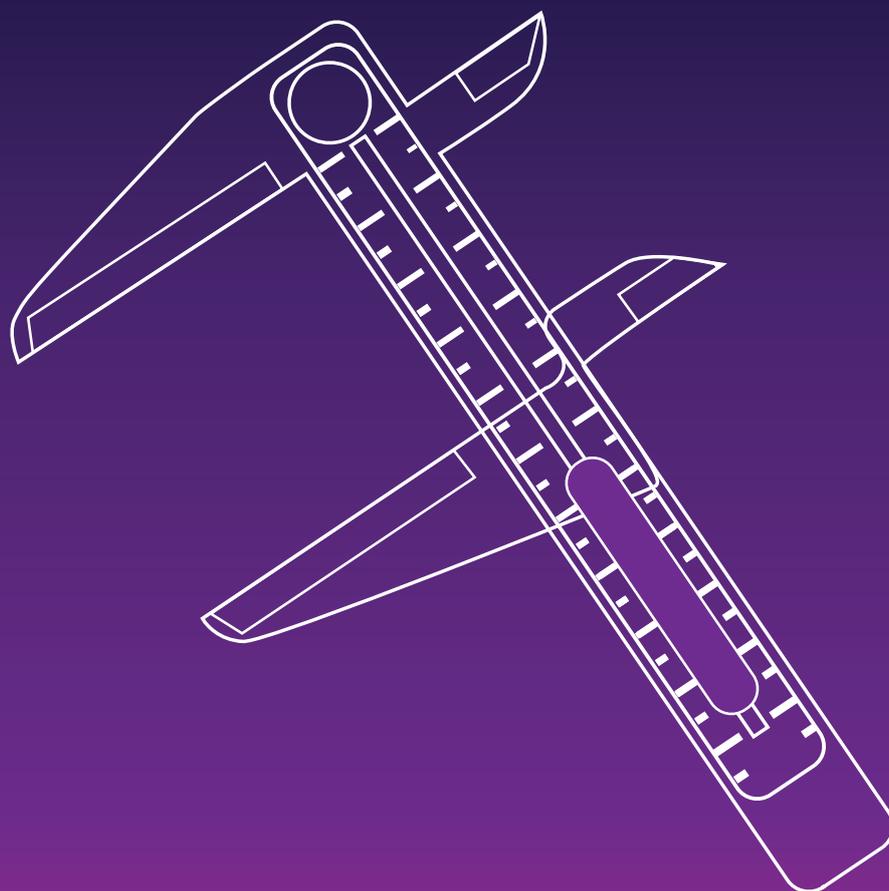


PRECISION ENGINEERS

POLICY DOCUMENT



PRECISELY
CALIBRATED
COVER

Helpline Services

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

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

Business Emergency Assistance Helpline **0345 878 5024**

Assistance in the event of an emergency affecting your 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 you must pay any call-out or repair charges. One telephone call will bring assistance usually within 2 hours.

As the helpline is available 24 hours a day and seven days a week you may call at any time.

Please ensure your Policy Number is available when telephoning as this will be requested - this appears on your Schedule.

This helpline is provided on Our behalf by DAS Legal Expenses Insurance Company Limited all calls are recorded.

Emergency Glazing & Security Assistance Helpline **0345 878 5455**

Our glass replacement service provides an efficient replacement service for fixed internal and external glass 24 hours a day, throughout the year. In addition, replacement locks or emergency security measures are also available.

Provided the Damage is covered by your Policy, the cost will be settled by us directly with our service providers. If, however, the Policy requires payment of the first amount of any claim, or if you are V.A.T. registered, our service provider will invoice you direct for this amount.

Note: Using any other repairer will not affect your right to claim.

This helpline is provided on Our behalf by Glassolutions and calls may be recorded.

Business Legal Advice Helpline **0345 878 5024**

Unlimited access to a team of solicitors and other legal experts, for 24 hours confidential legal advice and guidance on any commercial legal problem such as employment, VAT and tax investigations etc. Please note that advice on motoring matters is not available.

