

COMMERCIAL COMBINED POLICY BOOKLET



KEEP YOUR BUSINESS
RUNNING LIKE CLOCKWORK

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:

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.

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

Eurolaw Commercial Legal and UK Tax Advice

0345 878 5024

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

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

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

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

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

DAS'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, DAS 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, DAS will call the Insured Person back.

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

Tax advice is provided by tax advisors 9am – 5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, DAS will 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 DAS Legal Expenses Insurance Company Limited (DAS). 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 immediate family who permanently live with them) over the telephone to all aged 18 or over and to 16 and 17 year olds, provided they are in full-time employment, assisting issues such as:

- Stress
- Relationship
- Depression
- Bereavement
- Family

This service can also help with:

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

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

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

Health and Medical Service

0345 878 5024

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
- Changing doctors
- Giving up smoking
- Inoculations
- Comprehensive doctor, clinic and treatment facility database
- 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 DAS Legal Expenses Insurance Company Limited. All calls are dealt with in the strictest confidence, but to assist DAS with checking and improving service standards, calls may be recorded.

Business Emergency Assistance

0345 878 5024

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

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

In the event of emergency assistance being required, a reputable local contractor will be contacted, but 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 Policy Schedule.

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

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

Employment Manual

The DAS Employment Manual offers comprehensive, up-to-date guidance on rapidly changing employment law. To view it, please visit www.dasinsurance.co.uk/employment-manual.

If the Insured would like notifications of when updates are made to the Employment Manual please email DAS at employmentmanual@das.co.uk quoting the Insured's name and Policy number shown in the Schedule.

DAS Businesslaw

DAS 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.

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

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

In addition, DAS 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.dasbusinesslaw.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

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

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Commercial Combined Policy

NIG policies are underwritten by Royal and 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 (other than in respect of Section 12b: Engineering Inspection, of 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 insurer and/or Employees for the purposes of the Business.

Company

Royal and Sun Alliance Insurance Ltd trading as NIG and/or such other authorised insurer as Royal and 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 all other contents) and Portable Hand Tools – in accordance with the Durable Goods Section of the Retail Prices Index.
- c** in respect of Stock in Trade, Cigarettes and Tobacco, Stock in Trade in the Open, Wines and Spirits and Non-Ferrous Metals – 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 6: Employers' Liability, the Policyholder stated upon the Certificate of Employers' Liability Insurance.

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 and the Schedule, all of which should be read together as one contract.

Premises

Premises at the address(es) stated in the Schedule occupied by 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 (other than in respect of Section 12b: Engineering Inspection, of this Policy unless otherwise stated in 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 18: Personal Accident) or in any other circumstances whereby the risk is increased other than in accordance with:

- i Extensions I Non-Invalidation and M Capital Additions under Section 1: Material Damage, of this Policy;
- ii Extension A Automatic Cover under Section 12a: Engineering Damage to Machinery and Plant, of this Policy;

- iii Extension A Extra Hardware under Sub-Section 5 (Hardware) of Section 14: Computer and Cyber, of this Policy;

- iv Extension I Speculative Development and Condition 1 Cessation of Works, under Section 19: Contractors All Risks, of this Policy; or

- v 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 Section 3: Goods in Transit and Section 5: Business Money and Personal Accident (Assault); and
- c turnover, free issue materials and plant hire charges, in respect of Section 19: Contractors All Risks,

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 General 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.

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.
- 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 Insured and the Company may choose which law will apply to this Policy. Unless both parties agree otherwise, English law will apply. The Company has supplied this Policy and other information to the Insured in English and the Company 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 Survey and 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 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 the Company will advise the Insured in writing confirming the action being taken.

10 Fire Extinguishing Appliances

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

11 Sanctions, Prohibitions or Restrictions

The Company will not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Company to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Claims Conditions

These Conditions apply to this Policy (other than in respect of Section 12b: Engineering Inspection, of 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 Conditions Precedent

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

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 and immediately send to the Company every relevant document relating to any impending prosecution, inquest or fatal accident enquiry or civil proceedings;
- b** immediately notify the Company of, and deliver to the Company at the Insured's 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, Section 13: Engineering Business Interruption and Section 15: Loss of Licence, 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 and in respect of any claim or circumstance, relating to a claim being made against them under Sub-Section 2 (Cyber Liability) of Section 14: Computer and Cyber, of this Policy, the Insured shall record all information relating to such claim;

- c** give immediate notification to the police in respect of:
 - i** vandalism;
 - ii** theft or any attempt thereof; or
 - iii** loss of money by any cause whatsoever, in relation to this Policy; or
 - iv** any other incident or circumstance relating to criminal activity that may result in a claim being made under Section 14: Computer and Cyber, of this Policy;
- d** make no admission of liability or offer, promise or payment or provide any services on behalf of the Company without the written consent of the Company (or HSB Engineering Insurance Limited for a claim under Section 14: Computer and Cyber, of this Policy);
- e** take all reasonable action to minimise any interruption or interference with the Business and to prevent further damage or other loss covered by this Policy;
- f** fully co-operate and 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
- g** in respect of Damage to the property insured under Sections 12a: Engineering Damage to Machinery and Plant and 14: Computer and Cyber, 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 items including parts that are replaced and any other evidence relating to the claim, 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 6: Employers' Liability, Section 7: Public Liability and Section 8: Products Liability, of this Policy respectively) resulting in any claim(s) under Sections 6, 7 and/or 8, of this Policy respectively, to pay to the Insured the amount of the Indemnity Limit (as defined in Sections 6, 7 and 8, of this Policy respectively) for such Occurrence (less any sums already paid as damages in respect of such Occurrence and, in respect of Section 6 of this Policy, less costs and expenses, incurred before the date of payment) or any lesser amount for which the claim(s) can be settled. After such payment the Company shall have no further responsibility in connection with such claim(s), except in respect of Sections 7 and 8, of this Policy, for costs and expenses, incurred before the date of payment.

4 Fraudulent Claims

In the event of any claim under the Policy being submitted which in any respect is intentionally exaggerated or fraudulent or if any fraudulent means or devices are used by 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 6: Employers' Liability, Section 7: Public Liability and Section 8: Products Liability, of this Policy respectively), incident, loss, destruction or damage, which gives rise to a claim, there is any other insurance effected by or on 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 Claims 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 4: Terrorism and Section 12b: Engineering Inspection, 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

- 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 11: Deterioration of Stock, Section 12a: Engineering Damage to Machinery and Plant, Section 13: Engineering Business Interruption and Section 14: Computer and Cyber, of this Policy; and

- b to the extent stated in Section 4: 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 6: Employers' Liability, Section 7: Public Liability and Section 8: Products Liability, 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 6 of this Policy, notwithstanding the Indemnity Limit (as defined in Section 6 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 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;

2 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 any one Occurrence (as defined in Section 7 of this Policy) or in the aggregate in respect of a series of such Occurrences arising out of any one original cause, 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;

3 Section 8 of this Policy, notwithstanding the Indemnity Limit (as defined in Section 8 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 8 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 8 of this Policy, whichever is the lower; and

4 Section 7 and Section 8, of this Policy, notwithstanding items 2 and 3 above and the Indemnity Limit (as defined in Sections 7 and 8, of this Policy) stated in the Schedule, 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 7 or Section 8, of this Policy, as relevant) arising out of Pollution or Contamination (as defined in Section 7 or Section 8, of this Policy, as relevant), consequent upon 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 7 and/or Section 8, of this Policy, whichever is the lower.

2 Sonic Bangs

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

3 Radioactive Contamination

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

- a** ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or

- b** the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

NOTE: As far as this General Exclusion concerns Bodily Injury (as defined in the relevant Sections of this Policy) caused to any Employee, if such Bodily Injury arises out of and in the course of employment or engagement of such person by 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 General Exclusion shall not apply to Section 6: Employers' Liability, Section 7: Public Liability and Section 8: Products Liability, of this Policy.

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, Sub-Section 1: Business Money of Section 5: Business Money and Personal Accident (Assault), Section 10: Specified All Risks, Sub-Sections 5: Hardware and 6: Data Corruption and Extra Cost of Section 14: Computer and Cyber and Section 19: Contractors All Risks, of this Policy, this General 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 or oil from any tank or apparatus or pipe, sprinkler leakage, theft or impact by any vehicle or animal.

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

6 Marine Policies

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

7 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 7: Public Liability and Section 8: Products Liability, 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 Section 6: Employers' Liability, Section 11: Deterioration of Stock, Section 12a: Engineering Damage to Machinery and Plant, Section 13: Engineering Business Interruption and Section 14: Computer and Cyber, of this Policy.

8 Infectious or Contagious Disease

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

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

This General Exclusion shall not apply to:

- i** item **b** in Extension N Disease under Section 2: Business Interruption; and
- ii** Section 6: Employers' Liability, Section 7: Public Liability, Section 8: Products Liability, Section 17: Legal Expenses and Section 18: Personal Accident, 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 and caused by any of the Perils (where stated as Operative in the Schedule), 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,

all being the property of the Insured or for which the Insured is responsible.

Cigarettes and Tobacco

Stock of cigarettes, cigars and tobacco including electronic cigarettes and their accessories.

Non-Ferrous Metals

Stock of non-ferrous metals.

Perils

- 1 a Fire** but excluding Damage caused by:
 - i** explosion resulting from fire;
 - ii** earthquake or subterranean fire; or
 - iii a** its own spontaneous fermentation or heating; or
 - b** it undergoing any heating process or any process involving the application of heat; or
- b Lightning.**
- 2 Explosion** excluding Damage caused by or consisting of the bursting by steam pressure of a boiler, economiser or other vessel, machine or apparatus, belonging to the Insured or under the control of the Insured, in which internal pressure is due to steam only.
Notwithstanding this exclusion, explosion of domestic boilers or gas is covered by this Peril provided that:
 - i** such boiler or gas is used for domestic purposes only; and
 - ii** Damage is not caused by earthquake or subterranean fire.
- 3 Aircraft** or other aerial devices, or articles dropped therefrom.
- 4 Earthquake**, subterranean fire.
- 5 Riot, Civil Commotion**, strikers, locked out workers, persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation, excluding Damage:
 - a** caused by cessation of work; or
 - b** due to confiscation, requisition or destruction, by or by order of the government or any public authority.
- 6 Malicious Persons** or vandals, excluding Damage:
 - a** caused by such malicious persons or vandals, acting on behalf of or in connection with any political organisation;
 - b** caused by cessation of work;
 - c** due to confiscation, requisition or destruction by or by order of the government or any public authority;
 - d** caused by Theft as defined in Peril 7 below;
 - e** when the Premises are Vacant or Disused;
 - f** in respect of property in the open unless agreed otherwise by the Company; or
 - g** in respect of property in any structure which is incapable of being locked.

7 Theft or any attempt thereat, involving:

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

excluding Damage:

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

8 Storm, Tempest, excluding Damage:

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

9 Flood excluding Damage:

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

10 Escape of Water from any tank, apparatus or pipe or escape of oil from any oil-fired heating installation, excluding Damage:

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

11 Impact by:

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

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

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

13 Subsidence or ground heave of any part of the site on which the Premises stand or 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;
 - v** fire, subterranean fire, explosion or earthquake; or
 - vi** the escape of water or oil, from any tank or 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.

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

- i** caused by or specifically excluded in the Perils 1-13 inclusive (whether operative or otherwise under this Section); or
- ii** caused by theft or any attempt thereat, not involving:
 - a** entry to or exit from structures, at the Premises by forcible and violent means; or
 - b** violence or threat of violence, to the Insured or any director of the Insured or any partner of the Insured or Employee, or their families;

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

- i** inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials; or
- ii** faulty or defective workmanship, operational error or omission, on the part of the Insured or any of their Employees,

but this shall not exclude subsequent Damage which results from a cause not otherwise excluded by this Policy;

c Damage caused by or consisting of:

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

Damage consisting of:

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

but this 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);

d Damage caused by or consisting of:

- i** acts of fraud or dishonesty;
- ii** disappearance, unexplained or inventory shortage, misfiling or misplacing of information; or
- iii** electrical or magnetic, injury, disturbance or erasure, of electronic records;

e destruction of or damage to a building or structure, caused by its own collapse or cracking;**f** Damage in respect of movable property in the open or in open-sided structures, walls (not forming part of the structure), fences and gates, caused by wind, rain, hail, sleet, snow or dust;**g** Damage to the Property Insured:

- i** caused by fire resulting from its undergoing any heating process or any process involving the application of heat; or
- ii** (other than by fire or explosion) resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing, adjustment or repair;

h Damage:

- i** caused by freezing; or
- ii** to fixed glass and sanitary ware, in respect of any building which is Vacant or Disused;

i Damage in respect of:

- i** jewellery, precious stones, precious metals, bullion or furs;
- ii** property in transit;
- iii** money, cheques, stamps, bonds, credit cards or securities of any description; or

iv fixed glass and sanitary ware:

- a** due to repairs or alterations, being carried out at the Premises;
- b** during installation or removal, of such glass or sanitary ware; or
- c** which was broken or cracked prior to the Effective Date (as stated in the Schedule);

j Damage in respect of:

- i** vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;

- ii property or structures in the course of construction or erection and materials or supplies in connection with all such property in course of construction or erection;
- iii land, roads, piers, jetties, bridges, culverts or excavations; or
- iv livestock, growing crops or trees, unless specifically mentioned as insured by this Section; or
- k Damage occasioned by delay, embargo, nationalisation, confiscation, requisition, seizure or destruction, by or by order of the government or any public authority.

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

- a machinery, plant, fixtures, fittings and other trade equipment;
- b all office equipment and other contents at the Premises;
- c money and stamps (excluding Damage by theft or any attempt thereat), not exceeding £2,500 in total for all claims or series of claims, arising out of any one original cause;
- d patterns, models, moulds, plans and designs;
- e documents, manuscripts and business books, but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up such materials and not for the value to the Insured of the information contained therein;
- f computer systems records for an amount not exceeding £25,000 in total, but only for the value of the materials together with reproduction costs including the cost of gathering information but excluding the value to the Insured of the information;
- g rare books, antiques, paintings or other works of art, for an amount not exceeding £2,500 any one item and £10,000 in total, for all claims or series of claims, arising out of any one original cause;
- h directors' of the Insured, partners' of the Insured, visitors' and Employees', personal effects, in so far as they are not otherwise insured, including clothing, pedal cycles, tools, instruments and the like, for an amount not exceeding £500 per person in total for all claims or series of claims, arising out of any one original cause but any cover granted under this insurance for Damage by theft, shall not apply to personal effects partly or wholly of precious metal, jewellery, furs, money and securities of any description;

- i wines, spirits, cigarettes and tobacco, held for entertainment purposes, for an amount not exceeding £250 in total for all claims or series of claims, arising out of any one original cause, in respect of Damage by theft or any attempt thereat (if such Damage is insured under this Section); and

- j to the extent that they are not otherwise insured, motor vehicles, motor chassis, and contents thereof,

all the property of the Insured or held by them in trust for which they are responsible, but excluding Portable Hand Tools and any property which is more specifically insured.

Portable Hand Tools

Portable hand tools including portable power-driven hand tools and portable diagnostic equipment, the property of the Insured or held by them in trust and for which they are responsible.

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 and materials in trade, work in progress, finished goods and customers' goods, all the property of the Insured or held by them in trust for which the Insured is responsible, but excluding Stock in Trade in the Open, Cigarettes and Tobacco, Non-Ferrous Metals, Wines and Spirits and any property which is more specifically insured.

Stock in Trade in the Open

Stock and materials in trade, work in progress, finished goods and customers' goods, all the property of the Insured or held by them in trust for which the Insured is responsible, but excluding Cigarettes and Tobacco, Non-Ferrous Metals, Wines and Spirits and any property which is more specifically insured.

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.

Wines and Spirits

Stock of wines and spirits.

Extensions

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

A Professional Fees

The insurance by each item on Buildings, Tenants' Improvements and Plant, Machinery, Trade Fixtures (and all other contents), as set out in the Schedule, where insured by this Section, includes the cost of architects', surveyors', consulting engineers' and legal fees, necessarily and reasonably incurred in the reinstatement or repair of the property consequent on its Damage but 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 and Loss Prevention Council

The insurance by each item on Buildings, Tenants' Improvements and Plant, Machinery, Trade Fixtures (and all other contents), as set out in the Schedule, where insured by this Section, includes the cost of reinstatement of any Damage to the Property Insured and portions thereof not subject to Damage (other than foundations) incurred:

- 1 solely by reason of the necessity to comply with legislation and regulations under Acts of Parliament or local authority bye-laws; or
- 2 where the Company requires the Insured to comply with current Loss Prevention Council (LPC) Rules for Automatic Sprinkler Installations, being the additional cost of reinstating water supply equipment which:
 - i conformed to previous LPC Rules; or
 - ii conformed to current LPC Rules when installed but fails to conform to subsequent amendments to those rules.

Provided that:

- i in respect of item 1 of this Extension, the Insured receives a notice from the relevant body to comply after the Damage occurs;
- ii 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
- iii the total amount payable under this Extension and this Section, for any item, will not exceed:
 - a in respect of the property subject to Damage, its Sum Insured; and

- b 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 **iii a** and **iii b** 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 by any of the Perils 1 to 14 inclusive (whether operative or otherwise under this Section) to underground pipes, cables, drains (and their relevant inspection covers), supplying services to and carrying waste from the Premises to the point of junction with public supply lines, mains and sewers.

F Clearing of Drains

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

G Loss of Oil and Metered Water

Cover for Damage caused by escape of:

- a water from any tank, apparatus or pipe (not being automatic sprinkler installations); or
- b oil from any oil-fired heating installation,

where insured by this Section, includes the cost of such:

- i water (calculated at the current rate per cubic metre) consumed; or
- ii oil,

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 by the purchaser or on the purchaser's behalf against such Damage) 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 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 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 Buildings, Tenants' Improvements, Plant, Machinery, Trade Fixtures (and all other contents), Portable Hand Tools, Stock in Trade, Cigarettes and Tobacco, Wines and Spirits, Non-Ferrous Metals, Stock in Trade in the Open and any item of stock more specifically 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 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 Temporary Removal (Cleaning, Renovation or Repair)

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

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

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

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

P Temporary Removal (Transferred Between the Premises)

The insurance by each item on Plant, Machinery, Trade Fixtures (and all other contents), Stock in Trade, Cigarettes and Tobacco, Wines and Spirits, Non-Ferrous Metals, Stock in Trade in the Open and any item of stock more specifically insured, where insured by this Section, includes such property whilst being transferred between the Premises by road, rail or inland waterway.

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

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

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

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

Q Property at Exhibitions

The insurance by each item on Plant, Machinery, Trade Fixtures (and all other contents), Stock in Trade, Cigarettes and Tobacco, Wines and Spirits, Non-Ferrous Metals, Stock in Trade in the Open and any other item of stock more specifically described in the Schedule, where insured by this Section includes such property while it is at any indoor exhibition within:

- 1 the United Kingdom, Channel Islands or the Isle of Man; or
- 2 any country within the European Economic Area, 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 thereat (where insured by this Section), only applies under this Extension where such cover involves forcible and violent entry to or exit from the exhibition premises but excluding Damage:
 - i from any structure which is incapable of being locked;
 - ii in respect of property in the open unless agreed otherwise by the Company; or

iii in respect of jewellery, precious stones, precious metals, bullion or furs, except where specifically stated in the Schedule as being insured.

- b In respect of such property in transit (whilst in the Insured's control), Conditions 1 and 2 as set out in Section 3: Goods in Transit of this Policy and the Exclusions as set out in Section 3, whether Section 3 is operative or otherwise. Where there is any conflict between the Exclusions as set out in Section 3 of this Policy and the Exclusions under this Section in this regard, those set out in Section 3 of this Policy shall take precedence.
- c Such property not being more specifically insured.
- d Cover is restricted to exhibitions which do not exceed 7 days duration.

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

- i £50,000 in respect of cover in the situations applicable to item 1 above; or
- ii £25,000 in respect of cover in the situations applicable to item 2 above,

provided that the total liability of the Company under this Extension shall in no case exceed £50,000 in the aggregate during any one Period of Insurance.

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

The cost of changing locks on doors, windows, safes and strongrooms, at the Premises following theft, where insured by this Section, of keys from the Premises or from 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 £25,000 in the aggregate.

T 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.

U 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.

V 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.

W Loss of Rent

Loss of Rent, 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:

- a (where a Sum Insured is stated for Rent in the Schedule) 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; or

- b** (where a sum insured is not stated for Rent in the Schedule) 15% of the Sum Insured of the damaged building in total for all claims or series of claims, arising out of any one original cause, subject to the maximum rental period, being 36 months.

X Knotweed

The insurance in respect of Buildings, where insured under this Section, extends to cover the costs necessarily and reasonably incurred with the Company's consent, for eradicating from the Premises the presence of Knotweed and to safely dispose of the waste in accordance with the provisions under the Environmental Protection Act 1990 (Duty of Care) Regulations 1991 or any subsequent amending legislation.

Provided that:

- i** the Insured was not aware of the presence of the Knotweed at the time of inception of cover under this Section of the Policy;
- ii** the infestation is discovered within the Period of Insurance;
- iii** the Company shall not be liable under this Extension if there have been previous infestations of Knotweed at the Premises unless evidence can be produced to show that previous attempts at eradication have been undertaken by professional contractors who specialise in the removal of Knotweed and whose full course of treatment had been completed before inception of cover under this Section of the Policy;
- iv** the Insured must immediately notify the Company of any infestation as soon as they become aware of it;
- v** any eradication work must be undertaken by professional contractors approved by the Company;
- vi** the Company shall not be liable for any costs incurred which are recoverable under any existing guarantee or warranty; and
- vii** the cover provided by this Extension does not cover the first £500 of each and every claim.

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

The maximum liability of the Company under this Extension shall not exceed (in the aggregate in respect of all Premises):

- i** £10,000 in total for all claims or series of claims, arising out of any one original Occurrence; subject to
- ii** a maximum amount of £10,000 in the aggregate in any one Period of Insurance.

For the purposes of this Extension, the following definitions shall apply:

Knotweed shall mean Japanese Knotweed (*Fallopia Japonica*) or other hybrids of knotweed, listed under Schedule 9 of The Wildlife and Countryside Act 1981 or any subsequent amending legislation.

Occurrence shall mean the period from the initial appearance of the Knotweed until such time the contractor has declared the plant or plants inactive and shall include the first initial treatment as well as any subsequent repeat treatments necessary to eradicate the infestation.

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 Inadvertent Omission to Insure

For the purposes of this Extension, General Condition 3a of this Policy does not apply.

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

Provided that:

- a** the Insured carries out an annual check to ensure that effective insurance is in place for all property in which they have an interest;

- b** the Insured undertakes to advise the Company immediately an omission is discovered;
- c** in respect of any buildings:
 - i** purchased for refurbishment or redevelopment, then Clause 2 (Reinstatement Basis of Settlement) of this Section shall not apply; and
 - ii** due for demolition, the Company's liability shall be limited to the costs associated with clearing and securing the buildings;
- d** this Extension shall not apply in addition to any cover provided by Extension M (Capital Additions) of this Section or in respect of any appreciation in value;
- e** the value of the property which has been inadvertently omitted shall for the purpose of Clause 8 (Average) or Provision 4 of Clause 2 (Reinstatement Basis of Settlement), of this Section, as applicable, be added to the Sum Insured on the item to which the property relates, or in the case of Provision 3 of Clause 3 Day One (Non-Adjustable), of this Section, if applicable, to the Declared Value; and
- f** the maximum liability of the Company under this Extension shall not exceed £1,000,000 in the aggregate during any one Period of Insurance.

AA Cost of Fuel Spillage Clean-up

The Company will pay costs necessarily and reasonably incurred in removing spilt fuel from the Insured's Premises following accidental escape of fuel caused by any of the Perils (where stated as operative in the Schedule), 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.

AB Further Investigation Expenses

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

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

the Company will pay costs necessarily and reasonably incurred by the Insured with the consent of the Company, in establishing whether or not such other Damage has occurred.

Provided that:

- i** cover in respect of **b** above, is subject to such Buildings in the immediate vicinity, subsequently

being found to have suffered Damage for which the Company is liable under this Section; and

- ii** the maximum liability of the Company under this Extension shall not exceed £5,000 in the aggregate for all claims made during any one Period of Insurance.

AC Loss Minimisation and Prevention Expenditure

The costs necessarily and reasonably incurred by the Insured with the consent of the Company, in preventing, reducing or mitigating:

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

Provided that:

- i** the impending Damage was not reasonably foreseeable at the inception of the Period of Insurance and would be the inevitable outcome if such costs and expenses were not incurred;
- ii** the impending Damage did not arise from any defect in the Property Insured;
- iii** the impending Damage is not more specifically insured; and
- iv** 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.

AD Seasonal Increase

The Sum Insured in respect of each item covering Stock in Trade, Cigarettes and Tobacco, Wines and Spirits, Stock in Trade in the Open and any item of stock (other than Non-Ferrous Metals) more specifically insured, where insured by this Section, is increased in each Period of Insurance:

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

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

This Extension shall not apply if Clause 4 (Stock Declaration Basis) or Clause 5 (Stock – Maximum Value Basis), of this Section, is stated as Operative in the Schedule.

AE Third Party Storage Sites

The insurance by each item on Plant, Machinery, Trade Fixtures (and all other contents), Stock in Trade, Cigarettes and Tobacco, Wines and Spirits, Non-Ferrous Metals, Stock in Trade in the Open and any item of stock more specifically insured, where insured by this Section, includes such property while it is stored at third party storage locations within:

- 1 the United Kingdom, Channel Islands or the Isle of Man; or
- 2 any country within the European Economic Area.

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

- a In respect of cover in the situations applicable to item 1 of this Extension, the maximum liability of the Company shall not exceed £50,000 in total for all claims or series of claims, arising out of any one original cause, at any one location.
- b In respect of cover in the situations applicable to item 2 of this Extension:
 - i the maximum liability of the Company shall not exceed £25,000 in total for all claims or series of claims, arising out of any one original cause, at any one location; and
 - ii cover is restricted to Perils 1 to 3 inclusive (where stated as operative in the Schedule).
- c The maximum liability of the Company under this Extension shall not exceed (in total in respect of all locations) £50,000 in the aggregate during any one Period of Insurance.
- d Cover includes theft or any attempt thereat, excluding Damage in respect of jewellery, precious stones, precious metals, bullion or furs, except where specifically stated in the Schedule as being insured.
- e Such property not being more specifically insured.

