurrences arising out of any one original cause, shall not exceed £5,000,000;

- 2 Section 6 of this Policy, notwithstanding the Indemnity Limit (as defined in Section 6 of this Policy) stated in the Schedule, the Company's liability for all damages (including interest thereon) payable in respect of any one Occurrence (as defined in Section 6 of this Policy) or in the aggregate in respect of a series of such Occurrences arising out of any one original cause, shall not exceed £5,000,000 or the amount of the Indemnity Limit stated in the Schedule in Section 6 of this Policy, whichever is the lower;
- 3 Section 7 of this Policy, notwithstanding the Indemnity Limit (as defined in Section 7 of this Policy) stated in the Schedule, the Company's liability for all damages (including interest thereon) payable in respect of all Occurrences (as defined in Section 7 of this Policy) in the aggregate during any one Period of Insurance, shall not exceed £5,000,000 or the amount of the Indemnity Limit stated in the Schedule in Section 7 of this Policy, whichever is the lower; and
- 4 Section 6 and Section 7, of this Policy, notwithstanding items 2 and 3 above and the Indemnity Limit (as defined in Sections 6 and 7, of this Policy) stated in the Schedule, the Company's liability for all damages (including interest thereon and all costs and expenses) payable in respect of all Occurrences in the aggregate (as defined in Section 6 or Section 7, of this Policy, as relevant) arising out of Pollution or Contamination (as defined in Section 6 or Section 7, of this Policy, as relevant), consequent upon such act or acts of Terrorism and which are deemed to have Occurred during any one Period of Insurance, shall not exceed £5,000,000 in the aggregate under each Section or the amount of the Indemnity Limit in the aggregate stated in the Schedule in Section 6 and/or Section 7, of this Policy, whichever is the lower.

## 2 War, Government Action and Terrorism (applicable to Section 15: Road Risks only)

except so far as is necessary to meet the requirements of the Road Traffic Acts, any consequence whatsoever directly or indirectly caused by or contributed to by or arising from War, Government Action or Terrorism.

For the purpose of this General Exclusion:

This General Exclusion shall not apply to loss, destruction or damage, to any property whatsoever, where directly or indirectly caused by or contributed to by or arising from the detonation of munitions of war, or parts thereof, within one mile of the Insured Vehicle, provided that the presence of such munitions does not result from a state of war current at the time of loss, destruction or damage. This exception shall not apply to property insured which

is outside the United Kingdom, the Channel Islands or the Isle of Man.

**War** shall mean war, invasion, acts of foreign enemies, hostilities or war-like 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 or damage to 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 an act or acts (whether threatened or actual) of any person or persons involving the causing or occasioning or threatening of harm of whatever nature and by whatever means made or claimed to be made in whole or in part for political, religious, ideological or similar purposes, or any action taken in controlling preventing or suppressing or in any way relating to such act or acts.

## 3 Radioactive Contamination

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

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

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

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

## 4 Pollution or Contamination

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

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

This Exclusion shall not apply to Section 5: Employers' Liability, Section 6: Public Liability, Section 7: Defective workmanship and Section 15: Road Risks, of this Policy.

**NOTE: Defined Perils**

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

fire, lightning, explosion, earthquake, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons other than thieves, storm, flood, escape of water or oil from any tank or apparatus or pipe, sprinkler leakage, theft or impact by any vehicle or animal.

## 5 Date Recognition

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

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

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

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

In respect of Section 1: Material Damage, Section 2: Business Interruption and Sub-Section 1 of Section 3: Business Money & Personal Accident (Assault), of this Policy, this Exclusion shall not exclude subsequent Damage not otherwise excluded from this Policy which

itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any tank or apparatus or pipe, sprinkler leakage, theft or impact by any vehicle or animal.

This General Exclusion shall not apply to Section 5: Employers' Liability of this Policy.

## 6 Marine Policies

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

## 7 Cyber

- a** Cyber Loss; or
- b** loss, damage, liability, claim, cost, expense of whatsoever nature, arising from or connected with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data.

Provided that:

- a** the exclusion at item **a** above shall not apply to:
  - i** any Damage to property insured and resulting business interruption, where insured by this Policy and which is not otherwise excluded under this Policy, which results from any fire, lightning, explosion, earthquake, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, the acts of malicious persons (including the acts of thieves but excluding the acts of malicious persons which do not involve physical force or violence), storm, flood, escape of water or oil from any tank or apparatus or pipe, sprinkler leakage or impact by any vehicle or animal; or
  - ii** any liability not otherwise excluded under Section 6: Public Liability and Section 7: Defective Workmanship, of this Policy, where insured, for ensuing Bodily Injury or Damage to Property (Bodily Injury and Property being as defined in those Sections),

which results from a Cyber Incident unless that Cyber Incident is arising from or connected with a Cyber Act; and

- b** the exclusion at item **b** above shall not apply where Data Processing Media owned or operated by the Insured suffers physical loss or physical damage. In no event will cover under this Policy exceed the cost of repairing or replacing the Data Processing Media itself plus the costs of copying the Data from back-up or from originals of a previous generation. These costs shall not include research and engineering nor any costs of recreating, gathering or assembling the Data. If such media is not repaired, replaced or restored the basis of valuation shall be no higher than the cost of the blank Data Processing Media. However, this Policy excludes any amount pertaining to the value of such Data, to the Insured or any other party, even if such Data cannot be recreated, gathered or assembled.

The Company shall not indemnify the Insured for any action taken in controlling, preventing, suppressing or remediating a Cyber Incident or a Cyber Act.

This General Exclusion shall not apply to;

- i** Section 5: Employers' Liability, Section 8a: Engineering Damage to Machinery and Plant, Section 8c: Computer Insurance and Section 9: Engineering Business Interruption, of this Policy; and
- ii** Section 15: Road Risks, of this Policy, so far as is necessary to meet the requirements of the Road Traffic Acts.

## 8 Infectious or Contagious Disease

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

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

This General Exclusion shall not apply to:

- i** item b in Extension L Disease under Section 2: Business Interruption; and
- ii** Section 5: Employers' Liability, Section 6: Public Liability, Section 7: Defective Workmanship, Section 10: Legal Expenses, Section 13: Personal Accident and Section 15: Road Risks,

of this Policy.

# Section 1: Material Damage

In the event of Damage at the Premises to any Property Insured in connection with the Business occurring during the Period of Insurance, the Company will pay to the Insured the value of such Property Insured or the amount of the Damage at the time of such Damage or, at its own option, reinstate or replace such property.

Provided that:

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

## Definitions

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

### Buildings

- a structures (being built mainly of brick, stone, concrete or other non-combustible materials, unless otherwise advised to the Company);
- b landlords' fixtures and fittings, in and on the structures described in a above;
- c internal and external fixed glass, sanitary ware and signs;
- d central heating systems;
- e small outside structures, extensions, annexes and gangways;
- f concrete, paved or asphalt forecourts, yards, terraces, drives or footpaths; and
- g walls, gates and fences.

### Cigarettes, Cigars and Tobacco

Cigarettes, Cigars and Tobacco which are the property of the Insured or held in trust or on commission for which the Insured is responsible.

### Customers' Goods

Property (not being Motor Vehicles) held in the custody or control of the Insured, including the contents of Customers' Vehicles (unless otherwise more specifically insured), for which the Insured has accepted responsibility.

### Computer Equipment

All electronic equipment used for the storage and communication of electronically processed data including peripheral devices, interconnecting wiring, fixed disks, telecommunications equipment, computerised telephone

systems, electronic access equipment, and electronic point of sale systems.

Computer Equipment shall not include:

- i Computer Equipment controlling manufacturing processes; or
- ii Computer Equipment manufactured for sale or held as stock for sale,

owned by or on deferred purchase, leased, hired or rented to the Insured or whilst on trial with a view to purchase by the Insured.

### Customers' Vehicles

Any Motor Vehicle held in the custody or control of the Insured not being vehicles:

- a temporarily on site for fuel sales or similar passing trade; or
- b belonging to or hired (under a hire purchase agreement) to the Insured or any partner of the Insured or director of the Insured,

for which the Insured has accepted responsibility.

### Employees' Portable Hand Tools

Portable hand tools (including hand held electronic vehicle diagnostic equipment) belonging to Employees for which the Insured has accepted responsibility and is not more specifically insured, subject to a maximum value of £2,500 for any one tool and £10,000 for any one Employee any one claim.

### Insured's Vehicles

Any Motor Vehicle which is the property of the Insured, including those leased in or on consignment from manufacturers or distributors or on commission for which the Insured is responsible.

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

- a machinery, plant, fixtures, fittings, tools, forecourt canopies and other trade equipment including fixed fuel installations and their storage tanks;
- b vending machines (other than contents and/or cash therein);
- c all office equipment and other contents (other than Computer Equipment) at the Premises;
- d electronic vehicle diagnostic equipment (other than hand held equipment);
- e patterns, models, moulds, plans and designs;

- f** 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 the Insured of the information contained therein; and
- g** directors' or partners' of the Insured, visitors' and Employees' personal effects in so far as they are not otherwise insured, for an amount not exceeding £1,000 for any one person any one claim,

all the property of the Insured or held by them in trust for which they are responsible, but excluding Motor Vehicles, Insured's Portable Hand Tools and Employees' Portable Hand Tools.

### Insured's Portable Hand Tools

Portable hand tools (including hand held electronic vehicle diagnostic equipment) which are the property of the Insured and subject to a maximum value for any one tool of £2,500.

### Property Insured

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

### Rent

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

### Stock in Trade

Stock in trade items (not being Motor Vehicles) which are the property of the Insured or held in trust or on commission for which the Insured is responsible, including retail stock of:

- a** cigarettes, cigars and tobacco;
- b** Vehicle Audio/Pictorial Equipment including DVDs, CDs and videos; and
- c** clothing,

not exceeding a maximum of £10,000 for items **a** to **c** inclusive any one claim, unless a more specific Sum Insured is stated for these items in the Schedule.

### Tenants' Improvements

Where the Insured is a tenant of the Premises, structural fixtures and fittings, the property of the Insured as occupier of the Premises.

### Vehicle Audio/Pictorial Equipment including DVDs, CDs and videos

Audio, pictorial and satellite navigation equipment, designed to form a fixture within a Motor Vehicle including DVDs, CDs and videos, which are the property of the Insured or held in trust or on commission for which the Insured is responsible.

## Extensions

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

### A Professional Fees

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

The maximum liability of the Company under this Extension and this Section, for any item, will in no case exceed the Sum Insured for that item.

### B Public Authorities

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

- a** the Insured receives a notice from the relevant body to comply after the Damage occurs;
- b** the work of reinstatement is completed within 12 months of the date of the Damage or within such further time as the Company may allow; and
- c** the total amount payable under this Extension and this Section, for any item, will not exceed:
  - i** in respect of the property subject to Damage, its Sum Insured; and
  - ii** in respect of portions of the property not subject to Damage, 15% of the total amount for which the Company would have been liable had the property been wholly destroyed,

subject to the total amount payable in respect of **i** and **ii** above under this Extension and this Section, in total for all claims or series of claims, arising out of any one original cause, for any item, not exceeding its Sum Insured.

**C Theft Damage to Buildings**

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

**D Damage to Framework (Glass)**

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

**E Underground Services**

Damage for which the Insured is 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.

**F Clearing of Drains**

The insurance in respect of Buildings extends to cover expenses necessarily and reasonably incurred in cleaning, clearing and/or repairing drains, gutters, sewers in consequence of Damage (not otherwise excluded) at the Premises.

**G Loss of Metered Water**

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

**H Other Interests**

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

**I Non-Invalidation**

This insurance shall not be invalidated by any act or omission or by any alteration, whereby the risk of Damage

is increased unknown to or beyond the control of the Insured, provided that the Insured immediately they become aware thereof shall give notice to the Company and pay an additional premium if required by the Company.

**J Contracting Purchaser's Interest**

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

**K Mortgagees / Freeholders / Lessors**

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

**L Subrogation Waiver**

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

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

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

**M Capital Additions**

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

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

Provided that:

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

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

The insurance by each item on Property Insured includes costs and expenses necessarily incurred by the Insured with the consent of the Company in:

- a** removing debris;
- b** dismantling and/or demolishing;
- c** shoring up or propping; or
- d** re-erecting, fitting and fixing, in respect of Plant, Machinery, Trade Fixtures and Fittings (including all other contents) only,

in respect of the portion of such Property Insured which is the subject of a claim under this Section.

The maximum liability of the Company under this Extension and this Section, for any item, will in no case exceed the Sum Insured for that item.

The Company will not pay for any costs or expenses:

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

#### **O Exhibitions**

The insurance by each item on Plant, Machinery, Trade Fixtures and Fittings (including all other contents), Stock in Trade and Insured's Vehicles, where insured by this Section, includes such property while at any indoor exhibition (not exceeding 7 days duration), within the United Kingdom, Channel Islands or the Isle of Man or in transit by road, rail, sea, inland waterway or air, to or from such exhibition.

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

- a** Cover in respect of theft or any attempt thereof, (where insured by this Section), only applies under this Extension where such cover involves forcible and violent entry to or exit from the exhibition premises but excluding Damage:
  - i** from any structure which is incapable of being locked;
  - ii** in respect of property in the open unless agreed otherwise by the Company; or
  - iii** in respect of jewellery, precious stones, precious metals, bullion or furs.
- b** In respect of such property in transit (whilst in the Insured's control), Conditions 1 and 2 as set out in Section 11: Goods in Transit of this Policy and the Exclusions as set out in Section 11, whether Section 11 is operative or otherwise. Where there is any conflict between the Exclusions as set out in Section 11 of this Policy and the Exclusions under this Section in this regard, those set out in Section 11 of this Policy shall take precedence.
- c** Cover in respect of Insured's Vehicles in transit is subject to such vehicles being transported by the Insured on a vehicle constructed for the purpose but designed to carry a maximum of two such vehicles at any one time.
- d** Such property not being more specifically insured.
- e** The maximum liability of the Company under this Extension shall not exceed £50,000 in total for all claims or series of claims arising out of any one original cause, subject to cover for Insured's Vehicles not exceeding £500,000 in the aggregate in any one Period of Insurance.

#### **P Temporary Removal of Motor Vehicles (Cleaning, Renovation or Repair)**

The insurance by each item on Insured's Vehicles and Customers' Vehicles, where insured by this Section, includes such property while it is temporarily removed from the Premises for the purposes of cleaning, renovation or repair, to the premises of any sub-contractor of the Insured anywhere in the United Kingdom, Channel Islands or the Isle of Man or in transit by road, rail, sea, inland waterway or air, to or from such premises.

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

- a In respect of such vehicles in transit, Conditions 1 and 2 as set out in Section 11: Goods in Transit of this Policy and the Exclusions as set out in Section 11, whether Section 11 is operative or otherwise. Where there is any conflict between the Exclusions as set out in Section 11 of this Policy and the Exclusions under this Section in this regard, those set out in Section 11 of this Policy shall take precedence.
- b Cover whilst in transit is subject to such vehicles being transported by the Insured on a vehicle constructed for the purpose but designed to carry a maximum of two such vehicles at any one time.
- c Such property not being more specifically insured.

#### **Q Temporary Removal of Tenants' Improvements and Plant, Machinery, Trade, Fixtures and Fittings (Cleaning, Renovation or Repair)**

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

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

- a In respect of such property in transit, Conditions 1 and 2 as set out in Section 11: Goods in Transit of this Policy and the Exclusions as set out in Section 11, whether Section 11 is operative or otherwise. Where there is any conflict between the Exclusions as set out in Section 11 of this Policy and the Exclusions under this Section in this regard, those set out in Section 11 of this Policy shall take precedence.
- b Such property not being more specifically insured.
- c The maximum liability of the Company shall not exceed £100,000 in total for all claims or series of claims arising out of any one original cause.

#### **R Fire Brigade and Rescue Services Damage to Grounds**

Damage caused by the Fire Brigade and rescue services or other emergency services, equipment or personnel, in the course of combating fire, to the grounds at the Premises as far as the Insured is responsible for the cost of repair, provided that the maximum liability of the Company under this Extension in respect of any one

event of such Damage shall not exceed £25,000 in the aggregate.

#### **S Lock Replacement (other than Motor Vehicles)**

The cost (other than in respect of Motor Vehicles) of changing locks on doors, windows, safes and strongrooms, at the Premises following theft, where insured by this Section, of Keys from the Premises or from the home of the Insured or of any partner of the Insured or director of the Insured or Employee entrusted with Keys.

Provided that the maximum liability of the Company under this Extension as a result of any one event of such theft shall not exceed £10,000 in the aggregate.

#### **T Lock Replacement (Motor Vehicles)**

The cost of changing locks or lock mechanisms and all Keys necessary to maintain the security of Motor Vehicles following theft of such Keys by forcible and violent means.

Provided that the maximum liability of the Company under this Extension as a result of any one event of such theft shall not exceed £50,000 in the aggregate.

#### **U Contract Price**

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

#### **V Trace and Access**

In the event of Damage resulting from escape of water or oil, where insured by this Section, the Company will pay costs necessarily and reasonably incurred in locating the source of such Damage and subsequently making good, subject to the maximum liability of the Company under this Extension not exceeding £25,000 in total for all claims or series of claims, arising out of any one original cause.

#### **W Fire Extinguishment and Security Equipment Expenses**

Costs reasonably and necessarily incurred with the consent of the Company in:

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

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

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

## **X Loss of Rent**

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

## **Y Unauthorised Use of Gas, Water or Electricity**

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

## **Z Motor Vehicles Held for Sale**

If a new Motor Vehicle held for sale by the Insured is subject to Damage, where insured by this Section and for which payment shall have been made or liability admitted for such Damage, to the extent that it necessitates:

- a** a declaration of such Damage to a prospective purchaser; and
- b** a discount to effect a sale, the Company will consider such discount as forming part of the claim under this Policy.

Provided that:

- i** the Company has agreed the level of discount necessary to effect the sale; and
- ii** the total payment in respect of such discount will

be limited to a maximum of £10,000 for such Motor Vehicle.

## **AA New Motor Vehicle Concession**

If within one year of registration as new, any Motor Vehicle insured for Damage under this Section is:

- a** lost by theft and not recovered within 30 days of such theft being notified to the Company by the Insured; or
- b** damaged to the extent that the cost of repairs will exceed 50% of the manufacturer's recommended retail price plus taxes immediately prior to such Damage and the claim is settled as a total loss,

the Company will pay for the cost of purchasing a new replacement vehicle of the same make and model.

Provided that:

- i** payment shall have been made or liability admitted for such loss or damage;
- ii** the Insured requests such a replacement vehicle;
- iii** such a replacement vehicle is available; and
- iv** the total payment will be limited to a maximum of £50,000 per Motor Vehicle above the amount which would otherwise have been payable under this Section had this Extension not been incorporated.

## **AB Depreciation in Value (Stolen New Motor Vehicles)**

If a new Motor Vehicle held for sale by the Insured is lost by theft, where insured by this Section, whereby such vehicle is recovered undamaged and necessitates:

- a** a declaration of such to a prospective purchaser; and
- b** a discount to effect a sale,

the Company will consider such discount as forming part of the claim under this Policy.

Provided that:

- i** the Company has agreed the level of discount necessary to effect the sale; and
- ii** the total payment in respect of such discount will be limited to a maximum of £5,000 for such Motor Vehicle or 10% of the new Motor Vehicle value, whichever is the less.

## **AC Loss of Use (Customers' Vehicles)**

Costs or expenses incurred by any customer of the Insured with the Company's written consent in being deprived of the use of a Motor Vehicle following such vehicle's Damage, where insured by this Section, but only during a reasonable period necessary to allow for repair or replacement thereof.

Provided that the maximum liability of the Company

under this Extension shall not exceed £50,000 in total for all claims or series of claims, arising out of any one original cause.

#### AD Seasonal Increase (Insured's Vehicles)

The Sum Insured in respect of Insured's Vehicles is increased by 30% during the following periods:

- a February and March; and
- b August and September.

#### AE Subsidence, Ground Heave and Landslip (shown as Endorsement A in the Schedule if operative)

This Extension is only operative if Subsidence is shown as insured in the Schedule.

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

- a Damage to yards, car parks, roads, pavements, swimming pools, walls, gates and fences, unless also affecting a structure insured hereby;
- b Damage caused by or consisting of:
  - i the normal bedding down or settlement of new structures;
  - ii the settlement or movement of made-up ground;
  - iii coastal or river erosion;
  - iv defective design or workmanship or the use of defective materials; or
  - v fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe;
- c Damage which commenced prior to the Effective Date (as stated in the Schedule) of the Period of Insurance; or
- d Damage resulting from:
  - i demolition, construction, structural alteration or repair of any property; or
  - ii groundworks or excavation,

at the same Premises;

#### Excess applicable to this Extension

The cover provided by this Extension does not cover the amount of the Subsidence Excess stated in the Schedule being the first part of each and every claim.

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

#### Additional Condition applicable to this Extension

The Insured shall notify the Company immediately of any demolition, groundworks, excavation or construction,

being carried out on any adjoining site and the Company shall then have the right to vary the terms or cancel this cover.

#### AF Fraud/Trick/False Pretence

Theft of Motor Vehicles from the Premises during Business Hours by fraud, trick or pretence not arising from:

- a the wilful parting of title for such Motor Vehicle;
- b unaccompanied demonstration; or
- c theft by the Insured or any director of the Insured or any partner of the Insured or Employee.

The maximum liability of the Company under this Extension shall not exceed £25,000 in total for all claims or series of claims, arising out of any one original cause.

## Clauses

The following Clauses apply to this Section.

### 1 Designation

For the purpose of determining where necessary the item or column heading under which any property is insured, the Company agrees to accept the designation under which such property has been entered in the Insured's books.

### 2 Reinstatement Basis of Settlement

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

"Reinstatement" means:

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

### Provisions

- 1 No payment beyond the amount which would have been payable had this Clause not been operative shall be made:

- a unless the work of Reinstatement is commenced and carried out with reasonable despatch;
- b until the cost of Reinstatement has been incurred; and
- c unless any other insurance covering the Insured's interest in the property at the time of Damage is on the same basis of Reinstatement as this Policy,

and if no such payment is made, then the rights and liabilities of the Company and the Insured, shall be those which would have applied had this Clause not been operative.

- 2 Reinstatement may be carried out at another site and in any manner suitable to the Insured, subject to the liability of the Company not being increased as a result.
- 3 In the event of partial Damage to Property Insured the Company's liability for any loss shall not exceed the cost which would have been incurred had such property been totally destroyed.
- 4 Notwithstanding the General Definition of Average, each item insured under this Clause is declared to be separately subject to the following Condition of Average:

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

### 3 Day One (Non Adjustable)

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

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

- a the additional cost of Reinstatement to comply with any public authority requirements;

- b professional fees; and
- c debris removal costs

### Provisions

- 1 At the inception of each Period of Insurance, the Insured shall notify the Company of the Declared Value of the Property Insured by each item of Property Insured to which this Clause applies. In the absence of such declaration, the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance.
- 2 Where by reason of Provision 1 of Clause 2 above no payment is to be made beyond the amount which would have been payable if Clause 2 above had not been incorporated therein, the rights and liabilities of the Company and the Insured, in respect of Damage, shall be subject to the terms, definitions, conditions, clauses and exclusions, of the Policy, including Average as if Clause 2 above had not been incorporated, except that the Company's liability in respect of each item of Property Insured to which this Clause applies shall not exceed its Sum Insured.
- 3 For the purpose of this Clause, Provision 4 of Clause 2 above is restated as follows:
  - 4 Notwithstanding the General Definition of Average, each item insured under this Clause is declared to be separately subject to the following Condition of Average:
 

If the Declared Value of any item at the time of the Damage is less than the cost of reinstating the whole of the Property Insured by such item at the inception of the Period of Insurance, then the liability of the Company shall not exceed that proportion of the amount of the Damage which said Declared Value shall bear to the sum representing the total cost of reinstating the whole of such property at the inception of the Period of Insurance.
- 4 The Company's liability in respect of each item of Property Insured to which this Clause applies shall not exceed its Sum Insured.

### 4 Workmen

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

## 5 Reinstatement of Losses

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

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

## 6 Average

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

## 7 Index Linking

The Sums Insured in respect of Buildings, Tenants' Improvements, Plant, Machinery, Trade Fixtures (and all other contents), Employees' Portable Hand Tools, Insured's Portable Hand Tools, Computer Equipment, Stock in Trade, Customers' Goods, Cigarettes, Cigars and Tobacco, are subject to Index Linking as defined in the General Definitions.

Provided that this Clause shall not apply to any such item where the Insured has stated the Declared Value in respect of such item against which a Declared Value is stated in the Schedule.

## Conditions

The following Conditions apply to this Section.

### 1 Keys

It is a condition precedent to the liability of the Company that:

- a all unattended Motor Vehicles must be securely locked and all windows and similar openings tightly closed with the vehicle Keys removed from such vehicle;
- b during Business Hours all Keys to unattended Motor Vehicles must be kept in a securely locked place out of sight of the public; and
- c outside Business Hours all Keys to unattended Motor Vehicles are to be:
  - i removed from the Premises; or
  - ii retained within a locked safe or purpose built Keys cabinet approved by the Company within an alarmed part of a building at the Premises and the Keys to such cabinet removed from the Premises.

For the purposes of this Condition unattended Motor Vehicles shall mean: Any Motor Vehicle left without the Insured keeping the said vehicle under observation.

### 2 Theft Protections

It is a condition precedent to the liability of the Company that all fastenings and protections on the Premises and all additional fastenings and protections which have been stipulated by the Company, shall be maintained during the currency of this insurance and put into full and effective operation at all times outside Business Hours.

### 3 Intruder Alarm

**This Condition only applies if the Intruder Alarm Condition is shown as operative in the Schedule.**

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

#### Intruder Alarm System

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

#### Alarmed Buildings

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

### Responsible Person

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

### Keyholder

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

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

- a** the Buildings at the Premises are protected by an Intruder Alarm System installed as agreed with the Company;
- b** 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 intruder alarm installers or other installers/engineers as agreed with the Company;
- c** no alteration to or substitution of:
  - i** any part of the Intruder Alarm System;
  - ii** the procedures agreed with the Company for police or any other response to any activation of the Intruder Alarm System; or
  - iii** the maintenance contract,
 shall be made without the agreement of the Company;
- d** the Alarmed Buildings shall not be left without at least one Responsible Person therein without the agreement of the Company:
  - i** unless the Intruder Alarm System is set in its entirety with the means of communication used to transmit signals in full operation; or
  - ii** if the Police have withdrawn their response to alarm calls;
- e** all keys to the Intruder Alarm System are removed from the Buildings at the Premises when they are left unattended;
- f** the Insured maintains secrecy of codes for the operation of the Intruder Alarm System and no details of same are left in the Buildings at the Premises;
- g** the Insured shall appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company and/or police authorities;

- h** in the event of notification of any activation of the Intruder Alarm System or interruption of the means of communication, during any period that the Intruder Alarm System is set, a Keyholder shall:
  - i** attend the Buildings at the Premises as soon as reasonably possible;
  - ii** inspect the Buildings at the Premises for any signs of break-in or disturbance; and
  - iii** subject to condition **d** of this Condition, reset the Intruder Alarm System in its entirety with the means of communication used to transmit signals in full operation; and
- i** in the event of the Insured receiving any notification:
  - a** that police attendance in response to alarm signals/call from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed;
  - b** from a local authority or magistrate imposing any requirement for abatement of nuisance; or
  - c** that the Intruder Alarm System cannot be returned to or maintained in full working order,
 the Insured shall advise the Company as soon as possible and in any event not later than 10.00a.m. on the Company's next working day and comply with any subsequent requirements stipulated by the Company.

### 4 Composite Panels

It is a condition precedent to the liability of the Company that the following actions and precautions are followed where any of the Premises includes Composite Panels in its building construction:

- a** all Composite Panels are to be subject to a visual inspection quarterly and close checking of external panels in the roof and high walls once every 6 months, by a person or persons experienced in such inspections, to look for damage to facing sheets, coverings or joints;
- b** any damage or defect found must be immediately repaired or the panel replaced with an LPCB approved panel (LPS1181 or LPS1208) as appropriate;
- c** a log of the inspections mentioned in **a** above and any action taken as a result of them is to be maintained;
- d** if the sides or edges of any Composite Panel expose the Panel they must be closed off with steel or other appropriate metal cappings or facings;

- e** any repairs to the Composite Panels must not be made using welding, grinding, cutting or any other process that generates heat or sparks;
- f** no Plant, Machinery, Trade Fixtures and Fittings shall be suspended from Composite Panels;
- g** all wiring passing through Composite Panels must be sleeved in incombustible material; and
- h** when services that pierce Composite Panels are removed, all openings must be capped in metal as part of the same operation and infilled with incombustible material.