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

- England Scotland Wales and Northern Ireland
- the Channel Islands and the Isle of Man
- any other member country of the European Union
- Switzerland and Norway.

This helpline is provided on Our behalf by DAS Legal Expenses Insurance Company Limited all calls are recorded.

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Precision Engineers Policy

NIG policies are underwritten by U K Insurance Limited. 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 you are covered for.

General Definitions

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

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

The Company

U K Insurance Limited trading as NIG and/or such other authorised Insurer as U K Insurance Limited may contract to underwrite any part of this Policy.

The Insured

The person, persons or Limited or Public Limited Company named in the Schedule.

The Premises

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

Business Hours

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

Damage

Loss destruction or damage.

Specified Perils

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 apparatus or pipe theft or impact by any vehicle or animal.

Employee

- 1** Any person while working for the Insured or under the Insured's supervision and control in connection with the Business who is
 - a** under a contract of service or apprenticeship with the Insured
 - b** a person 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 person supplied by him
 - d** a person engaged by a labour only sub-contractor
 - e** a self-employed person
 - f** a driver or operator of hired-in plant
 - g** a trainee or person undergoing work experience
 - h** a voluntary helper
 - i** a person working under the Community Offenders Act 1978 or similar legislation
 - j** a prospective employee whose suitability for employment is being assessed by the Insured.
- 2** Any outworker or home worker employed under contract to personally execute any work in connection with the Business whilst engaged in that work.

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.

General Conditions

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

1 The Policy Document

This Policy and the Sections referred to in the Schedule shall be read together as one contract. 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 in the Policy or Section respectively.

2 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 2) 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.

3 Reasonable Precautions

The Insured must:

- a take all reasonable precautions to prevent or minimise Damage accident or injury
- b maintain the business premises machinery equipment and furnishings in a good state of repair
- c exercise care in the selection and supervision of employees
- 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

4 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 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 and Extension A Capital Additions under Section 10: Engineering Damage to Machinery and Plant, of this Policy; or
 - ii General Condition 2,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.

5 Cancellation

1 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 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.

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

In relation to cancellation in any of the circumstances outlined above, the Insured shall immediately return to the Company any effective Certificate(s) of Employers’ Liability Insurance.

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

Where the premium under this Policy is payable by instalments it is a condition precedent to the Company’s liability that each instalment shall be paid when due otherwise all benefit under the Policy shall be forfeited and the Policy shall be cancelled from the date when any unpaid instalment was due and the Insured shall surrender forthwith to the Company any effective Certificate(s) of Insurance.

7 Choice of Law

Under European Law, you and we may choose which law will apply to this contract. English Law will apply unless both parties agree otherwise. We have supplied this Agreement and other information to you in English and we will continue to communicate with you in English.

8 Contracts (Rights of Third Parties) Act 1999

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

Claims Conditions

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

1 Action by the Insured

The Insured shall on the happening of any incident which could result in a claim under this Policy:

- a** immediately notify the Company and deliver to the Company at his own expense a claim in writing with such detailed particulars and proofs as may reasonably be required and (if demanded) a statutory declaration of the truth of the claim and any matters connected therewith within:
 - i** 7 days of the event in the case of 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 in respect of business interruption claims
 - iii** 30 days of the event in the case of any other claim or such further time as the Company may allow
- b** give immediate notification to the police in respect of
 - i** vandalism
 - ii** theft or any attempt thereat
 - iii** loss of money by any cause whatsoever
- c** make no admission of liability or offer promise or payment without the Company's written consent
- d** inform the Company immediately of any impending prosecution inquest or fatal accident enquiry or civil proceedings and send to the Company immediately every relevant document
- e** take all reasonable action to minimise or check any interruption or interference with the business
- f** 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

2 The Rights of the Company

The Company shall be entitled:

- a** on the happening of any Damage in respect of which a claim is made, 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 Damage has occurred and to take possession of or require to be delivered to the Company any property insured 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 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 event insured by this Policy and the Insured shall give all information and assistance required
- c** to any property for the loss of which a claim is paid hereunder 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
- d** in the event of any Occurrence resulting in any claim(s) under Sections 6, 7 and 8 to pay to the Insured the amount of the Indemnity Limit for such Occurrence (less any sums already paid as damages in respect of such Occurrence and in respect of Section 6 less costs and expenses incurred before the date of payment) or any lesser amount for which the claim(s) can be settled after which the Company shall have no further responsibility in connection with such claim(s) except in respect of Sections 7 and 8 for costs and expenses incurred before the date of payment.

3 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 2) 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.

4 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. Non-compliance with any such condition precedent shall be a bar to any claim under the relevant Section(s) of this Policy, where the subject matter of the claim was caused by the non-compliance or to the extent that it was increased by the non-compliance.

5 Subrogation

Any claimant under this policy shall at the request and expense of the Company take and permit to be taken all necessary steps for enforcing rights against any other party in the name of the Insured before or after any payment is made by the Company.

6 Other Insurances

If at the time of any Occurrence (as defined in Sections 6, 7 and 8 of this Policy) incident or Damage which gives rise to a claim there be any other insurance effected by or on behalf of the Insured applicable to such event the liability of the Company shall be limited to its rateable proportion thereof.

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 difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions regarding arbitration in force at the time. Where any difference is so referred to arbitration the making of an award shall 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. 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** Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
 - i** War, Government Action or Terrorism
 - ii** civil commotion in Northern Ireland
- b** legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from War Government Action or Terrorism except to the extent stated in the Liability Provisions

For the purpose of this Exclusion and its Liability Provisions –

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

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

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

In any action suit or other proceedings where the Company alleges that by reason of this Exclusion as far as it relates to Terrorism any Damage or resulting loss or expense or consequential loss is not covered by this insurance the burden of proving that such Damage loss expense or consequential loss is covered shall be upon the Insured.

Liability Provisions

Subject otherwise to the terms definitions exclusions exceptions provisions and conditions of this Policy

- 1** the Company will indemnify the Insured under the Employers' Liability Section provided that in respect of any one Occurrence or series of Occurrences arising out of any one original cause the Company's liability in respect of all legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism shall not exceed £5,000,000
- 2** the Company will indemnify the Insured under the Public Liability and Products Liability Sections against legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism provided that the Company's liability for all damages (including interest thereon) shall not exceed
 - a** under the Public Liability Section in respect of any one Occurrence or series of Occurrences arising out of any one event £2,000,000 or the amount of the Indemnity Limit stated in the Schedule for that Section whichever is the lower
 - b** under the Products Liability Section in respect of all Occurrences during any one Period of Insurance £2,000,000 or the amount of the Indemnity Limit stated in the Schedule for that Section whichever is the lower
 - c** in respect of all Pollution or Contamination consequent upon Terrorism and which is deemed to have occurred during any one Period of Insurance £2,000,000 in the aggregate or the amount of the Indemnity Limit stated in the Schedule for the Public Liability Section whichever is the lower

2 Sonic Bangs

Damage caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

3 Radioactive Contamination

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

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

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

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

4 Pollution or Contamination

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 Specified Peril
- b** a Specified Peril which itself results from pollution or contamination

This exclusion shall not apply to Sections 6, 7 and 8 of this Policy

5 Date Recognition

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

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

In respect of Section 1 - Property Damage Section 2 - Business Interruption and Section 4 - Loss of Business Money this Exclusion shall not exclude subsequent damage not otherwise excluded which itself results from a Specified Peril.