AF Trade Samples

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

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

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

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

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

This Clause shall not apply to any item covering Stock in Trade, Cigarettes and Tobacco, Wines and Spirits, Non-Ferrous Metals, Stock in Trade in the Open or any other item of stock more specifically insured.

In the event that any property not excluded above 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 (Reinstatement Basis of Settlement) 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 Stock Declaration Basis

This Clause only applies if Stock Declaration Basis Clause is stated as Operative in the Schedule.

Any item covering Stock in Trade, Non-Ferrous Metals, Cigarettes and Tobacco, Wines and Spirits, Stock in Trade in the Open or any other item of stock more specifically insured, is subject to either a Monthly Stock Declaration Basis or a Quarterly Stock Declaration Basis, (as stated in the Schedule) and such items will be subject to the Provisions set out below.

Provisions

- a The premium paid at the commencement of the Period of Insurance is a deposit.
- b The Insured shall declare in writing to the Company the value of such property either:
 - i on the last day of each month, if on a Monthly Stock Declaration Basis; or
 - ii on the last day of each 3 month period, if on a Quarterly Stock Declaration Basis,
 following the commencement of this insurance within fourteen days of the expiry of each Period of Insurance. If a declaration is not given or is greater than the Sum Insured, then the Insured shall be deemed to have declared the Sum Insured.
- c On the expiry of each Period of Insurance the actual premium shall be calculated at the rates pertaining to that Period of Insurance on the average amount insured i.e. the total of the sums declared divided by the number of declarations. If the actual premium be greater than the deposit premium paid, the Insured shall pay the difference. If it be less, then the difference shall be repaid to the Insured subject to the Company retaining 50% of the annual premium calculated at the commencement of the Period of Insurance.

5 Stock – Maximum Value Basis

This Clause only applies if Stock – Maximum Value Basis is stated as Operative in the Schedule.

In consideration of the Sum Insured for each item covering Stock in Trade, Non-Ferrous Metals, Cigarettes and Tobacco, Wines and Spirits, Stock in Trade in the Open or any other item of stock more specifically insured, being declared by the Insured to be the maximum anticipated value of such stock at the Premises during the Period of Insurance, a premium discount proportionate to 20% of the respective Sums Insured has been allowed and such items will be subject to the Provisions set out below.

Provisions

- a The Sum Insured in respect of any item to which this Clause applies is not reduced during the Period of Insurance.
- b If the Sum Insured is reduced by any claim, the Insured will pay the additional premium required to reinstate the Sum Insured.
- c All stock must be insured on a similar basis.

6 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.

7 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.

8 Average

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

9 Index Linking

The Sums Insured in respect of Buildings, Tenants' Improvements, Plant, Machinery, Trade Fixtures (and all other contents), Portable Hand Tools, Stock in Trade, Cigarettes and Tobacco, Wines and Spirits, Non-Ferrous Metals and Stock in Trade in the Open, are subject to Index Linking as defined in the General Definitions.

Provided that this Clause shall not apply to the Sum Insured in respect of any item that is subject to the Provisions of Clause 3 Day One (Non-Adjustable) of this Section.

10 Seventy Two Hours Provision

In respect of Perils 8, 9, 10 and 12, where insured by this Section, Damage occurring continuously or intermittently, during any period of 72 hours will be deemed to constitute one claim under this Section for the purpose of the payment of any Excess.

11 Non-Ferrous Metals

This Clause does not apply if Clause 4 (Stock Declaration Basis) or Clause 5 (Stock – Maximum Value Basis) is stated as Operative in the Schedule.

Where a Sum Insured is stated for Non-Ferrous Metals in the Schedule, this shall be deemed to represent the Insured's assessment of the value of Non-Ferrous Metals under this Section at the Effective Date (as stated in the Schedule) of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with, in so far as the insurance by the item provides, due allowance for debris removal costs.

Provided that:

- a at the inception of each Period of Insurance, the Insured shall provide the Company with their assessment of the value of Non-Ferrous Metals in their possession. In the absence of such declaration, the last amount declared by the Insured shall be taken as the Sum Insured for the ensuing Period of Insurance;
- b the liability of the Company in respect of Non-Ferrous Metals to which this Clause applies shall be limited to 125% of the Sum Insured stated in the Schedule; and
- c Clause 8 (Average) of this Section shall not apply in respect of such Non-Ferrous Metals.

Conditions

The following Conditions apply to this Section.

1 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 Period of Insurance and put into full and effective operation at all times outside Business Hours.

2 Minimum Standards of Protection

This Condition only applies if Minimum Standards of Protection Condition is stated as Operative in the Schedule.

It is a condition precedent to the liability of the Company that the following protections be fitted to the undermentioned openings at the Premises and put into full and effective operation at all times outside Business Hours:

- 1 on timber final exit doors (excluding sliding doors):

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

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

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

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

- c if single or double leaf and also outward opening, hinge bolts fitted top and bottom;

- 3 on external aluminium or UPVC doors (excluding sliding and fire exit doors) cylinder operated mortice deadlock and, if double leaf, flush bolts on the first closing leaf;

- 4 on steel final exit doors and all sliding final exit doors substantial padlocking bar and good quality close shackle padlock;

- 5 on all other steel doors and all other sliding doors substantial padlocking bar and good quality padlock, either closed shackle if fitted externally or open shackle if fitted internally;

- 6 for electrically operated roller shutters, a key-operated isolation switch must be fitted to the electricity supply to the controls, the key being removed outside

working hours. If this is not fitted, then one of the measures shown below for manually operated roller shutters must be fitted.

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

The Company requires one of the following for manually operated roller shutters:

- i cylinder profile lock welded to the shutter channel on each side one metre (40") from ground level;
 - ii key-operated 'pinson' or 'bullet' locks; or
 - iii the shutter door bolted internally with the bolt engaging into the door runner and padlocked into position using a good quality open shackle padlock;
- 7** on all fire exit doors panic bar, and hinge bolts fitted top and bottom; and
- 8** on opening basement and ground floor windows and fanlights, and on other opening windows, fanlights and skylights which are accessible from roofs, balconies, canopies, fire escapes or downpipes:
- i key-operated window locks with the keys removed when in operation; or
 - ii solid steel bars not less than 16mm (5/8") diameter and not more than 125mm (5") apart, securely fixed to the brickwork or masonry, surrounding the window.

Any alternative protections must be agreed by the Company.

3 Intruder Alarm

This Condition only applies if Intruder Alarm Condition is stated 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 thereof, involving entry to or exit from the Buildings at the Premises by forcible and violent means, that:

- 1** the Buildings at the Premises are protected by an Intruder Alarm System installed as agreed with the Company;
- 2** 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;
- 3** no alteration to or substitution of:
 - a** any part of the Intruder Alarm System;
 - b** the procedures agreed with the Company for police or any other response to any activation of the Intruder Alarm System; or
 - c** the maintenance contract,
 shall be made without the agreement of the Company;
- 4** the Alarmed Buildings shall not be left without at least one Responsible Person therein without the agreement of the Company:
 - a** unless the Intruder Alarm System is set in its entirety with the means of communication used to transmit signals in full operation; or
 - b** if the Police have withdrawn their response to alarm calls;
- 5** all keys to the Intruder Alarm System are removed from the Buildings at the Premises when they are left unattended;
- 6** 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;
- 7** 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;

- 8** in the event of notification of any activation of the Intruder Alarm System or interruption of the means of communication, during any period that the Intruder Alarm System is set, a Keyholder shall:
- a** attend the Buildings at the Premises as soon as reasonably possible;
 - b** inspect the Buildings at the Premises for any signs of break-in or disturbance; and
 - c** subject to condition 4 of this Condition, reset the Intruder Alarm System in its entirety with the means of communication used to transmit signals in full operation; and
- 9** in the event of 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 10.00 a.m. on the Company's next working day and comply with any subsequent requirements stipulated by the Company.

4 Subsidence

In respect of Peril 13, where insured under this Section, 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.

5 Stock Storage

It is a condition precedent to the liability of the Company that all stock be kept on wooden pallets or metal racking so that such goods are stored at least 100mm (4") clear of the floor.

6 Charging of Electrically Powered Vehicles and Lifting Equipment (including Hybrids)

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

- a** any electrically-powered vehicles (whether hybrid or otherwise);
 - b** any electrically-powered lifting equipment (whether hybrid or otherwise); or
 - c** the batteries from any of the above (if removed from such vehicles or equipment),
- are being charged, an area of at least 2 metres around and above:
- i** the vehicles and chargers, in situation **a** of this Condition;
 - ii** the equipment and chargers, in situation **b** of this Condition; or
 - iii** the batteries and chargers, in situation **c** of this Condition,
- must be maintained and be kept clear of combustible materials, at all times.

7 Flat or Felt Roof

It is a condition precedent to the liability of the Company that any flat or felt on timber portion of the roof be inspected once every two years by a competent roofing contractor and any recommendations resulting from such inspection be implemented immediately.

This Section does not cover and the Company shall not be liable for:

- i** the first £750 of each and every claim; or
- ii** the amount of the Excess shown in the Schedule, whichever is the greater, for Damage to the Property Insured caused by Peril 8 to that portion of the Premises which is flat roofed or roofed with felt on timber.

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

8 Unoccupancy

The Insured shall notify the Company immediately they become aware:

- a** that the Premises or any part thereof are Vacant or Disused; and
 - b** of any Damage to the Vacant or Disused portion of the Premises, whether such Damage is insured or not,
- and the Company shall then have the right to vary the terms or cancel this cover.

It is a condition precedent to the liability of the Company that when the Premises become Vacant or Disused, the Insured must ensure that:

- a** the Premises are inspected internally at least once every 7 days, by or on behalf of the Insured;
- b** all trade refuse and waste materials are removed from the interior of the Premises, with no accumulation of refuse or waste being allowed in the adjoining yards or spaces owned by the Insured;

- c the Premises are secure at all times, by putting all fastenings and protections, including locking devices and any alarm protection, into full and effective operation;
- d the gas, water and electricity supplies, are turned off at the mains (except electricity needed to maintain any fire or intruder alarm systems, or water and heating systems for sprinklered Premises);
- e any additional protections that the Company may require are implemented within the timescale specified by the Company;
- f all damage to the Premises is rectified immediately;
- g letterboxes are sealed to prevent the accumulation of junk mail; and
- h the entry door is secured to a minimum of BS3621 mortise deadlock and plate.

9 Kitchens (Safety and Maintenance)

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

- a deep fat frying ranges and frying equipment are fitted with:
 - i operating thermostats set to prevent the temperature of the cooking oils or fats, rising above 205 degrees centigrade, or the manufacturer's maximum recommended temperature if less than 205 degrees centigrade;
 - ii a separate high temperature limit control of a non-self-resetting type, to shut off the heat source should the temperature of the cooking oils or fats reach 230 degrees centigrade in the event of failure of the operating thermostats;

additionally, where gas is used the following conditions apply:

- iii gas heated ranges are additionally equipped with a flame failure device to cut off the gas supply in the event of flame failure; and
- iv high temperature limit controls on any gas heated range shall not operate the same gas supply valve as the operating thermostats;

- b deep fat frying ranges and frying equipment including extraction equipment and ductwork are securely fixed and free from contact with combustible surfaces and materials. Combustible surfaces and materials must be cut back to a minimum of 150mm from the ranges, equipment and/or ductwork and the space filled with non-combustible insulation. Extraction ductwork is to be installed and maintained to the levels specified in DW/172 and TR19 (or any industry guidance which supersedes these);
- c in order to prevent the accumulation of grease and/or other deposits and to reduce the risk of fire and/or to reduce risks to health and safety, all extraction hoods, canopies, filters and grease traps are cleaned not less than daily. Cleaning must be undertaken in accordance with manufacturers' instructions and in accordance with RC44 and RC16B (or any industry guidance which supersedes these);
- d all cooking equipment is serviced and deep cleaned in accordance with manufacturers' instructions or at least once every 6 months (whichever is sooner)* by the installers or suitably Competent Person in accordance with the manufacturers' instructions.

The following is to be included as part of the process:

- i testing of all temperatures, controls and thermostatic cut-outs;
- ii checking of burners, fuel and power connections and controls;
- iii cleaning of internal surfaces of the extraction ductwork and fans;
- iv signed servicing and cleaning records to be kept in a safe place; and
- v ducts to be inspected, serviced and cleaned in accordance with DW/172 and TR19 (or any industry guidance which supersedes these), initially at the intervals prescribed therein, and with evidence that these intervals are modified where required;

(* 12 months for floor standing fryers (not being a deep fat frying range) or electric counter top fryers).

- e cracklings, cooking residue, cleaning waste and wipes, are to be placed in closed metal containers and:
 - i removed from the Buildings at the Premises at the end of each working day; and
 - ii removed entirely from the Premises at least once a week; and

- f** a fire blanket conforming to BS EN 1869:1997 and one “Class F” wet chemical portable fire extinguisher maintained under an annual service contract, be located in the cooking area.

For the purposes of this Condition, Competent Person is defined as follows:

A person who has sufficient technical and practical knowledge of the type of cooking equipment at the Premises to be able to clean and service such equipment properly and detect any defects and determine appropriate remedial action.

Excess

This Section does not cover and the Company shall not be liable for the amount of the Excess stated against each Peril in the Schedule being the first part of each and every claim, for Damage caused by the Peril.

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 of market, loss of use, monetary devaluation or any other loss arising as an indirect consequence of the Damage (other than loss of Rent when insured under this Section);
- 2** property let out on hire by the Insured;
- 3** loss resulting from the Insured voluntarily parting with title or possession, of any property if induced to do so by deception;
- 4** Damage to any part of any electrical plant or apparatus, directly caused by breakdown, leakage of electricity or excessive pressure therein, by its own short circuiting or overrunning or electrical surges or spikes in the electricity supply, but Damage to any other part of such plant or apparatus or to other Property Insured by the spread of fire therefrom, is not excluded;
- 5** showcases, automatic or vending machines or their contents, situate outside the structures at the Premises unless specifically stated in the Schedule;
- 6** loss insured by a fidelity guarantee insurance; or
- 7** any claim for which more specific insurance applies under any of Sections 11 to 14 or 19, of this Policy.

Section 2: Business Interruption

If Damage by any of the Perils insured under Section 1: Material Damage of this Policy or by Boiler 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 the Insured as a result of the Insured's books of account or other business books or records at the Premises being subject to Damage during the Period of Insurance, then the Company will indemnify the Insured for the amount of loss resulting from such interruption, interference or Damage, in accordance with the basis of cover stated in the Schedule and described below.

Provided that payment 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.

Boiler Explosion

Damage resulting from the explosion of any boiler or economiser on the Premises belonging to or under the control of the Insured.

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).

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.

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 (when shown in the Schedule if operative) 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 (when shown in the Schedule if operative) 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.

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 (when shown as a separate item in the Schedule if operative) 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

The premises of:

- a** the Insured's suppliers; or
- b** the suppliers of the Insured's suppliers, if the Insured's supplier concerned is specifically stated in the Schedule against Extension C of this Section,

(but excluding the premises of any supply undertaking from which the Insured obtains electricity, gas, water or telecommunications services and of any Specified Supplier(s) where stated in the Schedule against Extension C of this Section),

all within:

- 1** the United Kingdom, the Channel Islands or the Isle of Man (stated as UK in the Schedule); or
- 2** any country within the European Economic Area but only in respect of loss resulting from Damage caused by Perils 1 to 3 inclusive, as defined in Section 1: Material Damage, of this Policy.

Provided that:

- a** for the purposes of this Extension the term "suppliers" means manufacturers or processors of components, goods or materials.
- b** after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, the Company's liability in respect of the situations applicable to:
 - i** item 1 of this Extension in total for all claims or series of claims, arising out of any one original cause; and
 - ii** item 2 of this Extension in the aggregate and in any one Period of Insurance,
 shall not exceed the respective Limits stated in the Schedule against Extension A.

B Unspecified Customers

The premises of:

- a** any of the Insured's customers; or
- b** the customers of the Insured's customers, if the Insured's customer concerned is specifically stated in the Schedule against Extension D of this Section,

all within:

- 1** the United Kingdom, the Channel Islands or the Isle of Man (stated as UK in the Schedule); or
- 2** any country within the European Economic Area but only in respect of loss resulting from Damage caused by Perils 1 to 3 inclusive, as defined in Section 1: Material Damage, of this Policy.

Provided that:

- a** for the purposes of this Extension the term "customers" means:
 - i** in respect of **a** above, 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; and
 - ii** in respect of **b** above, those companies, organisations or individuals, with whom at the time of the Damage the Insured's customer has contracts or trading relationships, to supply goods or services,

other than any Specified Customer(s), where stated in the Schedule against Extension D of this Section; and

- b** after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, the Company's liability in respect of the situations applicable to:
 - i** item 1 of this Extension in total for all claims or series of claims, arising out of any one original cause; and
 - ii** item 2 of this Extension in the aggregate and in any one Period of Insurance,
 shall not exceed the respective Limits stated in the Schedule against Extension B.

C Specified Suppliers

The premises of the Insured's Specified Supplier(s), where stated in the Schedule against Extension C but only in respect of loss resulting from Damage caused by the Perils (as defined in Section 1: Material Damage, of this Policy) stated in the Schedule against such Specified Supplier.

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

- a** the Company's liability in total for all claims or series of claims, arising out of any one original cause, shall not exceed the Limit stated in the Schedule for that supplier being either:
 - i** the monetary limit; or
 - ii** the stated percentage limit being a percentage of the Estimated Gross Profit or Estimated Gross Revenue limit of liability; and
- b** the Indemnity Period under this Extension shall not exceed the number of months stated in the Schedule for that supplier.

D Specified Customers

The premises of the Insured's Specified Customer(s), where stated in the Schedule against Extension D but only in respect of loss resulting from Damage caused by the Perils (as defined in Section 1: Material Damage, of this Policy) stated in the Schedule against such Specified Customer.

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

- a** the Company's liability in total for all claims or series of claims, arising out of any one original cause, shall not exceed the Limit stated in the Schedule for that customer being either:
 - i** the monetary limit; or
 - ii** the stated percentage limit being a percentage of the Estimated Gross Profit or Estimated Gross Revenue limit of liability; and
- b** the Indemnity Period under this Extension shall not exceed the number of months stated in the Schedule for that customer.

E Storage Sites

Any premises (not owned or occupied by the Insured where property of the Insured is stored) in:

- 1** the United Kingdom, the Channel Islands or the Isle of Man (stated as UK in the Schedule); or
- 2** any country within the European Economic Area but only in respect of loss resulting from Damage caused by Perils 1 to 3 inclusive, as defined in Section 1: Material Damage, of this Policy.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, the Company's liability in respect of the situations applicable to:

- a** item 1 of this Extension in total for all claims or series of claims, arising out of any one original cause; and
- b** item 2 of this Extension in the aggregate and in any one Period of Insurance,

shall not exceed the respective Limits stated in the Schedule against Extension E.

F Property in Transit

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

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, the Company's liability in total for all claims or series of claims, arising out of any one original cause, shall not exceed the Limit stated in the Schedule against Extension F.

G Contract Sites

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

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, the Company's liability in total for all claims or series of claims, arising out of any one original cause, shall not exceed the Limit stated in the Schedule against Extension G.

H 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.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, the Company's liability in total for all claims or series of claims, arising out of any one original cause, shall not exceed the Limit stated in the Schedule against Extension H.

I 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.

Provided that after the application of all the terms, definitions, conditions, clauses and exclusions, of the Policy, the Company's liability 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.

J Property at Exhibitions

At or in any indoor exhibition within:

- 1 the United Kingdom, the Channel Islands or the Isle of Man (stated as UK in the Schedule); or
- 2 any country within the European Economic Area, or in transit by road, rail, sea, inland waterway or air, to or from such exhibition.

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

- a the Company's liability in respect of the situations applicable to items 1 and 2 of this Extension in the aggregate and in any one Period of Insurance, shall not exceed the respective Limits stated in the Schedule against Extension J; and
- b the Indemnity Period under this Extension shall not exceed 3 months.

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

K UK National Lotteries

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 any UK 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 any UK National Lottery and ending when the results of the Business shall cease to be affected by such win.

L 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 O 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 the aggregate and in any one Period of Insurance, shall not exceed the Limit stated in the Schedule against Extension L.

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.

M 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 the aggregate and in any one Period of Insurance, shall not exceed the Limit stated in the Schedule against Extension M.

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.

N 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 in the aggregate and in any one Period of Insurance, shall not exceed the Limit stated in the Schedule against Extension N.

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 restriction but not exceeding an Indemnity Period of 12 months.

O 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 the Limit stated in the Schedule against Extension O.

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.

P Accidental Failure of Public Supply

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

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

The Company shall not be liable under this Extension:

- 1** in respect of cover which is more specifically insured under Extension H of this Section; or
- 2** for loss arising directly or indirectly from any failure:
 - i** which does not involve a cessation of supply for at least 4 consecutive hours in respect of items **a**, **b** and **c** above and 12 consecutive hours in respect of item **d** above;

- ii caused by the deliberate act of any supply undertaking unless by the exercise by any such undertaking of its power to withhold or restrict supply or services for the sole purpose of safeguarding life or protecting the supply undertaking's system;
- iii caused by strikes or any labour or trade dispute; or
- iv caused by atmospheric or weather conditions but this 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 the aggregate and in any one Period of Insurance, shall not exceed the respective Limit stated in the Schedule against Extension P; and
- b the Indemnity Period under this Extension shall not exceed 3 months.

For the purpose of this Extension:

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.

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.

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).

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.

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

Q 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 in the aggregate and in any one Period of Insurance, shall not exceed the Limit stated in the Schedule against Extension Q.

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.

R Exhibition Expenses

The irrecoverable expenses of the Insured in respect of any trade exhibition within:

- 1 the United Kingdom, the Channel Islands or the Isle of Man (stated as UK in the Schedule); or
- 2 any country within the European Economic Area, following Damage occurring during the Period of Insurance:
 - i at the exhibition venue; or
 - ii to the property of the Insured for use in connection with the exhibition whilst at the Premises or whilst in transit by road, rail or inland waterway.

Provided that:

- a** in the event of the exhibition not being held (or 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; or
- b** 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 **a** above, adjusted for the period that the Insured could not exhibit,

subject to the Company's liability in respect of the situations applicable to items 1 and 2 of this Extension in the aggregate and in any one Period of Insurance, not exceeding the respective Limits stated in the Schedule against Extension R.

In respect of all Extensions applicable to this Section, the Company's liability in respect of the limit(s) stated under each Extension will apply in the aggregate in connection with the Business carried on from all the Premises.

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 arising directly or indirectly from:
 - a** erasure, loss, distortion or corruption, of information on computer systems or other records, programs or software, caused deliberately by rioters, strikers, locked out workers, persons taking part in labour disturbances or civil commotion or malicious persons; or
 - b** other erasure, loss, distortion or corruption, of information on computer systems or other records, programs or software, unless resulting from any of the Perils 1 to 13 of Section 1: Material Damage of this Policy in so far as it is not otherwise excluded; or
- 2** loss for which more specific insurance applies under any of Sections 11 to 14, of this Policy.

Section 3: 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.

Property

Merchandise and goods, used in connection with the Business, belonging to or the responsibility of the Insured.

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.

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.

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.

Territorial Limits

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

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.

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 Average

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

2 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 Measures	Security	
	to Apply	
a	Between the hours of 6am and 9pm	1
b	Between the hours of 9pm and 6am	1 and 2

Security Measure 1

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

Security Measure 2

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

- 2 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:

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

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

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

- 13 tools used in connection with the Business, belonging to the Insured or for which the Insured is responsible, other than stock in trade; or
- 14 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:

- 15 loss insured by a fidelity guarantee insurance; or
- 16 any claim for which more specific insurance applies under any of Sections 11 to 14 or 19, of this Policy.

Section 4: Terrorism

The Company will indemnify the Insured for:

- a** all losses under any of the Heads of Cover (other than the Non-Damage Business Interruption Head of Cover) as a result of damage to or destruction of the property insured under this Policy and loss consequent on interruption to or interference with the Business as insured by this Policy, in the Territory caused by or resulting from an Act of Terrorism; and
- b** all losses arising under the Non-Damage Business Interruption Head of Cover within the Territory.

Provided that the liability of the Company shall not exceed in any one Period of Insurance:

- 1** in all, the total Sum Insured; or
- 2** for any item its sum insured or any other stated limit of liability stated in the Schedule or elsewhere in the Policy, whichever is the less.

Definitions

These definitions are in addition to the General Definitions of this Policy.

Act of Terrorism

Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of HM Government in the United Kingdom or any other government de jure or de facto.

Computer System

For the purpose of this Section only, a Computer System shall mean a computer or other equipment or component or system or item which processes, stores, transmits or receives Data.

Covered Loss

- a** All losses arising under any of the Heads of Cover (other than Non-Damage Business Interruption Head of Cover) as a result of damage to or the destruction of property insured occurring in the Territory, the proximate cause of which is an Act of Terrorism.
- b** All losses arising under the Non-Damage Business Interruption Head of Cover, provided that business interruption losses which results from such prevention of access and/or loss of attraction are insured by this Policy.

Data

For the purpose of this Section only, Data shall mean data of any sort whatever, including without limitation tangible or intangible data and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatever.

Denial of Service Attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or Computer Systems. Denial of Service Attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other Computer Systems.

Hacking

Unauthorised access to any Computer System, whether the property of the Insured or not.

Head of Cover

Any of the following five types of insurance cover:

- a** buildings and completed structures.
- b** other property (including contents, engineering, contractors and computers).
- c** business interruption.
- d** book debts.
- e** Non-Damage Business Interruption.

Provided always that each Head of Cover shall be deemed to be a separate Head of Cover whether the item insured is insured under this or separate policies, under separate terms of a policy or under separate sections of combined or package policies.

Non-Damage Business Interruption

All losses arising as a result of interruption or interference with the Business in consequence of:

- a** access to, exit from or use of any Premises located within the Territory 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; or

- b** an Act of Terrorism in the vicinity of, but in no event further than one mile from, any Premises within the Territory occupied by the Insured which results in the Business having a diminished attraction to customers and solely in consequence thereof, an identifiable reduction in the Business, provided that the Indemnity Period in no event irrespective of what is shown in the Schedule shall exceed three months.