For the purposes of this Condition Composite Panels shall mean:

A building product consisting of two faces positioned on either side of a core of a thermally insulating material which are firmly bonded together so that the components act compositely when under load. Composite Panel systems comprise of the panels, their jointing methods and type of support provided.

Note: Composite Panels are also known as sandwich panels, factory produced panels, metal faced composite insulation panels or site assembled panels.

## 5 Motor Garage Condition

It is a condition precedent to the liability of the Company that:

- a** all oily and/or dirty waste and greasy cloths be kept in metal receptacles, with metal lids and removed outside the buildings every night and completely removed at least once a week;
- b** no cellulose paint be used or stored;
- c** no woodworking by power be undertaken;
- d** all battery charger benches be covered with slate, glass, tile or other non-conducting and non-porous material AND no overnight charging be undertaken; and
- e** no motor spirit flashing below 32 degrees centigrade other than 45 litres in closed tins be kept except under the following conditions:
  - i** in or on any vehicle for the use of such vehicle only;
  - ii** in closed tins in a compartment constructed of non-combustible materials, providing a fire resistance of at least 2 hours and having a closely fitting door, constructed of incombustible material or hardwood, to each opening; or
  - iii** in an enclosed underground tank filled and emptied by hose connection or pump only.

## 6 Paint Spraying Conditions

It is a condition precedent to the liability of the Company that no spraying of cellulose or other paint with flash points below 32 degrees centigrade be done unless:

- a** all paint spraying is undertaken in the booth provided;
- b** such paint spraying booth be provided with suitable flameproof electrical equipment and a flame proof ventilating fan extracting to the outside of the building. Such fan to be kept running for at least five minutes after work has ceased. Personnel doors to be of a self-closing variety and all doors to remain closed during the paint spraying process;
- c** a nine litre foam type fire extinguisher is kept immediately adjacent to the booth at all times;
- d** the booth be thoroughly cleaned, at least one a week and whenever a change over from cellulose paints to synthetic paints is made, with stiff fibre or non-ferrous metal brushes or scrapers and the residue placed in water;
- e** only the paint in actual use be kept in the booth and all other stocks of paints and thinners be kept in a special paint store in sealed cans; and
- f** all switches and electrical apparatus have flame proof fittings.

## 7 No Smoking Condition

It is a condition precedent to the liability of the Company that:

- a** smoking is prohibited in the Premises;
- b** suitable "no smoking" notices are displayed as prescribed under:
  - i** Section 2 of The Smoke free (Signs) Regulations 2007 (English Statutory Instrument 2007 No.923); or
  - ii** Section 2 of The Prohibition of Smoking in certain places (Scotland) Regulations 2006 (Scottish Statutory Instrument No.90); or
  - iii** Section 5 of The Smoke free Premises etc. (Wales) Regulations 2007 (Welsh Statutory Instrument No. 787); or
  - iv** Section 7 of The Smoking (Northern Ireland) Order 2006 (Northern Ireland statutory Instrument No 2957)

Any of **i** to **iv** apply at the Premises based on the actual location of that Premises; and

- c** all ashtrays, bins, sand buckets or other receptacles for smoking materials, are removed from the Premises.

## 8 Fire Extinguishing Appliances

It is a condition precedent to the liability of the Company that fire extinguishing appliances are kept in efficient working order and maintained according to the manufacturers' guidelines.

## 9 Electrical Inspection Condition – Competent Person:

It is a condition precedent to the liability of the Company that the electrical system at the Premises (or the Insured's portion of the Premises) is inspected and tested by a Competent Person at intervals not less than the intervals as recommended by the Institution of Engineering and Technology (IET) in accordance with BS7671 and a Periodic Inspection Report record is kept of these inspections.

If such a regular inspection and test occurs during the Period of Insurance or any previous Period of Insurance provided by the Company:

- a any work shown as "Danger present. Risk of injury – requires urgent attention" – shown as Code 1 in the Observation and Recommendations part of the Report, shall be carried out within 28 days of inspection;
- b any work shown as "Potentially dangerous – Urgent remedial attention required" – shown as Code 2 in the Observations and Recommendations part of the Report, shall be carried out within 90 days of the inspection; and
- c the electrical installation is further inspected and tested within the timescale recommended on the Periodic Inspection Report.

For the purposes of this Condition Competent Person shall mean:

A person who can demonstrate competence to perform the required electrical inspection and testing work if they have successfully completed an assessed training course, run by an accredited training organisation that included the type of work being considered. As part of that course, such person should have demonstrated an ability to understand electrical theory and put this into practice.

## Excess

This Section does not cover and the Company shall not be liable for the amount of the Section Excess stated in the Schedule being the first part of each and every claim, for Damage caused by all Other Losses (except as stated under Extension AE of this Section if operative).

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

## Exclusions

**The Company shall not be liable under this Section for:**

- 1 Damage to the Property Insured caused by or consisting of inherent vice, latent defect, gradual deterioration, wear and tear, frost (other than to internal plumbing installations provided the Buildings are not Vacant or Disused), change in water table level, its own faulty or defective design or materials but this shall not exclude subsequent Damage which results from a cause not otherwise excluded by this Policy;
- 2 Damage to any Property Insured arising out of or attributable to defective workmanship or Damage to any Property Insured sustained whilst it is actually being worked upon and directly resulting from such work, but this Exclusion shall not apply to Damage by fire or explosion to Insured's Vehicles;
- 3 Damage caused by or consisting of:
  - a corrosion, rust, wet or dry rot, shrinkage, evaporation, leakage, loss of weight, dampness, contamination, fermentation, dryness, marring, scratching, vermin or insects; or
  - b change in temperature, colour, flavour, texture or finish, action of light,
 Damage consisting of:
  - c joint leakage, failure of welds, cracking, fracturing, collapse or overheating, of boilers, economisers, superheaters, pressure vessels, or any range of steam and feed piping in connection therewith; or
  - d mechanical or electrical breakdown or derangement, in respect of the particular machines, apparatus or equipment, in which such breakdown or derangement originates,
 but this shall not exclude:
  - i such Damage not otherwise excluded by this Policy which itself results from any other Damage not otherwise excluded by this Policy; or
  - ii subsequent Damage which itself results from a cause not otherwise excluded by this Policy (unless more specifically insured);
- 4 Damage caused by or consisting of:
  - a subsidence, ground heave or landslip (other than that provided under Extension AE of this Section if operative);
  - b the normal bedding down or settlement of new structures;
  - c disappearance, unexplained or inventory shortage, misfiling or misplacing of information; or

- d electrical or magnetic injury, disturbance or erasure, of electronic records, other than by lightning;
- 5 destruction of or damage to a building or structure, caused by its own collapse or cracking;
- 6 Damage in respect of:
  - a jewellery, precious stones, precious metals, bullion or furs;
  - b property in transit (other than that provided under Extensions O, P and Q, of this Section);
  - c money, cheques, stamps, bonds, credit cards or securities of any description; or
  - d fixed glass and sanitary ware:
    - i due to repairs or alterations, being carried out at the Premises;
    - ii during installation or removal, of such glass or sanitary ware; or
    - iii which was broken or cracked prior to the Effective Date (as stated in the Schedule) of the Period of Insurance;
- 7 loss of market, loss of use, monetary devaluation or any other loss arising as a direct consequence of the Damage (other than that provided under Extensions X and AC, of this Section);
- 8 loss resulting from the Insured voluntarily parting with title or possession, of any property if induced to do so by deception (other than that provided under Extension AF, of this Section);
- 9 Damage to any part of any electrical plant or apparatus, directly caused by breakdown, leakage of electricity or excessive pressure therein, by its own short circuiting or overrunning or electrical surges or spikes in the electricity supply, but Damage to any other part of such plant or apparatus or to other Property Insured by the spread of fire therefrom, is not excluded;
- 10 theft of moveable property (other than Motor Vehicles) after Business Hours from the open yards and forecourts of the Premises and any buildings thereon which are incapable of being locked;
- 11 theft arising from the infidelity or dishonesty of the Insured or any director of the Insured or any partner of the Insured or Employee or other person to whom any Property Insured may be entrusted whereby there is an attempt to make improper financial gain other than that provided under Extension AF, of this Section);
- 12 any claim for which more specific insurance applies under Sections 8 or 9, of this Policy;
- 13 Damage caused by explosion:
  - a of boilers or of gas, not used for domestic purposes only; or
  - b otherwise for Damage caused by or consisting of the bursting by steam pressure, of a boiler, economiser or other vessel, machine or apparatus, in which internal pressure is due to steam only and belonging to or under the control of the Insured;
- 14 theft, malicious act, vandalism, escape of water or oil from any water or heating installation, occurring whilst the Premises are left Vacant or Disused; or
- 15 frost damage to Buildings (other than to internal plumbing installations provided the said Buildings are not Vacant or Disused).

# Section 2: Business Interruption

If Damage (other than explosion) insured under Section 1: Material Damage of this Policy or by Explosion (as defined in this Section), occurs during the Period of Insurance to property used by the Insured at the Premises for the purposes of the Business and causes interruption to or interference with the Business at the Premises or if the Insured is unable to trace or establish Outstanding Debit Balances in whole or in part due to them, as a result of the Insured's books of account or other business books or records at the Premises, being subject to Damage the Company will pay to the Insured (subject to the provisions of the insurance) the amount of loss resulting from such interruption, interference or Damage in accordance with the basis of cover shown in the Schedule and described below.

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

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

- 1 133.33% of the Estimated Gross Profit or Estimated Gross Revenue or Estimated Gross Rentals, Sum Insured (as applicable); and
- 2 the Sum Insured for Increase in Cost of Working, Additional Increased Cost of Working, Outstanding Debit Balances and any other item insured hereunder (as applicable), unless otherwise stated.

## Definitions

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

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

### Customers' Accounts

The Insured's accounts of all customers who are trading with the Insured on a credit or hire purchase basis.

### Estimated Gross Profit

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

### Estimated Gross Rentals

The amount declared by the Insured to the Company 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 Indemnity Period exceeds 12 months).

### Estimated Gross Revenue

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

### Explosion

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

### Gross Profit

The amount by which:

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

NOTE: For the purpose of this Definition, the amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with the Insured's usual accounting methods, due provision being made for depreciation.

### Gross Rentals

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

### Gross Revenue

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

### Indemnity Period

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

### Loss of MOT Licence

The licence granted by the Department of Transport to carry out MOT tests on motor vehicles and issued to the Insured as an authorised examiner or to a nominated tester employed by the Insured in connection with the Business.

### Outstanding Debit Balances

The total last amount recorded by the Insured under the provisions of Clause 7 Monthly Records adjusted for:

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

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

### Rate of Gross Profit

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

### Standard Gross Rentals

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

### Standard Gross Revenue

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

### Standard Turnover

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

### Turnover

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

### Uninsured Working Expenses

The sum of:

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

### Basis of Cover

#### Estimated Gross Profit (Declaration Linked Basis)

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

- a in respect of reduction in Turnover: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the Damage fall short of the Standard Turnover; and
- b in respect of increase in cost of working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided,

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

#### Estimated Gross Rentals (Declaration Linked Basis)

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

- a in respect of loss of Gross Rentals: the amount by which the Gross Rentals during the Indemnity Period shall in consequence of the Damage fall short of the Standard Gross Rentals; and

- b** in respect of increase in cost of working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Rentals which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the amount of the reduction thereby avoided,

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

#### Estimated Gross Revenue (Declaration Linked Basis)

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

- a** in respect of reduction in Gross Revenue: the amount by which the Gross Revenue during the Indemnity Period shall in consequence of the Damage fall short of the Standard Gross Revenue; and
- b** in respect of increase in cost of working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the amount of the reduction thereby avoided,

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

#### Cost of Document Replacement

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

#### Outstanding Debit Balances

The insurance in respect of Outstanding Debit Balances is limited to loss sustained by the Insured directly due to the Damage and the total amount payable shall not exceed:

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

Provided that:

- i** if the Sum Insured be less than the Outstanding Debit Balances the amount payable shall be proportionately reduced; and
- ii** it is a condition precedent to the liability of the Company that the Insured's books of account or other business books or records in which Customers' Accounts are shown, are kept in fire resistant cabinets when not in use.

#### Increase in Cost of Working

The insurance in respect of increase in cost of working (when shown as a separate item in the Schedule if operative) is limited to the additional expenditure necessarily and reasonably incurred solely in order to minimise any interruption or interference, with the Business during the Indemnity Period.

#### Additional Increased Cost of Working

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

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

### Loss of MOT Licence

If, during the Period of Insurance the Insured's MOT Licence is suspended or withdrawn by the Department of Transport and as a consequence the Business carried out by the Insured at the Premises is interrupted or interfered with the Company will pay to the Insured the amount of loss resulting from such interruption or interference in accordance with the basis of cover shown in the Schedule and described in this Section.

The Company will also pay reasonable charges payable to parties agreed by the Company for services provided to enable the Insured to appeal against a suspension or withdrawal of the MOT Licence by the Department of Transport.

Provided that the maximum liability of the Company shall not exceed the amount shown in the Schedule.

It is a condition precedent to the liability of the Company that, upon receipt of a formal warning letter from the Vehicle and Operator Services Agency, the Insured must immediately notify and give written confirmation to the Company together with copies of documentation received.

Provided that the Company shall not be liable for any loss arising from a loss of MOT Licence due to:

- 1 a suspension or warning received during the four weeks immediately following inception of cover under this Policy;
- 2 extension or actual or proposed compulsory purchase, of the Premises;
- 3 any scheme of town or country planning, improvement or development;
- 4 any policy by the Department of Transport to reduce the number of authorised examiners and nominated testers;
- 5 any alteration following inception of cover under this Policy to any relevant law unless the Company confirms in writing that cover will continue after such alteration;
- 6 failure to maintain the equipment or machinery at the Premises in good general repair;
- 7 failure to keep accurate and up to date documentation as required by the Department of Transport and/or Vehicle and Operator Services Agency; or
- 8 a criminal conviction.

### Professional Accountants Charges

Where insurance is arranged on Estimated Gross Profit or Estimated Gross Revenue or Estimated Gross Rentals or Increase in Cost of Working or Additional Increased Cost of Working or Outstanding Debit Balances, under this Section, the Company will also pay to the Insured (within the Sum

Insured for whichever is applicable) the reasonable charges payable by the Insured to their professional accountants for producing any particulars or details, contained in the Insured's books of account or other business books or documents or such other proofs, information or evidence, as may be required by the Company, and for reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents.

### Extensions

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

#### A Unspecified Suppliers – Vehicle Components

The premises of any:

- a motor manufacturers or manufacturer of material or components supplied to such manufacturers; or
- b vehicle suppliers or distributors,

all in the United Kingdom, the Channel Islands or the Isle of Man or in any member country of the European Union, from which the Insured obtains regular supplies of Motor Vehicles' components or accessories.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, the Company's liability under this Extension in total for all claims or series of claims, arising out of any one original cause, shall not exceed 25% of the Estimated Gross Profit or Estimated Gross Revenue limit of liability.

#### B Unspecified Suppliers – Motor Fuels

The premises of any company or supplier in the United Kingdom, the Channel Islands, the Isle of Man or in any member country of the European Union, from which the Insured obtains regular supplies of motor fuels.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, the Company's liability under this Extension in total for all claims or series of claims, arising out of any one original cause, shall not exceed 15% of the Estimated Gross Profit or Estimated Gross Revenue limit of liability.

### C Unspecified Suppliers (Rest of World)

The premises of any:

- a motor manufacturers or manufacturer of material or components supplied to such manufacturers;
- b vehicle suppliers or distributors; or
- c motor fuel supplier,

anywhere outside of the United Kingdom, the Channel Islands, the Isle of Man and the European Union, from which the Insured obtains regular supplies of Motor Vehicles' components, accessories or motor fuel.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, the Company's liability under this Extension in total for all claims or series of claims, arising out of any one original cause, shall not exceed 10% of the Estimated Gross Profit or Estimated Gross Revenue limit of liability.

### D Unspecified Customers

The premises of any of the Insured's customers in the United Kingdom, the Channel Islands, the Isle of Man or in any member country of the European Union, provided that for the purposes of this Extension the term "customers" means those companies, organisations or individuals, with whom at the time of the Damage the Insured has contracts or trading relationships, to supply goods or services.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, the Company's liability under this Extension in total for all claims or series of claims, arising out of any one original cause, shall not exceed 15% of the Estimated Gross Profit or Estimated Gross Revenue limit of liability.

### E Storage Sites

Any premises in the United Kingdom, the Channel Islands or the Isle of Man, not owned or occupied by the Insured, where the Insured's Motor Vehicles are stored.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, the Company's liability under this Extension in total for all claims or series of claims, arising out of any one original cause, shall not exceed 15% of the Estimated Gross Profit or Estimated Gross Revenue limit of liability.

### F Property in Transit

Whilst in transit anywhere in the United Kingdom, the Channel Islands or the Isle of Man or in any member country of the European Union.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, the Company's liability under this Extension in total for all claims or series of claims, arising out of any one original cause, shall not exceed 5% of the Estimated Gross Profit or Estimated Gross Revenue limit of liability.

### G Public Utilities

At any:

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

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

### H Denial of Access

Within one mile of the Premises preventing or hindering access to or use of such Premises, whether the Premises or property of the Insured therein shall be subject to Damage or not, but excluding the property of any supply undertaking from which the Insured obtains electricity, gas, water or telecommunications services.

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

### I National Lottery

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

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

- a the Company's liability under this Extension in total for all claims or series of claims, arising out of any one original cause, shall not exceed the Estimated Gross Profit or Estimated Gross Revenue, limit of liability; and

- b** the Indemnity Period under this Extension shall not exceed 3 months.

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

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

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

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

## J Public Emergency

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

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

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

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

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

## K Closure

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

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

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

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

## L Disease

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

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

Provided that:

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

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

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

## M Bomb Scares

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

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

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

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

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

## N Accidental Failure of Public Supply

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

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

The Company shall not be liable under this Extension:

- i in respect of cover which is more specifically insured under Extension G of this Section; or
- ii for loss arising directly or indirectly from any failure:
  - a which does not involve a cessation of supply for at least 4 consecutive hours in respect of items a, b and c above of this Extension and 12 consecutive hours in respect of item d above of this Extension;
  - b caused by the deliberate act of any supply undertaking unless by the exercise by any such undertaking of its power to withhold or restrict supply or services for the sole purpose of safeguarding life or protecting the supply undertaking's system;

- c caused by strikes or any labour or trade dispute; or
- d caused by atmospheric or weather conditions but this shall not exclude failure due to damage to equipment caused by such conditions.

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

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

For the purpose of this Extension:

- i Failure of Electricity shall mean:  
The accidental total or partial failure of the public supply of electricity at the terminal point of the supply undertaking's service feed to the Premises.
- ii Failure of Gas shall mean:  
The accidental total or partial failure of the public supply of gas at the supply undertaking's meters at the Premises.
- iii Failure of Water shall mean:  
The accidental total or partial failure of the public supply of water at the supply undertaking's main stop cock serving the Premises (other than by drought).
- iv Failure of Telecommunications shall mean:  
The accidental total or partial failure of the public supply of telecommunications services at the incoming line terminals or receivers, at the Premises.

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

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

## O Essential Personnel

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

- a death of any of the Insured's Principals; or
- b total and permanent disablement of any of the Insured's Principals, which prevents them from attending to their normal occupation,

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

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

Provided that the Company's liability under this Extension shall not exceed £25,000 in the aggregate and in any one Period of Insurance.

For the purposes of this Extension Principals shall mean:

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

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

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

## P Exhibition Expenses

The irrecoverable expenses of the Insured in respect of any trade exhibition in the United Kingdom, Channel Islands or the Isle of Man, following Damage (other than explosion) insured under Section 1: Material Damage of this Policy or by Explosion (as defined in this Section), occurring during the Period of Insurance:

- a at the exhibition venue; or
- b to your property for use in connection with the exhibition whilst at the Premises or whilst in transit by road, rail or inland waterway.

Provided that:

- i in the event of the exhibition not being held (or the Insured being unable to exhibit at all) in consequence of the Damage, the amount payable shall be limited to the irrecoverable expenses that the Insured has paid or is liable to pay, in respect of the exhibition;
- ii if the exhibition does not run (or the Insured is unable to exhibit) for the intended period in consequence of the Damage, the amount payable shall be the loss computed in accordance with provision i above, adjusted for the period that the Insured could not exhibit,

subject to the Company's liability under this Extension not exceeding £25,000 in the aggregate and in any one Period of Insurance.

## Clauses

The following Clauses apply to this Section.

### 1 Departmental

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

### 2 Payments on Account

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

### 3 Accumulated Stocks

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

### 4 Renewal Clause

**(applicable to Estimated Gross Profit or Estimated Gross Revenue or Estimated Gross Rentals)**

The Insured shall, prior to each renewal of the Policy, provide the Company with the Estimated Gross Profit or Estimated Gross Revenue or Estimated Gross Rentals, whichever is applicable, for the financial year most nearly concurrent with the ensuing period of insurance, or a proportionately increased multiple thereof where the Indemnity Period exceeds 12 months.

### 5 Standing Charges

**(applicable to Estimated Gross Profit)**

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

### 6 Premium Adjustment Clause

**(applicable to Estimated Gross Profit or Estimated Gross Revenue or Estimated Gross Rentals)**

The first and annual premiums in respect of Estimated Gross Profit or Estimated Gross Revenue or Estimated Gross Rentals, whichever is applicable, are provisional and are based on the Estimated Sum Insured.

The Insured shall provide the Company not later than six months after the expiry of each Period of Insurance a declaration confirmed by the Insured's auditors of the Gross Profit or Gross Revenue or Gross Rentals, whichever is applicable, earned during the financial year most nearly concurrent with such Period of Insurance.

If any Damage shall have occurred giving rise to a claim for loss of Gross Profit or Gross Revenue or Gross Rentals, the above-mentioned declaration shall be increased by the Company for the purpose of premium adjustment, by the amount by which the Gross Profit, Gross Revenue or Gross Rentals, was reduced during the financial year solely in consequence of the Damage.

If the declaration (adjusted as provided above and proportionately increased where the Indemnity Period exceeds 12 months):

- a is less than the Estimated Gross Profit or Estimated Gross Revenue or Estimated Gross Rentals, whichever is applicable, for the relative Period of Insurance, the Company will allow a pro rata return of the premium paid but not exceeding one half of such premium; or
- b is greater than the Estimated Gross Profit or Estimated Gross Revenue or Estimated Gross Rentals, whichever is applicable, for the relative Period of Insurance, a pro rata addition to the premium paid shall be immediately payable by the Insured to the Company.

## 7 Monthly Records (applicable to Outstanding Debit Balances)

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

## 8 Reinstatement of Losses

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

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

## 9 Alternative Trading

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

## 10 Value Added Tax

To the extent that the Insured is accountable to the tax authorities for Value Added Tax, all terms of this Section shall be exclusive of such tax.

## Exclusions

**The Company shall not be liable under this Section for:**

- 1 loss for which more specific insurance applies under Sections 8 or 9, of this Policy.

# Section 3: Business Money & Personal Accident (Assault)

## Sub-Section 1 Business Money

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

Provided that the liability of the Company under this Sub-Section in total for all claims or series of claims, arising out of any one original cause, shall in no case exceed in respect of:

- 1 Money:
  - a the Maximum Amounts stated in the Schedule against Situations a to h; and
  - b £2,500 in respect of Situation i; and
- 2 Non-negotiable Currency, the Maximum Amount stated in the Schedule for Non-negotiable Currency.

## Definitions

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

### Money

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

### Non-negotiable Currency

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

## Situations

### a Transit/Contract Sites

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

### b Bank Night Safe

In a bank night safe.

### c Premises During Business Hours

In an enclosed building at the Premises during Business Hours:

- i not in an automated teller machine; and
- ii other than in respect of Situation f Fuel Sales Staff of this Sub-Section.

### d Premises Outside Business Hours In Safe

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

### e Premises Outside Business Hours Not In Safe

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

### f Fuel Sales Staff

In the custody of fuel sales Employees overnight at the Premises being after 8pm until closing or until normal opening of the Business the next day (whichever is the earlier).

### g Travellers/Collectors

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

### h Private Dwellings

In the private dwelling of the Insured or any partner of the Insured or director of the Insured or Employee if authorised by the Insured.

### i ATM

Whilst within any automated teller machine (ATM) at the Premises:

- i in an enclosed building; or
- ii externally fitted in a building,

at the Premises and where the filling of such automated teller machine is the responsibility of the Insured.

## Extensions

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

### 1 Damage to Safes

Damage to:

- a any safe, strongroom, franking machine or automated teller machine for which the Insured is responsible; and
- b any container or waistcoat, whilst being used for carrying Money,

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

### 2 Damage to Personal Effects

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

### 3 Credit Cards

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

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

## Clause

The following Clause applies to this Sub-Section:

### Reinstatement of Losses

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

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

## Conditions

The following Conditions apply to this Sub-Section:

It is a condition precedent to the liability of the Company that:

### 1 Money Records

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

### 2 Safe Keys

Safe keys be removed from the Premises outside Business Hours.

### 3 Safes

Details of the safes used for containing Money must be lodged with the Company by the Insured.

### 4 Cash Tills

After Business Hours all cash tills must have their drawers left open with all contents other than small change removed elsewhere.

### 5 Transit Limits

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

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

### 6 Theft Protections

All fastenings and protections on the Premises at the Effective Date of the Period of Insurance (as stated in the Schedule) and all additional fastenings and protections which have been stipulated by the Company, shall be maintained during the Period of Insurance and put into full and effective operation at all times outside Business Hours.

## 7 Intruder Alarm

Also applicable to this Sub-Section is Condition 3 as set out in Section 1: Material Damage of this Policy, if such Condition is operative under Section 1, for the Premises concerned.

## 8 Automated Teller Machine

In respect of Damage to Money whilst within any automated teller machine (ATM) where insured by this Sub-Section:

- a such ATM must be emptied at the end of each working day and the money within transferred to a safe approved by the Company for the amount of cash involved. Such transfer is to be carried out only after the Premises has been cleared of all customers then locked to deny further access to the Premises and whilst there are at least two responsible persons present in the Premises during the transfer. Alternatively the cash must be deposited in a bank night safe with the transfer to the bank being undertaken in accordance with the Transit Limits requirement in Condition 5 of this Sub-Section.
- b outside of Business Hours the ATM door and security container within must be left open, empty and unlocked.
- c whenever the ATM is opened, the Premises concerned must be cleared of all customers then locked to deny further access to the Premises and at least two responsible persons are to be present in the Premises.
- d notices must be prominently displayed within the Premises concerned stating that the ATM is protected by a smoke generating and/or banknote degradation system and holds no cash outside of working hours.

## Exclusions

**The Company shall not be liable under this Sub-Section for Damage:**

- 1 arising from fraud or dishonesty of any partner of the Insured or director of the Insured or Employee, if not discovered within 14 working days of the occurrence of the Damage;
- 2 insured by a fidelity guarantee insurance;
- 3 from unattended motor vehicles;
- 4 arising from the use of any form of payment which proves to be counterfeit, false, fraudulent, invalid, uncollectible or irrecoverable, for any reason;

5 occurring outside the United Kingdom, the Channel Islands or the Isle of Man; or

6 due to errors, omissions, depreciation in value, loss of market or indirect loss of any kind.

## Sub-Section 2 Personal Accident (Assault)

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

## Definitions

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

### Injury

Accidental bodily injury caused solely and directly by violence occurring during theft or attempted theft of Money or Non-negotiable Currency, defined in Sub-Section 1: Business Money of this Section, at any of the Situations described in Sub-Section 1 of this Section or of other property from the Premises during Business Hours.

### Insured Person

The Insured or any partner of the Insured or director of the Insured or Employee.