NOTE: General Exclusion 6 shall not apply to Section 6 - Employers Liability

6 Date Recognition - Computer Equipment

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

7 Marine Policies

Damage to property which at the time of the happening of the Damage is insured by or would but for the existence of this insurance 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 insurance not been effected

8 Computer Virus and Hacking (not applicable to Sections 6,7 & 8)

- a** Damage to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether Your Property or not where such Damage is caused by Virus or Similar Mechanism or Hacking
- b** financial loss directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking

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

For the purpose of this Exclusion –

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

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

This General Exclusion shall not apply to Sections 6, 7 and 8 Employers Liability, Public Liability and Products Liability.

Section 1: Property Damage

In the event of any of the property insured suffering accidental Damage at the Premises by any cause not excluded in this Section nor in the General Exclusions of this Policy the Company will subject to the provisions of the insurance pay to the Insured the value of the property or the amount of the Damage at the time of such Damage or at its own option reinstate or replace such property

Provided that the liability of the Company in any one Period of Insurance shall in no case exceed the total sum insured or in respect of any item its sum insured or any other stated limit of liability.

Definitions

Buildings

- a** Structures including their foundations on the site of the Premises (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
- c** internal and external fixed glass sanitaryware and signs
- d** central heating systems
- e** small outside buildings extensions annexes and gangways
- f** concrete paved or asphalt forecourts yards terraces drives and footpaths
- g** walls gates and fences.

Contents

All contents the property of the Insured or held by them in trust for which they are responsible used in connection with the Business at the Premises including Machinery, Electronic Business Equipment, Computers, Stock in Trade and Non-ferrous Metals.

Machinery

- a** Machinery plant fixtures fittings and tenants' improvements and alterations
- b** documents deeds manuscripts and business books but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up and not for the value to the Insured of the information contained therein
- c** computer systems records but only for the value of the materials together with reproduction costs (including the cost of gathering information) and not for the value to the Insured of the information contained therein for an amount not exceeding £25,000
- d** patterns models moulds plans and designs for an amount not exceeding the cost of labour and materials expended in reinstatement
- e** directors' partners' visitors' and Employees' personal effects in so far they are not otherwise insured including clothing pedal cycles tools instruments and the like for an amount not exceeding £500 per person
- f** to the extent that they are not otherwise insured motor vehicles motor chassis and their contents.

Stock in Trade

Stock and materials in trade including work in progress but excluding Non-ferrous Metals.

Non-ferrous Metals

Stock and materials in trade consisting of non-ferrous metals other than aluminium.

Rent

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

Interpretations

Electronic Business Equipment - shall include printers photocopiers facsimile machines and telecommunications systems.

Computers - shall include computer equipment personal computers word processing equipment lap top computers computer aided design equipment keyboards visual display units desk top publishing equipment graphic design equipment and electronic imaging equipment

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 his Employees but in respect of such operational error or omission this Exclusion shall only apply to Damage to articles being worked upon
 - 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 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
 - b** change in temperature colour flavour texture or finish, action of light
 - c** theft or attempted theft at the Premises not involving
 - i** entry to or exit from the buildings at the Premises by forcible and violent means
 - ii** violence or threat of violence to the Insured or any director partner or Employee or their families

Damage consisting of

 - d** joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
 - e** mechanical or electrical breakdown or derangement (other than of Electronic Business Equipment and Computers) 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 Specified Perils or from any other accidental Damage
 - ii** subsequent Damage which itself results from a cause not otherwise excluded