Nuclear Installation

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

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

Nuclear Reactor

Any plant (including any machinery, equipment or appliance whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

Phishing

Any access or attempted access to Data made by means of misrepresentation or deception.

Private Individual

Any person other than:

- a** a beneficiary, trustee or body of trustees where insurance is arranged in accordance with the terms of a trust;
- b** a person who owns or who has commercial insurance in place in respect of Residential Property for their business as a sole trader; or
- c** a person who owns or who has commercial insurance in place in respect of a private residence which exceeds 20% commercial occupancy.

Provided that if the property is a private dwelling house or a self-contained unit insured as part of a block of flats, is subject to a trust or executorship of a will and is occupied as a private residence by a beneficiary or a trustee of the trust in question

or sole trader or by a beneficiary or an executor of the will in question or the property is located in premises owned by any such person the property insured shall be deemed to be insured in the name of a Private Individual.

The definition of Private Individual shall include two or more persons where insurance is arranged in their several names and/or the name 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.

Residential Property

Private dwelling houses and flats (including household contents and personal effects as insured).

Territory

England and Wales and Scotland but not the territorial sea adjacent thereto as defined by the Territorial Sea Act 1987.

Terrorism Insurance

Insurance for Acts of Terrorism under the terms of this Section.

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used to damage, interfere with, adversely affect, infiltrate or monitor computer programs, Computer Systems, Data or operations, whether involving self-replication or not. This 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.

Conditions

The following Conditions apply to this Section:

- 1** The Company will not indemnify the Insured unless and until:
 - a** HM Treasury has certified that an event or events have been an Act of Terrorism; or
 - b** A Tribunal constituted under the terms of Schedule 3 to a Retrocession Agreement between Pool Reinsurance Company Ltd and HM Treasury has determined that an event or events have been an Act of Terrorism.
- 2** Any conditions or terms which provide for adjustments of premium based on declarations on expiry of the Period of Insurance shall not apply to Terrorism Insurance.
- 3** Any Long Term Agreement applying to this Policy shall not apply to Terrorism Insurance.

Exclusions

The insurance provided by this Section is not subject to any of the exclusions of this Policy, however, the Company shall not be liable under this Section for:

- 1** any loss whatsoever directly or indirectly caused by or contributed to by or arising from riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
- 2** any loss whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:
 - a** Damage to or the destruction of any Computer System; or
 - b** any alteration, modification, distortion, erasure or corruption of Data,

in each case whether the property of the Insured or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack.

Provided that Covered Loss (other than any loss arising under the Non-Damage Business Interruption Head of Cover) otherwise falling within this Exclusion 2 will not be treated as excluded by Exclusion 2 solely to the extent that such Covered Loss:

- i** results directly (or, solely as regards **ii c** below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any Computer System; and
- ii** comprises:
 - a** the cost of reinstatement, replacement or repair in respect of damage to or destruction of Property insured by the Insured; or
 - b** the amount of business interruption loss suffered directly by the Insured itself by way of loss of or reduction in profits, revenue or turnover or increased cost of working as a direct result of either damage to or destruction of Property insured by that Insured or as a direct result of denial, prevention or hindrance of access to or use of the Property insured by that Insured by

reason of an Act of Terrorism causing damage to other Property within one mile of the Property insured by that Insured to which access is affected; or

- c** the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to or destruction of Property and any additional costs or charges reasonably and necessarily paid by the Insured to avoid or diminish such loss; and
- iii** is not proximately caused by an Act of Terrorism in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or in part of any de jure or de facto government of any nation, country or state.

The meaning of "Property" for the purposes of this provision shall (in addition to Exclusions 3 and 4 under this Section) exclude:

- a** any money (including "Money" as defined under this or separate policies), currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any financial instrument of any sort whatsoever; and
- b** any Data.

Notwithstanding the exclusion of Data from "Property" in this provision, to the extent that damage to or destruction of Property within the meaning of sub-paragraph **ii** of this 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 sub-paragraph **i** of this 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 and otherwise falling within sub-paragraphs **i** and **ii** of this provision from being recoverable under this Terrorism Insurance. In no other circumstances than the previous sentence, however, will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of Data be recoverable under this Terrorism Insurance.

For the avoidance of doubt, the burden of proof shall be on the Insured to prove or establish all matters referred to in sub-paragraphs **i** to **ii** above;

- 3 Damage or consequential loss arising from such Damage to any Nuclear Installation or Nuclear Reactor and all fixtures and fittings situated thereon and attached thereto and all pipes, wires, cables, drains or other conduits or service media of any description which are affixed or connected to or in any way serve such Nuclear Installation or Nuclear Reactor, but this Exclusion shall not exclude loss arising from Damage to other types of property arising from an Act of Terrorism occurring at the site of a Nuclear Installation or Reactor; or
- 4 any Residential Property insured in the name of a Private Individual.

Section 5: Business Money and 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, the Maximum Amounts stated in the Schedule against each Situation; and
- 2 Non-negotiable Currency, the Maximum Amount stated in the Schedule for Non-negotiable Currency.

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 UK National Lotteries, 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 (not in an automated teller machine).

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 Travellers/Collectors

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

g Private Dwellings

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

h ATM

Whilst within any automated teller machine (ATM) at the Premises stated under Money in ATMs in the Schedule:

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:

A 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.

B 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.

C 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 (as stated in the Schedule) of the Period of Insurance 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 Minimum Standards of Protection

Also applicable to this Sub-Section is Condition 2 as set out in Section 1: Material Damage of this Policy, if such Condition is operative under Section 1, for the Premises concerned.

8 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.

9 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, the Isle of Man or the Republic of Ireland; or
- 6** due to errors, omissions, depreciation in value, loss of market or indirect loss of any kind.

Sub-Section 2: Personal Accident (Assault)

In the event of Injury to any Insured Person happening in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland, during the Period of Insurance whilst engaged in their occupation in the Business, which within 24 months of such Injury 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 and 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:

A 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.

B 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 any of the Contingencies 1 to 6, except for any unrelated Injury.
 - b** Benefit under Contingencies 2, 3, 4, 5 or 6 is not payable before 104 weeks from the date of Injury.
 - c** Any payment made or adjusted in respect of weekly Benefit under Contingency 7 shall be deducted from any lump sum Benefit thereafter becoming payable under this Sub-Section, in respect of any related Injury.
 - 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 6: 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:

- | | |
|--|-------|
| a any director of the Insured or partner of the Insured | £500 |
| 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 or agreement 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 Channel Islands or the Isle of Man, 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 the United Kingdom, the Channel Islands or the Isle of Man;
- 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.

3 Contractual Liability

In respect of liability assumed by the Insured by a contract or agreement entered into by the Insured and which would not have attached in the absence of such contract or agreement, the indemnity provided by this Section shall only apply if the Company retains sole conduct and control of any claim.

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 7: 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.

Products Supplied

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

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:

- | | | |
|---|---|-------|
| a | any director of the Insured or partner of the Insured | £500 |
| 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 or agreement 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 4 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.

For the purposes of this Extension:

- i** "GDPR" means:
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 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 of the GDPR.
- iv** "material or non-material damage" shall be interpreted in accordance with Article 82 of the 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:

- i** such person is ordinarily resident within the Territorial Limits; and
- ii** this indemnity shall not apply to legal liability assumed under agreement which would not have attached in the absence of such agreement.

L Motor Contingent Liability

Notwithstanding Exclusion 5 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 Channel Islands or the Isle of Man, 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 the United Kingdom, the Channel Islands or the Isle of Man;
- 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.

N Financial Loss

The Company will indemnify the Insured against legal liability for damages and claimants' costs and expenses, in respect of any claim for financial loss first made against the Insured 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 the Limit stated in the Schedule.

For the purposes of this Extension "financial loss" means an accidental pecuniary loss, cost or expense, incurred other than by the Insured or any Employee of the Insured, as a result of work carried out by or on behalf of the Insured, in connection with the Business.

The indemnity provided by this Extension shall not apply to:

- a financial loss resulting from Bodily Injury, loss or destruction or damage to Property, or obstruction, trespass, nuisance or interference with any easement of air, light, water or way;
- b legal liability for payments due under any statutory regulation or bye-law;
- c legal liability which attaches to the Insured by reason of an express term of contract unless liability would have attached to the Insured in the absence of such term;
- d legal liability caused by or arising from actual or alleged breach of duty, breach of trust, breach of contract or agreement, neglect, misstatement, misleading statement or other act of fraud or dishonesty, done or wrongfully attempted by the Insured or any director or officer of the Insured in their capacity as such;

- e legal liability resulting from libel, slander, deceit, injurious falsehood or infringement of plans, copyright, patent, trade name, trade mark or registered design;
- f legal liability arising from the non-performance, non-completion, or delay in completion of any contract or agreement;
- g the cost of removal, repair, recovery, alteration, replacement, demolition, breaking in or out, dismantling, making good or recall of:
 - i any materials installed or erected by or on behalf of the Insured; or
 - ii Products Supplied;
- h legal liability arising out of any professional act, error, omission or advice;
- i claims arising out of the conscious or intentional disregard by the Insured, or the technical or administrative management of the Insured, of the need to take all reasonable steps to prevent such financial loss; or
- j claims which arise out of any circumstances notified to previous insurers or circumstances known to the Insured at the inception of this Extension which may give rise to a claim for financial loss.

Excess applicable to this Extension

This Extension 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.

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.

O Environmental Statutory Clean Up Costs

The Company will indemnify the Insured in respect of all sums including Regulatory Debts that the Insured is legally liable to pay in respect of Remediation or Clean Up costs arising from Environmental Damage caused by Pollution or Contamination where such liability arises under an environmental directive, statute or statutory instrument.

Provided that:

- a liability arises from Pollution or Contamination 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 all Pollution or Contamination which arises out of any one incident shall be deemed to have occurred at the time such incident takes place;
- b the Company's liability under this Extension shall be limited to a maximum amount, being the Limit stated in the Schedule, in the aggregate and in any one Period of Insurance; and
- c the Company shall not be liable in respect of:
 - i Remediation or Clean Up costs for Damage to the Insured's land, premises, watercourse or body of water:
 - a whether owned, leased, hired or tenanted, to or by the Insured; or
 - b otherwise, in the Insured's care, custody or control;
 - ii primary, complementary or compensatory remediation costs for Damage to the Insured's land, premises, watercourse or body of water:
 - a whether owned, leased, hired or tenanted, to or by the Insured; or
 - b otherwise, in the Insured's care, custody or control;
 - iii removal of any risk of an adverse effect on human health on the Insured's land, premises, watercourse or body of water:
 - a whether owned, leased, hired or tenanted, to or by the Insured; or
 - b otherwise, in the Insured's care, custody or control;
 - iv costs in achieving an improvement or alteration in the condition of the land, atmosphere or watercourse or body of water, beyond that required under any relevant and applicable law or statutory enactment at the time Remediation commences;

- v costs for prevention of imminent threat of Environmental Damage where such costs are incurred without there being Pollution or Contamination 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; or
- vi costs for the reinstatement or reintroduction of biota (combined flora and fauna) excluding special species and natural habitats.

For the purposes of this Extension, the following meanings apply:

Environmental Damage

Impact on biodiversity being land, air, water, groundwater, drinking water supplies and fish, wildlife, biota (combined flora and fauna) and their habitats, excluding special species and natural habitats.

Regulatory Debt

Statutory Clean Up costs for remediation of Insured's own sites and third party sites.

Clean Up

- a Testing for or monitoring of Pollution or Contamination; and
- b Cleaning up, removing, containing, treating, detoxifying or neutralising, Pollution or Contamination.

Remediation

Remedying the effects of Pollution or Contamination.

Excess applicable to this Extension

This Extension 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.

P Legionellosis

Notwithstanding Exclusion 9 of this Section, the Company will indemnify the Insured against:

- a i all sums which the Insured shall become legally liable to pay as damages (including interest thereon); and
- ii claimants' costs and expenses, if the Insured is ordered to pay them or paid with the Company's written consent,

in respect of any claim for accidental Bodily Injury to any person caused by legionellosis, happening in connection with the Business;

- b all costs and expenses, incurred by the Insured with the Company's written consent in defending any claim under this Extension; and
- c 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 breach of statutory duty resulting in any Bodily Injury which may be the subject of indemnity under this Extension or at any coroner's inquest or fatal accident inquiry.

Provided that:

- i notwithstanding Claims Condition 2 b iii under this Policy, such claim is first made against the Insured during the Period of Insurance and notified to the Company within 30 days of the expiry of the same Period of Insurance;
- ii all claims arising out of the same isolated, repeated or continuing incidence of legionellosis shall be deemed to be made in the same Period of Insurance when:
 - a the claim was first made in writing to the Insured and notified to the Company; or
 - b the first notification of any circumstances was first made to the Company; and
- iii the total amount payable including all costs and expenses, under this Extension, in respect of all claims made in the aggregate during any one Period of Insurance shall not exceed the Limit stated in the Schedule.

For the purpose of this Extension "legionellosis" shall mean any discharge, release or escape of legionella or other airborne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like.

The indemnity provided by this Extension shall not apply:

- i to any claim arising from an occurrence prior to the inception of cover under this Extension; or
- ii for legal liability arising outside of the Territorial Limits.

Excess applicable to this Extension

This Extension 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.

Q Libel or Slander

The Company will indemnify the Insured against legal liability for damages and claimants' costs and expenses, incurred with the Company's written consent, in respect of claims first made against the Insured during the Period of Insurance, for liability in respect of libel or slander, occurring in connection with the Business.

Provided that:

- a** the total amount payable under this Extension, in respect of all claims made in the aggregate during any one Period of Insurance, shall not exceed the Limit stated in the Schedule; and
- b** the indemnity provided by this Extension shall not apply to any claim arising from an occurrence prior to the inception of cover under this Extension.

Excess applicable to this Extension

This Extension 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.

R Indemnity to Plant Owners (Contract Sites)

If any contract or agreement entered into by the Insured for the hire of plant so requires, the Company will indemnify any owner from whom the Insured has hired contractors' plant or equipment, to the extent required by the contract or agreement between the Insured and the plant owner in respect of liability arising from the hire of plant by the Insured from such plant owner.

Provided that:

- a** the plant is for use in connection with work being undertaken by the Insured at contract sites within the Territorial Limits;
- b** the Company shall retain sole conduct and control of any claim; and
- c** the plant owner shall observe, fulfil and be subject to the terms, definitions, conditions, clauses and exclusions, of this Policy, in so far as they can apply.

S Housing Grants, Construction and Regeneration Act 1996

The Company will indemnify the Insured in respect of the Insured's legal liability for claimants' costs and expenses arising from a decision made by an adjudicator in connection with any dispute which has been referred to adjudication in accordance with the provisions of the Housing Grants, Construction and Regeneration Act 1996 or any succeeding legislation.

Provided that:

- a** the Company will only indemnify the Insured under this Extension for claimants' costs and expenses in so far as they relate to Damage or legal liability which is indemnifiable under this Section;
- b** any payment under this Extension shall be made without prejudice to any other rights of the Company under this Section;
- c** it is a condition precedent to the liability of the Company that the Insured shall:
 - i** notwithstanding Claims Condition 2 of this Policy:
 - a** notify the Company immediately of the receipt of any notice of adjudication or the service by the Insured of any notice of adjudication; and
 - b** forward to the Company immediately upon receipt any relevant documents making reference to adjudication;
 - ii** not accept any decision made by an adjudicator to such dispute as being final without the prior agreement of the Company; and
 - iii** not waive under contract or otherwise any rights of arbitration or rights of appeal against such decision; and
- d** the Insured shall also:
 - i** notwithstanding Claims Condition 3 b of this Policy, allow the Company at any time to take over and conduct in the name of the Insured the defence and settlement of any claim and/or any legal proceedings referred to in **ii** below;
 - ii** institute legal proceedings or arbitration (as appropriate) to challenge or stay the enforcement of an adjudicator's decision or have the dispute which is the subject of the adjudicator's decision determined by a court or arbitrator if requested to do so by the Company; and
 - iii** meet any request, direction or timetable of the adjudicator.

Conditions

The following Conditions apply to this Section.

1 Costs Inclusive in USA 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 A thorough examination is made in and about the area in which the work is to be undertaken prior to the commencement of the work.
- ii The area in which the blow lamps or blow torches is to be used is cleared of loose combustible material. If the combustible material is not capable of being moved, it must be adequately protected against the risk of fire.
- iii Lighted blow lamps or blow torches are continuously attended and extinguished immediately after use.
- iv Blow lamps and blow torches are filled only in the open.
- v A fire extinguisher, as deemed necessary in accordance with the Insured's 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 equipment has been undertaken, for 60 minutes immediately after each period of work and again for 60 minutes after any termination or cessation of such work.

b Welding or Flame Cutting Equipment

- i A thorough examination is made in and about the area in which the work is to be undertaken prior to the commencement of the work.
- ii The area in which the welding or flame cutting equipment is to be used is cleared of loose combustible material. If the combustible material is not capable of being moved, it must be adequately protected against the risk of fire.
- iii 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.
- iv Lighted welding or flame cutting equipment is continuously attended and extinguished immediately after use.

- v 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.
- vi A fire extinguisher, as deemed necessary in accordance with the Insured's 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.
- vii 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, for 60 minutes immediately after each period of work and again for 60 minutes after any termination or cessation 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.

3 Underground Services

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

- i prior to the commencement of any excavation, digging, boring or earth moving work, take or cause to be taken all reasonable measures to identify the location of all underground pipes, cables, mains and other services with their owner or the relevant authority responsible and retain a written record of such measures; and
- ii adopt or cause to be adopted a method of work which minimises the risk of Damage to such underground pipes, cables, mains and other services.

4 Contractual Liability

In respect of liability assumed by the Insured by a contract or agreement entered into by the Insured and which would not have attached in the absence of such contract or agreement, the indemnity provided by this Section shall only apply if the Company retains sole conduct and control of any claim.

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, in respect of Damage to Property occurring elsewhere than at the Premises, resulting from the following causes:

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

shown as Excesses A, B and C respectively in the Schedule.

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

Exclusions

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** Products Supplied;
- 2** 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;
- 3** legal liability for Bodily Injury caused to any Employee arising out of and in the course of such person's employment or engagement, by the Insured in the Business;

- 4** 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 of directors of the Insured, partners of the Insured, Employees or visitors, or to 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);

- 5** 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,

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

- 6** legal liability arising out of Products Supplied other than:
 - a** food or drink, sold or supplied for consumption by 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;
- 7** liquidated damages, fines or penalties;
- 8** punitive, exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages;

- 9** legal liability in respect of Pollution or Contamination, other than that caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during any one Period of Insurance provided that:
- a** all Pollution or Contamination, which arises out of any one original cause, 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 Indemnity Limit stated in the Schedule; and
 - c** this Exclusion does not apply to the United States of America and/or Canada and/or their dependencies or trust territories;
- 10** legal liability in respect of Pollution or Contamination, occurring in the United States of America and/or Canada and/or their dependencies or trust territories;
- 11** legal liability arising in connection with any visits to or work on, any offshore rig or platform. A visit to or work on, any offshore rig or platform, 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;
- 12**
- a** exposure to;
 - b** inhalation of;
 - c** fears of the consequences of exposure to or inhalation of; or
 - d** the costs incurred by anyone in repairing, removing, replacing, recalling, rectifying, reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of,
Asbestos including any product containing Asbestos; or
- 13** Bodily Injury or Damage to Property, caused by or arising from non-negligent liability for which the Insured is required to effect insurance under the terms of Clause 6.5.1 or Clause 21.2.1, of the Joint Contracts Tribunal (JCT) Standard Form of Building Contract or any clause of similar intent in other forms of contract.

Section 8: Products 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.

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

Pollution or Contamination

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

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

Products Supplied

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

Property

Physical property.

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:

- | | |
|--|-------|
| a any director of the Insured or partner of the Insured | £500 |
| 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 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 or any director of the Insured or partner of the Insured or Employee; or
- iii costs or expenses, insured by any other policy of insurance.

D 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.

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 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.

For the purposes of this Extension:

- i** “GDPR” means:
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 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 of the GDPR.
- iv** “material or non-material damage” shall be interpreted in accordance with Article 82 of the GDPR.

G 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 Channel Islands or the Isle of Man, 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 the United Kingdom, the Channel Islands or the Isle of Man;
- 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.

H Vendor's Liability

If the Insured so requests the Company will indemnify any legal personality (hereinafter referred to as “Vendor”) but only in connection with the sale or distribution of any Products Supplied in the course of the Vendor's business and only in so far as is necessary to meet the terms of any agreement between the Insured and the Vendor.

Provided that:

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

- e the Vendor is not a person, company or organisation, operating within the United States of America and/or Canada and/or their dependencies or trust territories.

I Financial Loss

The Company will indemnify the Insured against legal liability for damages and claimants' costs and expenses, in respect of any claim for financial loss first made against the Insured 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 the Limit stated in the Schedule.

For the purposes of this Extension "financial loss" means an accidental pecuniary loss, cost or expense, incurred other than by the Insured or any Employee of the Insured, in connection with Products Supplied in or from the United Kingdom, the Channel Islands or the Isle of Man.

The indemnity provided by this Extension shall not apply to:

- a financial loss resulting from Bodily Injury, loss or destruction or damage to Property, or obstruction, trespass, nuisance or interference with any easement of air, light, water or way;
- b legal liability for payments due under any statutory regulation or bye-law;
- c legal liability caused by or arising from actual or alleged breach of duty, breach of trust, breach of contract or agreement, neglect, misstatement, misleading statement or other act of fraud or dishonesty, done or wrongfully attempted by the Insured or any director or officer of the Insured in their capacity as such;
- d legal liability resulting from libel, slander, deceit, injurious falsehood or infringement of plans, copyright, patent, trade name, trade mark or registered design;
- e legal liability arising from the non-performance, non-completion, or delay in completion of any contract or agreement;
- f the cost of removal, repair, recovery, alteration, replacement, demolition, breaking in or out, dismantling, making good or recall of any Products Supplied;
- g legal liability arising out of any professional act, error, omission or advice;
- h claims arising out of the conscious or intentional disregard by the Insured, or the technical or administrative management of the Insured, of the need to take all reasonable steps to prevent such financial loss; or

- i claims which arise out of any circumstances notified to previous insurers or circumstances known to the Insured at the inception of this Extension which may give rise to a claim for financial loss.

Excess applicable to this Extension

This Extension 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.

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.

J Environmental Statutory Clean Up Costs

The Company will indemnify the Insured in respect of all sums including Regulatory Debts that the Insured is legally liable to pay in respect of Remediation or Clean Up costs arising from Environmental Damage caused by Pollution or Contamination where such liability arises under an environmental directive, statute or statutory instrument.

Provided that:

- a liability arises from Pollution or Contamination 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 all Pollution or Contamination which arises out of any one incident shall be deemed to have occurred at the time such incident takes place;
- b the Company's liability under this Extension shall be limited to a maximum amount, being the Limit stated in the Schedule, in the aggregate and in any one Period of Insurance; and
- c the Company shall not be liable in respect of:
 - i Remediation or Clean Up costs for Damage to the Insured's land, premises, watercourse or body of water:
 - a whether owned, leased, hired or tenanted, to or by the Insured; or

- b** otherwise, in the Insured's care, custody or control;
- ii** primary, complementary or compensatory remediation costs for Damage to the Insured's land, premises, watercourse or body of water:
 - a** whether owned, leased, hired or tenanted, to or by the Insured; or
 - b** otherwise, in the Insured's care, custody or control;
- iii** removal of any risk of an adverse effect on human health on the Insured's land, premises, watercourse or body of water:
 - a** whether owned, leased, hired or tenanted, to or by the Insured; or
 - b** otherwise, in the Insured's care, custody or control;
- iv** costs in achieving an improvement or alteration in the condition of the land, atmosphere or watercourse or body of water, beyond that required under any relevant and applicable law or statutory enactment at the time Remediation commences;
- v** costs for prevention of imminent threat of Environmental Damage where such costs are incurred without there being Pollution or Contamination 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; or
- vi** costs for the reinstatement or reintroduction of biota (combined flora and fauna) excluding special species and natural habitats.

For the purposes of this Extension, the following meanings apply:

Environmental Damage

Impact on biodiversity being land, air, water, groundwater, drinking water supplies and fish, wildlife, biota (combined flora and fauna) and their habitats, excluding special species and natural habitats.

Regulatory Debt

Statutory Clean Up costs for remediation of Insured's own sites and third party sites.

Clean Up

- a** Testing for or monitoring of Pollution or Contamination; and
- b** Cleaning up, removing, containing, treating, detoxifying or neutralising, Pollution or Contamination.

Remediation

Remedying the effects of Pollution or Contamination.

Excess applicable to this Extension

This Extension 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.

K Legionellosis

Notwithstanding Exclusion 8 of this Section, the Company will indemnify the Insured against:

- a i** all sums which the Insured shall become legally liable to pay as damages (including interest thereon); and
- ii** claimants' costs and expenses, if the Insured is ordered to pay them or paid with the Company's written consent,

in respect of any claim for accidental Bodily Injury to any person caused by legionellosis, happening in connection with the Business;
- b** all costs and expenses, incurred by the Insured with the Company's written consent in defending any claim under this Extension; and
- c** 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 breach of statutory duty resulting in any Bodily Injury which may be the subject of indemnity under this Extension or at any coroner's inquest or fatal accident inquiry.

Provided that:

- i** notwithstanding Claims Condition 2 b iii under this Policy, such claim is first made against the Insured during the Period of Insurance and notified to the Company within 30 days of the expiry of the same Period of Insurance;

- ii all claims arising out of the same isolated, repeated or continuing incidence of legionellosis shall be deemed to be made in the same Period of Insurance when:
 - a the claim was first made in writing to the Insured and notified to the Company; or
 - b the first notification of any circumstances was first made to the Company; and
- iii the total amount payable including all costs and expenses, under this Extension, in respect of all claims made in the aggregate during any one Period of Insurance shall not exceed the Limit stated in the Schedule.

For the purpose of this Extension "legionellosis" shall mean any discharge, release or escape of legionella or other airborne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like.