### Contingencies

- 1 Death (which shall not be presumed by the disappearance of the Insured Person)
- 2 Loss of Sight
- 3 Loss of Limbs
- 4 Loss of Hearing
- 5 Loss of Speech
- 6 Permanent Total Disablement
- 7 Temporary Total Disablement
- 8 Temporary Partial Disablement

### Loss of Sight

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

### Loss of Limbs

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

### Loss of Hearing

Permanent and total loss of the sense of hearing.

### Loss of Speech

Permanent and total loss of the power of speech.

### Permanent Total Disablement

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

### Temporary Total Disablement

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

### Temporary Partial Disablement

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

## Extensions

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

### 1 Victim Support

If as a result of the theft or attempt thereof of Money or other Non-negotiable Currency, defined in Sub-Section 1: Business Money of this Section, at any of the Situations described in Sub-Section 1 of this Section or of other property from the Premises during Business Hours, the Insured Person shall suffer social and/or emotional impairment following assault or violence, or threat thereof, the Company shall pay the fees for professional counselling but not exceeding:

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

### 2 Medical Expenses

In the event of Injury to an Insured Person under this Sub-Section, the Company will pay the cost of medical, surgical or other remedial attention, treatment or appliances given or prescribed by a qualified member of the medical profession and all hospital nursing home and ambulance charges up to a maximum amount of £1,000 any one person any one claim.

## Conditions

**The following Conditions apply to this Sub-Section:**

- 1** The following Benefit limitations apply:
  - a** No further Benefit shall be payable in respect of the same Insured Person after payment of any Benefit for Injury under Contingencies 1 to 6.
  - b** Benefit under Contingency 6 is not payable before 104 weeks from the date of Injury.
  - c** Any payment made or adjusted in respect of weekly Benefit shall be deducted from any lump sum Benefit thereafter becoming payable under this Sub-Section.
  - d** Benefit under Contingencies 7 or 8 or any combination thereof:
    - i** is payable for a maximum of 104 consecutive weeks from the date of commencement of the first of these Contingencies to occur.
    - ii** shall be payable when the total amount has been agreed by the Company or at the request of the Insured at intervals of not less than four consecutive weeks (but not in advance) commencing four consecutive weeks after receipt by the Company of written notice of the Injury for which the Benefit is to be paid by the Company.
- 2** In the event of death of an Insured Person, the Company shall be entitled to have a post-mortem examination at its own expense.
- 3** In the event of disablement of an Insured Person, the Insured Person must immediately place themselves under the care of a qualified medical practitioner and, as often as may be required, submit to medical examination at the Company's expense.
- 4** All certificates, information and evidence required by the Company, shall be furnished at the expense of the Insured under this Sub-Section and shall be in such form and of such nature as the Company shall prescribe.

# Section 4: Wrongful Conversion

The Company will indemnify the Insured in the event of any loss sustained by the Insured resulting from any Motor Vehicle purchased by the Insured during the Period of Insurance being subject to a breach of implied warranty of title, in that if:

- 1 the rightful and lawful owner thereof substantiates a valid claim for the return of the Motor Vehicle or its equivalent value; or
- 2 the person to whom the Insured has purported to have sold the Motor Vehicle substantiates a valid claim for damages in lieu of the Motor Vehicle being returned to its rightful owner,

the Company will pay the Insured up to the Indemnity Limit stated in the Schedule for each such Motor Vehicle.

Provided that:

- a all payments for Motor Vehicles purchased or allowances for part exchange shall be settled by cheque, debit or credit card, CHAPS, BACS or credit against the new purchase;
- b no payment must be made until HPI Limited or Experian Limited confirm the Motor Vehicle is not the subject of hire purchase interest. Such confirmation in writing will be required by the Company in the event of a claim; and
- c the maximum liability of the Company under this Section shall not exceed £250,000 in the aggregate and in any one Period of Insurance.

## Excess

This Section does not cover and the Company shall not be liable for the first 20% of each and every claim under this Section.

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

# Section 5: Employers' Liability

The Company will, subject to the Indemnity Limit, indemnify the Insured under this Section against:

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

## Definitions

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

### Bodily Injury

Bodily injury which shall include death, disease or illness.

### Business

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

- a** the ownership, repair, maintenance and decoration of the Premises;
- b** private work undertaken by any Employee for the Insured, or with the Insured's consent, for any director of the Insured or partner of the Insured or other Employee; and
- c** the provision and management of canteen, sports, social and welfare organisations, for the benefit of Employees and fire, security, first aid, medical and ambulance services.

### Indemnity Limit

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

### Occurrence

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

### Territorial Limits

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

### Extensions

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

#### A Court Attendance Costs

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

- |  |       |
|--|-------|
| <b>a</b> any director of the Insured or partner of the Insured | £500  |
| <b>b</b> any Employee  | £250. |

#### B Cross Liabilities

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

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

The Company will indemnify the Insured and, at the Insured's request, any director of the Insured or partner of the Insured or any Employee, against legal costs and expenses, incurred in defending prosecutions for a breach of the Health and Safety at Work etc. Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man, committed or alleged to have been committed in the course of the Business during the Period of Insurance.

The Company will also pay prosecution costs for which the Insured is legally liable and any other costs, in appealing against any judgment given.

Provided that this indemnity shall not apply:

- i** to the payment of any costs or expenses incurred without the Company's written consent; or
- ii** to the payment of fines or penalties.

**D Indemnity to Principals**

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

Provided that:

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

**E Indemnity to Others**

The Insured shall also include:

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

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

**F Unsatisfied Court Judgments**

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

Provided that:

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

**G Work Overseas**

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

**H Corporate Manslaughter and Corporate Homicide Act 2007**

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

Provided that:

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

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

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

## Conditions

**The following Conditions apply to this Section:**

### 1 Provisions of Law

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

### 2 Certificate of Employers' Liability Insurance

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

## Exclusions

**The Company shall not be liable under this Section in respect of Bodily Injury:**

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

# Section 6: Public Liability

The Company will, subject to the Indemnity Limit, indemnify the Insured under this Section against:

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

## Definitions

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

### Asbestos

Asbestos, asbestos fibres or any derivatives of asbestos.

### Bodily Injury

Bodily injury which shall include death, disease or illness.

### Business

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

- a** the ownership, repair, maintenance and decoration of the Premises;
- b** private work undertaken by any Employee for the Insured or, with the Insured's consent, for any director of the Insured or partner of the Insured or other Employee; and
- c** the provision and management of canteen, sports, social and welfare organisations, for the benefit of Employees and fire, security, first aid, medical and ambulance services.

### Craft

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

## Indemnity Limit

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

## Occurrences

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

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

## Pollution or Contamination

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

## Property

Physical property.

## Territorial Limits

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

## Extensions

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

### A Court Attendance Costs

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

- |  |       |
|--|-------|
| <b>a</b> any director of the Insured or partner of the Insured | £500  |
| <b>b</b> any Employee  | £250. |

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

The Company will indemnify the Insured and, at the Insured's request, any director of the Insured or partner of the Insured or any Employee, against legal costs and expenses, incurred in defending prosecutions for a breach of the Health and Safety at Work etc. Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man, committed or alleged to have been committed in the course of the Business during the Period of Insurance.

The Company will also pay prosecution costs for which the Insured is legally liable and any other costs, in appealing against any judgment given.

Provided that this indemnity shall not apply:

- i to the payment of any costs or expenses incurred without the Company's written consent; or
- ii to the payment of fines or penalties.

**C Cross Liabilities**

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

**D Member to Member Liability**

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

**E Indemnity to Principals**

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

Provided that:

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

**F Indemnity to Others**

The Insured shall also include:

- a personal representatives of the Insured in the event of the death of the Insured, but only in respect of legal liability incurred by the Insured; and
- b if the Insured so requests:
  - i any director of the Insured or partner of the Insured or Employee, while acting in connection with the Business, provided that the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured; and
  - ii any officer or member, of the Insured's canteen, sports, social or welfare organisations and fire, security, first aid, medical and ambulance services, in their respective capacity as such.

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

**G Leased or Rented Premises**

Exclusion 5 of this Section shall not apply to legal liability for Damage to any premises (including their fixtures and fittings) leased, rented or hired, to the Insured.

Provided that the indemnity provided by this Section shall not apply to Damage by any cause against which the lease or tenancy agreement stipulates that insurance shall be effected by the lessee or tenant.

**H Defective Premises Act 1972**

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

Provided that this Extension shall not apply to:

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

### I Overseas Personal Liability

The indemnity provided by this Section is extended to indemnify the Insured and, at the Insured's request, any director of the Insured or partner of the Insured or any Employee, or any family member accompanying them, while temporarily outside the Territorial Limits in connection with the Business against legal liability as provided by this Section incurred in a personal capacity.

Provided that this indemnity shall not apply:

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

### J Claims under Data Protection Legislation

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

- a has complied in all respects with the Insured's obligations under the Data Protection (Charges and Information) Regulations 2018;
- b is not in business as a computer bureau; and
- c was acting as a sole and independent controller in respect of the matter giving rise to the compensation claim.

The Company's liability under this Extension (including all compensation, costs and expenses) shall be limited to a maximum amount of £500,000 in the aggregate and in any one Period of Insurance.

Provided that this indemnity shall not apply to:

- i any material or non-material damage caused by any deliberate act or omission, by the Insured, where such material or non-material damage could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission;
- ii any material or non-material damage caused by any act of fraud or dishonesty;
- iii the costs and expenses of rectifying, rewriting or erasing data (including personal data);
- iv liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person;
- v the payment by the Insured of any regulatory fines or penalties; or

vi any material or non-material damage caused by:

- a any deliberate, reckless or negligent act of any Employee; or
- b any failure by an Employee to act in accordance with the Insured's internal policies, procedures and guidelines; or

vii any compensation claim where indemnity is provided by any other insurance

For the purposes of this Extension:

i "GDPR" means:

The retained European Union law version of the General Data Protection Regulation (EU) 2016/679.

ii "compensation claim" means:

Any sums which the Insured becomes legally liable to pay as compensation to any data subject under and in accordance with Article 82 of the United Kingdom GDPR, or any equivalent legislation in the Channel Islands or the Isle of Man, or any similar or successor legislation, including the Data Protection Act 2018 (as may be amended from time to time).

iii "controller" shall have the meaning given to it in Article 4 (7) of the United Kingdom GDPR.

iv "material or non-material damage" shall be interpreted in accordance with Article 82 of the United Kingdom GDPR.

### K Work Overseas

The indemnity provided under this Section is extended to apply:

- a within any member country of the European Union where any director of the Insured or partner of the Insured or Employee is temporarily engaged on the Business of the Insured; and
- b elsewhere in the world where any director of the Insured or partner of the Insured or Employee is temporarily engaged in non-manual work in connection with the Business of the Insured,

Provided that such person is ordinarily resident within the Territorial Limits.

### L Motor Contingent Liability

Notwithstanding Exclusion 6 under this Section, the indemnity provided by this Section extends to indemnify the Insured against legal liability arising out of the use in the course of the Business of any motor vehicle which is not the property of, nor provided by, the Insured.

Provided that this indemnity shall not apply:

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

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

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

Provided that:

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

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

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

### **Conditions**

**The following Conditions apply to this Section:**

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

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

#### **2 Use of Heat**

It is a condition precedent to the liability of the Company that the undernoted precautions must be complied with whenever the following equipment is used anywhere other than at the Insured's Premises.

##### **a Blow Lamps or Blow Torches**

- i The area in which the blow lamps or blow torches is to be used is cleared of loose combustible material.
- ii Lighted blow lamps or blow torches are continuously attended and extinguished immediately after use.
- iii Blow lamps and blow torches are filled only in the open.
- iv A fire extinguisher, as deemed necessary in accordance with your fire risk assessment or, where such assessment is not required by legislation, a suitable fire extinguisher appropriate for the work being undertaken, is kept available for immediate use within close proximity of the area in which the equipment is to be used.

- v A thorough examination is made in and about the area in which the work using the equipment has been undertaken, immediately after each period of work and again between 30 and 60 minutes after termination of such work for the day.

#### b Welding or Flame Cutting Equipment

- i The area in which the welding or flame cutting equipment is to be used is cleared of loose combustible material.
- ii Other combustible material, including floors in the area in which the welding or flame cutting equipment is to be used, is covered with overlapping sheets of incombustible material.
- iii Lighted welding or flame cutting equipment is continuously attended and extinguished immediately after use.
- iv Before applying heat to metal work built into or projecting through walls, partitions, ceilings or floors, examination is made to ensure that the other side of the metal work is not in hazardous proximity to combustible material which may be ignited by direct or conducted heat.
- v A fire extinguisher, as deemed necessary in accordance with your fire risk assessment or, where such assessment is not required by legislation, a suitable fire extinguisher appropriate for the work being undertaken, is kept available for immediate use within close proximity of the area in which the equipment is to be used.
- vi A thorough examination is made in and about the area in which the work using the welding or flame cutting equipment has been undertaken, including behind walls, partitions, ceilings or floors, immediately after each period of work and again between 30 and 60 minutes after termination of such work for the day.

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

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

### Excesses

This Section does not cover and the Company shall not be liable for the first amount of each and every claim under this Section, as shown in the Schedule, in respect of Damage to Property occurring elsewhere than at the Premises.

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

### Exclusions

**The Company shall not be liable under this Section in respect of:**

- 1 the cost of replacing or making good faulty, defective or incorrect:
  - a workmanship; or
  - b materials, goods or other property, sold, supplied, installed or erected by or on behalf of the Insured;
- 2 Damage to Property sustained while it is being worked upon and directly resulting from such work;
- 3 legal liability arising from advice, design, formula or specification, provided by or on behalf of the Insured for a fee or in circumstances where a fee would normally be charged;
- 4 legal liability for Bodily Injury caused to any Employee arising out of and in the course of such person's employment or engagement, by the Insured in the Business;
- 5 legal liability for Damage to Property belonging to or in the charge of or under the control of the Insured, but this Exclusion shall not apply to property (including vehicles or their contents) of directors' of the Insured or partners' of the Insured, Employees' or visitors' or any premises (including contents) which are temporarily occupied by the Insured for the purpose of work in connection with the Business (not being buildings which are owned by or leased, rented or hired to the Insured);
- 6 legal liability caused by or arising from the ownership, possession or use by or on behalf of the Insured of any:
  - a Craft other than hand propelled watercraft; or
  - b mechanically propelled vehicle (or trailer attached thereto) licensed for road use, other than legal liability caused by or arising from:
    - i the use of plant as a tool of trade on site or at the Premises;
    - ii the loading or unloading of such vehicle; or
    - iii the movement of any such vehicle not the property of the Insured which is interfering with the performance of the Business,

- iv the possession of any such vehicle at the Premises,

but this Exclusion shall not apply if, in respect of such liability, compulsory insurance or security is required under any legislation governing the use of the vehicle;
- 7 legal liability arising out of any goods (including their containers, packaging, labelling and instructions for use) manufactured, sold, supplied, hired out, repaired, renovated, serviced, maintained, altered, erected, installed, examined, checked, cleaning or treated by or on behalf of the Insured in connection with the Business and no longer in the charge or control of the Insured other than:
  - a food or drink sold or supplied for consumption by the Insured's directors, partners, Employees or visitors; or
  - b the disposal of furniture and office equipment originally intended solely for use by the Insured in connection with the Business and which is no longer required for that purpose;
- 8 liquidated damages, fines or penalties;
- 9 punitive, exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages;
- 10 legal liability in respect of Pollution or Contamination, other than that caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during any one Period of Insurance provided that:
  - a all Pollution or Contamination, which arises out of any one original cause, shall be deemed to have occurred at the time such original cause takes place;
  - b the liability of the Company under this Section for all damages (including interest thereon) payable in respect of all Pollution or Contamination, which is deemed to have occurred during any one Period of Insurance, shall not exceed in the aggregate the amount of the Indemnity Limit stated in the Schedule; and
  - c this Exclusion does not apply to the United States of America and/or Canada and/or their dependencies or trust territories;
- 11 legal liability in respect of Pollution or Contamination, occurring in the United States of America and/or Canada and/or their dependencies or trust territories;
- 12 legal liability arising in connection with any visits to or work on, any offshore rig or platform. A visit to or work on, any offshore rig or platform, shall be deemed to commence at the time of embarkation onto a conveyance at the point of final departure to such rig or platform and continue until the time of disembarkation from a conveyance onto land on return from such offshore rig or platform;
- 13
  - a exposure to;
  - b inhalation of;
  - c fears of the consequences of exposure to or inhalation of; or
  - d the costs incurred by anyone in repairing, removing, replacing, recalling, rectifying, reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of,
    - Asbestos including any product containing Asbestos; or
- 14 legal liability assumed by the Insured under agreement which would not have attached in the absence of such agreement.

# Section 7: Defective Workmanship

The Company will, subject to the Indemnity Limit, indemnify the Insured under this Section against:

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

## Definitions

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

### Aircraft Products

Any structural parts, propulsion equipment, landing gear, substructure, electronic equipment, hydraulic equipment, technical instruments, tyres, fuel equipment or any other product which is knowingly manufactured, sold or distributed by the Policyholder for use in any aircraft, aerospace device or aerial device.

### Bodily Injury

Bodily Injury which shall include death, disease or illness.

### Business

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

- a** the ownership, repair, maintenance and decoration of the Premises;
- b** private work undertaken by any Employee for the Insured or, with the Insured's consent, for any director of the Insured or partner of the Insured or other Employee; and
- c** the provision and management of canteen, sports, social and welfare organisations, for the benefit of Employees and fire, security, first aid, medical and ambulance services.

### Contingencies

- a** The repair, servicing, maintenance, renovation, cleaning, treatment of or the installation of accessories to, any

Motor Vehicle including the supply of parts, components or accessories necessary to achieve such process of repair, servicing, maintenance, renovation, cleaning, treatment or installation;

- b** the examination of Motor Vehicles in accordance with the Motor Vehicles (Tests) Regulations;
- c** the pre-delivery check of new Motor Vehicles as required by the manufacturers and the fitting of additional accessories to them; and
- d** the sale or supply of Motor Vehicles or any other goods (including their containers, packaging, labelling and instructions for use) relevant to the Business.

### Indemnity Limit

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

### Occurrences

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

occurring anywhere within the Territorial Limits during the Period of Insurance and caused by any Contingencies performed in or from the United Kingdom, the Channel Islands or the Isle of Man (excluding any premises occupied or owned by the Insured which are not stated in the Schedule), in connection with the Business.

### Pollution or Contamination

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

### Property

Physical property.

### Territorial Limits

Anywhere in the world.

### Extensions

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

#### A Court Attendance Costs

In the event of any of the undernoted persons attending court as a witness at the request of the Company in connection with a claim in respect of which the Insured is

entitled to indemnity under this Section, the Company will pay compensation to the Insured at the following rates per day for each day on which attendance is required:

- |          |   |       |
|----------|---|-------|
| <b>a</b> | any director of the Insured or partner of the Insured | £500  |
| <b>b</b> | any Employee  | £250. |

## B Financial Loss

The Company will indemnify the Insured against legal liability for damages and claimants' costs and expenses if the Insured is ordered to pay the same by the court or if the Insured paid the same with the Company's written consent, in respect of any claim for financial loss made during the Period of Insurance.

Provided that the maximum liability of the Company under this Extension in respect of all claims made against the Insured in the aggregate during any one Period of Insurance, including costs and expenses incurred with the Company's consent in the defence and settlement of any claims, shall not exceed £100,000.

For the purpose of this Extension "financial loss" means an accidental pecuniary loss, cost or expense, incurred by any retail purchaser of goods sold or supplied, by the insured in connection with the Business which under the Sale of Goods Act 1979 is not of satisfactory quality or reasonably fit for the purpose for which it is intended.

The indemnity provided by this Extension shall not apply to:

- i** financial loss resulting from Bodily Injury, or Damage to Property;
- ii** the cost of refund, repair, alteration, replacement, removal or recall, of any Motor Vehicle or any other goods (including parts, components, accessories and any containers, packaging, labelling and instructions for use) , sold or supplied , by or on behalf of the Insured , which give rise to a claim hereunder, or any refund for such Motor Vehicle or other goods;
- iii** legal liability arising from any professional act, error, omission or advice;
- iv** goods (including parts, components, accessories and any containers, packaging, labelling and instructions for use) sold or supplied which, to the knowledge of the Insured are exported to the United States of America and/or Canada and/or their dependencies or trust territories unless agreed otherwise by the Company.

### Excess applicable to this Extension

This Section does not cover and the Company shall not be liable for the first £100 of each and every claim.

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

### Special Provision applicable to this Extension

Provided that if during the Period of Insurance, the Insured becomes aware of any circumstances which may be likely to give rise to a claim falling under this Extension and the Insured gives written notice to the Company of such circumstances during the Period of Insurance, any claim which may subsequently be made against the Insured arising out of the circumstances of which notification has been given shall be deemed to be a claim arising during such Period of Insurance, whenever such claim may actually be made.

## C Damage to Own Motor Vehicles

The Company will indemnify the Insured in respect of Damage to any Motor Vehicle belonging to or hired by the Insured, occurring during the Period of Insurance in connection with the Business and caused by or arising from any of the activities described by Contingencies **a**, **b** and/or **c** having been carried out on all such Motor Vehicles by or on behalf of the Insured.

Provided that the maximum liability of the Company under this Extension shall be limited to £100,000 in respect of all claims in the aggregate in any one Period of Insurance.

In the event of Damage giving rise to a claim under this Extension, the Company may, at the Company's option repair, reinstate or replace such Motor Vehicle or part thereof or make good the Damage by payment of money. If the Company elect to, or become bound to, repair, reinstate or replace such Motor Vehicle or part thereof, the Company shall not be bound to reinstate such Motor Vehicle exactly or completely but only as circumstances permit and in a reasonably sufficient manner.

The indemnity provided by this Extension shall not apply to:

- i** any claim arising whilst any Motor Vehicle is being driven by or on behalf of the Insured;
- ii** any Damage sustained whilst the Motor Vehicle is actually undergoing any of the activities described by Contingencies a, b and/or c;
- iii** any Damage caused by or arising from wear and tear, depreciation or mechanical or electrical breakdown or failure; or
- iv** any amount in excess of the market value of the Motor Vehicle at the time the Damage occurs.

### Excess applicable to this Extension

This Section does not cover and the Company shall not be liable for the first £250 of each and every claim.

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

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

The Company will indemnify the Insured and, at the Insured's request, any director of the Insured or partner of the Insured or any Employee, against legal costs and expenses, incurred in defending prosecutions for a breach of the Health and Safety at Work etc. Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man, committed or alleged to have been committed in the course of the Business during the Period of Insurance.

The Company will also pay prosecution costs for which the Insured is legally liable and any other costs, in appealing against any judgment given.

Provided that this indemnity shall not apply:

- i to the payment of any costs or expenses incurred without the Company's written consent; or
- ii to the payment of fines or penalties.

### E Consumer Protection and Food Safety Acts

The Company will indemnify the Insured and, at the Insured's request, any director of the Insured or partner of the Insured or Employee, against legal costs and expenses, incurred with the Company's written consent in connection with the defence of any proceedings or an appeal against conviction arising from such proceedings, brought for a breach of:

- a Part 2 of the Consumer Protection Act 1987; or
- b Section(s) 7, 8, 14 and/or 15 of the Food Safety Act 1990,

committed or alleged to have been committed in the course of the Business during the Period of Insurance.

Provided that this indemnity shall not apply to:

- i the payment of fines or penalties;
- ii proceedings or appeals in respect of any deliberate act or omission by the Insured, any director of the Insured, partner of the Insured or any Employee; or
- iii costs or expenses, insured by any other policy of insurance.

### F Cross Liabilities

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

### G Indemnity to Others

The Insured shall also include:

- a personal representatives of the Insured in the event of the death of the Insured, but only in respect of legal liability incurred by the Insured; and
- b if the Insured so requests:
  - i any director of the Insured or partner of the Insured or Employee, while acting in connection with the Business, provided that the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured; and
  - ii any officer or member, of the Insured's canteen, sports, social or welfare organisations and fire, security, first aid, medical and ambulance services, in their respective capacity as such.

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

### H Claims under Data Protection Legislation

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

- a has complied in all respects with the Insured's obligations under the Data Protection (Charges and Information) Regulations 2018;
- b is not in business as a computer bureau; and
- c was acting as a sole and independent controller in respect of the matter giving rise to the compensation claim.

The Company's liability under this Extension (including all compensation, costs and expenses) shall be limited to a maximum amount of £500,000 in the aggregate and in any one Period of Insurance.

Provided that this indemnity shall not apply to:

- i** any material or non-material damage caused by any deliberate act or omission, by the Insured, where such material or non-material damage could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission;
- ii** any material or non-material damage caused by any act of fraud or dishonesty;
- iii** the costs and expenses of rectifying, rewriting or erasing data (including personal data);
- iv** liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person;
- v** the payment by the Insured of any regulatory fines or penalties; or
- vi** any material or non-material damage caused by:
  - a** any deliberate, reckless or negligent act of any Employee; or
  - b** any failure by an Employee to act in accordance with the Insured's internal policies, procedures and and guidelines; or
- vii** any compensation claim where indemnity is provided by any other insurance.

For the purposes of this Extension:

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

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

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

Provided that:

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

Any information in support of this assertion requested by the Company shall be supplied by the Insured.

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

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

## Condition

The following Condition applies to this Section:

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

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

### Excesses

This Section does not cover and the Company shall not be liable for the first amount of each and every claim under this Section as shown in the Schedule, in respect of Damage to Property.

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

### Exclusions

The Company shall not be liable under this Section in respect of:

- 1 any claim arising whilst any Motor Vehicle is being driven by or on behalf of the Insured;
- 2 the cost of refund, repair, reinstatement or rectification of the original repair, servicing, maintenance, renovation, cleaning, treatment of or the installation of accessories to, any Motor Vehicle (including the supply of parts, components or accessories necessary to achieve such process of repair, servicing, maintenance, renovation, cleaning, treatment or installation) having been carried out by or on behalf of the Insured which give(s) rise to a claim hereunder;
- 3 the cost of refund, repair, alteration, replacement, removal or recall of any Motor Vehicle or any other goods (including parts, components, accessories and any containers), sold or supplied by the Insured which give(s) rise to a claim hereunder.  
  
Provided that this Exclusion does not apply in respect of Damage to such Motor Vehicle arising as a direct result of the activities described by Contingencies a, b and/or c having been carried out by or on behalf of the Insured;
- 4 legal liability arising from advice, design, formula or specification, provided by or on behalf of the Insured for a fee or in circumstances where a fee would normally be charged;
- 5 legal liability for Bodily Injury caused to any Employee arising out of and in the course of such person's employment or engagement, by the Insured in the Business;
- 6 legal liability caused by or arising from Property in the Insured's charge or control;
- 7 liquidated damages, fines or penalties;
- 8 punitive, exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages;
- 9 all legal liability in respect of Pollution or Contamination, other than that caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during any one Period of Insurance provided that:
  - a all Pollution or Contamination, which arises out of any one original cause, shall be deemed to have occurred at the time such original cause takes place; and
  - b this Exclusion does not apply to the United States of America and/or Canada and/or their dependencies or trust territories;
- 10 legal liability in respect of Pollution or Contamination, occurring in the United States of America and/or Canada and/or their dependencies or trust territories;
- 11 the Contingencies performed, effected, sold or supplied by the Insured which, to the knowledge of the Insured are exported to the United States of America and/or Canada and/or their dependencies or trust territories, unless otherwise agreed by the Company;
- 12 legal liability assumed by the Insured under agreement (other than under any condition or warranty of goods, implied by law) unless such liability would have attached in the absence of such agreement; or
- 13 legal liability arising from Aircraft Products.

# Section 8: Engineering Damage to Machinery and Plant, Engineering Inspection and Computer Insurance

## Section 8a : Engineering Damage to Machinery and Plant

In the event of sudden and unforeseen Damage at the Premises:

- 1 to the Property Insured occurring during the Period of Insurance by Explosion, Collapse or Breakdown; or
- 2 occurring during the Period of Insurance by Fragmentation,

the liability of the Company under this Section 8a in total for all claims or series of claims, arising out of any one original cause, shall not exceed the Sums Insured stated in Section 1: Material Damage in the Schedule.

## Definitions

The definitions which apply to this Section 8a are in addition to the General Definitions.