- 3 Damage caused by or consisting of
 - a (in respect of Damage to Buildings only) subsidence ground heave or landslip unless resulting from fire explosion earthquake or the escape of water from any tank apparatus or pipe
 - b normal settlement or bedding down of new structures
 - c acts of fraud or dishonesty but this Exclusion shall not apply to Damage caused by theft or attempted theft (not otherwise excluded under this Section) in collusion with any Employee
 - d disappearance unexplained or inventory shortage misfiling or misplacing of information
 - e fraudulent dishonest or deliberate accessing extraction distortion erasure corruption or misappropriation of information or data contained in any Electronic Business Equipment and Computers or other records programmes or software
- 4 Destruction of or damage to a building or structure caused by its own collapse or cracking unless resulting from any of the Specified Perils in so far as it is not otherwise excluded
- 5 Damage in respect of movable property in the open or in open-sided buildings fences and gates caused by wind rain hail sleet snow flood or dust
- 6 Damage to the property insured
 - a caused by fire resulting from its undergoing any heating process or any process involving the application of heat
 - b (other than by fire or explosion) resulting from its undergoing any process of production packing treatment testing commissioning servicing adjustment or repair
- 7 Damage at any Premises which is empty or unoccupied for a period in excess of 30 consecutive days caused other than by fire explosion or aircraft or other aerial devices or articles dropped therefrom
- 8 Damage in respect of
 - a jewellery precious stones bullion or furs
 - b property in transit
 - c money cheques stamps bonds credit cards or securities of any description
 - d fixed glass and sanitaryware
 - i caused by chipping or scratching only
 - ii broken or defective at the commencement of this insurance
- 9 Damage in respect of
 - a vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft
 - b 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
 - c land roads piers jetties bridges culverts or excavations
 - d livestock growing crops or trees
 unless specifically mentioned as insured by this Section
- 10 Damage occasioned by delay embargo nationalisation confiscation requisition seizure or destruction by the government or any public authority

- 11 loss of market loss of use monetary devaluation or any other consequential loss (other than loss of Rent when insured as an item under this Section)
- 12 Damage to any part of any electrical plant or apparatus directly caused by breakdown leakage of electricity or excessive pressure therein or by its own short circuiting or overrunning 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
- 13 mechanical or electrical breakdown failure and/or derangement of any item of Electronic Business Equipment and Computers
 - a unless it has been installed and is being operated in accordance with the manufacturer's instructions
 - b whilst it is the subject of a guarantee or warranty provided by the manufacturer or supplier under which cover for mechanical or electrical breakdown failure and/or derangement is provided
 - c arising during dismantling or installation of the item unless during any process of adjustment cleaning or repair
- 14 Damage to property insured under Extensions U, V, W and X caused by
 - a theft or attempted theft from any vehicle belonging to or under the control of the Insured whilst left unattended unless
 - i all openings have been secured and locked and any alarm system and immobiliser brought into operation, and
 - ii between the hours of 9pm and 6am the vehicle is contained within a locked building or an open vehicle enclosure which is securely locked and/or guarded under constant surveillance
 - b theft or attempted theft malicious persons or storm to property in any soft-topped or open-topped vehicle

Extensions

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

A Professional Fees

The insurance by each item on Buildings and Contents includes an amount for architects' surveyors' consulting engineers' and legal fees necessarily and reasonably incurred in the reinstatement or repair of Buildings and Machinery consequent on Damage thereto but not for preparing any claim. The total amount payable under this Extension and the Section for any item will not exceed its sum insured.

B Public Authorities

The insurance by each item on Buildings and Contents extends to include the additional cost of reinstatement of any Damage to Buildings and Machinery and undamaged portions thereof incurred solely by reason of the necessity to comply with European Union legislation regulations under Acts of Parliament or local authority bye-laws provided that:

- a the Insured receives the notice to comply after the Damage occurs
- b the work of reinstatement is completed within twelve months of the date of the Damage or within such further time as the Company may in writing allow
- c the total amount recoverable under any item of this Section shall not exceed its sum insured.

C Theft Damage to Buildings

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

D Glass and Sanitary Ware

At any Premises where Contents but not Buildings are insured under this Section cover is extended to include Damage as insured under this Section to fixed glass (including frames) and sanitary ware for which the Insured is responsible at the Premises.

Any cover granted under this Section in respect of 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

Accidental Damage for which the Insured is legally liable to underground pipes cables drains (and their relevant inspection covers) supplying services to and carrying waste from the Premises to the point of junction with public supply lines mains and sewers.

F Clearing of Drains

The insurance in respect of Buildings extends to cover expenses necessarily and reasonably incurred in cleaning clearing and/or repairing drains gutters sewers and the like in consequence of Damage at the Premises as insured under this Section.