The indemnity provided by this Extension shall not apply:

- i to any claim arising from an occurrence prior to the inception of cover under this Extension; or
- ii for legal liability arising outside the United Kingdom, the Channel Islands or the Isle of Man.

Excess applicable to this Extension

This Extension 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.

L Libel or Slander

The Company will indemnify the Insured against legal liability for damages and claimants' costs and expenses, incurred with the Company's written consent, in respect of claims first made against the Insured during the Period of Insurance, for liability in respect of libel or slander, occurring in connection with the Business.

Provided that:

- a the total amount payable under this Extension, in respect of all claims made in the aggregate during any one Period of Insurance, shall not exceed the Limit stated in the Schedule; and
- b the indemnity provided by this Extension shall not apply to any claim arising from an occurrence prior to the inception of cover under this Extension.

Excess applicable to this Extension

This Extension 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.

Conditions

The following Condition applies to this Section.

Costs Inclusive in USA 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.

Exclusions

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

- 1 Damage to or the cost of repair, alteration, replacement, removal or recall of any Products Supplied, which give rise to a claim hereunder or any refund for such Products Supplied;
- 2 legal liability arising from advice, design, formula or specification, provided by or on behalf of the Insured for a fee or in circumstances where a fee would normally be charged;
- 3 legal liability for Bodily Injury caused to any Employee arising out of and in the course of such person's employment or engagement, by the Insured in the Business;
- 4 legal liability caused by or arising from Property in the Insured's charge or control;
- 5 Products Supplied which to the knowledge of the Insured are to be used as a critical part in connection with the flying or navigation of any aircraft, spacecraft, rocket, missile or satellite;
- 6 liquidated damages, fines or penalties;
- 7 punitive, exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages;

- 8** legal liability in respect of Pollution or Contamination, other than that caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during any one Period of Insurance provided that:
- a** all Pollution or Contamination, which arises out of any one original cause, 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;
- 9** legal liability in respect of Pollution or Contamination, occurring in the United States of America and/or Canada and/or their dependencies or trust territories;
- 10** Products Supplied which, to 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;
- 11**
- a** exposure to;
 - b** inhalation of;
 - c** fears of the consequences of exposure to or inhalation of; or
 - d** the costs incurred by anyone in repairing, removing, replacing, recalling, rectifying, reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of,
- Asbestos including any product containing Asbestos; or
- 12** legal liability assumed by the Insured under contract or agreement (other than under any condition or warranty of goods, implied by law) unless such liability would have attached in the absence of such contract or agreement, other than as provided for by Extension H (Vendor's Liability), of this Section.

Section 9: Glass Breakage

In the event of breakage of Glass or Sanitary Ware, for which the Insured is responsible, at the Premises occurring during the Period of Insurance, the Company will under this Section, replace such property or, at its option, pay to the Insured the costs of replacement of such property.

Provided that the Company shall not be liable to replace or pay for the replacement of such property exactly but only as nearly as circumstances permit.

Definitions

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

Glass

All fixed glass including shelves, showcases and mirrors, but excluding Special Glass unless shown as Included in the Schedule.

Sanitary Ware

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

Special Glass

Glass comprising:

- a** toughened Glass of all descriptions;
- b** stained Glass;
- c** solar control Glass;
- d** Glass which is curved, laminated, handmade, patterned or which is Profilit; and
- e** any Glass which is mitre bevelled, drilled and clipped, cement bonded or sandblasted or embossed with lettering or design.

Extensions

The Company will also indemnify the Insured under this Section in respect of the following:

1 Frames and Framework

Damage to frames or framework, following breakage of Glass.

2 Fixtures and Fittings

The cost of removal or replacement of fixtures and fittings necessarily incurred to effect replacement of Glass, as a result of breakage of such Glass.

3 Alarm Foil and Glass Decoration

The cost of replacing alarm foil, lettering, painting, embossing, silvering or other ornamental work on Glass, following breakage of such Glass.

4 Goods in Display Windows

Accidental damage to goods incidental to the Insured's Business caused by breakage of Glass in display windows.

5 Boarding Up

Any boarding up costs reasonably incurred following breakage of Glass.

6 Damage to Signs

In the event of Damage to any sign, for which the Insured is responsible, at the Premises during the Period of Insurance, the Company will replace or repair such property or, at its option, pay to the Insured the costs of replacement of such property if a Sum Insured appears against Damage to Signs in the Schedule.

Provided that the liability of the Company under this Extension in total for all claims during any one Period of Insurance shall not exceed the Sum Insured stated in the Schedule.

Exclusions applicable to this Extension

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

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

Provided that the liability of the Company under any or all of Extensions 2, 3 and 4 of this Section in total for all claims or series of claims, arising out of any one original cause, shall not exceed the limit stated in the Schedule.

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 in respect of:

- 1** breakage caused by fire, lightning, explosion or storm;
- 2** breakage occurring:
 - a** when the Premises are Vacant or Disused; or
 - b** during installation or removal, of Glass or Sanitary Ware;
- 3** breakage of any Glass or Sanitary Ware, which was broken or cracked prior to the Effective Date (as stated in the Schedule);
- 4** Glass in signs and light fittings other than that covered under the Damage to Signs Extension (where operative);
- 5** Glass in greenhouses or conservatories, unless specifically accepted by the Company; or
- 6** any indirect loss as a consequence of the breakage.

Section 10: Specified All Risks

In the event of Damage by any cause (not otherwise excluded under this Policy) to any of the Property Insured in connection with the Business, occurring within the Geographical Limits stated in the Schedule during the Period of Insurance, 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 any property collectively described by each item under this Section.

Definitions

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

Geographical Limit A

The Premises.

Geographical Limit B

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

Geographical Limit C

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

Geographical Limit D

Worldwide which means anywhere in the world.

Property Insured

The machinery and/or apparatus stated in Section 10: Specified All Risks in the Schedule being the property of the Insured or property for which the Insured is responsible.

Extensions

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

A Contents of Vending Machines

In respect of any vending machine described in the Schedule, the insurance provided by this Section extends to include the contents (other than cash) of such machine provided that:

- a** Damage to such contents occurs at the same time as Damage to the machine itself; and
- b** the liability of the Company under this Extension in total for all claims or series of claims, arising out of any one original cause, shall not exceed £100.

B Additional Extensions

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

Clauses

The following Clauses apply to this Section.

1 Average

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

2 Section 1: Material Damage Clauses

Also applicable to this Section are Clauses 2 and 7, as set out in Section 1: Material Damage of this Policy, whether Section 1 is operative or otherwise.

Conditions

The following Conditions apply to this Section.

1 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 Period of Insurance and put into full and effective operation at all times outside Business Hours.

2 Minimum Standards of Protection

Also applicable to this Section is Condition 2 as set out in Section 1: Material Damage of this Policy, if such Condition is operative under Section 1, for the Premises concerned.

3 Intruder Alarm

Also applicable to this 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.

4 Property in Transit

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

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

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 in respect of:

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

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

- 2 Damage to the Property Insured caused by or consisting of:

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

Damage to the Property Insured consisting of:

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

but this shall not exclude:

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

- 3 Damage to the Property Insured caused by or consisting of:

- a theft or any attempt thereat:
 - i from the Premises unless involving entry to or exit from the structures at the Premises by forcible and violent means but not:
 - a from any structure which is incapable of being locked; or
 - b property in the open unless agreed otherwise by the Company;
 - ii other than from the Premises between the hours of 9pm and 6am unless the Property Insured is in the personal custody of the Insured or any partner or director of the Insured or Employee or in a securely locked or occupied building; or
 - iii from any building which is Vacant or Disused;

- b** subsidence, ground heave or landslip unless resulting from:
 - i** fire, explosion or earthquake; or
 - ii** the escape of water or oil, from any tank or apparatus or pipe;
 - c** normal settlement or bedding down of new structures;
 - d** acts of fraud or dishonesty;
 - e** disappearance, unexplained or inventory shortage, misfiling or misplacing of information; or
 - f** electrical or magnetic injury, disturbance or erasure, of electronic records other than by lightning;
- 4** Damage in respect of movable property in the open or in open-sided structures, fences and gates, caused by wind, rain, hail, sleet, snow, flood or dust;
- 5** Damage to the Property Insured:
 - a** caused by fire resulting from its undergoing any heating process or any process involving the application of heat; or
 - b** (other than by fire or explosion) resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing, adjustment or repair;
- 6** Damage to the Property Insured:
 - a** caused by freezing;
 - b** caused by escape of water from any tank, apparatus or pipe or escape of oil from any fixed oil-fired heating installation; or
 - c** caused (other than by fire or explosion) by malicious persons or vandals,
 in any building which is Vacant or Disused;
- 7** Damage occasioned by delay, embargo, nationalisation, confiscation, requisition, seizure or destruction, by or by order of the government or any public authority;
- 8** loss of market, loss of use, monetary devaluation or any other indirect loss arising as a consequence of the Damage;
- 9** Damage to any part of any electrical plant or apparatus, directly caused by breakdown, leakage of electricity or excessive pressure therein, by its own short circuiting or overrunning or electrical surges or spikes in the electricity supply but Damage to any other part of such plant or apparatus or to other Property Insured by the spread of fire therefrom, is not excluded;
- 10** property let out on hire by the Insured;
- 11** loss resulting from the Insured voluntarily parting with title or possession, of any property if induced to do so by deception;
- 12** loss insured by a fidelity guarantee insurance; or
- 13** any claim for which more specific insurance applies under any of Sections 11 to 14 or 19, of this Policy.

Section 11: Deterioration of Stock

In the event of Damage at the Premises occurring during the Period of Insurance, to the Property Insured in connection with the Business, by Deterioration, whilst:

- 1 stored in any Temperature Controlled Chamber which is permanently fixed at the Premises;
- 2 stored in any temporary replacement Temperature Controlled Chamber (including the temperature controlled chamber compartment of a refrigerated vehicle) whilst at the Premises for up to 14 days; or
- 3 at the Premises and would have been placed in the Temperature Controlled Chamber if Damage to the Temperature Controlled Chamber had not occurred,

the Company will pay to the Insured the cost of replacing such Property Insured at the time of such Deterioration or, at its own option, replace such property.

Provided that:

- a the Deterioration is as a result of one of the following taking place during the Period of Insurance:
 - i A change in temperature due to:
 - a Damage to the Temperature Controlled Chamber;
 - b any thermostat or controlling device of the Temperature Controlled Chamber not working;
 - c error or omission of the operator during ordinary operation of the Temperature Controlled Chamber, other than through the failure to maintain; or
 - d failure of the public electricity supply at the terminal point of the supplier's feed to the Premises; or
 - ii The action of escaped refrigerant fumes from the Temperature Controlled Chamber machinery;
- b 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 (or any other stated limit of liability); and
- c unless otherwise stated, the Sum Insured (or any other stated limit of liability) applies in the aggregate to property collectively described under this Section.

Definitions

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

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.

Defect

A flaw, imperfection, disorder or characteristic of any part of an item of machinery or equipment which prevents or may prevent it working in the way it was intended.

Deterioration

An accidental detrimental change in condition.

Property Insured

The property stated in Section 11: Deterioration of Stock in the Schedule.

Temperature Controlled Chamber

An insulated chamber that is artificially cooled or temperature controlled in order to preserve its contents.

Extensions

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

A Cleaning and Disinfection

If the Company accepts a claim for Deterioration, the Company will pay the cost of cleaning and disinfection of the Temperature Controlled Chamber up to a maximum amount of £25,000 in total for all claims or series of claims, arising out of any one original cause.

B Disposal of Property Insured

If the Company accepts a claim for Deterioration, the Company will pay the cost of removing or disposing of Deteriorated Property Insured up to a maximum amount of £25,000 in total for all claims or series of claims, arising out of any one original cause.

C Loss Prevention Measures

The Company will pay the cost of preventing or minimising actual or expected Deterioration of Property Insured which would have been insured under this Section up to a maximum amount of £25,000 in total for all claims or series of claims, arising out of any one original cause.

Provided that:

- a** Deterioration would be expected if such measures were not implemented;
- b** the Company is satisfied that Deterioration has been prevented or minimised by these measures;
- c** the cost will be limited to the cost of Deterioration which would have otherwise occurred;
- d** the expected Deterioration arises from a cause that could not be foreseen; and
- e** the terms, definitions, conditions, clauses and exclusions, applicable to the Section, apply as if Deterioration had occurred.

Clauses

The following Clauses apply to this Section.

1 Reinstatement of Losses

Unless written notice to the contrary is given by either the Company or the Insured, the Sum 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).

The Company will waive the additional premium if the total cost of the claim does not exceed £25,000.

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.

2 Average

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

Conditions

The following Conditions apply to this Section.

1 Claims Settlement

Without prejudice to liability, the Insured may proceed with minor repairs subject to compliance with Claims Condition 2 of this Policy.

2 Discovering a Defect

It is a condition precedent to the liability of the Company that if the Insured finds out about a Defect in the Temperature Controlled Chamber which has not yet resulted in Deterioration of the Property Insured, the Insured

must investigate it as soon as possible and, if necessary, correct the Defect in all Temperature Controlled Chambers at the Insured's own expense.

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 in respect of:

- 1** Damage to the Temperature Controlled Chamber containing Property Insured;
- 2** Deterioration resulting from Damage at the Premises caused by or arising from:
 - a** fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, earthquake, subterranean fire, riot, civil commotion, strikers or locked-out workers, persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation, malicious persons or vandals, theft or any attempt thereat, storm, tempest, flood, escape of water from any tank or apparatus or pipe, escape of oil from any oil-fired heating installation or sprinkler leakage;
 - b** impact by:
 - i** falling trees or boughs;
 - ii** collapse or breakage of television or radio receiving aerials or satellite dishes; or
 - iii** vehicles or animals; or
 - c** subsidence or ground heave of any part of the site on which the Premises stand or landslip;
- 3** any cost resulting from a deliberate act or failure, of a utility supplier, grid operator or telecommunications operator, other than where that was necessary to protect life or prevent damage to property;
- 4** Damage caused by or arising out of any intentional act or failure to act by the Insured, unless this is a measure to reduce injury or Damage;
- 5** any Damage or Deterioration caused by a Cyber Event; or
- 6** any indirect loss as a consequence of the Deterioration of the Property Insured.

Section 12: Engineering Damage to Machinery and Plant and Engineering Inspection

Section 12a: Engineering Damage to Machinery and Plant

In the event of Damage at the Premises:

- 1 to any Property Insured occurring during the Period of Insurance by Explosion, Collapse or Breakdown; or
 - 2 occurring during the Period of Insurance by Fragmentation,
- 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 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 Indemnity Limit; and
- b the Indemnity Limit 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.

Breakdown

- a The actual breaking, failure, distortion or burning out, of any part of the Property Insured whilst in ordinary use, causing its sudden stoppage and necessitating repair or replacement, before it can resume work;
- b Electronic Derangement;
- c Fracturing of any part of the Property Insured by frost which prevents the Property Insured from working;
- d The complete severance of a rope;
- e Error or omission of the operator(s) during normal operation of the Property Insured other than in respect of failure to maintain; or
- f Joint leakage, failure of welds, cracking, fracturing, overheating, of boilers, economisers, superheaters, pressure vessels, or any range of associated steam piping.

Collapse

The sudden distortion of any part of the Property Insured caused by crushing, stress by a force of internal steam or other fluid pressure (other than pressure of chemical action or ignition of the contents) which causes physical damage.

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.

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.

Electronic Derangement

Malfunction of the computer equipment or electronic circuitry which controls or operates an item of Property Insured and which:

- a is not accompanied by visible damage; and
- b requires repair or replacement of that computer equipment or electronic circuitry in order to restore the item to normal working,

excluding:

- i the rebooting, reloading or updating of software or programs;
- ii the item of Property Insured being incompatible with any software or equipment installed, introduced or networked within the previous 30 days; or
- iii the item of Property Insured not being sufficient in terms of size, specification or capacity.

Explosion

The sudden tearing of the Property Insured by force of internal steam or other fluid pressure (other than pressure of chemical action or ignition of the contents) together with forced release 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.

Indemnity Limit

The Indemnity Limit stated in the Schedule.

Market Value

The estimated amount that part or all of the Property Insured would sell for under normal market conditions, after allowance for fair wear and tear, had the sale taken place immediately before the Damage.

Pressure Plant

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

Property Insured

Installed machinery, equipment and plant and mobile plant, as described in Section 12a: Engineering Damage to Machinery and Plant in the Schedule, owned by or leased to the Insured for the purposes of the Business, at the Premises stated in Section 12a: Engineering Damage to Machinery and Plant in the Schedule, excluding:

- a** supporting structures, lift enclosures, 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** vending machines;
- g** stock in trade and products of the Business; and
- h** Temporary Plant.

Re-siting

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

Temporary Plant

Equipment of a similar type and capacity to the Property Insured hired by the Insured:

- a** as a temporary replacement for the Property Insured which is undergoing repair, service, overhaul or maintenance; or
- b** as a temporary additional item for a period of up to seven days.

Extensions

Cover provided by this Section extends to include:

A Automatic Cover

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

Provided that:

- a** such Property Insured belongs to an item description stated in Section 12a: Engineering Damage to Machinery and Plant in the Schedule and is of a type similar to that which the Insured previously declared their intention to insure;
- b** such Property Insured shall be insured to the same extent as Property Insured of a similar type;
- c** 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
- d** the Insured shall inform the Company in writing of such Property Insured within 12 months of testing and commissioning and shall pay the additional premium required by the Company.

B Temporary Removal

Damage to the Property Insured occurring within the United Kingdom, Channel Islands, Isle of Man, European Free Trade Area, whilst temporarily located at any other location or in transit, for the purposes of repair, service, overhaul or maintenance.

C Machinery Movement

Damage to the Property Insured during Re-siting not exceeding £50,000 in total for all claims or series of claims, arising out of any one original cause.

D Damage to Own Surrounding Property – Pressure Explosion

Damage to surrounding property owned, leased or hired, by the Insured or for which the Insured is responsible caused by Explosion of Pressure Plant.

This Extension does not cover Damage:

- a** to the property being handled by, conveyed, heated, cooled or processed by or contained in the Property Insured (unless the Damage results from an Explosion);
- b** caused by leakage or lack of heat, steam (other than following explosion), cooling, light or power; or
- c** to the Property Insured causing the Damage or any Property Insured directly driving or driven by the Property Insured.

Provided that the maximum liability of the Company under this Extension in total for all claims or series of claims, arising out of any one original cause, shall not exceed the Indemnity Limit stated in the Schedule against Damage to Surrounding Property.

E Temporary Plant

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

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

whilst the Temporary Plant is at the Premises or in transit (other than by sea or air) between Premises.

The Company will at its sole discretion pay all reasonable legal expenses actually incurred by the Insured in defending action against the Insured in respect of an indemnifiable incident under this Extension.

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.

F 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 (for which liability is accepted by the Company) during the period of repair or until the Property Insured is permanently replaced, not exceeding £25,000 in total for all claims or series of claims, arising out of any one original cause.

G Hazardous Substances

The increase in cost to repair, replace, clean up or dispose of the Property Insured that is contaminated or polluted, and other property subject to Damage, by Hazardous Substance as a result of Damage to the Property Insured (for which liability is accepted by the Company), not exceeding £100,000 in total for all claims or series of claims, arising out of any one original cause.

H EEI (Environmental & Efficiency Improvements)

The additional costs involved, should the Property Insured require replacement following Damage for which liability is accepted by the Company, to replace the Property Insured with similar equipment that is better for the environment, safer and more efficient than the Property Insured being replaced, not exceeding 25% of the new replacement cost of the Property Insured subject to Damage or 25% of the Indemnity Limit, in total for all claims or series of claims, arising out of any one original cause, whichever is the less.

I 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 in respect of Damage to the Property Insured, for which liability is accepted by the Company.

J Debris Removal Dismantling and Demolition

In respect of each claim for Damage for which liability is accepted by the Company, the cover provided by this Section extends to include costs incurred in the dismantling, demolishing and removing, and the required protection of the Property Insured, not exceeding £50,000 in total for all claims or series of claims, arising out of any one original cause.

K Loss Prevention Measures

The Company will pay the cost of preventing or minimising actual or expected Damage to Property Insured which would have been insured under this Section up to a maximum amount of £25,000 in total for all claims or series of claims, arising out of any one original cause.

Provided that:

- a** Damage would be expected if such measures were not implemented;
- b** the Company is satisfied that Damage has been prevented or minimised by these measures;
- c** the cost will be limited to the cost of Damage which would have otherwise occurred;

- d** the expected Damage arises from a cause that could not be foreseen; and
- e** the terms, definitions, conditions, clauses and exclusions, applicable to the Section, apply as if Damage had occurred.

L Temporary and Fast-Tracker Repair

If the Company accepts a claim for Damage to Property Insured the Company will pay the cost of making temporary repairs and fast-tracking a permanent repair, replacement or restoration of the Property Insured provided that the liability of the Company shall not exceed £50,000 in total for all claims or series of claims, arising out of any one original cause.

M Repair Costs Investigation

If the Company accepts a claim for Damage to Property Insured and agrees in writing the Company will pay the cost of investigating possible repair, replacement or restoration of the Property Insured provided that the liability of the Company shall not exceed £50,000 in total for all claims or series of claims, arising out of any one original cause.

The Company shall not be liable under this Extension for fees incurred in preparing a claim under this Section.

N Reinstatement of Data

If the Company accepts a claim for Damage to computer equipment that controls or operates an item of Property Insured, the Company will also pay the cost of reinstating lost data but only in relation to that item of Property Insured provided that the liability of the Company will not exceed £100,000 in total for all claims or series of claims, arising out of any one original cause.

Clauses

The following Clauses apply to this Section.

1 Reinstatement Basis of Settlement

Where Property Insured is subject to Damage the basis upon which the amount payable under such items is to be calculated shall be:

- a** to the extent that repair is uneconomic or impractical (that is if the cost of repairs is higher than the cost of replacing the Property Insured) the cost of new replacement that is equal in specification and performance to, but not better than the Property Insured that is subject to Damage;
- b** where Property Insured is partially subject to Damage, the cost of repairing or restoring the part subject to Damage, to a condition similar to the condition it was in when new; or

- c** (notwithstanding items **a** and **b** above), for Damage to conveyor belts and heat-resistant materials which form a component part of the Property Insured and have a limited working life, the Market Value of the part at the time of the Damage; and
- d** (in respect of items **b** and **c** above), the cost of replacing undamaged parts of the Property Insured if they are not compatible with the replacement parts used to repair Damage to the Property Insured,

including additional costs incurred solely by reason of the necessity to comply with legislation and regulations under Acts of Parliament or local authority bye-laws.

Provided that:

- i** 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 in the event of total destruction.
- ii** if the Company replaces undamaged parts with new compatible parts, the Company will not pay more than it would have cost to replace the undamaged parts if it was only those undamaged parts that had suffered Damage and will not pay more than £50,000 in total for all claims or series of claims, arising out of any one original cause.
- iii** the amount payable for costs which are incurred by reason of the necessity to comply with any legislation or local authority bye-laws, shall not include:
 - a** the cost of keeping to any notice issued before the Damage happened;
 - b** any cost relating to undamaged property or any undamaged Property Insured; or
 - c** any tax, charge or assessment which arises out of capital appreciation (that is, any increase in the value of the Property Insured).
- iv** if at the time of Damage, items which are the same as the Property Insured are no longer produced by the manufacturer, the Company will pay the cost of replacing the Property Insured with its nearest equivalent.

Conditions

The following Conditions apply to this Section.

1 Claims Settlement

- a** Without prejudice to liability, the Insured may proceed with minor repairs subject to compliance with Claims Condition 2 of this Policy.

- b** 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 Discovering a Defect

It is a condition precedent to the liability of the Company 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.

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 for:

- 1** Damage to Property Insured caused by or arising from:
 - a** fire, lightning, explosion (other than Explosion as defined in this Section), aircraft or other aerial devices or articles dropped from them, earthquake, subterranean fire, riot, civil commotion, strikers or locked out workers, persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation, malicious persons or vandals, theft or any attempt thereof, flood, storm, tempest, flood, escape of water or oil from any tank or apparatus or pipe, escape of oil from any oil-fired heating installation or sprinkler leakage;
 - b** impact by:
 - i** falling trees or boughs;
 - ii** collapse or breakage of television or radio receiving aerials or satellite dishes; or
 - iii** vehicles or animals; or
 - c** subsidence or ground heave of any part of the site on which the Premises stand or landslide.

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

- i** Extension B (Temporary Removal); or
 - ii** Extension E (Temporary Plant),
- of this Section;

- 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 B (Temporary Removal) and C (Machinery Movement), of this Section;
- 3** any indirect loss as a consequence of the Damage unless specifically provided for elsewhere within this Section;
- 4** Damage to:
 - a** tyres by cuts, bursts, punctures or the application of brakes, unless arising from a malicious act; or
 - b** bulbs, fuses, batteries or any other consumable part of the Property Insured that requires periodic renewal, unless it forms part of other insured Damage;
- 5** Damage caused by or arising out of:
 - a** any intentional act or failure to act by the Insured, unless this is a measure to reduce injury or Damage; or
 - b** intentional overloading, testing, experiment or deliberate application of any abnormal condition;
- 6** any Damage or loss, of any kind, caused by a Cyber Event or any malfunction resulting therefrom;
- 7** Damage caused directly by:
 - a** wear and tear, gradual degradation or rust;
 - b** reduction in performance;
 - c** scratching or chipping of painted or polished surfaces;
 - d** erosion or corrosion; or
 - e** any fault known about at the start of the Period of Insurance,

but this shall not exclude Damage to Property Insured resulting from the above causes, which the Company would otherwise have paid under this Section;
- 8** Damage caused by the proper use of tools to maintain, service or repair Property Insured;
- 9** Damage to Property Insured or Temporary Plant situated on, being loaded onto, unloaded from or moved by airborne or waterborne vessels, craft or similar devices or platforms or rigs unless otherwise covered under this Section;
- 10** Damage recoverable under any maintenance agreement or any warranty or guarantee;
- 11** Damage to Property Insured caused by solidification unless that Damage results from Damage to the Property Insured;

- 12 the cost of service or maintenance of Property Insured;
- 13 any cost of improving or overhauling Property Insured following Damage, unless otherwise specifically covered under this Section; or
- 14 Damage which is discovered when carrying out checks or inventories and cannot be accounted for.