### Breakdown

- a The actual breaking, failure, distortion or burning out, of any part of the Property Insured whilst in ordinary use, arising from defects in the Property Insured, causing its sudden stoppage and necessitating repair or replacement, before it can resume work;
- b Fracturing of any part of the Property Insured by frost when such fracture renders the Property Insured inoperative;
- c The actual and complete severance of a rope but not breakage or abrasion of wires or strands, even though replacement may be necessary;
- d Error or omission of the operator(s) during normal operation of the Property Insured other than in respect of failure to maintain; or
- e Joint leakage, failure of welds, cracking, fracturing, overheating, of boilers, economisers, superheaters, pressure vessels, or any range of associated steam piping.

### Cyber Event

- a a failure of electronic equipment to correctly recognise, process or store any data; or
- b a hostile, malicious, illegal or transgressive act committed through electronic systems or (including but not limited to):
  - i a virus, meaning a program, code, programming instruction or any set of instructions intended to damage, interfere with or have a negative effect on computer programs, data or operations;

- ii hacking, meaning unauthorised access to any computer or other electronic equipment; or
- iii a denial of service attack, meaning any actions or instructions intended to damage, interfere with or affect the availability or performance of networks, network services, network connectivity or telecommunication systems.

### Collapse

The sudden and dangerous distortion (whether or not attended by rupture) of any part of the Property Insured 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).

### Defect

A flaw, imperfection, disorder or characteristic of, any part of the Property Insured which may or does prevent it from working in the way it was intended.

### Explosion

The sudden and violent rending of the Property Insured 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 Property Insured together with forcible ejection of the contents.

### Fragmentation

Damage caused by impact to surrounding property belonging to or in the custody and control of the Insured and for which the Insured is responsible, resulting from fragmentation of any part of the Property Insured excluding Damage:

- a to the Property Insured causing the Damage or any Property Insured directly driving or driven by the Property Insured;
- b to property being handled, conveyed, heated, cooled or processed by or contained in the Property Insured;
- c caused by leakage or by lack of heat, cooling, light, power or steam; or
- d caused by and occurring during testing of Property Insured.

### Hazardous Substance

Any substance other than ammonia that has been declared to be hazardous to health or the environment by a governmental authority.

### Hired in Plant

Equipment hired by the Insured as a temporary replacement for owned or leased Property Insured which is temporarily located at any other location or in transit for the purpose of repair, service, overhaul or maintenance but not Property Insured on free loan.

### Perishable Goods

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

### Pressure Plant

Property Insured which stores fluids either below or above atmospheric pressure including boilers, radiators, and associated apparatus and pipework.

### Property Insured

Property Insured (as defined in Section 1: Material Damage of this Policy) built to operate under vacuum or pressure, other than the weight of its contents, or used for the generation, transmission, storage or conversion of energy, but only where owned by or leased to the Insured or in the Insured's custody and control for which the Insured is responsible, for the purpose of the Business, excluding:

- a** supporting structures, lift enclosures (other than landing gates), rail tracks, anchorage bolts or fixing appliances, brickwork, masonry, foundations or chimneys;
- b** vehicles other than purpose built lifting and handling machinery;
- c** prototype and experimental machinery and plant;
- d** computer or data processing equipment unless linked and wholly dedicated to the control of any machine or production or treatment process;
- e** office equipment;
- f** communication or alarm systems;
- g** vending machines; and
- h** stock in trade and products of the Business.

### Reinstatement

Where Property Insured is subject to Damage to the extent that repair is uneconomic or impractical:

- a** if a building, its re-building; or
- b** if not a building, its replacement by similar Property Insured or property,

but in either case in a condition equal to but not better or more extensive than the Property Insured's condition when new.

Where Property Insured 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 solely by reason of the necessity to comply with legislation and regulations under Acts of Parliament or local authority bye-laws, in force prior to the event, or in respect of Extension 8 EEI (Environmental & Efficiency Improvements) where necessary.

Provided that:

- i** the liability of the Company shall not exceed the Sum Insured for Damage to the Property Insured;
- ii** the work of Reinstatement must be commenced and carried out expeditiously and must be completed within 12 months of the Damage or within any further time the Company may allow and may be carried out wholly or partially upon another site (if such legislation or regulations under Acts of Parliament or local authority bye-laws require) provided that the liability of the Company is not increased;
- iii** where Property Insured is partially subject to Damage, the liability of the Company shall not exceed the sum which the Company would have been called upon to pay for Reinstatement in the event of total destruction;
- iv** no payment beyond the amount which would have been payable had Condition 1 Basis of Settlement not been incorporated shall be made until the cost of Reinstatement has been incurred;
- v** no payment beyond the amount which would have been payable had Condition 1 Basis of Settlement not been incorporated shall be made if at the time of Damage to the Property Insured it is covered by any other insurance held by or on behalf of the Insured which is not upon a Reinstatement basis;
- vi** the amount payable hereunder shall not include;
  - vi.i** the cost incurred in complying with any legislation or regulations under Acts of Parliament or local authority bye-laws:
    - vi.i.i** unless the Insured receives notice from the relevant body to comply after the Damage occurs; or
    - vi.i.ii** in respect of any Property Insured or other property not subject to Damage or portions not subject to Damage of Property Insured or other property;
  - vi.ii** 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 Insured or by the owner, by reason of compliance with any legislation or regulations under Acts of Parliament or local authority bye-laws; and

- vii** where by reason of the above Provisions no payment will be made beyond the amount which would have been payable if Condition 1 Basis of Settlement had not been incorporated, the rights and liability of the Company and the Insured in respect of the Damage shall be subject to the terms, definitions, conditions, clauses and exclusions, of this Policy, as if Condition 1 Basis of Settlement had not been incorporated.

### Re-siting

The actual physical removal of Property Insured or a major part thereof from one site to another within the Premises.

## Extensions

**Cover provided by this Section 8a extends to include:**

### 1 Automatic Cover

Newly acquired Property Insured from the time testing is completed and such Property Insured is ready to commence normal working at the Premises.

Provided that:

- a** such Property Insured is free from Defects so far as the Insured is aware and complies with any statutory obligations concerning its examination and certification; and
- b** the Insured shall inform the Company in writing of such Property Insured within 12 months of being required and shall pay the additional premium required by the Company.

### 2 Temporary Removal

Damage to the Property Insured occurring within the United Kingdom, Channel Islands, Isle of Man, 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.

### 3 Machinery Movement

Damage to Property Insured during Re-siting not exceeding £25,000 in total for all claims or series of claims, arising out of any one original cause for Damage, for which liability is accepted by the Company.

### 4 Damage to Own Surrounding Property – Pressure Explosion

Damage to surrounding property owned by or leased to the Insured and for which the Insured is responsible

caused by Explosion of Pressure Plant not exceeding £1,000,000 in total for all claims or series of claims, arising out of any one original cause for Damage, for which liability is accepted by the Company.

This Extension does not cover Damage:

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

### 5 Hired in Plant

The legal liability of the Insured under the terms of the hiring agreement to pay:

- a** for the Damage to the Hired in Plant; and
- b** continuing hiring charges for Hired in Plant following Damage insured under a above,

whilst the Hired in Plant is at the Premises or in transit (other than by sea or air) between Premises, not exceeding a limit of £50,000 in total for all claims or series of claims, arising out of any one original cause for Damage, for which liability is accepted by the Company.

Where legal proceedings have been initiated against the Insured in respect of an indemnifiable incident under this Extension, the Company will at its sole discretion pay all reasonable legal expenses actually incurred by the Insured in defending such action.

The liability of the Company under this Extension shall not exceed £50,000 in total for all claims or series of claims, arising out of any one original cause for Damage, for which liability is accepted by the Company.

### 6 Cost of Substitute Equipment

The cost of hire charges incurred by the Insured for the necessary hire of substitute Property Insured of a similar type and capacity following Damage to the Property Insured during the period of repair or until the Property Insured is permanently replaced, not exceeding £10,000 in total for all claims or series of claims, arising out of any one original cause for Damage, for which liability is accepted by the Company.

### 7 Hazardous Substances

The increase in cost to repair, replace, clean up or dispose of Property Insured affected by a Hazardous Substance, not exceeding £25,000 in total for all claims or series of claims, arising out of any one original

cause for Damage, for which liability is accepted by the Company.

## 8 EEI (Environmental & Efficiency Improvements)

The additional costs involved, should Property Insured require replacement following an indemnifiable occurrence under this Section 8a, to replace the Property Insured with equipment that is better for the environment, safer and more efficient than the Property Insured being replaced, not exceeding 125% of what the cost would have been to replace with like kind, capacity, size, quality and function or £25,000 in total for all claims or series of claims, arising out of any one original cause, whichever is the less, subject always to the Sums Insured stated in Section 1: Material Damage in the Schedule.

## 9 Emergency Services

Emergency service charges for which the Insured may be liable, not exceeding £10,000 in total for all claims or series of claims, arising out of any one original cause for Damage, for which liability is accepted by the Company.

## 10 Perishable Goods

Damage to Perishable Goods due to deterioration or putrefaction whilst stored only in any proprietary refrigeration unit contained in the Premises for the purposes of the Business, caused by:

- a breakdown or failure of the installation, which means sudden stoppage of refrigeration process by reason of inherent fault or accidental means;
  - b escape of refrigerant or refrigeration fumes; or
  - c accidental failure of the public electricity supply,
- not exceeding £15,000 in total for all claims or series of claims, arising out of any one original cause for Damage, for which liability is accepted by the Company.

The Company shall not be liable under this Extension in respect of:

- a loss occurring in any refrigeration unit which is older than 5 years on the Effective Date (as stated in the Schedule) of the Period of Insurance, unless there is in force in respect of such refrigeration unit a maintenance or service agreement either with the manufacturers or suppliers thereof or a competent firm of refrigeration engineers;
- b loss caused by incorrect setting of thermostats or automatic temperature controlling devices;
- c any indirect loss which is incurred as a consequence of the Damage;

- d loss arising from a deliberate act of the public electricity supply authority or the exercise of such authority's power to withhold or restrict supply or from strikes or industrial disputes; or
- e Damage insured by any other Section or policy.

## 11 Further Extensions

Certain further Extensions as stated under Sections 8a, 8c, and 9 (Supplemental), of this Policy.

## Conditions

The following Conditions apply to this Section 8a.

### 1 Basis of Settlement

In respect of:

- a Property Insured less than three years old at the time of a claim; or
- b Pressure Plant,

the amount payable by the Company under this Section 8a shall be for the Reinstatement of the Property Insured.

### 2 Restricted Life

The indemnity provided under this Section 8a in respect of conveyor belts and refractory materials, forming a component part of the Property Insured which have a limited working life, shall be restricted to the value of such part or parts at the time of the indemnifiable occurrence due allowance having been made for the length of time the part or parts have been in service.

### 3 Multiple Lifting Operations

It is a condition precedent to the liability of the Company under this Section 8a that during any operation in which a load is shared between any items of Property Insured classed as lifting plant or lifting equipment (whether insured under this Section 8a or not), the lifting operation must be conducted in accordance with all relevant legislation and in addition, if the lifting operation involves the use of cranes the crane operation must be conducted in accordance with the BS7121 Codes of Practice or any replacement thereof.

### 4 Hiring Conditions

The insurance provided by Extension 5 Hired in Plant of this Section 8a will indemnify the Insured to the extent required by the following conditions of hire, which have been evidenced in writing and accepted and exchanged between all bound parties:

- a the Model Conditions for the Hiring of Plant recommended by the Construction Plant-hire Association or the Scottish Plant Owners Association or conditions not more onerous; or
- b specific conditions agreed by the Company in writing and endorsed upon this Section 8a.

In the event of a loss involving hire conditions more onerous than those covered by this Section 8a the indemnity provided will be limited to liability under a or b above as applicable.

## 5 Discovering a Defect

It is a condition precedent to the liability of the Company under this Section 8a that if the Insured finds out about a Defect in the Property Insured which has not yet resulted in Damage, the Insured must investigate it as soon as possible and, if necessary, correct the Defect in all Property Insured at the Insured's own expense.

## 6 Further Conditions

Certain further Conditions apply to this Section 8a as stated under Sections 8a, 8c, and 9 (Supplemental), of this Policy.

## Excess

This Section 8a does not cover and the Company shall not be liable for £250 being the first part of each and every claim.

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

## Exclusions

### The Company shall not be liable for:

- 1 Damage to Property Insured caused by or from:
  - a fire, lightning, explosion (other than Explosion as defined in this Section 8a), earthquake, flood, storm, tempest, inundation, escape of water from water containing apparatus, leakage from sprinkler installations, aircraft or other aerial devices or articles dropped therefrom; or
  - b theft or attempted theft,

but Damage to any Property Insured under this Section 8a by its own Explosion as a result of any such cause is not excluded.

This Exclusion shall not apply in respect of Property Insured under:

- i Extension 2 Temporary Removal whilst temporarily located at any other location and/or in transit, for the purposes of repair, service, overhaul or maintenance; or

- ii Extension 5 Hired in Plant;

- 2 Damage to Property Insured during installation, erection, dismantling, transportation or removal, other than transportation or removal under its own power whilst at the Premises or as provided under Extensions 2 Temporary Removal and 3 Machinery Movement;
- 3 any indirect loss as a consequence of the Damage unless specifically provided for elsewhere within this Section 8a;
- 4 any Damage or loss, of any kind, caused by a Cyber Event or any malfunction resulting therefrom; or
- 5 Damage to:
  - a safety or protective devices due to their functioning;
  - b tyres by cuts, bursts, punctures or the application of brakes, unless arising from a malicious act;
  - c batteries other than Damage due to extraneous cause; or
  - d 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.

Certain further Exclusions apply to this Section 8a as stated under Sections 8a, 8c, and 9 (Supplemental), of this Policy.

## Section 8b: Engineering Inspection

Where the Insured contracts the Company to carry out an Inspection, the Inspecting Authority will make periodical inspections of the Statutory Plant and, if applicable, All Other Plant where stated as insured in the Schedule and the Insured agrees to prepare and make available the Statutory Plant and, if applicable, All Other Plant at no expense to the Company or the Inspecting Authority to enable the Inspecting Authority to carry out such inspections and report thereon.

## Definitions

The definitions which apply to this Section 8b are in addition to the General Definitions.

### Statutory Plant

Boiler/pressure plant and lifting/handling plant.

**All Other Plant**

Electrical/mechanical plant and local exhaust ventilation plant.

**Inspection**

In respect of Statutory Plant:

**Boiler/pressure plant**

Thorough examination of all pressure systems, containing a relevant fluid, which require a written scheme of examination under regulation 8 of The Pressure Systems Safety Regulations 2000 and

**Lifting/handling plant**

Thorough examination of equipment used for the purpose of raising and/or lowering a load (where the load can include persons) as required by regulation 9 of The Lifting Operations & Lifting Equipment Regulations.

In respect of All Other Plant (if applicable):

**Electrical/mechanical plant**

Visual inspection of motors/compressors contained within qualifying pressure systems under the boiler/pressure plant schedule and

**Local exhaust ventilation plant**

Thorough examination and test of all systems used for the extraction of vehicle exhaust gases, solvent or paint fumes and brake lining dust as required by regulation 9 of The Control of Substances Hazardous to Health Regulations (This excludes the initial appraisal or re-validation of such systems as may be required under HSE HSG54 Local exhaust ventilation).

**Inspecting Authority**

Any qualified inspection service as authorised by the Company.

**Section 8c: Computer Insurance****Sub-Section 1 Covered Equipment**

The Company will indemnify the Insured against an Accident to the Covered Equipment whilst at the Premises.

Provided that the maximum liability of the Company under this Sub-Section shall not exceed £250,000 in total for all claims or series of claims arising out of any one original cause.

**Sub-Section 2 Reinstatement of Data**

The Company will indemnify the Insured against the cost of reinstating data subject to Damage in consequence of an Accident.

Provided that:

- a** the liability of the Company is limited solely to the cost of reinstating data;
- b** the maximum liability of the Company under this Sub-Section shall not exceed £50,000 in total for all such costs incurred in any one Period of Insurance.
- c** the Company shall not be liable for an Accident to software insured under Sub-Section 1 Covered Equipment;
- d** the Company shall not be liable under this Sub-Section for that which is more specifically insured under Sub-Section 3 Increased Cost of Working; and
- e** the Company shall not be liable for losses discovered later than six months after the loss was initiated.

**Sub-Section 3 Increased Cost of Working**

In the event that the Business at the Premises is interrupted or interfered with in consequence of an Accident, the Company will pay the Insured their increased costs of working necessarily and reasonably incurred in minimising or preventing the resulting interruption or interference, with the computer operations of the Business excluding costs more specifically insured under Sub-Section 2 Reinstatement of Data.

Provided that the maximum liability of the Company under this Sub-Section shall not exceed £50,000 in total for all such costs incurred in any one Period of Insurance.

**Definitions**

**The definitions which apply to this Section 8c are in addition to the General Definitions.**

**Accident**

- a** Damage in consequence of Breakdown or derangement to Covered Equipment insured under Sub-Section 1 Covered Equipment, from any cause not excluded;
- b** Loss or corruption of data insured under Sub-Section 2 Reinstatement of Data;
- c** Failure or variation in the supply of electricity or telecommunications networks owned and operated by the Insured; or
- d** Damage from any cause not excluded to any property at or adjacent to the Premises, which shall prevent or hinder the use of the Covered Equipment whether the Covered Equipment or other property at the Premises shall be subject to Damage or not, occurring during the Period of Insurance.

## Breakdown

The actual breaking, failure, distortion or burning out of any part of the Covered Equipment, whilst in ordinary use arising from defects in the Covered Equipment causing its sudden stoppage and necessitating repair or replacement, before it can resume work.

## Computer Equipment

- a** All electronic equipment used for the storage and communication of electronically processed data including peripheral devices, interconnecting wiring, fixed disks, telecommunications equipment, computerised telephone systems, electronic access equipment and electronic point of sale systems.
- b** Ancillary equipment solely for use with the Covered Equipment comprising air conditioning equipment, generating equipment, voltage regulating equipment, temperature and humidity recording equipment, electronic access equipment, heat and smoke detection equipment, gas flooding cylinders and pipework and computer room partitioning;
- c** Data Carrying Materials;
- d** All current and backup computer software and programs, held on hard disks or Data Carrying Materials; and
- e** Lock down plates, security enclosures, security cables and other similar devices,

owned by or on deferred purchase, leased, hired or rented to the Insured or whilst on trial with a view to purchase by the Insured.

Computer Equipment shall not include:

- i** Computer Equipment controlling manufacturing processes;
- ii** Computer Equipment manufactured for sale or held as stock for sale;
- iii** Portable Computer Equipment; or
- iv** Facsimile or photocopying machines not used for the storage and communication of electronically processed data,

## Covered Equipment

Computer Equipment and Portable Computer Equipment.

## Cyber Event

- a** a failure of electronic equipment to correctly recognise, process or store any data; or
- b** a hostile, malicious, illegal or transgressive act committed through electronic systems or (including but not limited to):

- i** a virus, meaning a program, code, programming instruction or any set of instructions intended to damage, interfere with or have a negative effect on computer programs, data or operations;
- ii** hacking, meaning unauthorised access to any computer or other electronic equipment; or
- iii** a denial of service attack, meaning any actions or instructions intended to damage, interfere with or affect the availability or performance of networks, network services, network connectivity or telecommunication systems.

## Data Carrying Materials

Removable magnetic, optical or electronic data storage media currently in use or used for backup purposes for programs or data.

Data Carrying Materials shall not include any fixed disks or paper records.

## Maintenance Agreement

An agreement with the manufacturer or other approved company in respect of the Covered Equipment providing for:

- a** free repairs to or replacement of the Covered Equipment following Breakdown or stoppage from any internal cause other than by a breach of the obligations of the Insured under the agreement; and
- b** preventative maintenance or adjustment of mechanical moving parts.

## Portable Computer Equipment

- a** Laptops, palmtops and notebooks;
- b** Personal Digital Assistants (PARAG);
- c** Projectors, printers, scanners and other peripheral devices which are designed to be carried and used in conjunction with other Portable Computer Equipment;
- d** Removable satellite navigation systems;
- e** Digital cameras;
- f** Smartphones;
- g** Electronic vehicle diagnostic equipment; and
- h** All current and backup computer software and programs, held on hard disks or Data Carrying Materials.

## Verified

Checked for accuracy and integrity, to ensure a precise match with the source data and capable of restoration.

## Extensions applying to all Sub-Sections

### Cover under all Sub-Sections is extended to include:

#### 1 Subrogation Waiver

In the event of a claim arising under this Section 8c, the Company agrees to waive any rights, remedies or relief, to which it might become entitled by subrogation against:

- a i any company which is the parent or subsidiary of the Insured; or
- ii any company which is a subsidiary of a parent of the Insured,

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

- b any user of the Covered Equipment authorised in writing by the Insured prior to the Accident.

Provided that:

- i any users so included observe and fulfil the terms, definitions, conditions, clauses and exclusions, of this Policy, as if they were the Insured; and
- ii the Insured do not receive any form of indemnity or damages from such users.

#### 2 Further Extensions

Certain further Extensions as stated under Sections 8a, 8c, and 9 (Supplemental), of this Policy.

## Extension applying to Sub-Section 1

### The cover under Sub-Section 1 Covered Equipment is extended to include:

#### 1 Automatic Cover

- a Newly acquired Covered Equipment belonging to the Insured or for which they are responsible, at any existing Premises shown in the Schedule until the next renewal date at no additional charge.

The maximum liability of the Company under this Extension shall not exceed £100,000 at any one Premises; and

- b Covered Equipment at any premises of the Insured for the purposes of the Business not advised to the Company.

Provided that:

- i the liability of the Company under this Extension does not exceed £150,000 at any one additional premises;
- ii security and fire protection are equal to or better than those at existing Premises; and

- iii an additional premium shall be charged pro rata from the date that such premises should have been advised to the Company.

#### 2 Waste Electrical and Electronic Equipment Directive

The additional costs incurred by the Insured in complying with the Waste Electrical and Electronic Equipment Directive for the disposal of electronic equipment following insured Damage to Covered Equipment provided that the amount payable under this Extension shall not exceed £25,000 in total for all claims or series of claims, arising out of any one original cause.

This amount is in addition to the limit for debris removal.

#### 3 Temporary Removal

Computer Equipment whilst temporarily removed or in transit to or from the Premises, to or from any other situation anywhere in the world (including whilst in transit by sea or air but only whilst in the custody, care and control of the Insured).

The maximum liability of the Company under this Extension shall not exceed £50,000 in total for all claims or series of claims, arising out of any one original cause.

This Extension does not apply to Portable Computer Equipment.

#### 4 Portable Computer Equipment

In respect of any Portable Computer Equipment (where cover is provided under this Section), the cover provided shall operate whilst such equipment is at or in transit between any situations in the world (including whilst in transit by sea or air).

Provided that:

- a the liability of the Company under this Extension in total for all claims or series of claims, arising out of any one original cause in respect of Portable Computer Equipment away from the Premises, shall not exceed:
  - i £5,000 in respect of Theft or attempt thereof claims; or
  - ii £25,000 in respect of any other loss; and
- b the Portable Computer Equipment shall at all times be carried as hand luggage when in transit other than by private motor vehicle.

#### 5 Data Carrying Materials

Data Carrying Materials as described in Computer Equipment Definition part c are insured whilst situated or in transit anywhere in the world.

## 6 Gas Flooding Systems

The cost of recharging a gas flooding system installed solely for the protection of the Covered Equipment following accidental discharge.

Provided that:

- a the Company shall not be liable under this Extension for any loss as a result of gradual leakage, discharge or drop in pressure;
- b the Insured shall maintain at their own expense the gas flooding system in accordance with the suppliers and/or manufacturers recommendations; and
- c the maximum liability of the Company under this Extension shall not exceed £25,000 in the aggregate and in any one Period of Insurance.

## Extensions of cover applying to Sub-Sections 1 and 2

**Cover under Sub-Section 1 Covered Equipment and Sub-Section 2 Reinstatement of Data is extended to include:**

### 1 Incompatibility of Records

Where Sub-Section 2 Reinstatement of Data is insured under this Section the Company will indemnify the Insured in respect of:

- a the cost of modifying the Covered Equipment insured under Sub-Section 1 Covered Equipment; or
- b the cost of replacing the Data Carrying Materials together with Reinstatement of Data,

whichever is the lesser,

as a result of an indemnifiable Accident to achieve equivalent compatibility with that existing Covered Equipment or Data Carrying Materials, immediately prior to the Accident, due to Data Carrying Materials that are not subject to an Accident being incompatible with the replacement Covered Equipment.

Provided that:

- i the replacement Covered Equipment is the nearest equivalent to that subject to an Accident; and
- ii the total amount payable under this Extension shall not exceed £50,000.

## Extensions of cover applying to Sub-Section 2

**Cover under Sub-Section 2 Reinstatement of Data is extended to include:**

### 1 Research and Development Costs

Costs of re-writing data processing, research or development projects to the stage reached immediately prior to the occurrence of an indemnifiable Accident but excludes any benefit to the Insured which would have been obtained from the completion of the project had the Accident not occurred provided that the liability of the Company under this Extension shall not exceed £25,000 in total for all claims or series of claims, arising out of any one original cause.

## Extensions of cover applying to Sub-Section 3

**Cover under Sub-Section 3 Increased Cost of Working is extended to include:**

### 1 Auditors Fees

Reasonable fees payable by the Insured to their auditors for producing and certifying any particulars or details contained in their books of account or other business books or documents or such other information as may be requested by the Company.

### 2 Additional Rental Charge

Additional lease or hire fees incurred following the replacement of an existing lease or hire agreement by a similar new agreement in consequence of an Accident to the Covered Equipment insured under Sub-Section 1 Covered Equipment.

Provided that:

- a the Insured will be indemnified for the unexpired portion of the lease/hire contract only;
- b payment shall cease at the expiry of the lease/hire contract in force at the time of the Accident or 24 months after the date of the Accident, whichever is the sooner; and
- c additional fees payable under this Extension shall not exceed £25,000 in total in respect of any one Accident or series of Accidents arising out of any one occurrence.

### 3 Hire of Substitute Item

In the event of the occurrence of an indemnifiable Accident the Company shall be liable for the cost of hire charges actually incurred by the Insured during the Period of Insurance, for the necessary hire of a substitute item of similar type and capacity during the period of repair

or until permanent replacement of the item subject to Damage.

The liability of the Company under this Extension shall not exceed £10,000 in total in respect of any one. Accident or series of Accidents arising out of any one occurrence.

## Conditions applying to all Sub-Sections

### 1 Further Conditions

Certain further Conditions apply to this Section 8c as stated under Sections 8a, 8c, and 9 (Supplemental), of this Policy.

## Conditions applying to Sub-Section 1 only

### 1 Basis of Settlement

In the event of a claim for which liability is accepted under this Section 8c, the basis upon which the amount payable is to be calculated shall be:

- a** Where any item of Covered Equipment is subject to an Accident to the extent that repair is uneconomic or impractical, its replacement by new Covered Equipment of equal performance and/or capacity or if such be impossible its replacement by Covered Equipment having the nearest higher performance and/or capacity to the Covered Equipment subject to an Accident; or
- b** Where the Covered Equipment is subject to an Accident, the repair of the Accident and the restoration of the portion of the Covered Equipment subject to an Accident to a working condition substantially the same as but not better or more extensive than its condition when new.

Provided that:

- i** The total liability of the Company in respect of an Accident to Covered Equipment shall not exceed the amount stated under Sub-Section 1 in accordance with the terms stated in Sub-Section 1 or additionally provided under the Automatic Cover Extension;
- ii** The work of repair or replacement must be commenced and carried out with reasonable despatch and in any case must be completed within six months after the Accident or within any further period of time as the Company may allow;
- iii** No payment beyond the amount which would have been payable if this Condition had not been incorporated shall be made until the cost of repair or replacement has been incurred;

- iv** No payment beyond the amount which would have been payable if this Condition had not been incorporated shall be made if at the time of any Accident to the Covered Equipment insured, it shall be covered by any other insurance held by or on behalf of the Insured which differs in basis of settlement from this insurance; and
- v** Where by reason of the above provisions no payment is made beyond the amount which would have been payable if this Condition had not been incorporated, the rights and liability of the Company and the Insured in respect of the Accident shall be subject to the terms, definitions, conditions, clauses and exclusions, of this Policy, as if this Condition had not been incorporated.