G Loss of Metered Water

Cover against Damage caused by escape of water from any tank apparatus or pipe not being automatic sprinkler installations includes up to £10,000 for the cost of water (calculated at the current rate per cubic metre) consumed as a direct result of the escape.

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 hereunder subject to notification by the Insured to the Company 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.

J Contracting Purchaser's Interest

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

K Mortgagees etc.

The act or neglect of any mortgagor leaseholder lessee or occupier of any building 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 they shall notify the Company immediately on becoming aware of such increased risk and pay additional premium if required.

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 standing in the relation of Parent to Subsidiary (Subsidiary to Parent) to the Insured as defined in the Companies Act or Companies (NI) Order as appropriate current at the time of the Damage
- b** any Company which is a Subsidiary of a Parent Company of which the Insured are themselves a subsidiary in each case within the meaning of the Companies Act or Companies (NI) Order as appropriate, current at the time of the Damage.

M Capital Additions

The insurance by this Section on Buildings extends to cover:

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

Provided that

- i** at any one situation the limit of the Company's liability shall be 10% of the total sum insured hereby on such property or £500,000 whichever is less
- ii** the Insured undertake to advise such additional insurance as soon as practicable and to pay the additional premium required from its inception date
- iii** the provisions of this Clause shall be fully reinstated following advice of such additional insurance.

N Cost of Debris Removal/Re-erection

The Insurance by each item on Buildings and Contents extends to include 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
- d** re-erecting fitting and fixing (in respect of Machinery only)

of the portion of the property which is the subject of a claim under this Section.

The liability of the Company under this Extension and the 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
- ii** arising from pollution or contamination of property not insured by this Section.

O Temporary Removal

- a** Contents (other than Stock and Non-ferrous Metals) are covered whilst temporarily removed from the Premises for the purposes of cleaning renovation repair or other similar purposes anywhere within Great Britain Northern Ireland the Channel Islands and the Isle of Man
Provided that the amount recoverable under this part of the Extension in respect of any one incident of Damage shall not exceed 15% of the sum insured on Contents.
- b** Deeds documents manuscripts business books and computer software and records are covered whilst temporarily removed from the Premises anywhere within Great Britain Northern Ireland the Channel Islands and the Isle of Man
Provided that the amount recoverable under this part of the Extension in respect of any one incident of Damage shall not exceed 5% of the sum insured on Contents.
- c** Contents are covered whilst being transferred between Premises described in the schedule including transit by road rail or inland waterway between such Premises
Provided that the amount recoverable under this part of the Extension shall not exceed the amount which would have been recoverable had the Damage occurred at the premises from which the Contents are transferred or in the aggregate 15% of the sum insured on Contents

All provided that
 - i** such property is not more specifically insured
 - ii** the Excess under this Section is applicable

P Fire Brigade Damage to Grounds

The insurance by this Section extends to include Damage caused by the Fire Brigade to the grounds at the Premises as far as the Insured is responsible for the cost of repair provided that the Company's liability for any one claim for such Damage is limited to £10,000.

Q Lock Replacement

The insurance by this Section extends to include the cost of changing locks on doors windows safes and strongrooms at the Premises following Theft (as insured herein) of keys from the Premises or from the home of the Insured or of any partner director or employee entrusted with keys for an amount not exceeding £1,000.

R Contract Price

In respect only of goods sold but not delivered for which the Insured is responsible subject to a sale contract which following Damage is cancelled by reason of its conditions wholly or to the extent of the Damage the Company's liability will be based on the contract price.

S Trace and Access

In the event of Damage resulting from escape of water from any tank apparatus or pipe not being automatic sprinkler installations or escape of oil from any fixed oil-fired heating installation the Company will pay costs necessarily and reasonably incurred in locating the source of such Damage and subsequently making good subject to the Company's liability under this Extension not exceeding £10,000 any one claim.