Section 12b: Engineering Inspection

Services provided under this Section are provided by HSB. The contract is a legal contract between the Client and HSB.

The contract is made up of this document and the Schedule setting out details of the Client's Inspection Services. These make up the entire contract between the Client and HSB and must be read together. Please keep them safely together.

HSB will use the information the Client provides to decide whether to provide Inspection Services to the Client. If any of that information was not accurate or was incomplete, this could affect the Client's Inspection Services (see "The Client's Responsibility to Provide Correct Information" under "Important Information").

In consideration of the Fees and subject to the terms, definitions, clauses and conditions, of this Section 12b, HSB agrees to provide the Client with Inspection Services as specified in this Section 12b.

Important Information

The Client must read this document and the Schedule carefully to make sure that it meets the Client's needs and that the Client understands what is and is not included. If there is anything the Client needs to change or does not understand, contact the broker, intermediary or agent, who arranged the Policy.

The Client's Responsibility to Provide Correct Information

The Client must do everything reasonably possible to make sure that all the information the Client provides is complete and accurate and kept up to date. This requirement is important, not just at the start of the Client's contract but throughout the contract period, to make sure HSB can deliver the Inspection Services set out under this contract.

Definitions

The following definitions apply to this Section.

Any word or expression to which a particular meaning has been given in this Section 12b shall have that meaning wherever it appears when commencing with a capital letter in this Section 12b.

Client

The owner/user of Plant subject to Thorough Examination/Inspection.

Company

Royal and Sun Alliance Insurance Ltd trading as NIG.

Competent Person

A person HSB employs and authorises (or a person employed by an organisation HSB has authorised), having the necessary experience and skill to carry out Inspection Services.

Fee

The amount payable for Inspection Services within the premium stated in the Schedule.

HSB

HSB Engineering Insurance Services Limited.

Inspection

An assessment, usually visual in nature, of the safety-related parts of Plant, which is not a Thorough Examination.

Inspection Services

Carrying out a Thorough Examination or Inspection at a Premises and providing a Report.

Premises

Premises at the address(es) stated in Section 12b of the Schedule occupied by the Insured for the purposes of the Business or as agreed by HSB in writing.

Normal Working Hours

8:00 a.m. to 6:00 p.m. Monday to Friday excluding public, bank and local holidays.

Plant

The machinery, appliances, equipment or installations, stated in the Schedule.

Report

A document in HSB's standard format issued to the Client electronically or on paper that provides details of the findings of the Thorough Examination or Inspection that was carried out.

Schedule

The schedule applicable to this Policy.

Statutory Regulations

The specific regulations which apply to the Thorough Examination of Plant, in the following statutory instruments (as amended from time to time):

- a** Safeguarding of Workers (Cranes and Lifting Appliances) (Jersey) Regulations;
- b** Safeguarding of Workers (Chains, Ropes and Lifting Gear) (Jersey) Regulations;
- c** Safeguarding of Workers (Electricity at Work) (Jersey) Regulations;
- d** The Control of Major Accident Hazard Regulations (COMAH);
- e** The Control of Substances Hazardous to Health Regulations (as amended) (COSHH);
- f** The Dangerous Substances and Explosive Atmospheres Regulations (DSEAR);
- g** The Electricity at Work Regulations (EAWR);
- h** The Health and Safety at Work (Lifts) (Jersey) Regulations;
- i** The Lifting Operations and Lifting Equipment Regulations (LOLER);
- j** The Mines Regulations;
- k** The Pressure Systems Safety Regulations (PSSR);
- l** The Provision and Use of Work Equipment Regulations, Part IV (PUWER Part IV);
- m** The Quarries Regulations; or
- n** The Workplace (Health, Safety and Welfare) Regulations.

Term

- 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 Fee.

Thorough Examination

A systematic and detailed examination of the Plant and safety-critical parts, or in the case of boiler or pressure Plant, an examination of Plant in accordance with a Written Scheme, carried out at set intervals by a Competent Person in accordance with one of the Statutory Regulations which applies. The Competent Person will decide what this involves using various sources such as industry and HSE (Health & Safety Executive) guidance. The results of this examination

must be communicated in the form of a Report.

Written Scheme

A document that meets the requirements of regulation 8 of PSSR (Pressure Systems Safety Regulations), which contains information about certain items of Plant that form a pressure system, including the parts which need to be examined and the nature and frequency of those examinations.

Clauses

The following Clauses apply to this Section 12b.

1 Provision of Inspection Services

- a** HSB will carry out Inspection Services to the Plant, within Normal Working Hours, in line with the terms, definitions, clauses and conditions, of this Section 12b and in consideration of which the Client shall pay the Fee.
- b** HSB will make reasonable attempts to contact the Client, using the information the Client has provided, to arrange an appointment to undertake the Inspection Services. If HSB are unable to make contact with the Client or the Client fails to prepare or make the Plant available (at a date and time HSB agreed), HSB will notify the Client within HSB's Report and this will be deemed to have met HSB's obligations to provide the Inspection Services on this occasion. If the Client then requests that HSB make an additional visit to complete the outstanding Inspection Services, there will be an additional charge (see Clause 5 Fees, Additional Charges and Taxes under this Section 12b).
- c** If required by the applied Statutory Regulations, where defects are identified which are or could become a danger to life, the Competent Person must immediately notify the Client and forward a copy of the Report to the relevant enforcing authority.

2 HSB's Standard of Care

HSB will use all reasonable skill and care in carrying out the Inspection Services.

3 Limits of the Inspection Services

- a** Unless HSB agree otherwise in writing, the Inspection Services will not include:
 - i** approving or confirming any design or design features of the Plant are fit for purpose;
 - ii** providing witness statements;
 - iii** attendance at hearings and interviews;

- iv consultancy services;
 - v preparation or operation of the Plant; or
 - vi maintenance or repair of the Plant.
- b** To the extent that the Inspection Services include a Thorough Examination of the Plant item, unless HSB agree otherwise in writing, the Thorough Examination will not include:
- i carrying out or witnessing tests which are not routine (unless these are the responsibility of the Competent Person in an HSE (Health & Safety Executive) or SAFed (Safety Assessment Federation) Approved Code of Practice or Guidance);
 - ii for boiler or pressure Plant – ultrasonic radiographic hydrostatic or other non-destructive testing, or production of Written Schemes;
 - iii for lifting and handling Plant – proof load, stability, anchorage, supplementary or similar testing in accordance with industry guidance or Thorough Examination as needed when exceptional circumstances have taken place;
 - iv for mechanical power press Plant subject to the requirements of PUWER Part IV – the examination and testing of enclosed parts; and
 - v for local exhaust ventilation Plant – the initial appraisal of the Plant as needed under COSHH.
- c** To the extent that the Inspection Services do not include a Thorough Examination of the Plant item, unless HSB agree otherwise in writing, the Inspection will:
- i be visual in nature;
 - ii be limited by the design of the Plant, the extent to which the Client prepares the Plant and the extent to which the Client makes available safe access to and from the Plant; and
 - iii not include carrying out or witnessing tests which are not routine.

4 Limits of HSB's Legal Responsibility

HSB do not make any warranty about the activities described in this Section 12b.

In addition:

- a** HSB are not legally responsible for any special, incidental, indirect, consequential or exemplary damages, including loss of profits or revenue, loss of use, loss of opportunity, loss of goodwill, cost of substitute facilities, goods or services, cost of capital, governmental and regulatory sanctions and claims of others for those damages;

- b** the most HSB will pay for all claims, losses, damages and expenses resulting in any way from this Section 12b will be the total amount of the Fee HSB has received during the Term; and
- c** apart from causing death or personal injury by HSB's negligence or in other circumstances where HSB cannot limit HSB's legal responsibility by law, HSB will not pay more than £10,000,000.

The Client will indemnify HSB against any claims made against HSB and all damages, costs and expenses HSB may suffer as a result of any third-party claim arising out of the Client's failure to keep to the Client's responsibilities under this Section 12b.

If the Client or someone else makes a claim against HSB (for example, in relation to any actual or alleged failure to keep to Statutory Regulations, any defect in the Plant or any damage or injury caused by the Plant), unless HSB have been negligent carrying out the Inspection Services, the Client must agree that HSB are not responsible for, and fully refund HSB for, all losses and expenses that HSB may suffer.

Neither this Section 12b, or HSB providing the Inspection Services, replace the Client's legal duty under relevant Statutory Regulations to have the Client's Plant undergo a Thorough Examination or Inspection, nor do they relieve the Client of any legal responsibility the Client may have to anyone else as a result of any defect in the Plant, or for any change or injury which may be caused by how the Plant is used.

5 Fees, Additional Charges and Taxes

The Company will calculate the Fee for the Inspection Services on the Plant the Client tells the Company about at the start of the Term and the Client must pay the Fee.

The Company will adjust the Fee:

- a** to take into account any Premises or individual items of Plant added to or deleted from the Schedule during the Term;
- b** after a visit to a Premises to take into account any differences between the Plant the Client told the Company about when setting up this contract and that identified during HSB's visit;
- c** if the Client asks, and HSB agrees, to carry out the Inspection Services outside Normal Working Hours;
- d** annually, if the Term is greater than 12 months;
- e** to account for any changes to the Plant or to the frequency of the Inspection Services; or

- f** for anything beyond HSB's reasonable control (for example a change in Statutory Regulations or legislation) that increases HSB's cost in providing the Inspection Services.

If HSB change the Fee, HSB will also make an extra charge, which the Client must pay, to cover HSB's reasonable administration costs.

Additional charges

As well as the adjustments to the Fee set out above, the Company will charge the Client if:

- a** the Client receives the Client's Report electronically and the Client also then requests a hard copy Report;
- b** the Client asks for a Report in a format that is not HSB's standard format;
- c** the Client asks for an item of Plant to be re-examined on a more frequent basis than the contractual Inspection or Thorough Examination frequency;
- d** the Client asks for a return visit to carry out an Inspection or Thorough Examination which was not completed because the Client has failed to prepare or make the Plant available (at a date and time HSB agreed);
- e** the Client fails to prepare or make the Plant available at the date and time agreed;
- f** the Client asks for services, on top of those forming part of the Inspection Services;
- g** the Client asks HSB to carry out training or a risk assessment specific to the Client's premises or to the Client's health, safety and welfare procedures;
- h** the Client asks for, or safety requirements dictate that, more than one Competent Person undertake an Inspection or Thorough Examination on an individual item of Plant;
- i** HSB are required to undertake training / familiarisation before accessing the Premises; or
- j** there is a delay which prevents HSB from commencing with the Inspection or Thorough Examination and the Client then requests that HSB make an additional visit to complete any outstanding Inspection Services.

Taxes

The Client must also pay VAT on any Fee and any additional charges and any other similar tax or duty charge made by any government or other authority ('duty') at the appropriate rate.

Conditions

The following Conditions apply to this Section 12b.

1 After this Section 12b Ends

When this Section 12b ends, the conditions relating to indemnity, waivers, limits of remedies and limits of legal responsibilities, including those in this Section 12b, will stay in full force.

2 Anti-bribery

Neither the Client nor HSB will be involved in offering, promising or giving any financial or other advantage to any person if this breaks any law against bribery or corruption (including the Bribery Act 2010). The Client and HSB must each have an anti-corruption and bribery policy and procedures, including adequate procedures under the Bribery Act 2010, to prevent corruption and bribery offences and enforce them if this applies.

3 Confidentiality

Neither the Client nor HSB will release to any other person (apart from what HSB says in "How HSB Use the Client's Information" and "How the Client Uses HSB's Information" under this Section 12b) any technical, business, intellectual property or similar information relating to the business affairs of the other which are known as a result of this Section 12b.

Neither the Client nor HSB will use the other's information for any purpose other than to carry out the responsibilities under this Section 12b unless required to do so by law or regulation.

Nothing in this Section will place an obligation of confidentiality on either the Client or HSB for information that was already in the public domain, that was rightfully in the possession of either HSB or the Client before the Term.

The responsibilities under this Condition will come into effect at the start of the Term and will continue for six years after this Section 12b ends.

4 Contracts (Rights of Third-Parties) Act 1999

Any person or company who is not named in the Schedule has no right under the Contracts (Rights of Third-Parties) Act 1999 (or any other law) to enforce any term of this Section 12b.

5 Enforcing terms

If any term of this Section 12b is found to be illegal or cannot be enforced, it will not affect any of the other terms of this Section 12b.

6 Force Majeure

HSB will not be legally responsible for any delay, or the results of any delay, in carrying out the Inspection Services if the delay is due to any cause beyond HSB's reasonable control. HSB will be entitled to a reasonable extension of time to carry out the Inspection Services under this Section 12b.

7 Health & Safety at Work Act 1974

The Client must provide HSB with a safe working environment at the Premises where the Plant is situated and a safe way of getting access to carry out the Inspection Services.

HSB will:

- a keep to the Client's safe systems of work, as long as the Client tells us about the systems in writing before HSB carry out any Inspection Services; and
- b refuse to carry out any Inspection Services if HSB believe there is a health, safety or welfare risk.

8 HSB's Right to Subcontract

HSB may appoint subcontractors to support the Inspection Services but HSB will still be responsible for any subcontracted work.

9 Previous Agreements Between the Client and HSB.

This Section 12b represents the entire agreement between HSB and the Client and replaces all previous agreements, whether spoken or written.

10 The Transfer of Undertakings (Protection of Employment) Regulations (as amended)

HSB do not have to employ any of the Client's employees or the employees of the Client's previous service provider in connection with this Section 12b. The Client must indemnify HSB against all damages, costs and expenses HSB may suffer as a result of any claim (including for dismissal) or demand of any nature by any employee against HSB.

11 Waiver of Rights

If HSB or the Client fails to enforce any of the rights under this Section 12b, it does not mean they cannot be enforced in the future.

12 The Client's Rights to Cancel this Section 12b

The Client can cancel this Section 12b at any time during the Term by writing to their broker, intermediary or agent. When the Company receives the Client's notice, the

Company will cancel this Section 12b and send the Client a refund.

That refund will be calculated on the value of the Fee for Inspection Services not yet provided at the date the Company receives the Client's notice of cancellation. If the Fee the Client has actually paid does not cover the Inspection Services the Client has received, the Client must pay the Company the difference.

13 The Company's Rights to Cancel this Section 12b

With the exception of the Client behaving in an illegal or immoral manner, where the Company reserves the right to cancel this Section 12b with immediate effect, the Company may cancel this Section 12b at any time by giving a minimum of 14 days' notice to the Client at the Client's last known address.

HSB will consider early cancellation if the Client:

- a is in breach of this Section 12b;
- b is abusive, aggressive or otherwise inappropriate towards HSB's staff or HSB's representatives;
- c behaves illegally or immorally, for example bribing or threatening HSB's Competent Person or other staff or representatives;
- d operates the Client's Business without taking proper account of health-and-safety regulations;
- e repeatedly fails to put right or repeatedly ignores any defect identified in HSB's Report;
- f repeatedly refuse to let HSB carry out the Inspection Services;
- g fails to pay the Fee;
- h becomes insolvent, bankrupt or enter into an arrangement with the Client's creditors; or
- i refuses to pay any additional charges previously agreed between the Client and the Company.

The Client may be entitled to receive a refund. This will be calculated on the value of the Fee for Inspection Services not yet provided at the date of cancellation. If the Fee the Client has actually paid does not cover the Inspection Services the Client has received, the Client must pay the Company the difference.

14 Access to the Plant

The Client must allow HSB access to the Premises and Plant during Normal Working Hours or as agreed between the Client and HSB. If Plant can be moved, the Client must tell HSB the precise location of the Plant with enough notice as agreed in writing between the Client and HSB.

15 Control of the Plant

The Client must keep full responsibility for the care, custody and control of the Plant at all times and especially when HSB are providing the Inspection Services.

16 Information Relating to the Client's Plant

When asked, the Client must give the Competent Person all information relating to the Plant they may need to complete the Inspection Services. This includes any changes to the Plant since the last Thorough Examination or Inspection.

17 Preparing the Plant

The Client must have the Plant properly prepared, dismantled and reassembled as necessary so HSB can carry out the Inspection Services.

18 Safety

The Client must provide the Competent Person with:

- a** safe access to and exit from the Premises;
- b** a safe working environment at the Premises;
- c** safe access to the Plant to carry out the Inspection Services; and
- d** suitable rescue arrangements if the Competent Person is required to work at heights or other places with restricted access.

19 Choice of Law

The Client and the Company choose which law will apply to this contract. English Law will apply unless both parties agree otherwise. The Company has supplied this contract and other information to the Client in English and the Company will continue to communicate with the Client in English.

20 Sanctions, Prohibitions or Restrictions

General Condition 11 Sanctions, Prohibitions or Restrictions, of this Policy, is applicable to this Section 12b.

Making a Complaint

HSB are committed to providing the highest standards of customer service and treating HSB's customers fairly. If the Client has a complaint, contact the person who arranged this Section 12b for the Client or contact HSB at:

Customer Relations Leader
HSB Engineering Insurance Services Limited
Chancery Place
50 Brown Street
Manchester M2 2JT

Telephone: **+44 (0)330 100 3433** (Calls to this number are charged at the same standard landline rate as 01 or 02 numbers)

Email: complaints@hsbeil.com

When HSB receives the Client's complaint HSB will:

- a** confirm this within five business days;
- b** pass it to HSB's complaints team to be reviewed; and
- c** do HSB's best to deal with the Client's complaint within four weeks. If HSB cannot, HSB will write to the Client and let the Client know when HSB will be able to give the Client a final response.

HSB are also accredited to ISO/IEC 17020:2012 by the United Kingdom Accreditation Services (UKAS). If the Client is unhappy with HSB's response for any technical matters with HSB's Inspection Services, the Client may be able to refer their complaint to UKAS at:

United Kingdom Accreditation Services
2 Pine Trees
Chertsey Lane
Staines-upon-Thames TW18 3HR
Telephone: **+44 (0)1784 429 000**

Website: www.ukas.com

Email: info@ukas.com

Making an Enquiry

The Client can contact HSB about the Inspection Services under this Section 12b at:

Customer Solutions Centre
HSB Engineering Insurance Services Limited
Chancery Place
50 Brown Street
Manchester M2 2JT

Telephone: **+44 (0)330 100 3432** (Calls to this number are charged at the same standard landline rate as 01 or 02 numbers)

Email: client_services@hsbeil.com

Or, the Client can contact the person who arranged this Section 12b for the Client. The Client can find the contact details of HSB's local office on the website at www.munichre.com/hsbeil.

How HSB Use the Client's Information

HSB Engineering Insurance Services Limited is the controller of any personal information the Client provides to HSB or which is processed in connection with the Client receiving Inspection Services from HSB.

HSB collect and process information about the Client that HSB reasonably deem necessary in order to provide the Client with Inspection Services. The Client's information is also used for business purposes such as fraud prevention and financial management.

HSB may share the Client's information with, and obtain information about the Client from, third parties such as credit reference agencies, fraud prevention agencies or public bodies responsible for health and safety.

For further details on how the Client's information is used and the Client's rights in relation to the Client's information, please see HSB's Privacy Statement at <https://www.munichre.com/HSBEIL>.

How the Client Uses HSB's Information

HSB's employees, agents, contractors and other representatives may share their personal information with the Client and the Client's employees, agents and sub-contractors as is necessary to enable HSB to provide the Client with Inspection Services. The Client is the controller of such information. Notwithstanding this, the Client shall process such information in accordance with all applicable data protection laws and shall:

- a** only process such information for the purposes of receiving Inspection Services from HSB;
- b** implement and maintain appropriate technical and organisational measures to preserve the confidentiality and integrity of the information and prevent any unlawful processing or disclosure or damage, taking into account the state of the art, the costs of implementation, the nature, scope, context and purposes of processing as well as the risk of varying likelihood and severity for the rights and freedoms of the data subjects;
- c** not disclose any such information to any third party in any circumstances except as required or permitted by this Section 12b;
- d** only transfer such information overseas if appropriate steps are undertaken as required by applicable data protection laws to ensure such transfers are subject to adequate safeguarding measures;
- e** notify HSB promptly upon becoming aware of any breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to any such information; and
- f** ensure that only those of the Client's employees, agents and sub-contractors who need to have access to the information are granted such access to the information and only for the purposes of receiving Inspection Services from HSB and that such employees, agents and sub-contractors (and those to whom personal information is provided directly by HSB) are informed of the confidential nature of the information, are subject to appropriate contractual obligations of confidentiality, undergo adequate training in the handling of personal information and comply with the obligations set out in this Section 12b.

Section 13: Engineering Business Interruption

If an Insured Event occurs during the Period of Insurance and causes interruption to or interference with the Business at the Premises, the Company will indemnify the Insured for the amount of the loss resulting from such Insured Event in accordance with the Basis of Cover described below.

Provided that the total liability of the Company in total for all claims or series of claims, arising out of any one original cause, shall not exceed in any one Period of Insurance 130% of the amount stated in the Schedule as the Sum Insured for Estimated Gross Profit or Estimated Gross Revenue (as applicable).

In respect of any compensation hereunder, the Company will take account of circumstances that would have affected Gross Profit or Gross Revenue (as applicable), at the Premises if the Insured Event had not happened.

Any limits shown in the Extensions to this Section will be in addition to the Sum Insured for Estimated Gross Profit or Estimated Gross Revenue (as applicable) stated in the Schedule.

Definitions

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

Damage

For the purpose of this Section, this shall mean accidental loss, destruction or damage caused by Explosion, Collapse or Breakdown as defined in Section 12a of this Policy.

Franchise

The period stated in the Schedule beginning from the time an Insured Event occurs and which must be exceeded before any indemnity is paid.

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 from the time an Insured Event occurs and ending no later than the last day of the period specified in the Schedule during which results of the Business shall be affected in consequence of the Insured Event.

Insured Event

Event 1 Damage to the Property Insured under Section 12a of this Policy, provided that:

- a** payment shall have been made or liability admitted for such Damage, under Section 12a of this Policy;
- b** in respect of such Damage by Explosion insured under Section 12a 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; and
- c** the Company shall not be liable for any indemnity payable during the Time Exclusion.

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 12a.

Property Insured

As defined in Section 12a.

Time Exclusion

The period of time stated in the Schedule beginning from the time an Insured Event occurs being the first number of hours in respect of which the Company shall not be liable for any loss of Gross Profit or Gross Revenue (as applicable).

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:

- a** purchases (net of discounts);
- b** bad debts;
- c** packing, carriage and freight; and

d 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.

Rate of Gross Profit

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

Annual Turnover

The Turnover during the 12 months immediately before the date of the Insured Event.

Standard Turnover

The Turnover during that period in the 12 months immediately before the date of the Insured Event 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 Insured Event or which would have affected the Business had the Insured Event not occurred, so that the figures thus adjusted shall represent as accurately as may be reasonably practicable the results which but for the Insured Event would have been obtained during the relative period after the Insured Event.

Definitions Relating to New Businesses Only

In the event that a claim arises from an Insured Event occurring prior to the completion of the first trading year of the Business at the Premises, the Definitions for Rate of Gross Profit, Annual Turnover 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 Insured Event.

Annual Turnover

The Turnover during the period between the date of commencement of the Business and the date of the Insured Event proportionately increased to reflect a 12 month period from the date of commencement of the Business.

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 Insured Event.

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 Insured Event or which would have affected the Business had the Insured Event not occurred, so that the figures thus adjusted shall represent as accurately as may be reasonably practicable the results which but for the Insured Event would have been obtained during the relative period after the Insured Event.

Annual Revenue

The Gross Revenue during the 12 months immediately before the date of the Insured Event.

Standard Gross Revenue

The Gross Revenue during the period in the 12 months immediately before the date of the Insured Event 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 the special circumstances affecting the Business, either before or after the Insured Event or which would have affected the Business had the Insured Event not occurred, so that the figures thus adjusted shall represent as accurately as may be reasonably practicable the results which but for the Insured Event would have been obtained during the relative period after the Insured Event.

Definitions Relating to New Businesses Only

In the event that a claim arises from an Insured Event occurring prior to the completion of the first trading year of the Business at the Premises, the Definitions for Annual Revenue and Standard Gross Revenue are replaced by the following Definitions:

Annual Revenue

The Gross Revenue during the period between the date of commencement of the Business and the date of the Insured Event proportionately increased to reflect a 12 month period from the date of commencement of the Business.

Standard Gross Revenue

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 Insured Event.

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 Insured Event or which would have affected the Business had the Insured Event not occurred, so that the figures thus adjusted shall represent as accurately as may be reasonably practicable the results which but for the Insured Event would have been obtained during the relative period after the Insured Event.

Basis of Cover

Estimated Gross Profit

The insurance in respect of Estimated Gross Profit (when shown in the Schedule if operative) is limited to loss of Gross Profit due to:

a reduction in Turnover

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 Insured Event; 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 Insured Event, 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 Insured Event.

Provided that if 130% of the Sum Insured for Estimated Gross Profit is less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover, the amount payable shall be proportionately reduced.

Estimated Gross Revenue

The insurance in respect of Estimated Gross Revenue (when shown in the Schedule if operative) is limited to loss of Gross Revenue due to:

a reduction in Gross Revenue

being the amount by which the Gross Revenue during the Indemnity Period shall fall short of the Standard Gross Revenue in consequence of an Insured Event; 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 Insured Event 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 Insured Event.

Provided that if 130% of the Sum Insured for Estimated Gross Revenue is less than the Annual Revenue, the amount payable shall be proportionately reduced.

Professional Accountants Fees

Where insurance is arranged on Estimated Gross Profit or Estimated Gross Revenue, under this Section, the Company will pay to the Insured (within the Sum Insured for whichever is applicable) 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:

A 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 Insured Event occurs.

B Claims Preparation Cost

The Company will pay the costs necessarily and reasonably incurred by the Insured in providing the Company with the information needed to calculate the amount the Company should pay, as a result of:

- i extra staffing costs; or
- ii any goods used to provide the information needed by the Company.

Provided that the liability of the Company under this Extension shall not exceed £75,000 in total for all claims or series of claims, arising out of any one original cause.

C Anchor Location

The Company will indemnify the Insured for loss of Gross Profit or Gross Revenue (as applicable), resulting from Damage to property at an Anchor Location which is of similar type and function to the Insured Property provided that the liability of the Company shall not exceed £50,000 in total for all claims or series of claims, arising out of any one original cause.