### 2 Back Up Programs

It is a condition precedent to the liability of the Company under this Sub-Section that where legally permissible, the Insured shall maintain a regularly updated and Verified back-up copy of all insured software and programs.

### 3 Unattended Vehicles

It is a condition precedent to the liability of the Company under this Sub-Section that whenever Covered Equipment is being transported by vehicle and the vehicle is left unattended:

- a** the Covered Equipment shall be kept out of sight in a luggage compartment, glove compartment or other container; and
- b** all windows or openings are to be closed and all doors locked.

Additionally when Covered Equipment is left in an unattended vehicle overnight, the vehicle shall be kept in a secure or attended garage, compound or yard.

## Conditions applying to Sub-Sections 2 and 3

### Back Up Records

It is a condition precedent to the liability of the Company under these Sub-Sections that the Insured shall maintain a minimum of 2 generations of Verified back-up computer records taken at intervals no less frequently than 48 hours with one copy as a minimum being held off site.

The Insured must take reasonable precautions to ensure that all backup tapes, storage devices or other computer records are used and stored, in accordance with the manufacturers recommendations.

## Exclusions applying to all Sub-Sections

### The Company shall not be liable for:

- 1 Loss of use of Covered Equipment or any other loss, arising as an indirect consequence of the Accident, other than as specifically insured under Sub-Section 2 Reinstatement of Data and Sub-Section 3 Increased Cost of Working, of this Section 8c;
- 2 This Section 8c does not cover and the Company shall not be liable for an Excess of £250 being the first part of each and every claim other than:
  - a where the terms of Exclusion 1 applying to Sub-Section 3 Increased Cost of Working are applicable;
  - b in respect of Damage resulting from fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, whereby the Excess shall be nil;
  - c where the only loss sustained by the Insured as a result of theft or attempted theft is Damage to items defined under item e of the Computer Equipment Definition, whereby the Excess shall be nil.

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

- 3 Loss or damage arising from loss, corruption or damage to bespoke software or individually tailored packages, unless the Insured has in force a software support agreement with the supplier or a third party maintainer approved by the supplier;
- 4 Loss, interruption or interference, directly or indirectly due to incorrect operation of safety or protective devices;
- 5 any Damage or loss, of any kind, caused by a Cyber Event or any malfunction resulting therefrom; or
- 6 Any loss, interruption or interference, directly or indirectly due to failure of any part requiring periodic renewal.

Certain further Exclusions apply to all Sub-Sections as stated under Sections 8a, 8c, and 9 (Supplemental), of this Policy.

## Exclusions applying to Sub-Section 1 only

### The Company shall not be liable for:

- 1 Damage recoverable under the Maintenance Agreement or any warranty or guarantee; or
- 2 An Accident to Covered Equipment whilst hired out or loaned out.

## Exclusion applying to Sub-Sections 2 and 3

### The Company shall not be liable for:

- 1 Any cost or loss caused by or resulting from the failure or interruption of any electrical power supply network or Telecommunication Network not owned and operated by the Insured. This Exclusion shall not apply to any cost or loss caused by or resulting from physical damage, if otherwise insured by this Policy, to the electrical power supply network, Telecommunication Network or other property.

Telecommunication Networks include, but are not limited to, the internet, internet service providers, Domain Name System service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.

## Exclusion applying to Sub-Section 3 only

### The Company shall not be liable for:

- 1 Increased Cost of Working incurred during the first 48 hours following the failure of any item of Covered Equipment due to its Breakdown or derangement, where a Maintenance Agreement is not in force on the item at the time of the loss or damage.

# Section 9: Engineering Business Interruption

The cover provided by this Section is subject to cover being provided under Section 2: Business Interruption of this Policy.

In the event that the Business carried on by the Insured at the Premises is interrupted or interfered with, in consequence of an Accident, the Company will indemnify the Insured for the amount of the loss of:

- a Gross Profit (if Estimated Gross Profit is applicable under Section 2 of this Policy); or
- b Gross Revenue (if Estimated Gross Revenue is applicable under Section 2 of this Policy),

resulting from the interruption or interference, in accordance with the basis of cover described below.

Provided that the total liability of the Company in respect of loss of Gross Profit or Gross Revenue (as applicable), shall not exceed £250,000 in the aggregate and in any one Period of Insurance.

## Definitions

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

### Accident

Event 1

Sudden and unforeseen Damage to the Property Insured under Section 8a of this Policy, provided that:

- a payment shall have been made or liability admitted for such Damage, under Section 8a of this Policy; and
- b in respect of such Damage by Explosion insured under Section 8a of this Policy, cover hereunder shall not apply in respect of Explosion of a boiler or economiser, belonging to or under the control of the Insured, on the Premises;

Event 2

Failure or fluctuation, the duration of which continues beyond the Franchise period, of:

- a the public electricity, gas or water supply, at the terminal point of the supplier's feed to the Premises; or
- b telecommunications at the Premises,

which prevents or hinders, the usage or operation of the Property Insured under Section 8a, occurring during the Period of Insurance.

### Gross Profit

The amount by which:

- a the sum of the Turnover and the value of the closing stock shall exceed
- b the sum of the amount of the opening stock and the amount of the Uninsured Working Expenses.

NOTE: For the purpose of this Definition, the amount of the opening stock and value of the closing stock shall be arrived at in accordance with the Insured's usual accounting methods, due provision being made for depreciation.

### Gross Revenue

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

### Indemnity Period

The period beginning with the occurrence of an Accident and ending when the results of the Business shall cease to be affected by the Accident but not exceeding the Indemnity Period being the number of months stated in the Schedule under Section 2 of this Policy.

### Rate of Gross Profit

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

### Standard Turnover

The Turnover during that period in the 12 months immediately before the date of the Accident 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 the variations in or special circumstances affecting the Business, either before or after the Accident or which would have affected the Business had the Accident not occurred, so that the figures thus adjusted shall represent as accurately as may be reasonably practicable the results which but for the Accident would have been obtained during the relative period after the Accident.

### Definitions (of Rate of Gross Profit and Standard Turnover) Relating to New Businesses Only

In the event that a claim arises from an Accident occurring prior to the completion of the first trading year of the Business at the Premises, the Definitions for the Rate of Gross Profit and Standard Turnover are replaced by the following Definitions.

**Rate of Gross Profit**

The rate of Gross Profit earned on the Turnover during the period between the date of commencement of the Business and the date of the Accident.

**Standard Turnover**

The proportional equivalent for a period equal to the Indemnity Period of the Turnover realised during the period between the date of commencement of the Business and the date of the Accident.

**Standard Turnover**

The Gross Revenue during the period in the 12 months immediately before the date of the Accident 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 the variations in or special circumstances affecting the Business, either before or after the Accident or which would have affected the Business had the Accident not occurred, so that the figures thus adjusted shall represent as accurately as may be reasonably practicable the results which but for the Accident would have been obtained during the relative period after the Accident.

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

**Definition (of Standard Gross Revenue) Relating to New Businesses Only**

In the event that a claim arises from an Accident occurring prior to the completion of the first trading year of the Business at the Premises, the Definition of Standard Gross Revenue is replaced by the following Definitions.

**Standard Turnover**

The proportional equivalent for a period equal to the Indemnity Period of the Gross Revenue realised during the period between the date of commencement of the Business and the date of the Accident.

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

**Turnover**

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

**Uninsured Working Expenses**

The sum of:

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

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

**Basis of Cover**

**Gross Profit**

The insurance in respect of Gross Profit (when applicable) is limited to loss of Gross Profit due to:

**a reduction in Turnover**

being 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 an Accident; and

**b increase in cost of working**

being the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or

diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of an Accident, 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 charges and expenses of the Business, as may cease or be reduced, in consequence of the Accident.

### Gross Revenue

The insurance in respect of Gross Revenue (when applicable) is limited to loss of Gross Revenue due to:

#### a reduction in Gross Revenue

being the amount by which the Gross Revenue during the Indemnity Period shall fall short of the Standard Gross Revenue in consequence of an Accident; and

#### b increase in cost of working

being 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 Accident but not exceeding the amount of the reduction in Gross Revenue thereby avoided,

less any sum saved during the Indemnity Period in respect of charges and expenses of the Business as may cease or be reduced in consequence of the Accident.

### Professional Accountants Fees

The Company will pay to the Insured (within the limit of indemnity under this Section) the reasonable charges payable to their professional accountants for producing particulars, details or any other proofs, information or evidence, required by the Company.

### Extensions

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

#### Subrogation Waiver

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

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

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

### Conditions

Certain further Conditions apply to this Section as stated under Sections 8a, 8c, and 9 (Supplemental), of this Policy.

### Clauses

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

#### 1 Accumulated Stocks

##### a Gross Profit

In adjusting any loss, account shall be taken and an equitable allowance made if any reduction in Turnover due to the Accident is postponed by reason of the Turnover being temporarily maintained from accumulated stocks of raw materials, work in progress or finished goods.

##### b Gross Revenue

In adjusting any loss, account shall be taken and an equitable allowance made if any reduction in Revenue due to the Accident is postponed by reason of the Revenue being temporarily maintained from accumulated stocks of raw materials, work in progress or finished goods.

#### 2 Departmental Trading

Where the Business is conducted in departments of which the independent trading results are ascertainable, the terms of items a and b of the Gross Profit or Gross Revenue (when insured under this Section), under Basis of Cover in this Section, shall apply separately to each department affected by the Accident.

#### 3 Option to Convert to Output (Gross Profit cover only)

The Insured shall have the option to convert the basis of settlement from Turnover to Output or other basis, as may more realistically measure a loss.

For this purpose Output shall mean the sale value of materials produced by the Insured in the course of the Business at the Premises provided that only one basis shall be operative in connection with any one loss.

#### 4 Alternative Premises

##### a Gross Profit

If during the Indemnity Period, goods are sold or services are rendered, elsewhere than at the

Premises for the benefit of the Business, either by the Insured or by others on the Insured's behalf, the money paid or payable shall be taken into account in arriving at the Turnover during the Indemnity Period.

#### **b Gross Revenue**

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

#### **5 Franchise**

In respect of Event 2 of Accident, this Section does not cover and the Company shall not be liable for a period of 24 hours beginning with the occurrence of an Accident causing a loss, which must be exceeded before an indemnity is paid.

#### **6 Time Exclusion**

In respect of Event 1 of Accident, this Section does not cover and the Company shall not be liable for a period of 24 hours beginning with the occurrence of an Accident during which no indemnity is payable.

### **Exclusions**

**The Company shall not be liable under this Section for any loss resulting from interruption or interference due to:**

#### **1 Excluded perils**

In respect of Event 1 of Accident:

- a** fire, lightning, explosion (other than Explosion as specifically provided for under this Section), earthquake, flood, storm, tempest, inundation, escape of water from water containing apparatus, leakage from sprinkler installations, aircraft or other aerial devices or articles dropped therefrom; or
- b** theft or attempted theft,  
at the Premises;

#### **2 Deliberate Act of Supply Authority**

The total or partial failure of utilities, services or supplies, caused by:

- a** deliberate act of any supply authority unless performed for the sole purpose of safeguarding life or protecting a part of any supply authority's system;
- b** scheme of rationing unless necessitated solely by physical damage to a part of the supply authority's system;
- c** strike or lock-out, total or partial withdrawal of labour or partial or complete cessation of work; or
- d** drought;

#### **3 Cyber Event**

a Cyber Event as defined under Section 8a: Engineering Damage to Machinery and Plant, of this Policy; or

- 4** Insolvency or Bankruptcy losses caused by or arising from the Insured's insolvency or bankruptcy.

**The Company shall also not be liable under this Section for:**

- 5** loss of Gross Profit or Gross Revenue (as applicable), or any other cost, resulting from:
  - a** any lease, contract, licence or order ending or being suspended or cancelled;
  - b** penalties of any kind;
  - c** lack of, or guarantees of, performance;
  - d** inefficiency or delay; or
  - e** measures to eliminate or reduce losses from any of the causes stated above in this Exclusion.

Certain further Exclusions apply to this Section as stated under Sections 8a, 8c, and 9 (Supplemental), of this Policy.

# Sections 8a, 8c and 9: (Supplemental)

The following are applicable to the Sections stated.

## Extensions

**In respect of Section 8a: Engineering Damage to Machinery and Plant and Section 8c: Computer Insurance, of this Policy, the following further Extensions apply:**

### 1 Debris Removal

Subject to the relevant limit of indemnity or Sum Insured, in respect of each claim for Damage for which liability is accepted, the cover provided by this Section extends to include costs incurred in the removal of debris and protection of the Property Insured or Covered Equipment (in respect of Section 8c), following indemnifiable Damage not exceeding:

- a £25,000; or
- b 20% of the indemnifiable Damage,

whichever is the lower, in total for all claims or series of claims, arising out of any one original cause.

### 2 Loss Avoidance Measures

Subject to the relevant limit of indemnity or Sum Insured, the Company will pay reasonable costs incurred in taking exceptional measures to prevent or mitigate impending Damage for which indemnity is provided by the Section.

Provided that:

- a Damage would reasonably be expected if such measures were not implemented;
- b the Company are satisfied that Damage has been avoided or mitigated, by means of the exceptional measures;
- c the amount payable will be limited to the cost of Damage which would have otherwise occurred; and
- d the terms, definitions, conditions, clauses and exclusions, applicable to the Section, apply as if Damage had occurred.

### 3 Automatic Reinstatement

Sums Insured or limits of indemnity will be reinstated from the date of occurrence of any claim subject to an additional premium.

The Company will waive the additional premium if the total cost of the claim does not exceed £25,000.

### 4 Expediting Costs

Subject to the relevant limit of indemnity or Sum Insured, the Company will pay costs necessarily and reasonably incurred in making temporary repairs upon and/or expediting the repair, reinstatement or replacement, of Property Insured or Covered Equipment (in respect of Section 8c), as a result of indemnifiable Damage provided that the liability of the Company shall not exceed:

- a 50% of the cost of such Damage; or
- b £50,000,

whichever is the lower, in total for all claims or series of claims, arising out of any one original cause.

### 5 Repair Costs Investigation

Subject to the relevant limit of indemnity or Sum Insured and with their prior written agreement, the Company will pay costs relating to repair investigations and tests, following indemnifiable Damage to Property Insured or Covered Equipment (in respect of Section 8c), by consulting engineers provided that the liability of the Company in total shall not exceed £25,000 in any one Period of Insurance.

The Company shall not be liable under this Extension for fees incurred in preparing a claim under this Section.

## Conditions

**In respect of Section 8a: Engineering Damage to Machinery and Plant, Section 8c Computer Insurance and Section 9: Engineering Business Interruption, of this Policy, the following further Conditions apply:**

### 1 Claims Settlement

- a The Company may at its option repair, reinstate, replace or pay in money, for any Damage covered by this Policy.

The amount stated as the Excess or the loss sustained by the Insured during any Time Exclusion, will be deducted from the settlement and borne by the Insured.

- b Without prejudice to liability, the Insured may proceed with minor repairs subject to compliance with Claims Condition 2 of this Policy.
- c To the extent that the Insured is accountable to the tax authorities for Value Added Tax all claims settlements shall be exclusive of such tax.

## 2 Payments on Account

Notwithstanding Claims Condition 2 of this Policy, where liability is accepted, the Insured shall be entitled to receive interim payments as agreed between the Insured and the Company.

## 3 Other Insurance

Notwithstanding Claims Condition 6 of this Policy, the insurance by Sections 8a, 8c and 9 does not cover any Damage which is insured by or would but for the existence of this Section be insured by, any other policy or policies except in respect of any excess beyond the amount which would have been payable under such policy or policies, had this insurance not been effected.

## 4 Access

The Company or its representatives shall have the right of access to the Property Insured or Covered Equipment (in respect of Section 8c), at reasonable times.

## 5 General Conditions, Claims Conditions or General Exclusions

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

## Exclusions

**In respect of Section 8a: Engineering Damage to Machinery and Plant and Section 8c Computer Insurance, of this Policy, the following further Exclusions apply:**

Other than as specifically provided for elsewhere within the Section, the Company shall not be liable for:

### 1 Intentional Acts

Damage or any loss resulting from interruption to or interference with the Business due to:

- a any intentional act or failure to act by the Insured, unless this is a measure to reduce injury or Damage;
- b intentional overloading, testing, experiment or deliberate application of any abnormal condition;

### 2 Wear and Tear

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; or

- d erosion or corrosion,

but this shall not exclude resultant Damage not otherwise excluded;

### 3 Application of Tools

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;

### 4 Guarantees of Performance

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

### 5 Airborne and Waterborne Craft

Damage to airborne or waterborne vessels, craft, platforms or rigs, or any Property Insured or Covered Equipment (in respect of Section 8c), situated thereon or being loaded onto or offloaded therefrom;

### 6 Insolvency or Bankruptcy

losses caused by or arising from the Insured's insolvency or bankruptcy; or

### 7 Maintenance Agreement, Warranty or Guarantee

any loss, destruction or damage recoverable under any maintenance agreement or any warranty or guarantee.

# Section 10: Legal Expenses

**Claims under this Section are administered and managed by ARAG on behalf of the Company.**

## Terms of the Agreement:

The Company agrees to provide the insurance described in this Section for the Insured (or where specified, the Insured Person) in respect of any Insured Incident arising in connection with the Business.

Provided that:

- 1 Reasonable Prospects exist for the duration of the claim;
- 2 the Date of Occurrence of the Insured Incident is:
  - a during the Period of Insurance; or
  - b during the currency of a previous equivalent legal expenses insurance policy, provided that:
    - i the previous legal expenses insurance policy required the Insured to report claims during its currency;
    - ii the Insured could not have notified a claim previously as the Insured could not have reasonably been aware of the Insured Incident;
    - iii cover has been continuously maintained in force;
    - iv ARAG will not cover any claim that should have been covered under a previously operative legal expenses insurance policy; and
    - v the available limit of indemnity shall be limited to the lesser of the sums payable under this or the Insured's previous policy;
- 3 any legal proceedings will be dealt with by a court, or other body which ARAG agrees to, within the Territorial Limits; and
- 4 the Insured Incident happens within the Territorial Limits.
- 3 the most the Company will pay in Costs and Expenses is no more than the amount the Company would have paid to a Preferred Law Firm or tax consultancy. The amount the Company will pay a law firm (where acting as an Appointed Representative) is currently £100 per hour. This amount may vary from time to time;
- 4 in respect of an appeal or the defence of an appeal, the Insured must tell ARAG as soon as possible and within the statutory time limits allowed that they want to appeal. Before the Company pays the Costs and Expenses for appeals, ARAG must agree that Reasonable Prospects exist;
- 5 for an enforcement of judgment to recover money and interest due to the Insured after a successful claim under this Section, ARAG must agree that Reasonable Prospects exist;
- 6 where an award of damages is the only legal remedy to a dispute and the cost of pursuing legal action is likely to be more than any award of damages, the most the Company will pay in Costs and Expenses is the value of the likely award; and
- 7 in respect of Insured Incident B 6 Jury Service and Court Attendance (Legal Defence), the maximum the Company will pay is the Insured Person's net salary or wages for the time that the Insured Person is attending court or tribunal less any amount the Insured, the court or tribunal pays.

## What the Company will not pay

## What the Company will pay

The Company will pay an Appointed Representative, on the Insured's behalf, Costs and Expenses incurred following an Insured Incident, and any compensation awards that ARAG have agreed to, provided that:

- 1 the most the Company will pay for all claims resulting from one or more event arising at the same time or from the same originating cause, for Costs and Expenses and compensation awards claims, is shown as the Indemnity Limit stated in the Schedule;
- 2 the most the Company will pay for the total of all compensation awards under Insured Incident A 2 Compensation Awards (Employment Disputes and Compensation Awards) in any one Period of Insurance is £1,000,000;
- 1 In the event of a claim, if the Insured decides not to use the services of a Preferred Law Firm or tax consultancy, the Insured will be responsible for any costs that fall outside the ARAG Standard Terms of Appointment and these will not be paid by the Company.
- 2 The Company shall not be responsible for the first £500 of any contract dispute claim where the amount in dispute exceeds £5,000 (including VAT). If the Insured is using a Preferred Law Firm, the Insured will be asked to pay this within 21 days of their claim having been assessed as having Reasonable Prospects. If the Insured is using their own law firm, this will be within 21 days of their appointment (following confirmation that the Insured's claim has Reasonable Prospects). If the Insured Person does not pay this amount, the cover for the Insured's claim could be withdrawn.
- 3 If the Insured is registered for VAT, the Company will not pay the VAT element of any Costs and Expenses.

## Making a Claim

### Important information

Please do not ask for help from a lawyer, accountant or anyone else before ARAG has agreed that the Insured Person should do so, otherwise the Company will not pay the costs involved even if ARAG accepts the claim.

### Reporting the claim

Please refer to the Helpline Services section in this Policy booklet for the legal advice services which are available.

If the issue cannot be dealt with through legal advice and needs to be dealt with as a potential claim under this Section of the Policy:

- call ARAG on **0345 878 5033**, available 24 hours a day, 7 days a week.
- have the policy number ready for when ARAG ask for details about the claim.

### ARAG will assess the claim

- To check the claim is covered by the policy.
- If it is covered, it will be sent to a lawyer who specialises in that type of claim.

### The lawyer will

- Assess the case and tell the Insured Person how likely it is that the claim will succeed.

### If the Insured Person is more likely than not to win, the lawyer will

- Manage the case from start to finish.

Please note this is an overview of the claims process for guidance purposes only. ARAG's claims handlers can answer any questions the Insured Person may have when they receive the claim. Alternatively, the Insured Person can visit [claims.araginsurance.co.uk](https://claims.araginsurance.co.uk).

## Definitions

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

### Appointed Representative

The Preferred Law Firm or tax consultancy, law firm, accountant or other suitably qualified person ARAG will appoint on the Insured Person's behalf.

### ARAG

ARAG Legal Expenses Insurance Company Limited.

### ARAG Standard Terms of Appointment

The terms and conditions (including the amount ARAG will pay to an Appointed Representative) that apply to the relevant type of claim, which could include a conditional fee agreement (no win, no fee). Where a law firm is acting on the Insured Person's behalf the amount is currently £100 per hour. This amount may vary from time to time.

### Costs and Expenses

- All reasonable, proportionate and necessary costs chargeable by the Appointed Representative and agreed by ARAG in accordance with the ARAG Standard Terms of Appointment; and
- The costs incurred by opponents in civil cases if the Insured Person has been ordered to pay them, or the Insured Person pays them with the agreement of ARAG.

### Date of Occurrence

- For civil cases (other than as specified under **c** to **e** below), the date of the event that leads to a claim. If there is more than one event arising at different times from the same originating cause, the Date of Occurrence is the date of the first of these events. (This is the date the event happened, which may be before the date the Insured Person first became aware of it.)
- For criminal cases, the date the Insured Person began, or is alleged to have begun, to break the law.
- For Insured Incident F Statutory Licence Appeal, the date when the Insured first became aware of the proposal by the relevant licensing or regulatory authority to suspend, alter the terms of, refuse to renew or cancel the Insured's licence, mandatory registration or British Standard Certificate of Registration.
- For Insured Incident G Tax Protection, the date when HM Revenue & Customs, or the relevant authority, first notifies the Insured of its intention to carry out an enquiry. For VAT or Employer Compliance Disputes, the date the dispute arises during the Period of Insurance following the issue of an assessment, written decision or notice of a civil penalty.
- For Insured Incident B 5 Statutory Notice Appeals (Legal Defence), the date when the Insured Person is issued with the relevant notice and has the right to appeal.

### Employer Compliance Dispute

A dispute with HM Revenue & Customs concerning the Insured's compliance with Pay As You Earn, Social Security, Construction Industry or IR35 legislation and regulations.

### Insured Incident

As set out in Sub-Sections A to H under the heading “Insured Incidents” of this Section 10 (Legal Expenses).

### Insured Person

- a The Insured and the directors, partners, managers, Employees and any other individuals declared to the Company by the Insured.
- b A person contracted to work for the Insured, who works for the Insured on the same basis as the Insured’s Employees, and performs that work under the Insured’s supervision and direction.

### Preferred Law Firm

A law firm, barrister or tax expert ARAG choose to provide legal or other services. These specialists are chosen as they have the proven expertise to deal with the Insured Person’s claim and must comply with the ARAG agreed service standard levels, which ARAG audit regularly. They are appointed according to the ARAG Standard Terms of Appointment.

### Reasonable Prospects

- a For civil cases, the prospects that the Insured Person will recover losses or damages or a reduction in tax or National Insurance liabilities (or obtain any other legal remedy that ARAG have agreed to, including an enforcement of judgment), make a successful defence or make a successful appeal or defence of an appeal, must be at least 51%. A Preferred Law Firm or tax consultancy on ARAG’s behalf, will assess whether there are Reasonable Prospects.
- b For criminal cases there is no requirement for there to be prospects of a successful outcome.
- c For civil and criminal appeals the prospects of a successful outcome must be at least 51%.

### Tax Enquiry

A written notice of enquiry, issued by HM Revenue & Customs, to carry out an Income Tax or Corporation Tax compliance check which either:

- a includes a request to examine any aspect of the Insured’s books and records; or
- b advises of a check of an Insured’s whole tax return.

### Territorial Limits

- a For Insured Incidents B Legal Defence (excluding 5 Statutory Notice Appeals) and D b Personal Injury:

The United Kingdom, the European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Gibraltar, Iceland, Liechtenstein, Monaco, Montenegro, North Macedonia, Norway, San Marino, Serbia, Switzerland and Turkey.

- b For all other Insured Incidents:  
The United Kingdom, the Isle of Man and the Channel Islands.

### Value Added Tax (VAT) Dispute

A dispute with HM Revenue & Customs, following the issue of an assessment, written decision or notice of a civil penalty relating to the Insured’s VAT affairs.

### Insured Incidents

#### A Employment Disputes and Compensation Awards

##### 1 Employment Disputes

#### What is insured

The Company will pay Costs and Expenses to defend the Insured’s legal rights:

- a before the issue of legal proceedings in a court or tribunal:
  - i following the dismissal of an Employee; or
  - ii where an Employee or ex-Employee has contacted ACAS (Advisory, Conciliation and Arbitration Service) to commence the Early Conciliation procedure; or
- b in unfair dismissal disputes under the ACAS Arbitration Scheme; or
- c in legal proceedings in respect of any dispute relating to:
  - i a contract of employment with the Insured; or
  - ii an alleged breach of the statutory rights of an Employee, ex-Employee or prospective Employee under employment legislation.

#### What is not insured

The Company will not pay any claim relating to the following:

- 1 unless equivalent legal expenses insurance was continuously in force before:
  - a any dispute where the originating cause of action arises within the first 90 days of the inception of cover under this Section of the Policy;

- b** any dispute with an Employee who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the date of inception of this Section of the Policy, if the Date of Occurrence was within the first 180 days of the inception of cover under this Section of the Policy and the dispute relates directly to the same matter(s) which gave rise to that warning; or
  - c** any notice of redundancy or alleged redundancy or unfair selection for redundancy, arising within the first 180 days of the inception of cover under this Section of the Policy;
- 2** Employee internal disciplinary or grievance procedures;
  - 3** damages for personal injury;
  - 4** Transfer of Undertakings Regulations (TUPE) or the Transfer of Employment (Pension Protection) Regulations; or
  - 5** pursuing the legal rights of the Insured.

## 2 Compensation Awards

### What is insured

The Company will pay:

- a** any basic and compensatory award; and/or
- b** an order for compensation or damages following a breach of the Insured's statutory duties under employment legislation,

in respect of a claim ARAG have accepted under Insured Incident A 1 Employment Disputes.

Provided that:

- a** in cases relating to performance and/or conduct, the Insured has throughout the employment dispute either:
  - i** followed the ACAS Code of Practice on Disciplinary and Grievance Procedures; or
  - ii** followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
  - iii** sought and followed advice from ARAG's legal advice service (telephone **0330 041 3760**).
- b** for an order of compensation following the Insured's breach of statutory duty under

employment legislation, the Insured has at all times sought and followed advice from ARAG's legal advice service since the date when the Insured should have known about the employment dispute (telephone **0330 041 3760**).

- c** for any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, the Insured has sought and followed advice from ARAG before starting any redundancy process or procedure with their Employees (telephone **0330 041 3760**).
- d** the compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by ARAG.