T Spontaneous Combustion

Cover is extended to include Damage to wood blocks coal or coke caused by its own spontaneous combustion or self heating unless more specifically excluded.

U Metalworkers Extension

Cover is extended to include Damage as insured under this Section to

- a** Contents whilst at any machine makers' engineers' founders' finishers' metalworkers' customers' agents' or sub-contractors' premises
- b** Contents (other than machine tools) whilst in transit to and from such premises by road or rail

all in Great Britain Northern Ireland the Channel Islands or the Isle of Man but excluding any portion of the premises occupied by the Insured.

The Company's liability for any one claim for such Damage is limited to £100,000.

V Portable Tools

Cover is extended to include Damage as insured under this Section to portable tools used in connection with the Business and belonging to the Insured or their Employees anywhere in Great Britain Northern Ireland the Channel Islands or the Isle of Man.

The Company's liability for such Damage in respect of any one claim and any one item is limited to the amounts stated in the Schedule.

W Portable Electronic Business Equipment

For the purposes of this Extension only Portable Electronic Business Equipment is deemed to mean lap top computers electronic note pads modems facsimile machines mobile phones pagers dictation machines and calculators.

Cover is extended to include Damage as insured under this Section to Portable Electronic Business Equipment used in connection with the Business and belonging to the Insured or their Employees anywhere in Great Britain Northern Ireland the Channel Islands or the Isle of Man.

The Company's liability for such Damage in respect of any one claim and any one item is limited to the amounts stated in the Schedule.

X Exhibitions

Cover is extended to include Damage as insured under this Section to Contents whilst at any indoor exhibition anywhere in Great Britain or Northern Ireland and whilst in transit thereto and therefrom. The Company's liability for any one claim for such Damage is limited to £25,000.

Y Fire Extinguishment Expenses

In the event of Damage to the property insured caused by fire the insurance by this Section is extended to include costs reasonably and necessarily incurred with the consent of the Company in refilling fire extinguishment appliances, replacing used sprinkler heads and refilling sprinkler tanks resulting from such Damage subject to the Company's liability under this Extension not exceeding £5,000 any one claim.

Clauses

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 (including "Day One" on Buildings)

In the event of property other than Stock and Non-ferrous Metals insured by this Section being lost destroyed or damaged the basis upon which the amount payable 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
- 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.

"Declared Value" means the Insured's assessment of the cost of Reinstatement of Buildings arrived at in accordance with paragraph A above at the level of the costs applying at the inception 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** Professional Fees and the Cost of Debris Removal as insured under Extensions A and N of this Section
- b** the additional cost of Reinstatement to comply with Public Authorities requirements as insured under Extension B of this Section

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
 - 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 Policyand 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** At the inception of each period of insurance the Insured shall notify the Company of Declared Value of any Buildings insured. 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.

- 5** Each Buildings item insured under this Clause is declared to be separately subject to the following Condition of Average:

If at the time of Damage the Declared Value of the property covered by such item is less than the cost of Reinstatement (as stated in the definition of “Declared Value” above) at the inception of the period of insurance then the liability of the Company for the Damage shall not exceed that proportion thereof which the Declared Value bears to such cost of Reinstatement.

3 Workmen

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

4 Reinstatement of Losses

Unless written notice to the contrary be given by either the Company or the Insured the insurance by 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 date of expiry of the Period of Insurance.

5 Rent Insurance

Any insurance on Rent applies only if the said Buildings or any part thereof are unfit for occupation in consequence of their Damage and then the amount payable shall not exceed such proportion of the sum insured on Rent as the period necessary for reinstatement bears to the maximum rental period stated in the Schedule.

6 Unoccupied Buildings

Notice is to be given to the Company if any Building becomes unoccupied for a period in excess of 30 consecutive days.

7 Non-ferrous Metal

The limit of the Company’s liability in respect of any one claim for Damage to Non-ferrous Metals at the Premises shall be the amount stated in the Schedule.