For the purposes of this Extension:

- a** “Anchor Location” means a well-known third party business which is responsible, and which the Business depends upon for attracting customers to the centre, trading estate or business park in which the Premises are situated; and
- b** all references to Property Insured within the insurance definitions are replaced by property similar in type and function to the Property Insured.

D Public Relations Costs

If the Company accepts a claim under this Section for loss of Gross Profit or Gross Revenue (as applicable), and the Company agrees in writing, the Company will also pay the cost of a professional public relations firm to help the Insured create and distribute communications to:

- i** the media;
- ii** the public; and
- iii** the Insured's customers and clients.

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.

E Brands and Labels

The Company will pay the cost to the Business of salvaging, stamping on, or removing the brands and labels from, any goods damaged as a result of an Insured Event, as long as this will not cause further loss, destruction or damage to the Property Insured or any deterioration or putrefaction, of stock.

Provided that 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.

Clauses

The following Clauses apply to this Section:

1 Accumulated Stocks

a Estimated Gross Profit

In adjusting any loss, account shall be taken and an equitable allowance made if any reduction in Turnover due to the Insured Event is postponed by reason of the Turnover being temporarily maintained from accumulated stocks of raw materials, work in progress or finished goods.

b Estimated Gross Revenue

In adjusting any loss, account shall be taken and an equitable allowance made if any reduction in Revenue due to the Insured Event is postponed by reason of the Revenue being temporarily maintained from accumulated stocks of raw materials, work in progress or finished goods.

2 Payments on Account

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

3 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 Estimated Gross Profit or Estimated Gross Revenue (when insured under this Section), under Basis of Cover in this Section, shall apply separately to each department affected by the Insured Event.

4 Option to Convert to Output (Estimated 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.

5 Uneconomical Repairs

If, under Section 12a of this Policy, a replacement for an item of Property Insured subject to Damage is no longer being produced or is no longer available, and repairing the item would not be economical (that is, if the cost of repairs is higher than the cost of replacement), the maximum period the Company will pay for any indemnity under this Section in respect of such item will be:

- a** six months; or
 - b** the Indemnity Period,
- whichever is the shorter.

6 Alternative Premises

a Estimated 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 Estimated 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.

7 Estimate of Gross Profit or Gross Revenue

Prior to each renewal of this Section the Insured shall provide the Company with the estimated Gross Profit or estimated Gross Revenue, for their financial year most nearly concurrent with the ensuing year of insurance, or a proportionately reduced multiple thereof where the Indemnity Period is less than 12 months.

8 Adjustment Clause (Gross Profit)

The first and annual premiums are provisional and based on the estimated Gross Profit for the financial year most nearly concurrent with the Period of Insurance.

Within six months from the expiry of each Period of Insurance, the Insured shall provide the Company with a declaration confirmed by the Insured's auditors, of the Gross Profit earned during the financial year most nearly concurrent with the Period of Insurance.

The declaration shall include the amount by which Gross Profit was reduced during the financial year solely in consequence of any Insured Event giving rise to a claim.

When the declaration (adjusted as above) is:

- a** less than the estimated Gross Profit for the Period of Insurance, the Company will allow a pro-rata return of the premium paid on the estimated Gross Profit but not exceeding 50% of such premium;
- b** greater than the estimated Gross Profit for the Period of Insurance, the Insured shall pay a pro-rata addition to the premium but not exceeding 20% of the premium paid on the estimated Gross Profit.

9 Adjustment Clause (Gross Revenue)

The first and annual premiums are provisional and based on the estimated Gross Revenue for the financial year most nearly concurrent with the Period of Insurance.

Within six months from the expiry of each Period of Insurance, the Insured shall provide the Company with a declaration confirmed by the Insured's auditors, of the Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance.

The declaration shall include the amount by which Gross Revenue was reduced during the financial year solely in consequence of any Insured Event giving rise to a claim.

When the declaration (adjusted as above) is:

- a** less than the estimated Gross Revenue for the Period of Insurance, the Company will allow a pro-rata return of the premium paid on the estimated Gross Revenue but not exceeding 50% of such premium;
- b** greater than the estimated Gross Revenue for the Period of Insurance the Insured shall pay a pro-rata addition to the premium but not exceeding 20% of the premium paid on the estimated Gross Revenue.

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.

Conditions

The following Conditions apply to this Section.

1 Claims Settlement

- a** The loss sustained by the Insured during any Franchise period or Time Exclusion, stated in the Schedule, 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.

2 Damage Requirement

The Company will only indemnify the Insured under this Section for loss of Gross Profit or Gross Revenue (as applicable), resulting from Damage to Property Insured if:

- a** the Damage is covered under Section 12a; or
- b** the Company would not pay a claim under Section 12a purely because the Company applies:
 - i** the Excess; or
 - ii** Exclusion 9 (Damage recoverable under any maintenance agreement or any warranty or guarantee),
 under Section 12a.

3 More Than One Insured

If more than one insured is named in the Schedule, the first named insured will receive all notices and agree any changes to the Policy and will be treated as acting for all the named insureds. The Company will not remove any named insured without their permission.

For any claim, the total amount the Company will pay will not be more than the Sum Insured (or any other stated limit of liability), regardless of the number of people or organisations insured by this Policy.

Exclusions

The Company shall not be liable under this Section for any loss resulting from interruption or interference due to:

- 1 the deliberate act or failure of a utility supplier, grid operator or telecommunications operator, other than where that was necessary to protect life or prevent damage to property;
- 2
 - 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;
- 3 a Cyber Event as defined under Section 12a: Engineering Damage to Machinery and Plant, of this Policy; or
- 4 the Insured's insolvency or bankruptcy.

The Company also shall 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.

Section 14: Computer and Cyber

Claims under this Section of the Policy are administered and managed on NIG's behalf by HSB Engineering Insurance Limited who is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Making a Claim

When making a claim, it is very important that all of the requirements of the Policy are met – particularly Claims Condition 2 Action by the Insured. If they are not met, then the Company may not pay part or all of the claim.

Claims under this Section should be reported to HSB Engineering Insurance Limited at:

Claims Department
HSB Engineering Insurance Limited
Chancery Place
50 Brown Street
Manchester M2 2JT

Phone: **+44 (0) 330 100 3432**

Email: **new.loss@hsbeil.com**

Definitions

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

Act of Terrorism

For the purpose of this Section, this shall mean:

An act or threat any person or group (whether acting alone or in connection with any organisation or government) commits for political, religious, ideological or similar purposes, including to influence any government or frighten the public.

Business Income

- a** the amount of net income (profit or loss before income tax) which the Insured would have earned after the Time Excess if the Cyber Event or Prevention of Access had not happened; and
- b** normal operating expenses that continue, including ordinary payroll.

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, point of sale systems and software and programs used to process data, but not including:

- a** Portable Equipment;
- b** Electronic Office Equipment;
- c** equipment controlling manufacturing processes, or forming part of machinery; or
- d** equipment held as stock or which the Insured have manufactured and is intended for sale or repair in the course of the Business,

unless otherwise specified in the Schedule.

Computer System

For the purpose of this Section only, Computer System shall mean: Hardware, Data, computer networks, websites, intranet and extranet sites.

Computer Virus

Any malware, program code or programming instruction designed to have a damaging effect on a Computer System.

Cyber Attack

Computer Virus, Hacking or Denial of Service Attack which is not just targeted at the Insured and the Insured's Computer System.

Cyber Event

- a** loss, corruption, accidental or malicious deletion of or change to, unauthorised access to, or theft of Data;
- b** Damage to websites, intranet or extranet sites;
- c** Damage or disruption caused by Computer Virus, Hacking or Denial of Service Attack; or
- d** failure of or variation in the supply of electricity or telecommunications networks owned and operated by the Insured,

affecting the Insured's Computer System, or the Computer System of a Service Provider or customer of the Insured.

Damage

For the purpose of this Section, this shall mean:

Total or partial loss, damage, destruction, breakdown or corruption.

Damages

- a** financial compensation the Insured have to pay, except for fines, penalties, liquidated damages (agreed damages or penalties the Insured have to pay under contract), punitive or exemplary damages (extra damages to punish the Insured) or aggravated damages (more severe damages to reflect the seriousness of an offence); or
- b** third parties' costs and expenses the Insured have to pay as a result of a claim being brought against them.

Data

For the purpose of this Section only, Data shall mean: Facts, concepts, information, ideas, text, recordings and images, which are converted to a form which can be processed by Hardware, but not including software and programs.

Data Privacy Obligations

Legal obligations relating to securing, managing and preventing unauthorised access or use of Data, and arising under:

- a** relevant data-protection regulations anywhere in the world associated with the confidentiality of, access to, control of and use of Personal Data which are in force at the time of the Occurrence;
- b** guidance from the Information Commissioner's Office or similar organisations worldwide;
- c** the Payment Card Industry Data Security Standard or other contractual obligations relating to handling credit-card and debit-card information; or
- d** privacy statements and confidentiality agreements.

Defence Costs

Costs and expenses the Company agree to in writing for investigating, settling or defending a claim against the Insured.

Denial of Service Attack

A malicious and unauthorised attack which overloads any Computer System.

Directors and Officers

Directors, officers, principals, partners or members while they are employed by the Insured and under their control in connection with the Business.

Electronic Office Equipment

Photocopiers, fax machines, shredders, addressing machines, franking machines, televisions and associated equipment, DVD and CD recorders and players, video and audio conferencing and projection equipment and associated software and programs.

Employee

For the purpose of this Section, this shall mean any:

- a** person employed, borrowed or hired by the Insured, including apprentices;
- b** labour master or labour-only subcontractor (or a person supplied by any of them);
- c** self-employed person;

- d** person taking part in any government or otherwise authorised work experience, training, study, exchange or similar;
- e** person doing voluntary work for the Insured; or
- f** person supplied to the Insured under a contract or agreement which states that they are in the Insured's employment,

when they are working for the Insured in connection with the Business, but not including the Directors and Officers.

Hacking

Unauthorised or malicious access to any Computer System by electronic means.

Hardware

Computer Equipment and Portable Equipment and Electronic Office Equipment shown in the Schedule.

Indemnity Period

The period during which the Insured suffers a loss of Business Income or have to pay extra costs, starting on the date of the Cyber Event, Damage to Hardware or Prevention of Access and ending no later than the last day of the Indemnity Period shown in the Schedule.

Insured Location

- a** in respect of Hardware: The Premises.
- b** in respect of Portable Equipment: Anywhere in the world.

Limit of Liability

The Limit of Liability shown in the Schedule being the most the Company will pay for claims arising from one Occurrence, regardless of the number of people or organisations insured by this Policy.

Occurrence

One event or a series of events arising out of or in connection with the same cause, source or event.

Personal Data

Information which could identify a person or allow identity theft or other fraud to take place.

Portable Equipment

Laptops, palmtops, notebooks and tablet computers, removable satellite-navigation systems, digital cameras and smartphones and associated software and programs.

Prevention of Access

Prevention of access to, or use of, the Insured's Computer System as a result of a public or police authority using its powers to protect property following physical damage caused by fire, lightning, explosion or aircraft and other aerial devices, to property within one mile of the Premises.

Service Provider

A business that the Insured have hired under a written contract to perform services on their behalf in connection with the Business.

Territorial limits

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

Sub-Section 1 – Cyber Crime

Cover under this Sub-Section only applies if shown as operative in the Schedule.

The Company will indemnify the Insured for the following which arise during the Period of Insurance:

- a** Financial loss following Hacking that results in fraudulent input, destruction or modification of Data in the Insured's Computer System, or the Computer System of the Insured's Service Provider:
 - i** leading to:
 - a** money being taken from any account;
 - b** goods, services, property or financial benefit being transferred; or
 - c** any credit arrangement being made,
 but excluding Hacking by Directors and Officers or Employees; or
 - ii** resulting from the Insured transferring funds from their account to that of a third party as a direct result of a fraudulent electronic communication,

as long as the Insured have not received any benefit in return, and the Insured cannot recover the loss from a financial institution or other third party.
- b** The cost of proving that transactions are fraudulent and that contracts or agreements were entered into fraudulently.
- c** The Insured's liability to make any payment to their telephone service provider as the result of Hacking into the Insured's Computer System.
- d** The cost of employing specialist support to verify that a threat is genuine and to help the Insured to respond, and with the Company's written agreement, make the payment of a ransom demand, if anyone has or threatens to:

- i** cause Damage to or disrupt the Insured's Computer System by introducing a Computer Virus, or to initiate a Hacking attack or Denial of Service Attack against the Insured;
 - ii** release, publish, corrupt, delete or alter Data from the Insured's Computer System if this would cause them commercial or financial harm or damage their reputation; or
 - iii** fraudulently or maliciously use the Insured's Computer System to cause a loss to the Insured or a third party,
- as long as the Insured can demonstrate that they have good reason to believe that the threat is not a hoax and they have reported it to the police.

Provided that the most the Company will pay for each Occurrence under this Sub-Section is the Sum Insured shown for Sub-Section 1 under Section 14 in the Schedule, regardless of the number of people or organisations insured by this Policy. If the Occurrence is the result of a Cyber Attack, the liability of the Company shall not exceed the 'Cyber Attack Limit' stated in and explained in Condition 2: Cyber Attack Limit applicable to this Section of the Policy.

Exclusion

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

- 1** any financial loss resulting from actual or alleged fraudulent use of a credit card or debit card; or
- 2** any financial loss resulting from a fraudulent application for credit or the provision of false details in applying for credit or opening an account with the Insured.

Certain further Exclusions apply to this Sub-Section as stated at the end of this Section.

Sub-Section 2 – Cyber Liability

Cover under this Sub-Section only applies if shown as operative in the Schedule.

For the purposes of this Sub-Section, the definition of Insured shall extend to include Employees and Directors and Officers.

The Company will indemnify the Insured for Damages and Defence Costs arising from a claim first made against the Insured during the Period of Insurance, and in the course of the Business, as a result of the following:

- a** The Insured or their Service Provider failing to secure, or prevent unauthorised access to, publication of or use of Data (including any interference with any right to privacy or publicity, breach of confidence or the Insured's Data Privacy Obligations).

- b** The Insured unintentionally transmitting, or failing to prevent or restrict the transmission of, a Computer Virus, Hacking attack or Denial of Service Attack from their Computer System to a third party.
- c** Loss of reputation (including that of a product) or intellectual property rights being broken, limited or undermined as a result of:
 - i** the content of any emails distributed by the Insured's Computer System;
 - ii** the content of the Insured's website;
 - iii** online promotional marketing material; or
 - iv** other Data processed or distributed by the Insured's Computer System.

Provided that:

- i** the most the Company will pay for all claims arising out of one Occurrence under this Policy will be the Limit of Liability shown under Sub-Section 2 of Section 14 in the Schedule plus any limits shown below in the Extensions to this Sub-Section, regardless of the number of claims or claimants. If the Occurrence is the result of a Cyber Attack, the amount the Company will pay may be limited by the 'Cyber Attack Limit' stated in and explained in Condition 2: Cyber Attack Limit applicable to this Section of the Policy; and
- ii** for any and all claims arising out of any one Occurrence, the Company may pay the full Limit of Liability that applies to that Occurrence. When the Company has paid the full Limit of Liability for claims arising out of any one Occurrence, the Company will not pay any further amounts for claims arising from the same Occurrence or for associated Defence Costs arising after the Company pays the full Limit of Liability; and
- iii** any Defence Costs payable by the Company will be within, and not on top of, the Limit of Liability.

Extensions

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

A Court Attendance

If the Insured is asked by the Company to attend court as a witness in connection with a claim made against them, provided the claim is covered under this Sub-Section, the Company will pay compensation to the Insured at the following rates per day on which attendance is required:

- a** Directors and Officers £100
- b** Employee £50.

B Fines and Penalties

Following a claim against the Insured, the Company will pay fines, penalties, liquidated Damages (agreed damages or penalties the Insured have to pay under a contract) and Defence Costs which the Insured becomes legally obliged to pay as the result of them not keeping to their Data Privacy Obligations up to £25,000 any one Occurrence.

Provided that the Company will not be liable under this Extension for fines and penalties which cannot be insured against by law.

C Removing Data

The Company will pay the cost of withdrawing or removing Data from the internet or other source available to the public, as long as that would avoid or reduce a claim against the Insured.

Provided that the Company's liability under this Extension shall not exceed £10,000 in respect of any one Occurrence.

D Further Extensions

Certain further Extensions apply to this Sub-Section as stated at the end of this Section.

Conditions

The following Conditions apply to this Sub-Section.

1 Protecting Data

The Insured must make sure that the appropriate procedures are in place for disposing of and destroying Hardware and hard copy files in order to protect Data.

2 Further Conditions

Certain further Conditions apply to this Sub-Section as stated at the end of this Section.

Exclusions

The Company shall not be liable under this Sub-Section for any Damages, liability, expense or Defence Costs arising from:

- 1** any claim brought against the Insured by:
 - a** another person named as Insured in the Schedule;
 - b** any parent or subsidiary companies of the Insured; or
 - c** any company which the Insured is a director, officer, partner or employee of and has a financial interest in.

This Exclusion does not apply to Personal Data relating to Employees or Directors and Officers, as long as any benefit they receive is no more than any third party would receive;

- 2 defamatory or disparaging statements or publications made deliberately or recklessly if a reasonable person could anticipate that the statements could result in a claim against the Insured;
- 3 the Insured failing to keep to any obligation they have to their Employees or Directors and Officers, unless this is specifically insured by this Policy after the Insured's Data Privacy Obligations have not been met;
- 4 any mistakes in financial statements or representations concerning the Insured's Business;
- 5 the Insured actually or allegedly breaking any taxation, competition, restraint of trade, competition or anti-trust law or regulation;
- 6 any patent being infringed (broken, limited or undermined) without the patent holder's permission; or
- 7 any goods, products or software the Insured has sold, supplied, manufactured, constructed, installed, maintained, repaired, altered or treated, or any inadequate or incorrect advice or services the Insured has provided.

Certain further Exclusions apply to this Sub-Section as stated at the end of this Section.

Sub-Section 3 – Data-Breach Expense

Cover under this Sub-Section only applies if shown as operative in the Schedule.

For the purposes of this Sub-Section, the definition of Insured shall extend to include Employees and Directors and Officers.

If, during the Period of Insurance, the Insured discover that they have failed to keep to their Data Privacy Obligations in the course of their Business, the Company will pay for the following:

- a The cost of hiring professional legal and forensic information-technology services to investigate and tell the Insured how they should respond.
- b The cost of informing affected parties, the data privacy regulator and other relevant third parties or organisations worldwide.
- c The cost of providing the following support services to affected parties as the result of the Insured failing to keep to their Data Privacy Obligations:
 - i Credit file monitoring, identity theft assistance and helping affected parties to correct their credit records

and take back control of their personal identity.

- ii Providing a helpline to respond to enquiries after informing affected parties.

These support services will only be provided for 12 months, and only if:

- a the Data Privacy Obligations the Insured has failed to keep to relate to Personal Data; or
- b the Insured provides the relevant service under their Data Privacy Obligations.
- d Public-relations and crisis-management expenses, if the Company has agreed in writing, for communicating with the media, the Insured's customers and the public to minimise damage to brands and Business operations, and any damage to the Insured's reputation.

The liability of the Company will not exceed in respect of each Occurrence the Sum Insured shown under Sub-Section 3 of Section 14 in the Schedule plus any limits shown below in the Extensions to this Sub-Section, regardless of the number of people or organisations insured by this Policy. If the Occurrence is the result of a Cyber Attack, the amount the Company will pay may be limited by the 'Cyber Attack Limit' stated in and explained in Condition 2: Cyber Attack Limit applicable to this Section of the Policy.

Extensions

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

A Security Audit

If the failure to keep to Data Privacy Obligations insured by this Sub-Section resulted from security weaknesses in the Insured's Computer System, the Company will pay the cost of a professional consultant carrying out an audit of the Insured's Computer System to assess the security weaknesses and advise the Insured on how to make improvements.

Provided that the most the Company will pay under this Extension shall not exceed £10,000 in respect of any one Occurrence.

B Further Extensions

Certain further Extensions apply to this Sub-Section as stated at the end of this Section.

Conditions

The following Conditions apply to this Sub-Section.

1 Protecting Data

The Insured must make sure that the appropriate procedures are in place for disposing of and destroying Hardware and hard copy files in order to protect Data.

2 Further Conditions

Certain further Conditions apply to this Sub-Section as stated at the end of this Section.

Exclusions

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

- 1 the cost of restoring and recreating Data; or
- 2 the cost of correcting any failings in procedures, systems or security.

Certain further Exclusions apply to this Sub-Section as stated at the end of this Section.

Sub-Section 4 – Cyber Event – Loss of Business Income

Cover under this Sub-Section only applies if shown as operative in the Schedule.

The Company will indemnify the Insured for loss of Business Income during the Indemnity Period resulting from a Cyber Event or Prevention of Access which is discovered during the Period of Insurance.

Provided that:

- i the Company's liability in respect of each Occurrence will not exceed the Sum Insured shown under Sub-Section 4 of Section 14 in the Schedule plus any limits shown below in the Extensions to this Sub-Section, regardless of the number of people or organisations insured by this Policy. If the Occurrence is the result of a Cyber Attack, the amount the Company will pay may be limited by the 'Cyber Attack Limit' stated in and explained in Condition 2: Cyber Attack Limit applicable to this Section of the Policy.
- ii the amounts the Company will pay under this Sub-Section will be based on the Insured's Business Income during the 12 months before the Cyber Event or Prevention of Access, as recorded in the Insured's accounts. The Company will make adjustments to reflect trends and circumstances which may affect the Business Income, or which would have affected the Business Income whether or not the Cyber Event or Prevention of Access had happened.

Extensions

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

A Accountants' Fees

The Company will pay the cost of the Insured providing the information the Company needs to work out the amount they should pay as a result of:

- i extra staffing costs; and
- ii extra fees charged by the Insured's usual auditors or accountants,

up to a maximum amount of £50,000 any one Occurrence.

B Further Extensions

Certain further Extensions apply to this Sub-Section as stated at the end of this Section.

Exclusions

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

- 1 any loss of Business Income 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 loss of Business Income caused by or resulting from physical damage, if otherwise insured by this Section, 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; or

- 2 loss of Business Income or any other cost arising during the Time Excess.

Certain further Exclusions apply to this Sub-Section as stated at the end of this Section.

Sub-Section 5 – Hardware

Cover under this Sub-Section only applies if shown as operative in the Schedule.

The Company will indemnify the Insured for Damage to the Hardware described in the Schedule owned, hired, leased or rented, by the Insured provided that the Damage occurred during the Period of Insurance and whilst at an Insured Location.

Where there is more than one Premises insured, the Sums Insured stated in the Schedule shall apply in the aggregate to the property collectively described under this Sub-Section.

The Company will either repair or replace the Hardware which has suffered Damage or, at its option, make a payment to the Insured for the value of the Hardware. The Company will pay to repair or replace (as new) with Hardware of the same capacity or performance. If Hardware of the same capacity or performance is no longer available, the Company will pay to repair or replace with the nearest higher equivalent.

Where necessary, replacement Hardware will be provided by, and be capable of being supported by, any existing supplier, maintenance contract or software and system-support agreement.

If Hardware is not being repaired or replaced, the Company has the right to pay no more than the value of the Hardware immediately before the Damage, after making allowance for fair wear and tear.

The most the Company will pay for each Occurrence is the Sum Insured for each item stated in Sub-Section 5 of Section 14 in the Schedule plus any limits stated below in respect of the Extensions applicable to this Sub-Section, regardless of the number of people or organisations insured by this Policy. If the Occurrence is the result of a Cyber Attack, the amount payable by the Company may be limited by the 'Cyber Attack Limit' stated in and explained in Condition 2: Cyber Attack Limit applicable to this Section of the Policy.

Extensions

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

A Extra Hardware

The Sum Insured shown in the Schedule for Sub-Section 5 of Section 14 is automatically increased by £500,000 to include any Hardware which the Insured acquires during the Period of Insurance either at the Premises or at any new premises owned, leased or occupied by the Insured within the Territorial Limits for which the Insured has accidentally failed to notify the Company.

B Extra Hire or Lease Cost

If the Company has agreed to pay for Damage to Hardware, the Company will pay for the following:

- a extra hire, lease or rental costs arising out of changes to or replacement of an existing hire, lease or rental agreement. Any payment the Company make under this Extension will end:
 - i when the hire, lease or rental agreement in force at the time of the Damage ends; or
 - ii 12 months after the date of the Damage, whichever comes first.
- b continuing hire, lease or rental costs which the Insured is legally liable to pay.
- c the cost of payments the Insured has to continue paying, under any extended warranty, maintenance contract or repair-service agreement, for Hardware which has been damaged and is no longer in use. Any payment the Company makes under this Extension will end:
 - i when the warranty, maintenance contract or repair-service agreement ends; or
 - ii 12 months after the date of the Damage, whichever comes first.
- d the cost to the Insured of any unused parts of any non-refundable extended warranties, maintenance contracts or repair-service agreements for Hardware which has been damaged and is no longer in use.

The maximum amount payable under this Extension shall not exceed £25,000 in total and in the aggregate in respect of any one Occurrence.

C Fire Brigade Charges

If the Company has agreed to pay for Damage, the Company will pay for the charges the Insured has to pay for the fire service, or any other organisation responsible for protecting the public, attending the Premises up to a maximum of £50,000 any one Occurrence.

D Gas-Flooding Systems

The Company will pay for the cost of refilling or replacing the cylinders of any gas-flooding system set off accidentally at the Premises, and also the cost of cleaning up and repairing Damage to any property up to a maximum of £100,000 any one Occurrence.

E Incompatibility

If the Company has agreed to pay for Damage to Hardware, the Company will pay the extra cost of modifying the Insured's Computer System if replacement parts or software are incompatible with it.

Provided that the liability of the Company under this Extension shall not exceed £100,000 any one Occurrence.

F Recovery of Hardware

If the Company agrees in writing, the Company will pay for the cost of investigating and recovering lost or stolen Hardware which contains Data that may result in the Insured being prosecuted, the Insured's reputation being damaged, or the Insured suffering a financial loss as the result of loss or publication of that Data.

Provided that the liability of the Company under this Extension shall not exceed £10,000 any one Occurrence.