The total amount payable by the Company of the for all compensation awards and sums of money in settlement of a dispute shall not exceed £1,000,000 in the aggregate and in any one Period of Insurance.

### What is not insured

The Company will not pay any claim relating to the following:

- 1** Any compensation award relating to the following:
  - i** trade union activities, trade union membership or non-membership;
  - ii** pregnancy or maternity rights, paternity, parental or adoption rights;
  - iii** health and safety related dismissals brought under section 44 of the Employment Rights Act 1996; or
  - iv** statutory rights in relation to trustees of occupational pension schemes
- 2** Non-payment of money due under a contract;
- 3** Any award ordered because the Insured has failed to provide relevant records to Employees under National Minimum Wage legislation;
- 4** A compensation award or increase in a compensation award relating to failure to comply with a current or previous recommendation made by a tribunal; or
- 5** A settlement agreed and payable following conciliation under the ACAS Early Conciliation procedure.

### 3 Employee Civil Legal Defence

#### What is insured

The Company will pay Costs and Expenses to defend the legal rights of the Insured Person (other than the Insured) if:

- a an event arising from their work as an Employee leads to civil action being taken against them under legislation for unlawful discrimination; or
- b civil action is being taken against them as trustee of a pension fund set up for the benefit of the Insured's Employees.

Cover under this Insured Incident for any Insured Person (other than the Insured) will only be provided at the Insured's request.

### 4 Service Occupancy

#### What is insured

The Company will pay Costs and Expenses to recover possession of premises owned by the Insured, or for which the Insured is responsible, from the insured's Employee or ex-Employee.

#### What is not insured

The Company will not pay any claim relating to defending the Insured's legal rights other than defending a counter-claim that is an Insured Incident under this Section of the Policy.

## B Legal Defence

Provided that for each of the following sections 1 to 6 of Insured Incident B Legal Defence cover the Insured requests the Company to provide cover for the Insured Person:

### 1 Criminal Pre-proceedings Cover

#### What is insured

The Company will pay Costs and Expenses to defend the Insured Person's legal rights prior to the issue of legal proceedings, when dealing with the Police, Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer, where it is alleged that the Insured Person has or may have committed a criminal offence.

Provided that for claims relating to the Health and Safety at Work etc. Act 1974, the Territorial Limits shall be any place where the Act applies.

Please note the Company will only cover criminal investigations and/or prosecutions which arise in direct connection with the activities of the Business.

Please see Terms of the Agreement on the first page of this Section.

#### What is not insured

The Company will not pay any claim relating to:

- 1 any criminal investigation or enquiry by, with or on behalf of HM Revenue & Customs; or
- 2 investigations due to alleged infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

### 2 Criminal Prosecution Defence

#### What is insured

The Company will pay Costs and Expenses to defend the Insured Person's legal rights following an event which leads to the Insured Person being prosecuted in a court of criminal jurisdiction.

Provided that for claims relating to the Health and Safety at Work etc. Act 1974, the Territorial Limits shall be any place where the Act applies.

Please note the Company will only cover criminal investigations and/or prosecutions which arise in direct connection with the activities of the Business. Please see Terms of the Agreement on the first page of this Section.

#### What is not insured

The Company will not pay any claim relating to prosecution due to infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

### 3 Data Protection

#### What is insured

The Company will pay Costs and Expenses to defend an Insured Person's legal rights if civil action is taken against the Insured Person for compensation under data protection legislation, when handling personal data in their capacity as a data controller and/or a data processor by:

- a an individual. The Company will also pay any compensation award in respect of such a claim; or
- b a data controller and/or data processor, which arises out of, or relates to, a claim made by an individual for compensation against that data controller and/or data processor. The Company will not pay any compensation award in respect of such a claim.

Provided that in respect of a above, any sum of money in settlement of a dispute is awarded by a court under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in advance by ARAG.

Please note that the Company will not cover the cost of fines imposed by the Information Commissioner, or any other regulatory and/or criminal body. Please see Exclusion 3 Court awards and fines under this Section.

### What is not insured

The Company will not pay any claim relating to:

- a the loss, alteration, corruption or distortion of, or damage to stored personal data, or
- b a reduction in the functionality, availability, or operation of stored personal data,

resulting from hacking (unauthorised access), malicious or negligent transfer (electronic or otherwise) of a computer program that contains any malicious or damaging code, computer virus or similar mechanism.

## 4 Wrongful Arrest

### What is insured

The Company will pay Costs and Expenses to defend the Insured Person's legal rights if civil action is taken against the Insured Person for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the Period of Insurance.

## 5 Statutory Notice Appeals

### What is insured

The Company will pay Costs and Expenses to defend the Insured Person's legal rights in an appeal against the imposition or terms of any statutory notice issued under legislation affecting the Business.

### What is not insured

The Company will not pay any claim relating to:

- a an appeal against the imposition or terms of any statutory notice issued in connection with the Insured's licence, mandatory registration or British Standard Certificate of Registration; or
- b a statutory notice issued by an Insured Person's regulatory or governing body.

## 6 Jury Service and Court Attendance

### What is insured

The Company will pay Costs and Expenses to defend the Insured Person's legal rights in the event of an Insured Person's absence from work:

- a to perform jury service; or
- b to attend any court or tribunal at the request of the Appointed Representative.

The maximum amount the Company will pay under this Insured incident is the Insured Person's net salary or wages for the time that they are absent from work less any amount the Insured, the court or tribunal, have paid them.

The Company will reimburse the Insured for net salary or wages that the Insured has paid the Insured Person for that time, less any amount they have been paid by, or can recover from, the court or tribunal.

### What is not insured

The Company will not pay any claim for a loss which the Insured or the Insured Person is unable to prove.

## C Contract Disputes

### What is insured

The Company will pay Costs and Expenses in a contractual dispute arising from an agreement or an alleged agreement, which has been entered into by the Insured or on the Insured's behalf for the purchase, hire, sale or provision of goods or of services.

Provided that:

- a the amount in dispute exceeds £250 (inc. VAT);
- b if the amount in dispute exceeds £5,000 (including VAT), the Insured must pay the first £500 of any claim. If the Insured is using a Preferred Law Firm, the Insured will be asked to pay this within 21 days of the Insured's claim having been assessed as having Reasonable Prospects. If the Insured is using the Insured's own law firm, this will be within 21 days of their appointment (following confirmation the Insured's claim has Reasonable Prospects). If the Insured does not pay this amount, the cover for the Insured's claim could be withdrawn;
- c if the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £250 (including VAT); and
- d if the dispute relates to money owed to the Insured, a claim under this Section is made within 90 days of the money becoming due and payable.

### What is not insured

The Company will not pay any claim relating to:

- 1 a dispute arising from an agreement entered into prior to the inception of cover under this Section if the Date of Occurrence is within the first 90 days of inception of cover under this Section unless equivalent legal expenses insurance was continuously in force immediately prior to inception of the cover provided by this Section;
- 2
  - a a dispute relating to an insurance policy, other than when the Insured's insurer refuses the Insured's claim;
  - b the sale, purchase, terms of a lease, licence, or tenancy of land or buildings, other than a dispute with a professional adviser in connection with these matters;
  - c a loan, mortgage, pension, guarantee or any other financial product, other than a dispute with a professional adviser in connection with these matters; or
  - d a motor vehicle owned by, or hired or leased to the Insured other than agreements relating to the sale of motor vehicles where the Insured is engaged in the business of selling motor vehicles;
- 3 a dispute with an Employee or ex-Employee which arises out of, or relates to, a contract of employment with the Insured (Please refer to Insured Incident A Employment disputes and Compensation Awards);
- 4 a dispute which arises out of the:
  - a sale or provision of computer hardware, software, systems or services; or
  - b purchase or hire of computer hardware, software, systems or services tailored by a supplier to the Insured's own specification;
- 5 a dispute arising from a breach or alleged breach of professional duty by an Insured Person; or
- 6 the recovery of money and interest due from another party, other than disputes where the other party intimates that a defence exists.

## D Property Protection and Personal Injury

### a Property Protection

#### What is insured

The Company will pay Costs and Expenses in a civil dispute relating to physical property which is owned by the Insured, or is the Insured's responsibility, following:

- 1 any event which causes or could cause physical damage to such physical property; or
- 2 a legal nuisance (meaning any unlawful interference with the Insured's use or enjoyment of their land, or some right over, or in connection with it); or
- 3 a trespass.

Please note the Insured must have, or there must be Reasonable Prospects of establishing the Insured has, the legal ownership or right to the physical property that is the subject of the dispute.

### What is not insured

The Company will not pay any claim relating to:

- 1 a contract entered into by the Insured (please refer to Insured Incident C Contract Disputes);
- 2 physical property which is in transit or goods lent or hired out;
- 3 goods at premises other than those occupied by the Insured unless the goods are at such premises for the purpose of installations or use in work to be carried out by the Insured;
- 4 mining subsidence;
- 5 the defence of the Insured's legal rights unless it is in defence of a counter-claim which is an Insured Incident under this Section of the Policy;
- 6 a motor vehicle owned or used by, or hired or leased to an Insured Person (other than damage to motor vehicles where the Insured is engaged in the business of selling motor vehicles); or
- 7 the enforcement of a covenant by or against the Insured.

### b Personal Injury

#### What is insured

At the Insured's request, the Company will pay Costs and Expenses for an Insured Person's and their family members' legal rights following a specific or sudden accident which causes them bodily injury or results in their death.

### What is not insured

The Company will not pay any claim relating to:

- 1 any illness or bodily injury that happens gradually;
- 2 psychological injury or mental illness, unless the condition follows a specific or sudden accident that has caused physical bodily injury;

- 3 defending an Insured Person's or their family members' legal rights other than in defence of a counter-claim which is an Insured Incident under this Section of the Policy; or
- 4 clinical negligence.

## E Tenancy Disputes

### What is insured

The Company will pay Costs and Expenses in a civil action relating to a tenancy dispute between the Insured and the Insured's landlord under the terms of the lease or tenancy agreement applying to the Premises.

### What is not insured

The Company will not pay any claim arising from or relating to:

- a the negotiation, review or renewal of the lease or tenancy agreement; or
- b any dispute arising from or relating to rent or service charges.

## F Statutory Licence Appeal

### What is Insured

The Company will pay Costs and Expenses in an appeal to the relevant statutory or regulatory authority, court or tribunal, following a decision by a licensing or regulatory authority to suspend, or alter the terms of, or refuse to renew, or cancel the Insured's licence, mandatory registration or British Standard Certificate of Registration.

### What is not insured

The Company will not pay any claim relating to:

- 1 the original application or renewal application, of a statutory licence, mandatory registration or British Standard Certificate of Registration; or
- 2 the ownership, driving or use of a motor vehicle.

## G Tax Protection

### What is insured

The Company will pay Costs and Expenses for:

- 1 a Tax Enquiry;
- 2 an Employer Compliance Dispute; or
- 3 a VAT Dispute.

Provided that the Insured has taken reasonable care to ensure that all returns are complete and correct and are submitted within the statutory time limits allowed.

Please note the Company will only cover tax claims which arise in direct connection with the activities of the Business. Please see Terms of the Agreement at the beginning of this Section.

### What is not insured

The Company will not pay any claim relating to:

- 1 a tax avoidance scheme;
- 2 any failure to register for Value Added Tax or Pay As You Earn;
- 3 any investigation or enquiries by, with or on behalf of HM Revenue & Customs Special Investigations Section, Special Civil Investigations, Criminal Investigations Unit, Criminal Taxes Unit, under Public Notice 160 or by the Revenue & Customs Prosecution Office;
- 4 import or excise duties and import VAT; or
- 5 any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

## H Debt Recovery

### What is insured

The Company will pay Costs and Expenses in a dispute relating to the recovery of money and interest due from the sale or provision of goods or services, including enforcement of judgments.

Provided that:

- a the debt exceeds £250 (including VAT);
- b a claim for debt recovery is made within 90 days of the money becoming due and payable; and
- c ARAG have the right to select the method of enforcement, or to forego enforcing judgment if ARAG are not satisfied that there are, or will be, sufficient assets available to satisfy judgment.

### What is not insured

The Company will not pay any claim relating to:

- 1 any debt arising from an agreement entered into prior to inception of cover under this Section if the debt is due within the first 90 days of the inception of cover under this Section, unless equivalent legal expenses insurance was continuously in force immediately prior to inception of the cover provided by this Section;
- 2
  - a the settlement payable under an insurance policy;
  - b the sale, purchase, terms of a lease, licence, or tenancy of land or buildings;

- c a loan, mortgage, pension, guarantee or any other financial product, other than a dispute with a professional adviser in connection with these matters; or
  - d a motor vehicle owned by, or hired or leased to, the Insured other than agreements relating to the sale of motor vehicles where the Insured is engaged in the business of selling motor vehicles;
- 3 a dispute with an employee or ex-employee which arises out of, or relates to, a contract of employment with the Insured. (Please refer to Insured Incident 1 Employment Disputes and Compensation Awards);
  - 4 a dispute which arises out of the supply, hire, sale or provision of computer hardware, software, systems or services;
  - 5 the recovery of money and interest due from another party where the other party indicates that a defence exists; or
  - 6 any dispute which arises from debts the Insured has purchased from a third party.

## Conditions

The following Conditions apply to this Section:

### 1 Representation

- a On receiving a claim, if representation is necessary, ARAG will appoint a Preferred Law Firm or tax consultancy as the Insured Person's Appointed Representative to deal with the Insured Person's claim. They will try to settle the Insured Person's claim by negotiation without having to go to court.
- b If the appointed Preferred Law Firm or tax consultancy cannot negotiate settlement of the Insured Person's claim and it is necessary to go to court and legal proceedings are issued or there is a conflict of interest, then the Insured Person may choose a law firm or tax expert to act as the Appointed Representative. ARAG will choose the Appointed Representative to represent the Insured Person in any proceedings where the Company are liable to pay a compensation award.
- c If the Insured Person chooses a law firm as the Insured Person's Appointed Representative who is not a Preferred Law Firm or tax consultancy, ARAG will give the Insured Person's choice of law firm the opportunity to act on the same terms as a Preferred Law Firm or tax consultancy. However, if they refuse to act on this basis, the most the Company will pay is

the amount the Company would have paid if they had agreed to the ARAG Standard Terms of Appointment. The amount the Company will pay a law firm (where acting as the Appointed Representative) is currently £100 per hour. This amount may vary from time to time.

- d The Appointed Representative must co-operate with ARAG at all times and must keep ARAG up to date with the progress of the claim.

### 2 Insured Person's Responsibilities

An Insured Person must:

- a co-operate fully with ARAG and the Appointed Representative; and
- b give the Appointed Representative any instructions that ARAG or the Company ask the Insured Person to provide.

### 3 Keeping to the Section terms

An Insured Person must:

- a take reasonable steps to avoid and prevent claims;
- b take reasonable steps to avoid incurring unnecessary costs;
- c send everything the Company or ARAG ask for in writing;
- d report to ARAG full and factual details of any claim as soon as possible and give ARAG any information that is needed; and
- e keep to the terms and conditions of this Section of the Policy.

### 4 Offers to settle a claim

- a An Insured Person must tell ARAG if anyone offers to settle a claim and must not negotiate or agree to any settlement without the expressed consent of ARAG.
- b If an Insured Person does not accept a reasonable offer to settle a claim, the Company will not pay further Costs and Expenses.
- c The Company may decide to pay an Insured Person the reasonable value of the claim that the Insured Person is claiming or is being claimed against them instead of starting or continuing legal action. In these circumstances an Insured Person must allow ARAG to take over and pursue or settle a claim in their name. An Insured Person must allow ARAG to pursue at ARAG's own expense and for their benefit, any claim for compensation against any other person and

an Insured Person must give ARAG all the information and help ARAG need to do so.

## 5 Assessing and recovering costs

- a An Insured Person must instruct the Appointed Representative to have Costs and Expenses taxed, assessed or audited if ARAG ask for this.
- b An Insured Person must take every step to recover Costs and Expenses and court attendance and jury service expenses that the Company has to pay and must pay the Company any amounts that are recovered.

## 6 Cancelling an Appointed Representatives appointment

If the Appointed Representative refuses to continue acting for an Insured Person with good reason or if an Insured Person dismisses the Appointed Representative without good reason, the cover the Company provides will end at once, unless ARAG agrees to appoint another Appointed Representative.

## 7 Withdrawing cover

- a If an Insured Person settles a claim or withdraws their claim without the agreement of ARAG, or does not give suitable instructions to the Appointed Representative, the Company can withdraw cover and will be entitled to reclaim any Costs and Expenses which ARAG have paid on behalf of the Company.
- b If during the course of a claim Reasonable Prospects no longer exist, the cover the Company provide will end at once. The Company will pay any Costs and Expenses and compensation awards the Company have agreed to, up to the date cover was withdrawn.

## 8 Arbitration

If there is a disagreement about the handling of a claim and it is not resolved through ARAG's internal complaints procedure the Financial Ombudsman Service may be able to help. This is a free complaint resolution service for eligible complaints. (Details available from [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).)

If the dispute is not covered by the Financial Ombudsman Service, there is a separate arbitration process available. The arbitrator will be a jointly agreed barrister, solicitor or other suitably qualified person. If there is a disagreement over the choice of arbitrator, ARAG will ask the Chartered Institute of Arbitrators to decide. The arbitrator will decide who will pay the costs of the arbitration. For example, costs may be split between the parties or one party may pay all the costs.

## 9 Applicable Law

Notwithstanding General Condition 7 Choice of Law of this Policy, this Section is governed by the law that applies in the part of the United Kingdom, Channel Islands or Isle of Man where the Insured's Business is registered. Otherwise the law of England and Wales applies.

All Acts of Parliament mentioned in this policy include equivalent laws in Scotland, Northern Ireland, the Isle of Man and the Channel Islands as appropriate.

## 10 Expert opinion

If there is a disagreement between an Insured Person and ARAG on the merits of the claim or proceedings, or on a legal principle, ARAG may suggest the Insured Person obtains, at their own expense, an opinion on the matter from an independent and appropriate expert.

The expert must be approved in advance by ARAG and the cost expressly agreed in writing between the Insured Person and ARAG. Subject to this, the Company will pay the cost of getting the opinion if the expert's opinion indicates that it is more likely than not that the Insured Person will recover damages (or obtain any other legal remedy that ARAG have agreed to) or make a successful defence.

This does not affect the Insured Person's rights under Condition 8 Arbitration, under this Section.

## 11 Other insurances

Notwithstanding Claims Condition 6 under this Policy, if any claim covered under this Section is also covered by another policy, or would have been covered if this Section did not exist, the Company will only pay the Company's share of the claim even if the other insurer refuses the claim.

## 12 General Conditions, Claims Conditions or General Exclusions

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

## Exclusions

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

### 1 Late reported claims

any claim reported to ARAG more than 180 days after the date the Insured Person should have known about the Insured Incident.

## 2 Costs ARAG have not agreed

Costs and Expenses incurred before expressed acceptance of a claim by ARAG.

## 3 Court awards and fines

fines, penalties, compensation or damages which the Insured Person is ordered to pay by a court or other authority, other than compensation awards covered under Insured Incidents A Employment Disputes and Compensation Awards and B Legal Defence.

## 4 Legal action ARAG have not agreed

legal action an Insured Person takes which ARAG or the Appointed Representative have not agreed to, or where the Insured Person does anything that hinders ARAG or the Appointed Representative.

## 5 Intellectual property rights

any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.

## 6 Wilful acts

any wilful act or omission of an Insured Person deliberately intended to cause a claim under this Policy.

## 7 Franchise or agency agreements

any claim relating to rights under a franchise or agency agreement entered into by the Insured.

## 8 A dispute with ARAG

any claim under this Section of the Policy for a dispute with ARAG. For disagreements with ARAG about the handling of a claim, refer to Condition 8 Arbitration, under this Section.

## 9 Shareholding or partnership disputes

any claim relating to a shareholding or partnership share, in the Business.

## 10 Judicial review

Costs and Expenses arising from or relating to judicial review, coroner's inquest or fatal accident inquiry.

## 11 Bankruptcy

any claim where either at the start of, or during the course of a claim:

- a the Insured is declared bankrupt;
- b the Insured has filed a bankruptcy petition;
- c the Insured has filed a winding-up petition;

- d the Insured has made an arrangement with their creditors;
- e the Insured has entered into a deed of arrangement;
- f the Insured is in liquidation; or
- g part or all of the Insured's affairs or property are in the care or control of a receiver or administrator.

## 12 Defamation

any claim relating to written or verbal remarks that damage the Insured Person's reputation.

## 13 Litigant in person

any claim where an Insured Person is not represented by a law firm, barrister or tax expert.

## How to Make a Complaint

ARAG will always aim to give the Insured Person a high quality service. If the Insured Person thinks ARAG have let them down, they can contact ARAG by:

- phoning **0344 893 9013**
- emailing **customer-relations@arag.co.uk**
- writing to the Customer Relations Department at: ARAG Legal Expenses Insurance Company Limited, Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW
- completing the ARAG online complaint form at **www.arag.co.uk/complaints**

Further details of the ARAG internal complaint-handling procedures are available on request.

If the Insured Person is not happy with the complaint outcome or if ARAG have been unable to respond to the Insured Person's complaint within 8 weeks, they may be able to contact the Financial Ombudsman Service for help. This is a free complaint resolution service for eligible complaints. (Details available from **www.financial-ombudsman.org.uk**)

The Insured Person can contact them by:

- phoning **0800 023 4567** (free from mobile phones and landlines) or **0300 123 9123**.
- emailing **complaint.info@financial-ombudsman.org.uk**
- writing to:  
The Financial Ombudsman Service  
Exchange Tower  
London, E14 9SR

Further information is available on their website:

**www.financial-ombudsman.org.uk**

Using this service does not affect the Insured Person's right to take legal action.

### Data Protection

ARAG will process your personal information in accordance with their Privacy Notice. You can find ARAG's Privacy Notice online at [www.arag.co.uk/privacy](http://www.arag.co.uk/privacy). Alternatively, you can make a request for a printed copy to be sent to you by contacting [dataprotection@arag.co.uk](mailto:dataprotection@arag.co.uk).

### ARAG Regulatory Information

ARAG Head and Registered Office:

ARAG Legal Expenses Insurance Company Limited  
Unit 4a Greenway Court, Bedwas  
Caerphilly CF83 8DW

Registered in England and Wales, Company Number 103274.

Website: [www.arag.co.uk](http://www.arag.co.uk)

ARAG Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FRN202106) and the Prudential Regulation Authority.

### Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (FSCS). Compensation from the scheme may be claimed if we cannot meet our obligations. This will be dependent on the type of business and the circumstances of the claim. More information on the compensation scheme arrangements can be found on the FSCS website, [www.fscs.org.uk](http://www.fscs.org.uk)

# Section 11: Goods in Transit

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

## Definitions

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

### Components

Components, parts, tyres, batteries and all other accessories relevant to Motor Vehicles, all the property of the Insured or held by them in trust for which they are responsible.

### Customers' Vehicles

Any Motor Vehicle held in the custody or control of the Insured for which the Insured has accepted responsibility.

### Insured's Vehicles

Any Motor Vehicle which is the property of the Insured or held for retail sale, including those leased in or on consignment from manufacturers or distributors or on commission for which the Insured is responsible.

### In Transit

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

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

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

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

### Method of Conveyance

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

### Plant, Machinery, Trade Fixtures and Fittings

- a** machinery, plant, fixtures, fittings, tools and other trade equipment including fixed fuel installations and their storage tanks;
- b** vending machines (but not contents and/or cash therein);
- c** all office equipment;
- d** patterns, models, moulds, plans and designs; and
- e** documents, manuscripts and business books but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up and not for the value to the Insured of the information contained therein,

all the property of the Insured or held by them in trust for which they are responsible, but excluding Customers' Vehicles, Insured's Vehicles, Tools and Components.

### Property

- 1 Components, Tools, Stock in Trade, in connection with the Business; and
- 2 Vehicles in Transit.

### Stock in Trade

Stock in trade items (not being Motor Vehicles) which are the property of the Insured or held in trust or on commission for which the Insured is responsible, including retail stock of:

- a** cigarettes, cigars and tobacco;
- b** Vehicle Audio/Pictorial Equipment including DVDs, CDs and videos; and
- c** clothing.

### Territorial Limits

The United Kingdom, the Channel Islands, the Isle of Man or any member country of the European Union.

### Tools

Tools equipment and other moveable Plant, Machinery, Trade Fixtures and Fittings (including all other contents), in connection with the Business, all the property of the Insured or held by them in trust for which they are responsible.

### Vehicle Audio/Pictorial Equipment including DVDs, CDs and videos

Audio, pictorial and satellite navigation equipment designed to form a fixture within a Motor Vehicle including DVDs, CDs and videos.

### Vehicles in Transit

Customers' Vehicles and Insured's Vehicles, being transported by the Insured on a vehicle constructed for the purpose but designed to carry a maximum of two such vehicles at any one time.

### Limit of Liability

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

### Extensions

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

#### A Damage to Packing Materials

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

#### B Transfer Costs

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

#### C Reloading Costs

The additional costs necessarily incurred in:

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

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

#### D Debris Removal Costs

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

#### E Personal Effects

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

#### F Substituted Vehicles

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

### Clauses

The following Clauses apply to this Section:

#### 1 Reinstatement (Tools) Clause

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

"Reinstatement" means:

- a the replacement of property lost or destroyed; or
- b the repair or restoration, of property damaged,

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

#### Provisions

- 1 No payment beyond the amount which would have been payable had this Clause not been operative shall be made:
  - a unless the work of Reinstatement is commenced and carried out with reasonable despatch;
  - b until the cost of Reinstatement has been incurred; and
  - c unless any other insurance covering the Insured's interest in the property at the time of Damage is on the same basis of Reinstatement as this Policy,

and if no such payment is made, then the rights and liabilities of the Company and the Insured, shall be those which would have applied had this Clause not been operative.

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

## 2 Average

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

## 3 Reinstatement of Losses

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

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

## Conditions

### The following Conditions apply to this Section.

It is a condition precedent to the liability of the Company that:

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

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

### Security Measure 2

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

### Security Measure 2

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

- 2 the Insured shall keep their vehicles in a good state of repair and in efficient roadworthy condition.

- 3 in respect of Method of Conveyance B, the Insured shall obtain a receipt from the carrier for all Property sent and if requested by the Company, produce it in the event of any claim.

## Excess

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

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

## Exclusions

### The Company shall not be liable under this Section for Damage to any Property In Transit arising out of or attributable to:

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

### The Company also shall not be liable under this Section in respect of:

- explosives or other dangerous goods (the term "dangerous goods" means goods specified in the Special Classification of Dangerous Goods issued by the railway authorities or otherwise not accepted for rail transport on the grounds of their dangerous or hazardous nature);
- money and other negotiable instruments of every description, securities, deeds, Bonds, bills of exchange, promissory notes, jewellery, precious stones and metals and articles made therefrom, bullion, furs and livestock;

- 11 Property carried by the Insured for hire or reward;
- 12 depreciation, loss of market or any other loss arising as an indirect consequence of the Damage.

**The Company shall not be liable under this Section for:**

- 13 loss insured by a fidelity guarantee insurance; or
- 14 any claim for which more specific insurance applies under Sections 8 or 9, of this Policy.

# Section 12: Fidelity Guarantee

The Company will, subject to the Limit of Indemnity, indemnify the Insured in the event of theft of money or other property, the property of the Insured or held by them in trust for which they are responsible, arising solely and directly from any act of fraud or dishonesty, by any Employee.

Provided that such event:

- 1 occurs during the Period of Insurance;
- 2 is intended to make Improper Financial Gain for the Employee or for any other party or organisation;
- 3 arises during the uninterrupted employment of such Employee by the Insured;
- 4 is discovered within the period of 12 calendar months of such event; and
- 5 occurs in the United Kingdom, the Channel Islands or the Isle of Man.

## Definitions

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

### Employee

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

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

### Improper Financial Gain

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

### Specific Event

All thefts insured by this Section and committed by any one Employee or series of Employees working in collusion with each other.

## Conditions

**The following Conditions apply to this Section:**

It is a condition precedent to the liability of the Company that:

### 1 Auditors

The accounts of the Insured must be examined by external auditors at least every 12 months.

### 2 Cash Receipts

Employees receiving cash and cheques, in the course of their duties, must be required to remit to the Insured and/or bank in full all monies received, on the date of receipt or on the next banking day.

### 3 Reconciliation

Independently of Employees required by the Insured to administer bank statements, receipts, counterfoils and supporting documentation, all such items must be checked at least monthly against the cash book entries and the balance tested with cash and unrepresented cheques.

### 4 Cheque Signing

All manually prepared cheques drawn for more than £25,000 shall require two manually applied signatures, being that of the Insured and/or any Employee authorised by the Insured, to be added after the amount has been inserted and supporting documentation examined and signed by such parties.

In respect of computer or machine prepared cheques drawn for more than £25,000, at least one manually applied signature, being that of the Insured or an Employee authorised by the Insured, must be added after the cheque has been printed and supporting documentation examined and signed by such party.

The Insured's bank or building society must be advised of the above signatory requirements.

All signed documentation pertaining to any issued cheque must be retained by the Insured for inspection.

### 5 Cash and Petty Cash

Cash in hand and petty cash shall be checked independently of Employees responsible for such cash at least monthly and additionally without warning every six months.

### 6 Investment Control

Dual control will be exercised over all investments with investment documents designed to ensure that no one person can be authorised to complete a transaction from beginning to end.

The Insured must instruct their bank or building society and stockbrokers to this effect.

### 7 Computer Security

Security checks must be built into all computer functions with reconciliations made as necessary.

Responsibilities for authorisation of transactions, processing of transactions and handling of output must be exercised by different Employees.

### 8 Vetting of Employees

Written references from previous employers (or the school in respect of students or Employees who have not been employed since leaving school) must be obtained for the

period of 2 years immediately preceding the Employee working for the Insured.

The reference must confirm the dates of employment (or schooling) and the honesty of the Employee.

The maximum period between periods of employment (and/or schooling) in an Employee's references should be 28 days. If any period is longer, every effort should be made to evidence what the Employee was doing during such period and establish that such period did not include dishonesty.

## 9 Annual Holiday

Every Employee responsible for money, goods accounting, operating computers or computer programming must be required to take an uninterrupted holiday of at least two weeks in each calendar year during which they perform no duties and are required to stay away from their place of work.

## 10 Termination of Employees

Immediately upon the termination of contract for any Employee, the Insured must take all reasonable action so as to prevent theft arising, including but not restricted to:

- a the removal of any access Keys held by the Employee;
- b the changing of any alarm or security codes, that the Employee would have had knowledge of; and
- c the removal of the Employee from any computer system to which the Employee had access.

## 11 Police Notification

Upon the discovery of any event which may give rise to a claim under this Section, the Insured must notify the police authority immediately and assist in taking all practical steps to identify the Employee responsible and to trace and recover the money and/or property.

## 12 Cessation of cover

Upon discovery of theft by an Employee, all indemnity under this Section in relation to further theft by such Employee shall cease with immediate effect.

## 13 Withholding of Monies

Any monies owed by the Insured to an Employee found responsible for theft must be withheld and such sum will be deducted from any payment made by the Company.

## Basis of Settlement

In the event of theft of money or other property indemnified by this Section, the basis upon which the amount payable under

such items is to be calculated shall be the value at the time of the event or, at the Company's option, the replacement or reinstatement of such property.

## Limit of Indemnity

In respect of a Specific Event, the liability of the Company shall not exceed the Limit of Indemnity stated in the Schedule.

Subject to the Company's indemnity under this Section in any one Period of Insurance not exceeding the Aggregate Limit of Indemnity stated in the Schedule.

## Auditors' Fees

Where there is a valid claim under this Section, the Company will also pay any reasonable costs for:

- a auditors' fees incurred for the purpose of substantiating the amount of the claim; and
- b the cost of rewriting or amending any computer software programs or security codes, so as to prevent recurrence of theft arising from use of computer hardware.

Provided that the Company's indemnity shall not exceed in total the Limit of Indemnity applicable had such costs not been payable.

## Excess

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

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

## Exclusions

**The Company shall not be liable under this Section for:**

- 1 loss attributable solely to any unexplained shortages;
- 2 loss caused by an Employee before the cover for such Employee inception;
- 3 loss where the Insured continues to entrust the defaulting Employee with access to money and/or goods, after becoming aware of any material fact that questions the honesty of the Employee; or
- 4 any indirect loss arising as an indirect consequence of the event in respect of which indemnity is provided by this Section.

# Section 13: Personal Accident

In the event of Injury to any Insured Person happening anywhere in the world during the Period of Insurance which within 24 months is the sole cause of any of the Contingencies, the Company will pay under this Section for each Insured Person, the amount of Benefit applicable stated in the Schedule (unless otherwise stated in this Section), to the Insured or their legal representative.

Provided that, in respect of all other Employees as stated under the Definition of Insured Person in this Section, the cover provided by this Section will apply for Occupational Risks only.

## Definitions

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

### Contingencies

- 1 Death (which shall not be presumed by the disappearance of the Insured Person)
- 2 Loss of Sight
- 3 Loss of Limbs
- 4 Loss of Hearing
- 5 Loss of Speech
- 6 Permanent Total Disablement
- 7 Temporary Total Disablement
- 8 Temporary Partial Disablement

### Injury

Accidental bodily injury caused solely and directly by violent external and visible means.

### Insured Person

The Insured or any partner of the Insured or director of the Insured or Employee.

### Accident Accumulation Limit

The maximum Benefit payable for all accepted claims in the aggregate, in respect of all Insured Persons arising from one originating event, as stated in the Schedule.

### Excess Period

The first period in respect of Contingency 7 and/or 8, for which no Benefit is payable as stated in the Schedule.

### Occupational Risks

While an Insured Person is carrying out occupational duties for the Insured in relation to the Business or travelling (in either direction) between the Insured Person's place of residence and the usual place that they undertake work for the Business.

### Loss of Sight

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

### Loss of Limbs

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

### Loss of Hearing

Permanent and total loss of the sense of hearing.

### Loss of Speech

Permanent and total loss of the power of speech.

### Permanent Total Disablement

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

### Temporary Total Disablement

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

### Temporary Partial Disablement

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

### Medical Expenses

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

## Extension

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

### 1 Medical Expenses

In addition to any compensation payable in respect of any of the Contingencies, the Company will pay Medical Expenses incurred by the Insured Person but not exceeding:

- i £25 per £1,000 of compensation in respect of Contingencies 1 to 6; or
- ii 20% of the weekly compensation in respect of Contingencies 7 and 8,

but not exceeding £1,000 per Insured Person per claim.

## Conditions

The following Conditions apply to this Section:

- 1 No further Benefit shall be payable in respect of the same Insured Person after payment of any Benefit for Injury under Contingencies 1 to 6.
- 2 Benefit under Contingency 6 is not payable before 104 weeks from the date of Injury.
- 3 Benefit under Contingencies 7 or 8 or any combination thereof:
  - a is payable for a maximum of 104 consecutive weeks following the Excess Period.
  - b shall be payable when the total amount has been agreed by the Company or at the request of the Insured at intervals of not less than four consecutive weeks (but not in advance) commencing four consecutive weeks after receipt by the Company of written notice of the Injury for which the Benefit is to be paid by the Company.
- 4 Any payment made or adjusted in respect of weekly Benefit shall be deducted from any lump sum Benefit thereafter becoming payable under this Section.
- 5 Any payment will be subject to the Accident Accumulation Limit.
- 6 All certificates and information and evidence required by the Company shall be furnished at the expense of the Insured and shall be in such form and of such nature as the Company shall prescribe.
- 7 In the event of disablement of an Insured Person, the Insured Person must immediately place them self under the care of a qualified medical practitioner and, as often as may be required, submit to medical examination at the Company's expense.

- 8 In the event of death of an Insured Person, the Company shall be entitled to have a post-mortem examination at its own expense.

## Excess

Contingencies 7 and 8 are subject to the Excess Period.

## Exclusions

**The Company shall not be liable under this Section in respect of any Death or disablement of any Insured Person resulting from or contributed to by:**

- 1 intentional self-injury, provoked assault, fighting (except in bona fide self-defence), wilful exposure to needless peril (except in an attempt to save human life), violation or attempted violation of the law or resistance to arrest or the Insured Person taking or attempting to take their own life;
- 2 the influence of intoxicating liquor or drugs taken by the Insured Person (other than for drugs taken under medical supervision unless for the treatment of drug or alcohol addiction) or insanity (whether temporary or otherwise) or any sexually transmitted or communicable disease;
- 3 aviation other than as a fare-paying passenger in an aircraft operated by a regular commercial airline or in an aircraft of a recognised charter operator;
- 4 winter sports, mountaineering requiring the use of guides or ropes, sub-aquatic or subterranean pursuits or aeronautic sports;
- 5 riding or driving in or practising for any race, polo playing, steeple-chasing, hunting, or showjumping;
- 6 the Insured Person suffering from illness or disease not resulting from bodily injury or suffering from bodily injury due to any gradually operating cause; or
- 7 loss for which more specific insurance applies under Sub-Section 2 of Section 3, of this Policy.

# Section 14: Terrorism Insurance

## THIS INSURANCE DOES NOT APPLY IF SHOWN AS NOT INSURED IN THE SCHEDULE

Notwithstanding any provisions to the contrary within this Policy, the insurance in respect of all items, Clauses or Extensions, insured by the insurances shown in the Terrorism Insurance section of the Schedule, are extended to include Terrorism Insurance as specified in the Heads of Cover below.

Terrorism Insurance Heads of Cover:

- A** Damage;
- B** Non-Damage; and
- C** loss resulting from Damage to Property,

to the extent and insofar that they are insured by this Policy in the Territories stated below, the proximate cause of which is an Act of Terrorism, where any Act of Terrorism within Great Britain must be certified as such by HM Treasury or a tribunal as may be agreed by HM Treasury, provided always that Terrorism Insurance is:

- 1** subject to Exclusions **1–3** below; and
- 2** not subject to any other exclusions stated in this Policy, provided also that the Company's liability in any one Period of Insurance shall not exceed:
  - i** in the whole the total Sum Insured; and
  - ii** in respect of any item its Sum Insured, or any other stated Limit of Liability specified in the Schedule or elsewhere in the Policy,

whichever is the lower subject always to the limit(s) applying to Terrorism Insurance shown against the Territories stated below after the application of all the provisions of the insurance including any Insured's Contribution or Excess.

Territory	Limit of Liability
<b>A</b> Great Britain	As otherwise specified in this Policy
<b>B</b> Elsewhere in the world	Not insured

## Conditions

- 1** In any action, suit or other proceedings where the Company alleges that any Damage, Non-Damage or loss resulting from Damage to Property is not covered by this Terrorism Insurance the burden of proving that such Damage, Non-Damage or loss is covered shall be upon the Insured.
- 2** Any terms in this Policy which provide for adjustments of Premium based upon declarations on expiry or during the Period of Insurance do not apply to Terrorism Insurance.
- 3** If this Policy is subject to any Long-Term Agreement / Undertaking, it does not apply to Terrorism Insurance.

All the terms, definitions, provisions, conditions, and extensions of this Policy apply except in so far as they are expressly varied by the Terrorism Insurance section.

## Exclusions

Terrorism Insurance does not cover:

### 1 Riot civil commotion War and Allied Risks

Any loss or Damage whatsoever or any consequential loss directly or indirectly occasioned by or happening through or in consequence of 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 Electronic Risks

Any loss or Damage whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:

- A** Damage or Non Damage to or the destruction of any Computer System; or
- B** any alteration, modification, distortion, erasure or corruption of Data; and

in each case whether the property of the Insured or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack.

### 3 Nuclear Risks and Chemical, Biological and Radiological Contamination

Any loss whatsoever or any expenditure resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from:

- A** the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- B** ionising radiation or contamination by radioactivity or from the combustion of any radioactive material;
- C** chemical and/or biological and/or radiological irritants, contaminants, or pollutants,

in respect of property situated outside of Great Britain.

## Special Provision

### 1 Cyber Terrorism

This Special Provision applies only to:

- A** Terrorism Insurance Heads of Cover **A** and **C**;
- and

**B** Property situated within Great Britain except it is not a requirement of cover for the person(s) initiating the act of terrorism to be sited in England, Wales, or Scotland;

and does not apply to:

- i** Terrorism Insurance Head of Cover **B**; or
- ii** Property situated outside of Great Britain; or
- iii** Residential Property insured in the name of a Private Individual.

Electronic Risks Exclusion **2A** and **2B** above shall not apply to any Covered Loss provided that such Covered Loss:

**1** results directly (or, solely as regards **2c** below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any Computer System;

and

**2** comprises:

- a** the cost of reinstatement, replacement or repair in respect of damage to or destruction of Property insured by the Insured; or
- b** the amount of business interruption loss suffered directly by the Insured by way of loss of or reduction in profits, revenue or turnover or increased cost of working and not by way of liability to any third party as a direct result of either;
  - i** damage to or destruction of Property insured by the Insured; or
  - ii** as a direct result of denial, prevention or hindrance of access to or use of the Property insured by the Insured by reason of an Act of Terrorism causing damage to other property within one mile of the Property insured by the Insured to which access is affected; or
- c** the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to or destruction of Property and any additional costs or charges reasonably and necessarily paid by the Insured to avoid or diminish such loss,

and

**3** is not proximately caused by an Act of Terrorism in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.

The meaning of Property for the purposes of this Special Provision shall additionally exclude:

- A** any money (including Money as defined within this Policy), currency, electronic cryptographic or virtual currency including bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument or any sort whatever; and
- B** any Data.

Notwithstanding the exclusion of Data from Property, to the extent that damage to or destruction of Property within the meaning of **2** within this Special Provision, indirectly results from any alteration, modification, distortion, erasure or corruption of Data, because the occurrence of one or more of the matters referred to in **1** within this Special Provision results directly or indirectly from any alteration, modification, distortion, erasure or corruption of Data, that shall not prevent cost or business interruption loss directly resulting from damage to or destruction of such Property from being recoverable under this Special Provision.

In no other circumstances than the previous paragraph, however, will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of Data be recoverable under this Terrorism Insurance.

## Definitions

**Where the following defined words appear elsewhere in this Policy, they are replaced only in respect of this Terrorism Section by the definitions below. All other definitions remain unchanged.**

### Act of Terrorism

means acts of persons acting on behalf, of or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of HM government in the United Kingdom or any other government de jure or de facto.

### Computer Systems

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

### Covered Loss

means all losses arising under Terrorism Insurance Heads of Cover **A** and/or **C** of this Terrorism Insurance section that occurs in the Territory, the proximate cause of which is an Act of Terrorism.

### Damage

means physical loss, destruction or damage.

### Data

means data of any sort whatever, including without limitation tangible or intangible data, and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatsoever.

### Denial of Service Attack

means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or Computer Systems.

The definition of Denial of Service Attack includes, but is not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other Computer Systems.

### Great Britain

means England, Wales and Scotland (including the Channel Tunnel up to the frontier with the Republic of France as defined by the Treaty of Canterbury 1986) but not the territorial seas adjacent to (as defined by the Territorial Sea Act 1987).

### Hacking

means unauthorised access or legitimate access resulting in unauthorised acts to any Computer System by whatever means, whether the property of the Insured or not.

### Non-Damage

means all losses arising as a result of interruption or interference with the Business of the Insured in consequence of:

- A** access to, exit from or use of any premises located within the Territory owned or occupied by the Insured being impaired or prevented due to the actions of the police, competent authority or any other statutory authority, the proximate cause of which is an Act of Terrorism; and/or
- B** an Act of Terrorism in the vicinity of, but in no event further than one mile from, any premises within the Territory owned or occupied by the Insured which results in the business carried on at such premises having a diminished attraction to customers and solely in consequence thereof, an identifiable reduction in the business of the Insured, but in no event shall the maximum period of indemnity for such interruption or interference with the business exceed three months.

### Nuclear Installation

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

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

### Nuclear Reactor

means any plant (including any machinery, equipment, or appliance, whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

### Phishing

means any access or attempted access to Data or a Computer System made by means of misrepresentation or deception whether effected by or to a human, a Computer System, an AI system or by whatever means.

### Private Individual

means any:

- A** individual; or
- B** beneficiaries of or trustees of a trust where insurance is arranged under the terms of a trust; or
- C** beneficiaries or executors of a will; or
- D** sole traders,

where Residential Property is occupied by the individual, a beneficiary or trustee of a trust, or a beneficiary or executor of a will, or sole trader as their private residence(s), unless more than 20% commercially occupied (either by floor area or on the basis of the number of days that the Property is open to public).

The definition of Private Individual shall include two or more persons where insurance is arranged in their several names and/or the title of the Insured includes the name of a bank or building society or other financial institution for the purpose of noting their interest in the Property Insured.

### Property

means Property Insured (as defined within this Policy), but excluding:

- A** any land or building which is occupied as a private residence or any part thereof which is so occupied unless:
  - i** insured under the same contract of insurance as the remainder of the building which is not a private residence and is more than 20% commercially occupied (either by area or on the basis of the number of days that the Property is open to public); or
  - ii** not insured in the name of a Private Individual; or
- B** any Nuclear Installation or Nuclear Reactor and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such Nuclear Installation or Nuclear Reactor.

### Residential Property

means houses and blocks of flats and other dwellings (including household contents and personal effects of every description).

### Virus or Similar Mechanism

means any program code, programming instruction or any set of instructions constructed with the purpose and ability, or generated or operated by an AI system, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, Computer Systems, Data or operations, whether involving self-replication or not.

The definition of Virus or Similar Mechanism includes but is not limited to trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate, or monitor as above.

# Section 15: Road Risks

The Company will provide insurance for the cover referred to as operative in the Schedule and described under this Section in respect of any accident, injury, loss, destruction or damage, occurring in the Territorial Limits during any Period of Insurance but excluding any Insured Vehicle whilst in, or on:

- i any Premises owned or occupied by the Insured; or
- ii any other place at which the Insured is carrying on motor trade activities (other than a road or public highway within the meaning of the Road Traffic Acts).

Any word or expression to which a particular meaning has been attached in the Certificate of Motor Insurance shall also bear such meaning wherever it may appear in respect of this Section.

## Definitions

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

### Certificate of Motor Insurance

The Certificate of Motor Insurance issued in connection with this Policy.

### Insured Vehicle

Any Motor Vehicle the property of the Insured or in the custody or control of the Insured which is used in connection with the Business, provided that such vehicle is not a goods carrying vehicle being used for hire or reward (use solely for breakdown purposes or use under a trade plate for the carriage of goods for demonstration purposes in accordance with the regulations applicable to trade licences is not deemed to be use for hire or reward).

An Insured Vehicle also includes any vehicle (mechanically propelled or otherwise) attached for the purpose of being towed.

An Insured Vehicle does not include a vehicle:

- 1 privately owned by any Employee or relative of the Insured or hired to them under a hire purchase agreement, except where the vehicle is in the custody or control of the Insured for sale, repair, testing, servicing, maintenance, cleaning or inspection; or
- 2 whilst out on loan, hire or unaccompanied demonstration (unless otherwise stated).

### Comprehensive

Cover provided under all Indemnities under this Section unless otherwise stated on the Schedule.

### Partial Comprehensive

Cover provided under all Indemnities under this Section unless otherwise stated on the Schedule but, under Indemnity 1: Accidental Damage, cover in respect of any Motor Vehicle (and its accessories whilst thereon) the property of the Insured, excludes the cost of labour or the hire of any equipment or plant in respect of any repair.

### TPF&T (Third Party Fire and Theft)

Cover provided under all Indemnities under this Section unless otherwise stated on the Schedule but, under Indemnity 1: Accidental Damage, cover is restricted to Damage caused by fire, explosion or theft.

### TPO (Third Party Only)

Cover provided under all Indemnities under this Section unless otherwise stated on the Schedule but, excluding Indemnity 1: Accidental Damage.

### Territorial Limits

Great Britain, Northern Ireland, the Channel Islands and the Isle of Man (or during transit by sea between any ports therein including loading or unloading).

### Excess

The first part of each and every claim, in respect of Damage arising out of any one original cause.

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

### Endorsed Excess

Any Excess which is applied by endorsement and stated in the Schedule.

### Experienced Driver Excess

An Excess which is applicable to persons holding for a period of at least 1 year a full licence and who are 25 years of age or older.

### Inexperienced Driver Excess

An Excess which is applicable to persons holding a provisional licence or who have not held for a period of 1 year a full licence or who are 21 years of age or over but under 25 years of age.

### Young Driver Excess

An Excess which is applicable to persons under 21 years of age.

## Indemnities

### 1 Accidental Damage

The Company will indemnify the Insured against Damage to an Insured Vehicle (other than in respect of Indemnity 8: Windscreen / Window Damage under this Section) and its accessories whilst thereon.

#### Excess under Indemnity 1: Accidental Damage

This Indemnity 1 does not cover and the Company shall not be liable for the amount of any Excess stated in the Schedule in respect of the following:

- a Experienced Driver Excess, Inexperienced Driver Excess or Young Driver Excess;
- b any voluntary Excess, which shall be added to and apply in addition to any Experienced Driver Excess, Inexperienced Driver Excess or Young Driver Excess; and
- c any Endorsed Excess, which shall apply in addition to any Experienced Driver Excess, Inexperienced Driver Excess, Young Driver Excess and voluntary Excess (unless otherwise stated therein).

#### Extensions to Indemnity 1: Accidental Damage

The insurance provided by this Indemnity 1 extends to include the following:

##### A Lock Replacement (Insured Vehicles)

The cost of replacing locks or lock mechanisms, and all Keys of any legitimate format necessary to maintain the security of Insured Vehicles following theft of such Keys by forcible and violent means, subject to the amount payable under this Extension not exceeding £50,000 in total for all claims or series of claims, arising out of any one original cause.

##### B New Vehicle Concession Insured Vehicles

If within one year of registration as new an Insured Vehicle insured for Damage under this Section is:

- a lost by theft and not recovered within 30 days of such theft being notified to the Company; or
- b damaged to the extent that the cost of repairs will exceed 50% of the manufacturer's recommended retail price plus taxes, immediately prior to such Damage and the claim is settled as a total loss,

the Company will pay for the cost of purchasing a new replacement vehicle of the same make and model.

Provided that:

- i the Insured requests it;
- ii such a replacement is available; and
- iii the total payment will be limited to a maximum of £50,000 any one claim above the amount which would otherwise have been payable under this Section had this Extension not been incorporated.

### C Insured Vehicles Held for Sale

If a new Insured Vehicle held for sale by the Insured is subject to Damage to the extent that it necessitates:

- a a declaration of such Damage to a prospective purchaser; and
- b a discount to effect a sale,

the Company will consider such discount as forming part of the claim.

Provided that:

- i the Company has agreed the level of discount necessary to effect the sale; and
- ii the total payment in respect of such discount will be limited to a maximum of £10,000 any one Insured Vehicle.

### D Loss of Use (Customers' Vehicles)

Costs or expenses incurred by any customer with the Company's written consent in being deprived of the use of a Motor Vehicle following such vehicle's Damage (where insured by this Section) but only during a reasonable period necessary to allow for repair or replacement thereof.

Provided that the maximum liability of the Company under this Extension shall not exceed £50,000 in total for all claims or series of claims, arising out of any one original cause.

The cover provided by this Extension is subject to cover not being provided under Extension AC Loss of Use (Customers' Vehicles) under Section 1: Material Damage of this Policy.

### E Vehicles with Sub-Contractors

Notwithstanding anything to the contrary under "Persons or classes of persons entitled to Drive" as specified in the Certificate of Motor Insurance, Indemnity 1 is extended in the event of an Insured Vehicle sustaining Damage whilst in the possession of a sub-contractor to the Insured, for the purpose of work being carried out on such vehicle on behalf

of the Insured and there being no other existing insurance covering the same Damage. The Company shall not be liable under this Section for Damage to such vehicle whilst in or on the business premises of any sub-contractor.

## F Contract Price

In respect of any Insured Vehicle sold but not delivered, for which the Insured is responsible subject to a sale contract which, following Damage, is cancelled by reason of its conditions wholly or to the extent of the Damage, the Company's liability will be based on the contract price subject to this not exceeding the Maximum Vehicle Limit stated in the Schedule for any one vehicle.

### Exclusions to Indemnity 1: Accidental Damage

The Company shall not be liable for:

- 1 **a** loss of use, loss of market value following repair, depreciation, deterioration, wear and tear, or
- b** mechanical, electrical, electronic or computer failures or breakdowns;
- 2 damage to tyres by punctures, cuts, bursts or by application of brakes;
- 3 loss of accessories of a motor cycle unless stolen with the motor cycle itself;
- 4 loss of an Insured Vehicle resulting from deception by a purported purchaser or their agent; or
- 5 loss of an Insured Vehicle when left unattended at any time unless the ignition Key is removed and all doors, windows and other openings have been closed and locked.

### Basis of Claim Settlement under Indemnity 1: Accidental Damage

The Company may, at its option, repair or replace an Insured Vehicle or accessories or make a settlement in cash not exceeding the replacement value at the time of the Damage, but the Company shall not in any case be liable to pay a greater sum than the Maximum Vehicle Limit stated in the Schedule in respect of any one Insured Vehicle. If any damaged part or accessory is unobtainable, the basis of settlement shall be the manufacturer's last list price.

The Insured may authorise repairs if the estimated cost does not exceed £1,000, provided that the Company is notified and a detailed estimate is supplied immediately. If an Insured Vehicle is the subject of a hire purchase agreement, any settlement in cash may be made to the

legal owner whose receipt will constitute a discharge.

The Company will pay the reasonable cost of removal of an Insured Vehicle to the nearest repairers after such Damage and of delivery of an Insured Vehicle to the Insured's address when repairs have been completed.

## 2 Liability to Third Parties

### 1 Indemnity to the Insured

The Company will indemnify the Insured in the event of an accident caused by or in connection with an Insured Vehicle, against liability at law for damages in respect of:

- a** death of or bodily injury to any person; or
- b** loss, destruction or damage to property but the indemnity against liability for such loss, destruction or damage, including any indirect loss, destruction or damage, is limited in respect of any one claim or series of claims arising out of any one event to the Third Party Property Damage Limit stated in the Schedule.

### 2 Indemnity to other persons

The Company will also cover in the terms of item 1 of Indemnity 2:

- a** any authorised driver as specified in the Certificate of Motor Insurance driving on the Insured's order or with the Insured's permission;
- b** the personal representatives in the event of the death of the person indemnified;
- c** any person using (but not driving) an Insured Vehicle with the permission of the Insured for social, domestic and pleasure or other purposes, provided such use is permitted by the terms of the Certificate of Motor Insurance;
- d** the owner of an Insured Vehicle; and
- e** any passenger whilst travelling in or getting into or out of an Insured Vehicle.

Provided that such persons observe and fulfil the terms of this Policy in so far as they can apply.

### Extensions to Indemnity 2: Liability to Third Parties

**The insurance provided by this Indemnity 2 extends to include the following:**

#### A Cross Liabilities

Where the Insured comprises more than one party, the Company will treat each party as the Insured as if a separate Policy had been issued to each, provided that the maximum liability of the Company

for loss, destruction or damage shall not exceed in the aggregate the limits stated under item 1 b of Indemnity 2.

### B Indemnity for Trailers

The Company will also cover in the terms of item 1 of Indemnity 2 the legal liability of the Insured for any trailer which is detached from any vehicle but only in so far as it is necessary to meet the requirements of any law relating to compulsory insurance in the territory concerned and provided that the insurance of the trailer is the responsibility of the Insured.

### C Indemnity for Driving Other Vehicles

The Company will also cover in the terms of item 1 of Indemnity 2 the legal liability of the Insured or any partner of the Insured or director of the Insured, while driving any motor vehicle not belonging to or hired (under a hire purchase agreement) to the Insured or any partner of the Insured or director of the Insured, provided such motor vehicle is being used with the permission of the owner of the vehicle and within the "Limitations as to use" specified in the Certificate of Motor Insurance.

Cover hereunder will not provide indemnity for use to secure the release of any motor vehicle which has been seized by or on behalf of any government or public authority which was not the property of the Insured or in the custody or control of the Insured at the time of seizure.