G Security Guard Costs

If the Company has agreed to pay for Damage to Hardware, the Company will also pay for the costs incurred by the Insured in employing temporary security guards at the Premises which the Insured owns, leases or occupies up to a maximum amount of £25,000 any one Occurrence.

Provided that:

- i the Company is satisfied that security guards are needed to protect Hardware; and
- ii the security guards are members of the International Professional Security Association (IPSA).

If security guards are needed for more than seven days, the Company must agree to this in writing.

H Temporary Removal

The Company will pay for Damage to Hardware while it is temporarily removed to, or being transported to, any other location anywhere in the world.

Provided that the liability of the Company under this Extension shall not exceed £100,000 any one Occurrence.

I Trace and Access

The Company will pay the cost of finding the point where any substances which have caused, or would cause, Damage to Hardware have escaped from. The Company will also pay the cost of repairing floors, walls and ceilings damaged in the course of the investigation.

Provided that the liability of the Company under this Extension shall not exceed £25,000 any one Occurrence.

J Waste Disposal Costs

If the Company has agreed to pay for Damage to Hardware, the Company will pay the cost of removing and disposing of damaged Hardware. The Company will also pay the cost of the Insured keeping to the Waste Electrical and Electronic Equipment Directive and any revisions to it.

The maximum amount the Company will pay under this Extension shall not exceed £100,000 any one Occurrence.

K Further Extensions

Certain further Extensions apply to this Sub-Section as stated at the end of this Section.

Conditions

The following Conditions apply to this Sub-Section.

1 Minimum Standards of Protection

If Condition 2, as set out in Section 1: Material Damage of this Policy, is operative under Section 1, such Condition shall also apply to this Sub-Section in respect of the Premises concerned.

2 Intruder Alarm

If Condition 3, as set out in Section 1: Material Damage of this Policy, is operative under Section 1, such Condition shall also apply to this Sub-Section in respect of the Premises concerned.

3 Further Conditions

Certain further Conditions apply to this Sub-Section as stated at the end of this Section.

Exclusions

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

- 1 the cost of repairing, putting right or restoring any Damage covered by any manufacturer's or supplier's guarantee or warranty, or any maintenance contract; or
- 2 disappearances or shortages discovered when carrying out checks or inventories that cannot be accounted for.

Certain further Exclusions apply to this Sub-Section as stated at the end of this Section.

Sub-Section 6 – Data Corruption and Extra Cost

Cover under this Sub-Section only applies if shown as operative in the Schedule.

The Company will pay:

- 1 the cost of investigating and reconfiguring the Insured's Computer System and the Computer System of a Service Provider (including the cost of restoring and recreating Data); and
- 2 extra costs to prevent or reduce the disruption to the functions carried out by the Insured's Computer System during the Indemnity Period,

arising as a result of a Cyber Event, Damage to Hardware or Prevention of Access discovered during the Period of Insurance.

The cover provided by this Sub-Section does not include the value to the Insured of Data, even if the Data cannot be restored or recreated.

The most the Company will pay for each Occurrence is the Limit shown under Sub-Section 6 of Section 14 in the Schedule plus any limits shown below for any Extensions applicable to this Sub-Section, regardless of the number of people or organisations insured by this Policy. If the Occurrence is the result of a Cyber Attack, the amount the Company will pay may be limited by the 'Cyber Attack Limit' stated in and explained in Condition 2: Cyber Attack Limit applicable to this Section of the Policy.

Extensions

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

A Accountants' Fees

The Company will pay the cost of the Insured providing the Company with the information it needs to work out the amount they should pay as a result of:

- i extra staffing costs; and
- ii extra fees charged by the Insured's usual auditors or accountants,

up to a maximum amount of £50,000 any one Occurrence.

B Loss of Interest

If a Cyber Event, Damage to Hardware or Prevention of Access interrupts the functions carried out by the Insured's Computer System, the Company will pay the Insured:

- i interest that the Insured would have earned on money that would have been received as recorded in the Insured's normal accounts; and
- ii interest due on money borrowed to maintain normal revenue, less any normal savings in cost.

Provided that the liability of the Company under this Extension shall not exceed £10,000 any one Occurrence.

C Further Extensions

Certain further Extensions apply to this Sub-Section as stated at the end of this Section.

Exclusions

The Company will not pay under this Sub-Section for:

- 1 the cost of any forensic or legal investigation to find out the identities of affected parties or how and why the Insured's Data Privacy Obligations have not been met, or to tell the Insured how they should respond; or
- 2 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 Section, 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.

Certain further Exclusions apply to this Sub-Section as stated at the end of this Section.

Extensions applicable to all Sub-Sections of Section 14

The insurance provided by Section 14 of this Policy is further extended to include the following:

A Avoiding Corruption

If the Company has agreed in writing:

- a the Company will pay the cost of locating and removing a Computer Virus from the Insured's Computer System which has not necessarily caused any Damage or disruption; and

- b** where a Computer Virus or Hacking attack has affected the Insured's Computer System during the Period of Insurance, the Company will pay the cost of hiring professional consultants to make recommendations on how to prevent the Insured's Computer System from being infected by Computer Virus or to prevent Hacking.

The Company will not pay more than £50,000 under this Extension for any one Occurrence.

B Investigation Cost

If the Company accepts a claim for Damage or other loss, and the Company agrees in writing, they will pay the cost of investigating possible repair, replacement or restoration up to a maximum of £50,000 any one Occurrence.

C Loss Prevention Measures

The Company will pay the cost of preventing or minimising actual or expected Damage or other loss which would have been insured under this Section up to an amount not exceeding £50,000 any one Occurrence.

Provided that:

- a** Damage or other loss would be expected if the measures were not implemented;
- b** the Company is satisfied that the Damage or other loss has been prevented or minimised by these measures;
- c** the cost is limited to the cost of Damage or other loss which would otherwise have occurred; and
- d** the full terms, definitions, conditions, clauses and exclusions, applicable to the Section, apply as if Damage or other loss covered by this Section had occurred.

D Temporary and Fast-Track Repair

If the Company accepts a claim for Damage or other loss, the Company will pay the cost of making temporary repairs and fast-tracking a permanent repair, replacement or restoration up to an amount not exceeding:

- i** £100,000 any one Occurrence; or
- ii** 50% of the cost of Damage or other loss covered by this Section of the Policy,

whichever is the lesser.

E Waiver of Subrogation Rights

The Company agrees to give up their rights to recover any amounts from:

- a** any company which is the parent or subsidiary of the Insured;
- b** any company which is a subsidiary of a parent of the Insured;
- c** any user of the Insured's Hardware, other than a Service Provider, authorised in writing by the Insured before an insured loss; or
- d** any Employee or Directors and Officers of the Insured, unless an insured loss happens as a result of a dishonest, fraudulent, criminal or malicious act or decision.

This will only apply if any of the above keep to the terms and conditions of this Policy as if they were the Insured.

Clauses applicable to all Sub-Sections of Section 14

The following Clauses apply to Section 14 of this Policy.

1 Seventy Two Hours Clause

Any claim under this Section resulting from earthquake, storm or flood, all Damage or other loss, arising within a 72 hour period will be deemed to constitute one claim for the purpose of the Sum Insured and the payment of any Excess or Time Excess.

The Insured can choose the moment the 72 hour period starts, as long as it ends within the Period of Insurance.

2 War

For the purpose of this Section, General Exclusion 1: War, Government Action and Terrorism, of this Policy in so far as it relates to War (as defined therein), does not apply to any Damage, loss of Business Income or other loss insured by this Section, resulting from, or caused by, weapons of war which were not discovered before the start of the Period of Insurance, as long as there is no war in the country the Insured's Hardware is in during the Period of Insurance.

3 One Excess

For claims under more than one Sub-Section, only one Excess will apply to the claim, and it will be whichever of the relevant excesses is higher. The Excess will apply separately from any Time Excess.

4 Payments on Account (applicable to Sub-Section 4 – Cyber Event – Loss of Business Income)

In respect of any claim settlement under Sub-Section 4, payments on account will be made to the Insured during the Indemnity Period if desired.

5 Value Added Tax (applicable to Sub-Sections 4 – Cyber Event – Loss of Business Income and 6 – Data Corruption and Extra Cost)

To the extent that the Insured is accountable to the tax authorities for Value Added Tax, all terms of Sub-Sections 4 and 6 shall be exclusive of such tax.

Conditions applicable to all Sub-Sections of Section 14

The following further Conditions apply to Section 14 of this Policy.

1 Caring for Hardware

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

- a ensure that the Hardware is maintained, inspected and tested as recommended by the manufacturer; and
- b keep a record of all maintenance and Data back-up procedures and maintenance carried out, and let the Company check those records.

2 Cyber Attack Limit

The most the Company will pay in total for the Period of Insurance (regardless of the number of Occurrences, claims or claimants) for all claims, costs or losses that are the result of Cyber Attack is £250,000.

The 'Cyber Attack Limit' will be reduced by any amount the Company has already paid for claims, costs or losses that are the result of Cyber Attack.

The most the Company will pay under any Sub-Section of this Section of the Policy for each Occurrence, or under Sub-Section 2 – Cyber Liability, of this Section of the Policy, for all claims accepted by the Company as having arisen from one Occurrence and are the result of a Cyber Attack, is:

- i the total of the Sums Insured or Limits of Liability and any limits contained in any Extension for the Sub-Section (as long as the Sub-Section or the Extension is relevant to a claim); or
- ii the 'Cyber Attack Limit' (as reduced by any amount previously paid),

whichever is lower.

3 Data Backup

The Insured must:

- a back up original Data at least every 7 days;
- b make sure that the terms of the contract between them and the Service Provider who processes or stores data on their behalf, allow Data to be backed up in line with this condition; and
- c take precautions to make sure that all Data is stored safely.

If the Insured has failed to keep to this Condition, the Company may still pay a claim if the Insured can show that formal procedures are in place to keep to this Condition and that the failure was an accidental oversight or as a result of circumstances beyond their control.

4 Defence Software

It is a condition precedent to the liability of the Company that the Insured's Computer System must be protected:

- a by a virus-protection software package which is:
 - i licensed to the Insured;
 - ii paid for and not freely available; and
 - iii updated at least every 7 days; and
- b by a firewall on all external gateways to the internet, and that firewall must be maintained.

5 Enforcement of the Insured's Rights

The Company may, at the Company's expense, take all necessary steps to enforce the Insured's rights against any third party, other than in circumstances explained in Extension E Waiver of Subrogation Rights of the Extensions applicable to all Sub-Sections. The Company can do this before or after they pay a claim. The Insured must not do anything before or after the Company pays the claim to affect the Company's rights and the Insured must give the Company any help and information they ask for.

The Insured must take reasonable steps to make sure that they protect their rights to recover amounts from third parties.

6 Controlling Defence

Notwithstanding Claims Condition 3 b of this Policy, the Company can, but do not have to, take control of investigating, settling or defending any claim made against the Insured. The Company would take this action in the Insured's name. If necessary, the Company will appoint an adjuster, solicitor or any other appropriate person to deal with the claim. The Company may agree to the

appointment of the Insured's solicitor, but only on a fee basis similar to that of their own solicitor, and only for work done where the Company has granted their permission in writing.

The Company will only defend claims if they think that there is a reasonable chance of being successful, and after taking the costs of the defence into account.

7 Other Insurances

Notwithstanding Claims Condition 6 of this Policy, if there is any other insurance covering the Insured's claim, the Company will only pay their proportionate share under this Section of the Policy, even if the other insurer refuses to pay the claim.

As soon as the Insured knows about any incident or circumstance which may result in a claim under this Section of the Policy, the Insured must provide the Company with details of any other insurances they may have which cover Damage, loss of Business Income, Damages, Defence Costs or other loss, insured by this Section of the Policy.

8 Salvage and Recoveries

If the Insured has made a claim and they later recover their Hardware, or recover money from a third party, the Insured must inform the Company immediately. If the Company has paid the claim, the Insured may have to give the Hardware or money to the Company.

If a claim has been paid and the Company recovers the Insured's Hardware, or recovers money from a third party, the Insured will receive any proceeds above the amount the Company paid the Insured in connection with the claim.

Any amount due from the Insured or from the Company must be paid as soon as reasonably possible.

9 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 this Section, the interpretation under this Section shall take precedence.

Excess

(Not applicable to Sub-Section 4 – Cyber Event – Loss of Business Income)

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.

Time Excess

Sub-Section 4 (Cyber Event – Loss of Business Income) does not cover and the Company shall not be liable for loss of Business Income or any other cost arising during the Time Excess stated in the Schedule being the initial time period for which the Company will not pay any loss of Business Income.

Exclusions applicable to all Sub-Sections of Section 14

The following further Exclusions apply to Section 14 of this Policy.

The Company shall not be liable under this Section for:

- 1 **a** circumstances which existed before any cover provided by this Section of the Policy started, and which the Insured knew about; or
- b** claims or circumstances which the Insured have already reported, or which they should have reported, to a previous insurer before the Period of Insurance;
- 2 property belonging to the Insured which is confiscated or damaged by, or under the order of, any government, public or police authority, other than:
 - a** to protect life or prevent Damage to property; or
 - b** as the result of a regulatory investigation after the Insured have failed, or allegedly failed, to keep to their Data Privacy Obligations;
- 3 any extortion, blackmail or ransom payments or demands, other than in connection with cover provided by Sub-Section 1 – Cyber Crime;
- 4 any fines, penalties, punitive or exemplary damages (extra damages to punish the Insured) other than those specifically covered by Extension B Fines and Penalties, in Sub-Section 2 – Cyber Liability;
- 5 penalties the Insured has to pay under a contract for any delay or in connection with guarantees of performance or efficiency;

- 6 any intentional act, or failure to act, by the Insured or by the Directors and Officers of the Insured, unless the act or failure to act is a measure to prevent or minimise injury, Damage to the Insured's Hardware, loss of Business Income or a claim for Damages;
- 7 the cost of normal Computer System maintenance;
- 8 atmospheric or environmental conditions causing temporary interference with any satellite signal;
- 9 the Insured's commercial decision to stop trading, or the decision of a Service Provider, customer or supplier, of the Insured to stop or reduce trade with the Insured or restrict services;
- 10 losses due to:
 - i wear and tear, gradual deterioration or rust;
 - ii scratching or chipping of painted or polished surfaces;
 - iii erosion or corrosion; or
 - iv gradual reduction in performance.

However, the Company will pay for loss resulting from the causes above which the Company would otherwise have paid under this Policy;

- 11 losses caused by or arising from the Insured's insolvency or bankruptcy; or
- 12 Damage caused by any weapon or device using atomic or nuclear fission, fusion or similar reaction, or radioactive force or material.

Furthermore, notwithstanding General Exclusion 1: War, Government Action and Terrorism, of this Policy, the Company shall not be liable under this Section of the Policy for:

- 13 a any Act of Terrorism, regardless of any other cause or event contributing to the Damage, loss of Business Income or other loss;
- b civil commotion in Northern Ireland; or
- c any action taken to control, prevent, suppress or in any way deal with an Act of Terrorism.

For the purposes of this Exclusion Computer Virus, Denial of Service Attack or Hacking will not be regarded as an Act of Terrorism under Sub-Sections 1 – Cyber Crime, 2 – Cyber Liability and 3 – Data-Breach Expense.

Section 15: Loss of Licence

In the event that the licence for the sale of excisable liquors which has been granted in respect of the Premises, is forfeited, suspended or withdrawn, during the Period of Insurance, the Company will pay to the Insured:

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

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

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

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

- Cover C** the reduction in value of the Premises if the Insured is unable to obtain a licence for a period of 12 months from the date of the forfeiture, suspension or withdrawal of the licence and the Insured sell the Premises;

- Cover D** all costs and expenses, incurred by the Insured with the written consent of the Company; and

- Cover E** auditors' or accountants' charges reasonably incurred for producing and certifying details of a claim under this Section.

Provided that the liability of the Company under this Section in the aggregate during any one Period of Insurance shall not exceed the Indemnity Limit stated in the Schedule plus professional accountants' charges.

Definitions

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

Gross Income

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

Indemnity Period

The period beginning with the loss of licence and ending not later than 12 months thereafter during which the results of the Business shall be affected in consequence of the loss of licence provided that if the Premises are disposed of within the 12 months after the loss of licence, the Indemnity Period shall terminate either:

- a upon disposal; or
 - b 12 months from the loss of licence,
- whichever is the earlier.

Clauses

The following Clauses apply to this Section.

1 Value Added Tax

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

2 Alternative Trading

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

Conditions

The following Conditions apply to this Section.

1 Change in Circumstances

The Insured shall on becoming aware of any:

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

- f** objection to renewal or other circumstances which may endanger the licence or its renewal,
- immediately give notice to the Company and supply such additional information and give such assistance as may reasonably be required.

2 Transfer of Licence

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

3 Forfeiture or Refused Renewal

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

- a** give notice to the Company within 48 hours of receiving knowledge of such event, stating the grounds upon which the licence was forfeited or refused renewal;
- b** give all such assistance as the Company may require, for the purpose of an appeal against such forfeiture or refusal to renew and allow the Company and their solicitors full discretion in the conduct of such proceedings; and
- c** apply if practicable and if required by the Company, for the grant of such new licence for the same or alternative premises, as may enable the Insured to continue the Business in a similar or alternative form.

- 5** any direction or requirement of the licensing or other authority is not complied with;
- 6** the forfeiture or refusal to renew the licence occurs wholly or partly by or through the misconduct, procurement, connivance, neglect or omission of the Insured; or
- 7 a** prior or subsequent to the refusal to renew or forfeiture of the licence, the Premises are required for any public purpose;
- b** surrender or refusal to renew or forfeiture arises under or results directly or indirectly from any scheme of town or country planning, improvement or redevelopment;
- c** arising from surrender, reduction or redistribution of licences; or
- d** arising from any alteration of the law affecting the grant, surrender, refusal to renew or forfeiture of licences.

NOTE: Exclusions 2 to 6, inclusive of this Section, shall not apply where the Insured or any other claimant under this Section prove to the reasonable satisfaction of the Company that the matter was completely beyond their power or control.

Exclusions

The Company shall not be liable under this Section for any loss if:

- 1** the Insured is entitled to obtain payment of compensation under any legislation or bye-law, in respect of refusal to renew the licence;
- 2** alterations to the Premises requiring the consent of the licensing or other authority shall be made without that consent;
- 3** the Premises are closed for any period not required by law;
- 4** the Premises are not maintained in a good state of sanitary condition or repair;

Section 16: 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 unpresented 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 incepted;
- 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 17: Legal Expenses

Claims under this Section are administered and managed by DAS 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 DAS 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 DAS agree to, within the Territorial Limits; and
- 4 the Insured Incident happens within the Territorial Limits.

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 DAS 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 **1b** Compensation Awards (Employment Disputes and Compensation Awards) in any one Period of Insurance is £1,000,000;

- 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 DAS 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, DAS 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, DAS must agree that Reasonable Prospects exist;
- 6 where an award of damages is the only legal remedy to a dispute and the cost of pursuing legal action is likely to be more than any award of damages, the most the Company will pay in Costs and Expenses is the value of the likely award; and
- 7 in respect of Insured Incident 2 f 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:

- 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 DAS 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 does not pay this amount, the cover for their 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 DAS has agreed that the Insured Person should do so, otherwise the Company will not pay the costs involved even if DAS 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 DAS on **0345 878 5033**, available 24 hours a day, 7 days a week.
- have the policy number ready for when DAS ask for details about the claim.

DAS will assess the claim

- To check the claim is covered by the policy.
- If it is covered, it will be sent to a lawyer who specialises in that type of claim.

The lawyer will

- Assess the case and tell the Insured Person how likely it is that the claim will succeed.

If the Insured Person is more likely than not to win, the lawyer will

- Manage the case from start to finish.

Please note this is an overview of the claims process for guidance purposes only. DAS' claims handlers can answer any questions the Insured Person may have when they receive the claim. Alternatively, the Insured Person can visit www.das.co.uk/legal-protection/how-to-claim.

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 DAS will appoint on the Insured Person's behalf.

Costs and Expenses

- a** All reasonable, proportionate and necessary costs chargeable by the Appointed Representative and agreed by DAS in accordance with the DAS Standard Terms of Appointment; and

- b** The costs incurred by opponents in civil cases if the Insured Person has been ordered to pay them, or the Insured Person pays them with the agreement of DAS.

DAS

DAS Legal Expenses Insurance Company Limited.

DAS Standard Terms of Appointment

The terms and conditions (including the amount DAS will pay to an Appointed Representative) that apply to the relevant type of claim, which could include a cond on the Insured Person's behalf fee agreement (no win, no fee). Where a law firm is acting the amount is currently £100 per hour. This amount may vary from time to time.

Date of Occurrence

- a** For civil cases (other than as specified under **c** to **e** below), the date of the event that leads to a claim. If there is more than one event arising at different times from the same originating cause, the Date of Occurrence is the date of the first of these events. (This is the date the event happened, which may be before the date the Insured Person first became aware of it.)
- b** For criminal cases, the date the Insured Person began, or is alleged to have begun, to break the law.
- c** For Insured Incident 3 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.
- d** For Insured Incident 8 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.
- e** For Insured Incident 2 e 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 1 to 8 under the heading "Insured Incidents" of this Section.

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 DAS choose to provide legal or other services. These specialists are chosen as they have the proven expertise to deal with the Insured Person's claim and must comply with the DAS agreed service standard levels, which DAS audit regularly. They are appointed according to the DAS Standard Terms of Appointment.

Reasonable Prospects

- a** For civil cases, the prospects that the Insured Person will recover losses or damages or a reduction in tax or National Insurance liabilities (or obtain any other legal remedy that DAS have agreed to, including an enforcement of judgment), 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 DAS' 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 the Insured's whole tax return.

Territorial Limits

- a** For Insured Incidents 2 Legal Defence (excluding **2e** Statutory Notice Appeals), and 6b Personal injury: The United Kingdom, the European Union, the Channel Islands, the Isle of Man, 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 Channel Islands and the Isle of Man.

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

1 Employment Disputes and Compensation Awards

a Employment Disputes

The Company will pay Costs and Expenses to defend the Insured's legal rights:

- 1** 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
- 2** in unfair dismissal disputes under the ACAS Arbitration Scheme; or
- 3** 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.

Exclusions

The Company will not pay any claim relating to the following:

- 1** unless equivalent legal expenses insurance was continuously in force before:
 - i** 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;
 - ii** 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

- iii 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.

b Compensation Awards

The Company will pay:

- 1 any basic and compensatory award; and/or
- 2 an order for compensation or damages following a breach of the Insured's statutory duties under employment legislation,

in respect of a claim DAS have accepted under Insured Incident 1a Employment Disputes.

Provided that:

- 1 in cases relating to performance and/ or conduct, the Insured has throughout the employment dispute either:
 - i followed the ACAS Code of Disciplinary and Grievance Procedures; or
 - ii followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
 - iii sought and followed advice from the DAS legal advice service (telephone **0345 878 5024**).
- 2 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 the DAS legal advice service since the date when the Insured should have known about the employment dispute (telephone **0345 878 5024**).
- 3 for any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, the Insured has sought and followed advice from DAS before starting any redundancy process or procedure with their Employees (telephone **0345 878 5024**).

- 4 the compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by DAS.

The total amount payable by the Company for all compensation awards and sums of money in settlement of a dispute, shall not exceed £1,000,000 in the aggregate and in any one Period of Insurance.

Exclusions

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.

c Employee Civil Legal Defence

The Company will pay Costs and Expenses to defend the legal rights of the Insured Person (other than the Insured) if:

- 1 an event arising from their work as an Employee leads to civil action being taken against them under legislation for unlawful discrimination; or
- 2 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.

d Service Occupancy

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.

Exclusion

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.

2 Legal Defence

Provided that for each of the following sections **a** to **f** of Insured Incident 2 Legal Defence cover the Insured requests the Company to provide cover for the Insured Person, the Company will pay Costs and Expenses to defend the Insured Person's legal rights:

a Criminal Pre-proceedings Cover

prior to the issue of legal proceedings, when dealing with the Police, Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer, where it is alleged that the Insured Person has or may have committed a criminal offence.

Provided that for claims relating to the Health and Safety at Work etc. Act 1974, the Territorial Limits shall be any place where the Act applies.

Please note that 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.

Exclusions

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.

b Criminal Prosecution Defence

following an event which leads to the Insured Person being prosecuted in a court of criminal jurisdiction.

Provided that for claims relating to the Health and Safety at Work etc. Act 1974, the Territorial Limits shall be any place where the Act applies.

Please note that 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.

Exclusion

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.

c Data Protection

if civil action is taken against the Insured Person for compensation under data protection legislation, when handling personal data in their capacity as a data controller and/or a data processor by:

- 1 an individual. The Company will also pay any compensation award in respect of such a claim; or
- 2 a data controller and/or data processor, which arises out of, or relates to, a claim made by an individual for compensation against that data controller and/or data processor. The Company will not pay any compensation award in respect of such a claim.

Provided that in respect of 1 above, any sum of money in settlement of a dispute is awarded by a court under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in advance by DAS.

Please note that 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.

Exclusions

The Company will not pay any claim relating to:

- 1 the loss, alteration, corruption or distortion of, or damage to stored personal data; or
- 2 a reduction in the functionality, availability, or operation of stored personal data,

resulting from hacking (unauthorised access), malicious or negligent transfer (electronic or otherwise) of a computer program that contains any malicious or damaging code, computer virus or similar mechanism.

d Wrongful Arrest

if civil action is taken against the Insured for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the Period of Insurance.

e Statutory Notice Appeals

in an appeal against the imposition or terms of any statutory notice issued under legislation affecting the Business.

Exclusions

The Company will not pay any claim relating to:

- 1 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
- 2 a statutory notice issued by an Insured Person's regulatory or governing body.

f Jury Service and Court Attendance

in the event of an Insured Person's absence from work:

- 1 to perform jury service; or
- 2 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.

Exclusion

The Company will not pay any claim for a loss which the Insured or the Insured Person is unable to prove.

3 Statutory Licence Appeal

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.

Exclusions

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.

4 Contract Disputes

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:

- i the amount in dispute exceeds £250 (including VAT);
- ii 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 that 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;
- iii 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
- iv 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.

Exclusions

The Company will not pay any claim relating to:

- 1 a dispute arising from an agreement entered into prior to inception of cover under this Section if the Date of Occurrence is within the first 90 days of inception of cover under this Section, unless equivalent legal expenses insurance was continuously in force immediately prior to inception of the cover provided by this Section;
- 2
 - a a dispute relating to an insurance policy, other than when 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 1 Employment Disputes and Compensation Awards);
- 4 a dispute which arises out of the:
 - i sale or provision of computer hardware, software, systems or services; or
 - ii 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 indicates that a defence exists.

5 Tenancy Disputes

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.

Exclusions

The Company will not pay any claim arising from or relating to:

- 1 the negotiation, review or renewal of the lease or tenancy agreement; or
- 2 a dispute arising from or relating to rent or service charges.

6 Property Protection and Personal Injury

a Property Protection

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 that the Insured must have, or there must be Reasonable Prospects of establishing the Insured has, established the legal ownership or right to the physical property that is the subject of the dispute.

Exclusions

The Company will not pay any claim relating to:

- 1 a contract entered into by the Insured (please refer to Insured Incident 4 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

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 that causes them bodily injury or results in their death.

Exclusions

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 the defence of an Insured Person's or their family members' legal rights other than in defence of a counter-claim which is an Insured Incident under this Section of the Policy; or
- 4 clinical negligence.

7 Debt Recovery

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:

- i the debt exceeds £250 (including VAT);
- ii a claim for debt recovery is made within 90 days of the money becoming due and payable; and
- iii DAS have the right to select the method of enforcement, or to forego enforcing judgment if DAS are not satisfied that there are, or will be, sufficient assets available to satisfy judgment.

Exclusions

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 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.

8 Tax Protection

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 that 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.

Exclusions

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.

Conditions applicable to this Section

The following Conditions apply to this Section.

1 Representation

- a On receiving a claim, if representation is necessary, DAS 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. DAS will choose the Appointed

Representative to represent the Insured Person in any proceedings where the Company is liable to pay a compensation award.

- c** If the Insured Person chooses a law firm as their own Appointed Representative who is not a Preferred Law Firm or tax consultancy, DAS 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 DAS Standard Terms of Appointment. 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.
- d** The Appointed Representative must co-operate with DAS at all times and must keep DAS up to date with the progress of the claim.

2 The Insured Person's responsibilities

An Insured Person must:

- a** co-operate fully with DAS and the Appointed Representative; and
- b** give the Appointed Representative any instructions that DAS or the Company ask the Insured Person to provide.

3 Offers to settle a claim

- a** An Insured Person must tell DAS if anyone offers to settle a claim and must not negotiate or agree to any settlement without the expressed consent of DAS.
- 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 DAS to take over and pursue or settle a claim in their name. An Insured Person must allow DAS to pursue at DAS' own expense and for their benefit, any claim for compensation against any other person and an Insured Person must give DAS all the information and help DAS need to do so.

4 Assessing and recovering costs

- a** An Insured Person must instruct the Appointed Representative to have Costs and Expenses taxed, assessed or audited if DAS ask for this.
- b** An Insured Person must take every step to recover Costs and Expenses and court attendance and jury service expenses that the Company has to pay and must pay the Company any amounts that are recovered.

5 Cancelling an Appointed Representative's 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 DAS agrees to appoint another Appointed Representative.

6 Withdrawing cover

- a** If an Insured Person settles a claim or withdraws their claim without the agreement of DAS, 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 DAS 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.

7 Expert opinion

If there is a disagreement between an Insured Person and DAS on the merits of the claim or proceedings, or on a legal principle, DAS may suggest the Insured Person obtains, at their own expense, an opinion on the matter from an independent and appropriate expert.

The expert must be approved in advance by DAS and the cost expressly agreed in writing between the Insured Person and DAS. Subject to this, 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 DAS have agreed to) or make a successful defence.

This does not affect the Insured Person's rights under Condition 8 of this Section.

8 Arbitration

If there is a disagreement about the handling of a claim and it is not resolved through DAS' internal complaints procedure, the Financial Ombudsman Service may be able to help. This is a free arbitration service for eligible complaints. (Details available from www.financial-ombudsman.org.uk.)

If the dispute is not covered by the Financial Ombudsman Service, there is a separate arbitration process available. The arbitrator will be a jointly agreed barrister, solicitor or other suitably qualified person. If there is a disagreement over the choice of arbitrator, DAS will ask the Chartered Institute of Arbitrators to decide. The arbitrator will decide who will pay the costs of the arbitration. For example, costs may be split between the parties or one party may pay all the costs.

9 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 DAS ask for in writing;
- d** report to DAS full and factual details of any claim as soon as possible and give DAS any information that is needed; and
- e** keep to the terms and conditions of this Section of the Policy.

10 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.

11 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 Channel Islands and the Isle of Man as appropriate.

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 applicable to this Section

The Company shall not be liable under this Section for:

1 Late reported claims

any claim reported to DAS more than 180 days after the date the Insured Person should have known about the insured incident.

2 Costs DAS have not agreed

Costs and Expenses incurred before expressed acceptance of a claim by DAS.

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 1 Employment Disputes and Compensation Awards and 2 Legal Defence.

4 Legal action DAS has not agreed

legal action an Insured Person takes which DAS or the Appointed Representative have not agreed to, or where the Insured Person does anything that hinders DAS 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 DAS

any claim under this Section of the Policy for a dispute with DAS. For disagreements with DAS about the handling of a claim, refer to not 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

DAS will always try to give a high quality service. If the Insured Person thinks that DAS has let them down, they can contact DAS by:

- phoning **0344 893 9013**.
- emailing **customerrelations@das.co.uk**.
- writing to the Customer Relations Department at:
DAS Legal Expenses Insurance Company Limited
DAS House, Quay Side,
Temple Back
Bristol BS1 6NH
- completing the DAS online complaint form at **www.das.co.uk/about-das/complaints**.

Further details of the DAS internal complaint-handling procedures are available on request.

If the Insured Person is not happy with the complaint outcome or if DAS have been unable to respond to the Insured's complaint within 8 weeks, the Insured Person may be able to contact the Financial Ombudsman Service for help.

They can be contacted 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

DAS holds data in accordance with the current Data Protection Regulations and Legislation.

DAS Legal Expenses Insurance Company Limited (DAS) Group will use any personal information, including personal sensitive information as defined in the Data Protection Act 2018, for the purpose of dealing with the Insured Person's claim. It will also be used, if required, for the purpose of administering and underwriting your policy, for giving advice and assistance, and to update DAS Group records.

For full information on how DAS will process your data please visit: **www.das.co.uk/legal/privacy-statement**.

DAS Regulatory Information

DAS Head and Registered Office:

DAS Legal Expenses Insurance Company Limited,
DAS House, Quay Side,
Temple Back,
Bristol, BS1 6NH.

Registered in England and Wales, company number 103274.

Website: <http://www.das.co.uk>.

DAS Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FRN202106) and the Prudential Regulation Authority.

Financial Services Compensation Scheme

DAS are covered by the Financial Services Compensation Scheme (FSCS). Compensation from the scheme may be claimed if DAS cannot meet their obligations. This will be dependent on the type of business and the circumstances of the claim. More information on the compensation scheme arrangements can be found on the FSCS website, www.fscs.org.uk.

Section 18: Personal Accident

In the event of Injury to any Insured Person happening anywhere in the world during the Operative Time and Period of Insurance, which within 24 months of such Injury 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.

Definitions

The definitions which apply to this Section 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, where named 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.

24 Hours

At any time.

Employment Including Commuting

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 and 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.

Operative Time

The Operative Time as stated in the Schedule.

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 Section extends to include the following:

A 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 any of the Contingencies 1 to 6, except for any unrelated Injury.
- 2 Benefit under Contingencies 2, 3, 4, 5 or 6 is not payable before 104 weeks from the date of Injury.
- 3 Any payment made or adjusted in respect of weekly Benefit under Contingency 7 shall be deducted from any lump sum Benefit thereafter becoming payable under this Section, in respect of any related Injury.
- 4 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.
- 5 In the event of death of an Insured Person, the Company shall be entitled to have a post-mortem examination at its own expense.
- 6 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.
- 7 All certificates, 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.

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, suicide or attempted suicide, 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;
- 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 or rock climbing requiring the use of guides or ropes, sub-aquatic or subterranean pursuits, white water rafting, bungee jumping or aeronautic sports;
- 5 riding or driving in or practising for any race, polo playing, steeplechasing, hunting, showjumping, motor cycling (the term "motor cycling" includes motor scooters but not motor-assisted pedal cycles) or pillion riding of any kind;
- 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;
- 7 travel to areas where the Foreign & Commonwealth Office has advised against 'all travel'. Please check with the Foreign & Commonwealth Office at www.gov.uk/foreign-travel-advice; or
- 8 loss for which more specific insurance applies under Sub-Section 2 of Section 5, of this Policy.

Section 19: Contractors All Risks

In the event of Damage to any Property Insured in connection with the Business occurring within the Territorial Limits in the course of a Contract 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 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, inclusive of any payment or payments under Extensions B, C, D and E of this Section.

Definitions

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

Constructional Plant

Constructional plant, tools, tackle and equipment (all the property of the Insured or held by them in trust for which they are responsible), for use in connection with any Contract insured by this Section (other than on sites of any contract or agreement not insured by this Section) excluding:

- a** Contract Works;
- b** Temporary Buildings;
- c** Hired-in Property;
- d** Employees' Personal Effects and Tools; and
- e** Contents of Show Houses.

Contents of Show Houses

Contents of show houses, show flats and the like, the property of the Insured or held by them in trust for which they are responsible, whilst on the Contract Site.

Contract

Any contract or agreement entered into by the Insured to carry out work in the course of the Business.

Contract Site

A site at which the Insured is carrying out work under a Contract.

Contract Works

The temporary or permanent works executed, or in the course of execution, by or on behalf of the Insured in the performance of any Contract insured by this Section, including materials supplied by reason of the Contract and other materials for use in connection therewith, whilst on the Contract Site or in transit by road, rail or inland waterway.

Craft

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

Employees' Personal Effects and Tools

Employees' personal effects and tools, not being motor vehicles, gold or silver articles, watches, jewellery or money, for which the Insured is responsible whilst on the Contract Site.

Hired-in Property

- a** Temporary buildings including their fixtures, furnishings and contents, hired by the Insured for use in connection with any Contract insured by this Section (other than on sites of any contract or agreement not insured by this Section); and
- b** Constructional plant, tools, tackle and equipment, hired by the Insured for use in connection with any Contract insured by this Section (other than on sites of any contract or agreement not insured by this Section).

Practical Completion

Completion except for the selection by the prospective purchaser, lessee, tenant or other occupant of decorations and/or final fitments.

Property

Material property.

Property Insured

- 1** Contract Works;
- 2** Temporary Buildings;
- 3** Constructional Plant;
- 4** Hired-in Property;
- 5** Employees' Personal Effects and Tools; and
- 6** Contents of Show Houses,

but only where a Sum Insured is stated against such item(s) in the Schedule.

Temporary Buildings

Temporary buildings including their fixtures, furnishings and contents (all the property of the Insured or held by them in trust for which they are responsible), for use in connection with any Contract insured by this Section (other than on sites of any contract or agreement not insured by this Section).

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 Maintenance or Defects Liability Period and Conditions of Contract

The Company will indemnify the Insured for Damage to the Contract Works (or any part thereof) occurring during:

- a** any maintenance or defects liability period (not exceeding whichever is the lesser of the period specified in the conditions of the Contract or the maximum Maintenance or Defects Liability Period being the number of months stated in the Schedule):
 - i** arising from a cause occurring prior to the commencement of such maintenance or defects liability period; or
 - ii** occasioned by the Insured in the course of operations carried out by the Insured for the purpose of complying with their obligations under the maintenance conditions of such Contract; or
- b** a period of 14 days after the issue of a certificate of completion, but only to the extent that the Insured may be responsible for such Damage under the conditions of the Contract.

B Professional Fees

The insurance by each item of Property Insured, 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.

C Debris Removal

The insurance by each item of Property Insured includes:

- a** costs and expenses necessarily incurred by the Insured with the consent of the Company in:
 - i** removing debris;
 - ii** dismantling and/or demolishing; or
 - iii** shoring up or propping,
 in respect of the portion of such Property Insured which is the subject of a claim under this Section; and
- b** costs and expenses necessarily incurred by the Insured with the consent of the Company in clearing and/or repairing of drains or watercourses within the confines of the Contract Site following Damage to the Property Insured.

Provided that:

- i** the Company shall not pay for any costs and expenses:
 - a** incurred in removing debris except from the Contract Site which is the subject of a claim under this Section and the area immediately adjacent to such site; or
 - b** arising from pollution or contamination of property not insured by this Section; and
- ii** the maximum liability of the Company under this Extension and this Section, for any item, will in no case exceed the Sum Insured stated in the Schedule for that item.

D Public Authorities

The insurance by each item of Property Insured, 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 or the owner of the Property 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;
- c** such cost incurred cannot be recovered elsewhere;

- d** such cost shall not include 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 thereof by reason of compliance with such legislation, regulations or bye-laws; and
- e** 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 **e i** and **e 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.

E Plans and Specifications

The Company will indemnify the Insured for Damage to deeds, plans, drawings, specifications, files or other contract documents, necessary for the execution of the Contract or to obtain payment for work already carried out.

Provided that the liability of the Company under this Extension shall be restricted to the value of the materials as stationery together with the cost of clerical labour involved in their reproduction and not the value to the Insured of the information contained therein.

F Other Interests

The interest in any portion of the Property Insured of any party entering into an agreement with the Insured (or any principal of the Insured) is noted in this insurance to the extent that the agreement entered into with the Insured (or any principal of the Insured) requires such interest to be noted.

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

G Hired-in Plant Charges

Where a Limit of Indemnity is stated for Hired-in Plant Charges in the Schedule, the insurance provided by this Section is extended to indemnify the Insured against their legal liability to pay continuing hire charges following

Damage to Property Insured (solely comprising machinery, plant, tools or equipment), which is hired by the Insured for use in connection with the Business during the period in which such Property Insured cannot be used as a result of such Damage.

Provided that:

- a** this indemnity shall only apply in respect of such Property Insured for which a valid claim has otherwise been admitted under this Section;
- b** the maximum liability of the Company under this Extension:
 - i** in respect of each affected item, in total for all claims or series of claims, arising out of any one original cause, shall not exceed an amount equal to its hire charges for 90 days; subject to
 - ii** the liability of the Company in the aggregate during any one Period of Insurance not exceeding the Limit of Indemnity stated in the Schedule; and
- c** the Company shall not be liable under this Extension for continuing hire charges in respect of:
 - i** tower cranes or scaffolding; or
 - ii** the first 24 hours following such Damage.

H Negligent Breakdown of Hired-in Plant

Where a Limit of Indemnity is stated for Hired-in Plant Charges in the Schedule, the insurance provided by this Section is extended to indemnify the Insured for accidental breakdown of Property Insured (solely comprising machinery, plant, tools or equipment and not involving Damage to such Property Insured), which is hired by the Insured for use in connection with the Business, caused by the negligence or misuse or misdirection of the Property by the Insured.

Provided that the maximum liability of the Company under this Extension:

- a** in respect of each affected item, in total for all claims or series of claims, arising out of any one original cause, shall not exceed the Limit of Indemnity stated in the Schedule for Negligent Breakdown of Hired-in Plant (maximum any one item); subject to
- b** the liability of the Company in total for all claims or series of claims, arising out of any one original cause, not exceeding the Limit of Indemnity stated in the Schedule for Negligent Breakdown of Hired In Plant.

I Speculative Development

The insurance by items 1 and 6 of Property Insured, as set out in the Schedule, where insured by this Section, includes Damage to private dwellings (including those used for show purposes and their contents) and other buildings, erected, altered or renovated for sale or letting out by the Insured other than under a Contract or agreement for a principal.

Provided that:

- a in respect of any private dwelling the indemnity provided by this Section shall cease to apply from:
 - i the date such private dwelling is sold or let by the Insured; or
 - ii 180 days beyond the date of Practical Completion,
 whichever is the earlier;
- b in respect of any other building the indemnity provided by this Section:
 - i shall not exceed £100,000; and
 - ii will cease to apply from the date such building is sold or let by the Insured or 90 days beyond the date of Practical Completion, whichever is the earlier;
- c the maximum liability of the Company under this Extension and this Section, in respect of items 1 and 6 (as applicable) of Property Insured, will in no case exceed the Sum Insured for that item; and
- d nothing in this Extension shall be deemed to extend cover beyond the date of expiration or non-renewal of this Section.

J Offsite Storage of Materials Forming Part of the Contract Works

The insurance by item 1 of Property Insured, as set out in the Schedule, where insured by this Section, is extended to apply to materials forming part of the Contract Works, temporarily held in store at any location away from the Contract Site within the Territorial Limits.

Provided that:

- a such materials are separately stored and identified as being designated for incorporation into a specific Contract undertaken or to be undertaken by the Insured;
- b the Company shall not be liable under this Extension for Damage to materials whilst being worked upon in preparation for their use at any Contract Site;

- c the maximum liability of the Company under this Extension shall be limited to 15% of the Sum Insured by item 1 of Property Insured at any one location; and
- d the maximum liability of the Company under this Extension and this Section, in respect of item 1 of Property Insured, will in no case exceed the Sum Insured for that item.

K Free Issue Materials

The insurance by item 1 of Property Insured, as set out in the Schedule, where insured by this Section, includes free issue materials supplied by or on behalf of a principal for incorporation in the Contract Works and which are the responsibility of the Insured under the Contract.

Provided that:

- a the total value of such materials is included in the declaration made to the Company under General Condition 4 Adjustment of Premium; and
- b the maximum liability of the Company under this Extension and this Section, for such item, will in no case exceed the Sum Insured for that item.

L Expediting Expenses

In the event of Damage to the Contract Works (liability for which has been admitted under this Section), the Company will indemnify the Insured for any additional costs reasonably incurred by the Insured in expediting reinstatement or repair of the Property Insured subject to Damage, by way of overtime rates of wages and the cost of special delivery.

Provided that the maximum liability of the Company under this Extension in respect of such additional costs shall not exceed:

- i 25% of the cost of such Damage; or
- ii £50,000,

whichever is the lower, in total for all claims or series of claims, arising out of any one original cause.

M Immobilised Plant

The insurance by items 3 and 4 of Property Insured, as set out in the Schedule, where insured by this Section, is extended to include the costs necessarily and reasonably incurred by the Insured in respect of recovery or withdrawal of constructional plant or equipment, for use in connection with the performance of the Contract, which is accidentally immobilised whilst on or adjacent to the Contract Site.

Provided that:

- i such recovery or withdrawal is not necessitated solely by reason of electrical or mechanical breakdown or derangement; and
- ii 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.

N Theft of Security Devices and Lock Replacement

In the event of:

- a loss or theft of keys; or
 - b Damage by theft or attempted theft,
- to any immobiliser, locating, tracking or other security device fitted to or used on any item of Constructional Plant or Hired-in Property, the insurance by items 3 and 4 of Property Insured, as set out in the Schedule, where insured by this Section, is extended to include:
- i in respect of loss or theft of keys, the cost necessarily and reasonably incurred in replacing the keys and the cylinder of the lock of such security device; or
 - ii in respect of Damage by theft or attempted theft, the cost of reinstatement or repair of the item subject to Damage.

Provided that:

- a the keys are kept in a locked safe or locked cabinet when not in use; and
- b the maximum liability of the Company under this Extension shall not exceed £5,000 in total for all claims or series of claims, arising out of any one original cause.

O Additional Expenditure

In the event of Damage to the Contract Works (liability for which has been admitted under this Section), the Company will indemnify the Insured for costs reasonably incurred by the Insured to minimise Damage.

Provided that the Company will not pay:

- a more than would have been payable if such costs had not been incurred; and
- b for remedial work to any property or structure in existence before the start of the Contract Works.

P Escalator

If the final price of any Contract insured by this Section exceeds the Sum Insured for Contract Works (maximum any one Contract Site), such Sum Insured shall be increased proportionately up to a figure not exceeding 125% of the Sum Insured subject to a maximum increase of £500,000.

Clauses

The following Clause applies to this Section.

1 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 Condition applies to this Section.

1 Cessation of Works

The Insured shall notify the Company with details of the work completed and outstanding, immediately they become aware that work is to stop, from any cause, for a continuous period in excess of 90 days, in respect of any Contract insured by this Section and the Company shall then have the right to vary the terms or cancel this cover.

Any continuation of cover, shall not be deemed to extend cover beyond the Period of Insurance.

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, for Damage in respect of:

- A Employees' Personal Effects and Tools;
- B theft and malicious persons (other than in respect of Excess A); or
- C all other claims,

stated as Excess A, B and C respectively, in the Schedule.

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

Exclusions

The Company shall not be liable under this Section for:

- 1** the costs necessary to replace, repair or rectify Property Insured which is subject to Damage:
 - a** due to fault, defect, error or omission in design, plan, specification, workmanship or materials in respect of such Property Insured; or
 - b** to enable the replacement, repair or rectification of Property Insured excluded by **1 a** above.

Provided that **1 a** above shall not apply to other Property Insured which is free of such fault, defect, error or omission but is unintentionally subject to Damage in consequence thereof;

- 2** Damage due to wear, tear, gradual deterioration, mildew, vermin, insects, damp, rust, corrosion, erosion or other gradually operating cause;
- 3** Damage to:
 - a** deeds, bonds, bills of exchange, promissory notes, cash, banknotes, cheques, securities for money or stamps;
 - b** any Craft or any Property Insured therein or thereon;
 - c** any mechanically propelled vehicle or plant for which compulsory insurance or security is required under any legislation governing the use of the vehicle or plant, but this Exclusion shall not apply to any such vehicle or item of plant which is not otherwise insured and which at the time of the Damage is being used at the Contract Site as a tool of trade or being carried to or from such site;
 - d** any item of machinery, plant, tools or equipment, caused by its own mechanical breakdown or derangement, other than as provided for by Extension H Negligent Breakdown of Hired In Plant (if operative) of this Section;
 - e** any part of any electrical machinery, plant, tools or equipment, directly caused by breakdown, leakage of electricity or excessive pressure therein, by its own short-circuiting or over-running or electrical surges or spikes in the electricity supply, but Damage to any other part of such machinery, plant, tools or equipment or to other Property Insured by the spread of fire therefrom, is not excluded;
 - f** any Property Insured as a result of normal upkeep or normal making good;

- g** any structure (including that being altered or repaired) existing at the time of the commencement of the Contract other than materials supplied and delivered for incorporation in the Contract Works;
- h** any Property Insured let out on hire by the Insured;
- i** the permanent works or any part thereof in respect of which a certificate of completion has been issued by or to the Insured or which has been completed and handed over or taken into use with the permission of the Insured for a purpose other than for the performance of the Contract, except as provided by Extension A Maintenance or Defects Liability Period and Conditions of Contract, of this Section; or
- j** any Property Insured described in items 2, 3 and 4 thereof, whilst such Property Insured is away from the Contract Site, unless it is:
 - i** at a permanent premises, compound or garage, of the Insured; or
 - ii** in transit, and not more specifically insured;
- 4** Damage for which the Insured is relieved of responsibility under the terms and conditions of any contract or agreement;
- 5** liquidated damages, penalties under contract or agreement for delay in completion or non-completion, guarantees of performance or efficiency, non-compliance with contract or agreement conditions or consequential loss of any kind, except as otherwise specifically provided by this Section;
- 6** unexplained losses, shortages due to error or omission, losses discovered at times of normal stocktaking or making an inventory, or loss resulting from the Insured voluntarily parting with title or possession of any Property Insured if induced to do so by deception;
- 7** Damage occasioned by delay, embargo, nationalisation, confiscation, requisition, seizure or destruction, by or by order of the government or any public authority;
- 8** Damage arising out of the use or occupation of any portion of the permanent Contract Works by any owner, tenant or occupier;
- 9** any Contract undertaken by the Insured which involves:
 - a** Contract Works (maximum any one Contract Site) valued in excess of the amount of the Sum Insured shown in the Schedule; and/or
 - b** a maximum length of any one Contract in excess of the number of such months lodged with the Company;

- 10** Damage to Property Insured arising out of any multiple lifting operations where two or more lifting machines are used for the purpose of lifting or lowering a load; or
- 11** any Contract undertaken by the Insured which involves a method of light timber construction that commonly utilises platform building techniques where the structural frame is made from wood:
 - a** on more than two storeys; or
 - b** where the Sum Insured in respect of Contract Works (maximum any one Contract Site) exceeds £500,000, unless otherwise agreed by the Company.

Important Information

The Insured's right to cancel

If this cover does not meet your requirements, please return all your documents and any certificate to the broker, intermediary or agent, who arranged the Policy within 14 days of receipt.

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 General Condition 5 Cancellation.

How to make a claim

Please contact, in the first instance, the broker, intermediary or agent, who arranged the Policy. Please quote your Policy number.

How to complain

If you have an enquiry or complaint arising from your Policy, please contact the broker, intermediary or agent who arranged the Policy for you. If the broker is unable to resolve your complaint or it is regarding the terms and conditions of the Policy, they will refer it to NIG.

If your complaint is still outstanding you can write to NIG direct at the following address:

RSA Customer Relations Team
PO Box 255
Wymondham
NR18 8DP

Email: crt.halifax@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.

Once you receive a written response and if you remain dissatisfied, you may refer your complaint to the Financial Ombudsman Service (FOS). Their address is:

The Financial Ombudsman Service
Exchange Tower,
London E14 9SR

Telephone: **0800 023 4567** or **0300 123 9123**.

Their website also has a great deal of useful information: www.financial-ombudsman.org.uk.

Details about our Regulator

NIG policies are underwritten by Royal and 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, or the Financial Conduct Authority can be contacted on **0800 111 6768**.

The Prudential Regulation Authority website can be visited at www.bankofengland.co.uk/pr, or the Prudential Regulation Authority can be contacted on **020 7601 4878**.

Financial Services Compensation Scheme

Under the Financial Services and Markets Act 2000, should we be unable to meet our liabilities to policyholders, compensation may be available. Insurance advising and arranging is covered for 90% of the claim, without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit.

Information can be obtained on request, or by visiting the Financial Services Compensation Scheme website at www.fscs.org.uk.

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/. 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.