### D Indemnity for Movement of Other Vehicles

The Company will also indemnify the Insured against legal liability to pay for death, bodily injury or loss, destruction or damage, (including loss, destruction or damage to the vehicle being moved) arising out of the movement of vehicles not belonging to the Insured or in the custody or control of the Insured, with or without the owner's permission, by the Insured or any partner of the Insured or director of the Insured or Employee, for the purpose of:

- a parking;
- b loading or unloading; or
- c allowing free passage of, any Insured Vehicle.

### E Court Attendance Costs

The Company will, in the event of any of the under-noted persons attending court as a witness at the request of the Company in connection with a claim (in respect of which the Insured is entitled to indemnity

under Indemnity 2), pay compensation to the Insured at the following rates per day for each day on which attendance is required:

- a any director of the Insured or partner of the Insured £500
- b any Employee £250.

### F Third Party Contingent Liability

Notwithstanding anything to the contrary in the "Persons or classes of persons entitled to Drive" and "Limitations as to use", specified in the Certificate of Motor Insurance, item 1 of Indemnity 2 is extended to indemnify the Insured in respect of:

- a any Motor Vehicle belonging to and driven by any Employee on the Business of the Insured;
- b an Insured Vehicle being driven by or in the charge of any sub-contractor of the Insured; and
- c an Insured Vehicle loaned or hired to a customer by the Insured for purposes of the customer's business or for the customer's social, domestic and pleasure use, but only whilst the customer's own vehicle is in the Insured's possession for repair or servicing, pending redelivery to the customer.

### Exclusions to Indemnity 2: Liability to Third Parties

#### The Company shall not be liable:

- 1 in respect of death of or bodily injury to any person arising out of and in the course of such person's employment by the person claiming to be indemnified, except for any passenger who is being carried in or upon or entering or getting on to or alighting from the Insured Vehicle whilst such vehicle is on a Road, as described in the Road Traffic Acts. Such passenger shall not be the driver or a person in charge of the Insured Vehicle for the purpose of driving;
- 2 for loss, destruction or damage to an Insured Vehicle or to any property belonging to or held in trust by or in the custody of the Insured or the person claiming to be indemnified or being conveyed by such vehicle;
- 3 in connection with the loading or unloading of an Insured Vehicle beyond the limits of the carriageway by any person other than the driver or attendant of that vehicle;
- 4 if there is any other insurance in force covering the same liability;
- 5 whilst the Insured Vehicle is within the precincts of an airport or aerodrome, to which aircraft have access or are housed;

**6** in respect of death of or bodily injury to any person or loss, destruction or damage to property directly or indirectly caused by pollution or contamination, unless such pollution or contamination is directly caused by a sudden identifiable, unintended and unexpected incident which occurs in its entirety at a specific time and place during the Period of Insurance. All pollution or contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place. This Exclusion shall not apply in circumstances where this insurance is necessary to meet the requirements of any compulsory motor insurance legislation operative within the Territorial Limits;

### 3 Legal Costs

The Company will also pay any legal costs incurred with its written consent in respect of any event which is being dealt with as a claim under Indemnity 2: Liability to Third Parties. This includes the cost of representation at any Coroner's Court or Fatal Accident Inquiry and of defending any proceedings arising from death or in a Court of Summary Jurisdiction.

If the Company elects to pay a limit of indemnity the costs payable under this Indemnity 3 shall be those incurred by the Company up to the date from which the Company notifies the Insured of such election.

### 4 Emergency Treatment

The Company will indemnify any person in respect of emergency treatment as required by the Road Traffic Acts resulting from any event which this Section insures.

### 5 Foreign Use

The Territorial Limits stated under this Section are extended to include the following territories:

- any country which is a member of the European Union; and
- Jersey, Guernsey, Isle of Man and any country listed below which the Commission of the European Community approves as meeting the requirements of Article 8 of Directive 2009/103/EC on Motor Insurance for Third Party Liabilities,

and during transit by sea between any ports therein including loading or unloading.

Countries include:

Andorra, Austria, Belgium, Bosnia, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Herzegovina, Hungary, Italy, Latvia, Iceland, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania,

Slovakia, Slovenia, Spain, Sweden and Switzerland including Liechtenstein.

### 6 Unauthorised use

The insurance provided by this Section will extend to indemnify the Insured in the event that any person, other than an authorised driver specified in the Certificate of Motor Insurance, uses the Insured Vehicle without authority, provided that the Insured has not been party to such unauthorised use.

### 7 Uninsured Loss Recovery

Claims under this Indemnity 7 are administered and managed by ARAG Legal Expenses Insurance Company Limited on behalf of the Company.

The Company agrees to cover the Insured (or where specified, Insured Person) under this Indemnity 7 in respect of an Insured Incident, in connection with the Insured Vehicle.

Provided that:

- Reasonable Prospects exist for the duration of the claim;
- the Insured Incident happens during the Period of Insurance;
- any legal proceedings will be dealt with by a court, or other body which ARAG agree to, within the Territorial Limits;
- the Insured Incident happens within the Territorial Limits; and
- the most the Company will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is £100,000.

### After a Motor Accident

If the Insured Person is involved in an accident which was not the Insured Person's fault, ARAG will help the Insured Person recover their Uninsured Losses from the person who caused the accident, either through the ARAG Motor Claims Centre or by appointing a lawyer. Uninsured Losses could include the cost of repairing or replacing the Insured Vehicle, the Insured's motor insurance policy excess, compensation following injury or other out-of-pocket expenses.

If the accident was entirely the other person's fault and the Insured Vehicle cannot be driven, ARAG can arrange to supply the Insured with a comparable replacement hire vehicle until the Insured Vehicle can be repaired. ARAG will do so only if the Insured meets the hire company's terms and conditions of hire. For ARAG to provide a replacement hire vehicle, the driver at fault must have

valid motor insurance and be identified or traced. This service is available in England and Wales, on the mainland of Scotland and Northern Ireland and the Isle of Man, Jersey and Guernsey.

Where the driver at fault is uninsured or cannot be traced, ARAG will assist the Insured in making a claim to the Motor Insurers' Bureau.

### How to Make a Claim

Phone ARAG on **02920 857229** as soon as possible after your accident to speak to one of ARAG's dedicated Customer Claims handlers. If the Insured Person is calling from outside of the UK, please phone ARAG on **+44 29 2085 4069**

If the Insured Person wants to speak to ARAG legal teams about a legal problem related to motoring, please phone ARAG on **0330 041 3760**. ARAG will ask the Insured Person about the Insured Person's legal issue and if necessary call the Insured Person back to give the Insured legal advice.

Please do not ask for help from a lawyer or hire a vehicle before ARAG have agreed. If the Insured Person does, the Company will not pay the costs involved even if ARAG accept the claim.

### Definitions applicable to Indemnity 7: Uninsured Loss Recovery

**The General Definitions of this Policy and Definitions of this Section (except Territorial Limits) apply to this Indemnity and, in addition, the following Definitions apply only to this Indemnity:**

#### Appointed Representative

The Preferred Law Firm, law firm, or other suitably qualified person, ARAG will appoint to act on an Insured Person's behalf.

#### ARAG

ARAG Legal Expenses Insurance Company Limited.

#### ARAG Standard Terms of Appointment

The terms and conditions (including the amount the Company will pay to an Appointed Representative) that apply to the claim, which could include a conditional fee agreement (no-win, no-fee). Where a law firm is acting as an Appointed Representative the amount is currently £100 per hour. This amount may vary from time to time.

#### Costs and Expenses

- a All reasonable and necessary costs chargeable by the Appointed Representative and agreed by ARAG in accordance with the ARAG Standard Terms of Appointment.

- b The costs incurred by opponents in civil cases if an Insured Person has been ordered to pay them, or pays them with the Company's agreement.

#### Date of Occurrence

The date of the event which may lead to a claim. If there is more than one event arising at the same time or from the same originating cause, then the Date of Occurrence is the date of the first of these events.

#### Insured Incident

As set out in sub-sections A and B under the heading "Insured Incidents" of this Indemnity 7.

#### Insured Person

- a The Insured or any partner of the Insured or director of the Insured or Employee.
- b Any passenger or driver who is in or on the Insured Vehicle with the Insured's permission.

Provided that anyone claiming under this Indemnity must have the Insured's agreement to claim.

#### Motor Claims Centre

This centre carries out recovery, hire and repair services and deals with the administration of the Insured Person's claim.

#### Preferred Law Firm

A law firm or barristers' chambers ARAG choose to provide legal services. These legal specialists are chosen as they have the proven expertise to deal with an Insured Person's claim and must comply with ARAG's agreed service standard levels, which ARAG audit regularly. They are appointed according to the ARAG Standard Terms of Appointment.

#### Reasonable Prospects

The prospects that an Insured Person will recover losses or damages, make a successful defence or make a successful appeal or defence of an appeal, must be at least 51%. ARAG, or a Preferred Law Firm on ARAG's behalf, will assess whether there are Reasonable Prospects.

#### Territorial Limits

For Insured Incident A Uninsured Loss Recovery and Personal Injury:

- 1 Great Britain, Northern Ireland, the Channel Islands and the Isle of Man (or during transit by sea between any ports therein including loading or unloading); and
- 2 The territories stated under Indemnity 5: Foreign Use of this Section, where such Indemnity is provided.

For Insured Incident B Replacement Vehicle Hire:

England and Wales, the mainland of Scotland and Northern Ireland, the Isle of Man, Jersey and Guernsey.

### Uninsured Losses

Losses which an Insured Person has incurred as a result of a road traffic accident which was not their fault, and which are not otherwise covered under this Section 15 Road Risks.

### Vehicle Hire Costs

The cost of hiring a comparable replacement vehicle for one continuous period ARAG agree to. This cost includes motor insurance for the vehicle.

### Insured Incidents

#### A Uninsured Loss Recovery and Personal Injury

##### What is insured

The Company will pay an Appointed Representative, on behalf of an Insured Person, Costs and Expenses incurred to recover Uninsured Losses after an event which causes:

- a Damage to the Insured Vehicle or to property belonging to an Insured Person in or on the Insured Vehicle; and/or
- b the death of, or bodily injury to, an Insured Person whilst travelling in or on the Insured Vehicle.

Provided that:

- i the most the Company will pay in Costs and Expenses is no more than the amount the Company would have paid to a Preferred Law Firm. The amount the Company will pay a law firm (where acting as an Appointed Representative) is currently £100 per hour. This amount may vary from time to time.
- ii in respect of an appeal or the defence of an appeal, the Insured Person must tell ARAG within the time limits allowed that they want to appeal. Before the Company pay the Costs and Expenses for appeals, ARAG must agree that Reasonable Prospects exist.
- iii where an award of damages is the only legal remedy to a dispute and the cost of pursuing legal action is likely to be more than any award of damages, the most the Company will pay in Costs and Expenses is the value of the likely award.

### What is not insured

- a In the event of a claim, if an Insured Person decides not to use the services of a Preferred Law Firm, they will be responsible for any costs that fall outside the ARAG Standard Terms of Appointment and these will not be paid by the Company.
- b An event which causes the death of, or bodily injury to, any passenger (other than any partner of the Insured or director of the Insured or Employee) in an Insured Vehicle with more than 17 seats.

#### B Replacement Vehicle Hire

##### What is insured

ARAG will make the arrangements for vehicle hire for the Insured within the Territorial Limits and the Company will pay the Vehicle Hire Costs following an accident involving the Insured Vehicle and another vehicle, as long as:

- i the Insured Vehicle cannot be driven; and
- ii the accident was entirely the other person's fault.

Provided that:

- i the Insured must agree to ARAG trying to recover any Vehicle Hire Costs in the Insured's name, and any costs recovered must be paid to the Company.
- ii ARAG will choose the vehicle hire company and the type of vehicle to be hired.
- iii ARAG will decide how long a vehicle can be hired for.
- iv the Insured must tell ARAG as soon as the Insured Vehicle becomes available for the Insured to drive again.
- v the Insured must meet the age and licensing rules of the vehicle hire company ARAG choose and must follow any terms and conditions of hire.

##### What is not insured

- a Vehicle Hire Costs if the Insured are claiming against a person who does not have valid motor insurance or cannot be identified or traced; or
- b Vehicle Hire Costs when the Insured make their own arrangements for vehicle hire after an Insured Incident.

## Exclusions applicable to Indemnity 7: Uninsured Loss Recovery

The Company shall not be liable for:

### 1 Late reported claims

Any claim reported to ARAG more than 180 days after the date the Insured Person should have known about the Insured Incident.

### 2 Costs ARAG have not agreed

Costs and Expenses or Vehicle Hire Costs incurred before ARAG's acceptance of a claim. If ARAG agree that Vehicle Hire Costs are to be paid but subsequently it is established that the accident resulting in the claim was not entirely the other person's fault, the Company will not pay any further Vehicle Hire Costs. However, ARAG will not seek to recover any costs from the Insured that the Company has already paid provided the accident details the Insured supplied are true and complete.

### 3 Court awards and fines

Fines, penalties, compensation or damages that a court or other authority orders an Insured Person to pay.

### 4 Legal action ARAG have not agreed

Any legal action an Insured Person takes which ARAG or the Appointed Representative have not agreed to or where the Insured Person does anything that hinders ARAG or the Appointed Representative.

### 5 Contractual disputes

Any claim relating to a contract involving the Insured Vehicle.

### 6 Uninsured drivers

The Insured Vehicle being used by anyone, with the Insured's permission who does not have valid motor insurance.

### 7 A dispute with ARAG

A dispute with ARAG not otherwise dealt with under Condition 8 of this Indemnity 7.

### 8 Judicial review

Costs and expenses arising from or relating to judicial review, coroner's inquest or fatal accident inquiry.

### 9 Litigant in person

Any claim where an Insured Person is not represented by a law firm or barrister.

## Conditions applicable to Indemnity 7: Uninsured Loss Recovery

The following Conditions apply to this Indemnity 7.

### 1 Insured Person's Representation

- a On receiving a claim, if representation is necessary, ARAG will appoint a Preferred Law Firm as the Insured Person's Appointed Representative to deal with the Insured Person's claim. They will try to settle the Insured Person's claim by negotiation without having to go to court.
- b If the appointed Preferred Law Firm cannot negotiate settlement of the Insured Person's claim and it is necessary to go to court and legal proceedings are issued or there is a conflict of interest, then the Insured Person may choose a law firm to act as the Appointed Representative.
- c If the Insured Person chooses a law firm as the Insured Person's Appointed Representative who is not a Preferred Law Firm, ARAG will give the Insured Person's choice of law firm the opportunity to act on the same terms as a Preferred Law Firm. However if they refuse to act on this basis, the most the Company will pay is the amount the Company would have paid if they had agreed to the ARAG Standard Terms of Appointment. The amount the Company will pay a law firm (where acting as the Appointed Representative) is currently £100 per hour. This amount may vary from time to time.
- d The Appointed Representative must co-operate with ARAG at all times and must keep ARAG up to date with the progress of the claim.

### 2 Insured Person's Responsibilities

An Insured Person must:

- a co-operate fully with ARAG and the Appointed Representative;
- b give the Appointed Representative any instructions that ARAG ask the Insured Person to.

### 3 Offers to settle a claim

- a An Insured Person must tell ARAG if anyone offers to settle a claim and must not negotiate or agree to any settlement without ARAG's written consent.
- b If an Insured Person does not accept a reasonable offer to settle a claim, the Company may refuse to pay further Costs and Expenses.
- c The Company may decide to pay an Insured Person the reasonable value of the claim that the Insured Person is claiming or is being claimed against them

instead of starting or continuing legal action. In these circumstances an Insured Person must allow ARAG to take over and pursue or settle a claim in their name. An Insured Person must allow ARAG to pursue at ARAG's own expense and for ARAG's benefit, any claim for compensation against any other person and an Insured Person must give ARAG all the information and help they need to do so.

#### 4 Assessing and recovering costs

- a An Insured Person must instruct the Appointed Representative to have Costs and Expenses taxed, assessed or audited if ARAG ask for this.
- b An Insured Person must take every step to recover Costs and Expenses that the Company has to pay and must pay the Company any amounts that are recovered.

#### 5 Cancelling an Appointed Representatives appointment

If the Appointed Representative refuses to continue acting for an Insured Person with good reason or if an Insured Person dismisses the Appointed Representative without good reason, the cover the Company provides will end at once, unless ARAG agree to appoint another Appointed Representative.

#### 6 Withdrawing cover

If an Insured Person settles a claim or withdraws their claim without ARAG's agreement, or does not give suitable instructions to the Appointed Representative, the Company can withdraw cover and will be entitled to reclaim any Costs and Expenses the Company has paid.

#### 7 Expert opinion

ARAG may require the Insured Person to get, at the Insured Person's own expense, an opinion from an expert, that ARAG consider appropriate, on the merits of the claim or proceedings, or on a legal principle. The expert must be approved in advance by ARAG and the cost agreed in writing between the Insured Person and ARAG. Subject to this the Company will pay the cost of getting the opinion if the expert's opinion indicates that it is more likely than not that the Insured Person will recover damages (or obtain any other legal remedy that ARAG have agreed to) or make a successful defence.

#### 8 Arbitration

If there is a disagreement about the handling of a claim and it is not resolved through ARAG's internal complaints procedure the Financial Ombudsman Service may be able to help. This is a free complaint resolution service for eligible complaints. (Details available from [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).)

If the dispute is not covered by the Financial Ombudsman Service, there is a separate arbitration process available. The arbitrator will be a jointly agreed barrister, solicitor or other suitably qualified person. If there is a disagreement over the choice of arbitrator, ARAG will ask the Chartered Institute of Arbitrators to decide. The arbitrator will decide who will pay the costs of the arbitration. For example, costs may be split between the parties or one party may pay all the costs.

#### 9 Keeping to the policy terms

An Insured Person must:

- a take reasonable steps to avoid and prevent claims
- b take reasonable steps to avoid incurring unnecessary costs
- c send everything ARAG ask for in writing; and
- d give ARAG full and factual details of any claim as soon as possible and give ARAG any information ARAG need.

#### 10 Other insurances

Notwithstanding Claims Condition 6 under this Policy, if any claim covered under this Indemnity 7 is also covered by another policy, or would have been covered if this Indemnity 7 did not exist, the Company will only pay the Company's share of the claim even if the other insurer refuses the claim.

#### 11 Applicable Law

Notwithstanding General Condition 7 Choice of Law of this Policy, this Indemnity 7 is governed by the law that applies in the part of the United Kingdom, Channel Islands or Isle of Man where the Insured Person's business is registered. Otherwise the law of England and Wales applies.

All Acts of Parliament mentioned in this Indemnity 7 includes equivalent laws in Scotland, Northern Ireland, the Isle of Man and the Channel Islands as appropriate.

#### How to Make a Complaint

ARAG will always aim to give the Insured Person a high quality service. If the Insured Person thinks ARAG have let them down, they can contact ARAG by:

- phoning **0344 893 9013**
- emailing [customerrelations@ARAG.co.uk](mailto:customerrelations@ARAG.co.uk)
- writing to the Customer Relations Department at: ARAG Legal Expenses Insurance Company Limited, Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW
- completing the ARAG online complaint form at [www.arag.co.uk/complaints](http://www.arag.co.uk/complaints)

Further details of the ARAG internal complaint-handling procedures are available on request.

If the Insured Person is not happy with the complaint outcome or if ARAG have been unable to respond to the Insured Person's complaint within 8 weeks, they may be able to contact the Financial Ombudsman Service for help. This is a free complaint resolution service for eligible complaints. (Details available from [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk))

The Insured Person can contact them by:

- phoning **0800 023 4567** (free from mobile phones and landlines) or **0300 123 9123**
- emailing [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)
- writing to The Financial Ombudsman Service, Exchange Tower, London E14 9SR

Further information is available on their website:

[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Using this service does not affect the Insured's right to take legal action.

### Data Protection

ARAG will process your personal information in accordance with their Privacy Notice. You can find ARAG's Privacy Notice online at [www.arag.co.uk/privacy](http://www.arag.co.uk/privacy). Alternatively, you can make a request for a printed copy to be sent to you by contacting [dataprotection@arag.co.uk](mailto:dataprotection@arag.co.uk).

### ARAG Regulatory Information

ARAG Head and Registered Office:

ARAG Legal Expenses Insurance Company Limited, Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW.

Registered in England and Wales, number 103274.

Website: [www.ARAG.co.uk](http://www.ARAG.co.uk)

ARAG Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FRN202106) and the Prudential Regulation Authority.

### Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (FSCS). Compensation from the scheme may be claimed if we cannot meet our obligations. This will be dependent on the type of business and the circumstances of the claim. More information on the compensation scheme arrangements can be found on the FSCS website, [www.fscs.org.uk](http://www.fscs.org.uk)

## 8 Windscreen / Window Damage

The Company will indemnify the Insured in respect of windscreen or window breakage (including any resultant scratching of the bodywork) of any Insured Vehicle.

### Basis of Claim Settlement under Indemnity 8: Windscreen / Window Damage

The Company may, at its option, repair or replace the windscreen or window or make a settlement in cash, subject to there being no other loss, destruction or damage to the Insured Vehicle.

Provided that the liability of the Company under this Indemnity 8 in total for all claims or series of claims, arising out of any one original cause, shall in no case exceed the Windscreen Limit stated in the Schedule.

A payment under this Section shall not affect any entitlement to no claims discount.

### Excess under Indemnity 8: Windscreen / Window Damage

This Indemnity 8 does not cover and the Company shall not be liable for the amount of any Excess stated in the Schedule as Windscreen Excess but shall not be subject to any other Excess.

## Conditions applicable to this Section

It is a condition precedent to the liability of the Company that:

- 1 the Insured must take all reasonable precautions to:
  - a maintain an Insured Vehicle in an efficient and roadworthy condition; and
  - b safeguard it from loss or damage.
- 2 the Company shall have full access at all reasonable times to examine an Insured Vehicle.
- 3 the Insured and/or the person who incurred the liability shall repay to the Company any sum which it has paid solely because of the law of the country in which this Section operates and which it would not otherwise have paid. Similarly, the Insured and/or the person who incurred the liability shall repay the Company any sum which it has paid solely because of any agreement with the Motor Insurer's Bureau. Such rights of recovery will be pursued against the Insured and/or the person who incurred the liability.
- 4 the Insured will arrange for details of all relevant vehicles to be provided in electronic format to the Motor Insurance Database website in order to comply with the relevant law applicable in Great Britain and Northern Ireland.

## Exclusions applicable to this Section

The Section does not cover:

- 1** any accident, injury, loss, destruction or damage, whilst an Insured Vehicle is:
  - a** being used other than in accordance with the “Limitations as to use” specified in the Certificate of Motor Insurance or is being driven by, or for the purpose of being driven is in the charge of, any person other than an authorised driver specified in the Certificate of Motor Insurance;
  - b** being driven by the Insured unless the Insured holds a licence to drive such vehicle or has held and is not disqualified for holding or obtaining such a licence;
  - c** being driven with the consent of the Insured or their representative by any person who, to their knowledge, 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; or
  - d** being driven in an unsafe or unroadworthy condition;
- 2** any legal liability incurred as a result of an agreement or contract, unless such liability would have attached in the absence of such agreement;
- 3** any accident, injury, loss, destruction or damage (except under Indemnity 2) arising in consequence of:
  - a** an earthquake; or
  - b** riot or civil commotion arising elsewhere than in Great Britain, the Channel Islands or the Isle of Man;
- 4** any accident, injury, loss, destruction or damage arising out of participation in, or practice for, motor sports determined by time or speed, or arising at any part of any premises where such motor sports or practice for them is taking place; or
- 5** any proceedings brought or judgment obtained against the Insured or any person covered by this Section in any court outside the United Kingdom, unless such proceedings are brought or judgment is obtained in the court of a foreign country arising out of the use of the Insured Vehicle in that foreign country, and the Company has agreed to extend cover under this Section to cover such foreign use.

# Important Information

## The Insured's right to cancel

If this cover does not meet your requirements, please return all your documents to the broker, intermediary or agent, who arranged the Policy within 14 days of receipt.

The Company will return any premium paid in accordance with General Condition 5 Cancellation.

## Cancellation

If you wish to cancel the contract at any other time, please contact the broker, intermediary or agent, who arranged the Policy. Any return of premium will be made in accordance with the General Condition 5 Cancellation.

## Your Fixed Sum Credit Agreement

Your right to withdraw from your credit agreement If you have chosen to pay by instalments, you may withdraw from your credit agreement within 15 days of receiving it. If you would like to withdraw from your credit agreement, please call us on **0345 303 1760** or write to us at the address shown on your documents. If you withdraw from your Agreement you will need to arrange for payment of any outstanding policy premium.

You have the right to withdraw from the credit agreement at any time. If you wish to do so you should let us know. If you do this any outstanding balance of the policy premium must be settled in order for your insurance cover to continue under the policy.

## Other important information about your credit agreement

If you decide to cancel your policy, your credit agreement will automatically be withdrawn; any refunds will be paid pro rata unless there is a claim, when the full premium will be due. We may withdraw from your credit agreement if you fail to pay any instalment by the due date. For full details please see the terms of your Fixed Sum Credit Agreement.

It is possible that other taxes or costs not imposed by us may apply to this Agreement.

If you have a complaint about your credit agreement, read the 'How to complain' section.

English law applies to your Agreement and courts in England or Wales may deal with disputes in connection with this Agreement unless you live in Scotland where Scottish law will apply and Scottish courts may deal with disputes in connection with this Agreement.

We have supplied this agreement and other information to you in English and we will continue to communicate with you in English.

## How to make a claim

Unless otherwise stated in this Policy, please contact, in the first instance, the broker, intermediary or agent, who arranged the Policy. Please quote your Policy number.

## How to complain

If you have an enquiry or complaint arising from your Policy, please contact the broker, intermediary or agent who arranged the Policy for you. If the broker is unable to resolve your complaint or it is regarding the terms and conditions of the Policy, they will refer it to NIG.

If your complaint is still outstanding you can write to NIG direct at the following address:

RSA Customer Relations Team, PO Box 255  
Wyndham, NR18 8DP

Email: [rsacustomerrelations@uk.rsagroup.com](mailto:rsacustomerrelations@uk.rsagroup.com)

Please ensure that you quote your policy number in all correspondence. Details of NIG's complaints procedures including information on what you should expect in response to your complaint can be found on NIG's website at [www.nig.com/contact-us/complaints](http://www.nig.com/contact-us/complaints).

Once you receive a written response and if you remain dissatisfied, you may refer your complaint to the Financial Ombudsman Service (FOS). Their address is:

The Financial Ombudsman Service  
Exchange Tower London E14 9SR  
Telephone: **0800 023 4567** or **0300 123 9123**.

Their website also has a great deal of useful information: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

For complaints relating to Section 10: Legal Expenses, of this Policy, please refer to the "How to make a complaint" entry in that Section. For complaints relating to Indemnity 7 Uninsured Loss Recovery under Section 15: Road Risks, of this Policy, please refer to the "How to Make a Complaint" entry in that Section.

## Details about our Regulator

NIG policies are underwritten by Royal & Sun Alliance Insurance Ltd who is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, registration number 202323. The Financial Conduct Authority website, which includes a register of all regulated firms can be visited at [www.fca.org.uk](http://www.fca.org.uk), or the Financial Conduct Authority can be contacted on **0800 111 6768**.

The Prudential Regulation Authority website can be visited at [www.bankofengland.co.uk/pr](http://www.bankofengland.co.uk/pr), or the Prudential Regulation Authority can be contacted on **020 7601 4878**.

### Financial Services Compensation Scheme

Under the Financial Services and Markets Act 2000, should we be unable to meet our liabilities to policyholders, compensation may be available. Insurance advising and arranging is covered for 90% of the claim, without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit. Information can be obtained on request, or by visiting the Financial Services Compensation Scheme website at [www.fscs.org.uk](http://www.fscs.org.uk).

### Data Protection

At NIG we are aware of the trust you place in us when you buy our products and our responsibility to protect your information. You can view and/or download our privacy notice from [www.rsainsurance.co.uk/privacy-policy/](http://www.rsainsurance.co.uk/privacy-policy/). This tells you what we do with the information we collect about you, how we protect your information, what your rights are under data protection legislation and tells you what we are required to do by law. This includes details of who to contact should you have any concerns about the way in which NIG are using your personal information.

**Whoever you are contacting, please always quote your Policy Number as it will help your enquiry or complaint to be dealt with promptly.**

Please be aware that telephone calls may be recorded for training and monitoring purposes.