8 Electronic Business Equipment and Computers

The limit of the Company’s liability for

- a** Damage to Computers at the Premises caused other than by mechanical or electrical breakdown failure and/or derangement shall be the amount stated in the Schedule in respect of any one claim
- b** Damage to Electronic Business Equipment and Computers at the Premises caused by mechanical or electrical breakdown failure and/or derangement shall be
 - i** £25,000 in respect of any one claim
 - ii** £50,000 in respect of all claims occurring during any one Period of Insurance provided that the Insured effects and keeps in force a maintenance contract in respect of all Electronic Business Equipment and Computers with the manufacturer or a reputable electronic engineer to maintain or service the items at least once every twelve months.

Condition Precedent

It is a condition precedent to liability under this Section that:

1 Theft Protections

all fastenings and protections on the Premises at the commencement of this Insurance and all additional fastenings and protections which have been stipulated by the Company are maintained during the currency of this insurance and put into full and effective operation at all times outside Business Hours

2 Basement Storage

stock in any basement or cellar is raised at least 15cms above the floor

3 Waste

a all waste materials are swept up daily and kept in a proprietary waste container

b all oily and greasy cleaning cloths and waste are kept in metal receptacles with metal lids

and removed from the Buildings at least once a week

4 Spark Erosion Processes

spark erosion machines are not in use outside Business Hours.

Excess

This Section does not cover the amount of the Excess as specified in the Schedule being the first part of each and every claim other than a claim for

a Damage to clothing and/or personal effects

b under Extension Q (Lock Replacement).

Section 2: Business Interruption

If Damage by any cause not excluded under Section 1 of this Policy occurs to property used by the Insured at the Premises for the purposes of the Business and causes interruption to or interference with the Business at the Premises or if the Insured is unable to trace or establish Outstanding Debit Balances in whole or in part due to them as a result of the Insured's books of account or other business books or records at the Premises being Damaged

Then the Company will pay to the Insured (subject to the provisions of the insurance) the amount of loss resulting from such interruption interference or Damage in accordance with the basis of cover shown in the Schedule and described below

Provided that payment shall have been made or liability admitted for the Damage under an insurance 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 that the liability of the Company shall in no case exceed the Sums Insured shown in the Schedule.

Definitions

Note: 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.

Income - The money paid or payable to the Insured for goods sold (less the cost of purchases) and for services rendered in 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 Maximum Indemnity Period being the number of months stated in the Schedule.

Outstanding Debit Balances - The total last recorded by the Insured 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 obtained at the date of the Damage had the Damage not occurred.

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

Basis of Cover

Income

The insurance under this Item is limited to (a) REDUCTION IN INCOME and (b) INCREASE IN COST OF WORKING and the amount payable as indemnity thereunder shall be:

- a** In respect of REDUCTION IN INCOME: the amount by which the Income during the Indemnity Period shall in consequence of the Damage fall short of the Income which would have been received during the Indemnity Period had no Damage occurred
- 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 Income 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 Income as may cease or be reduced in consequence of the Damage.

Outstanding Debit Balances

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

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

Provided that the Insured shall keep all books of account or other business books or records in which Customers Accounts are shown in a fire resisting cabinet or safe when not in use and that all data contained in any Electronic Business Equipment or Computers in respect of Customers Accounts is backed up at least weekly and the copy stored away from the Premises.

Professional Accountants Charges

The Company will also pay to the Insured 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 reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents.

Clauses

1 Payments on Account

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

2 Accumulated Stocks

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

3 Reinstatement of Losses

Unless written notice to the contrary be given by either the Company or the Insured the insurance by 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 date of expiry of the Period of Insurance.

4 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 during the Indemnity Period.

5 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 standing in the relation of Parent to Subsidiary (Subsidiary to Parent) to the Insured as defined in the Companies Act or Companies (NI) Order as appropriate current at the time of the Damage
- b** any Company which is a Subsidiary of a Parent Company of which the Insured are themselves a subsidiary in each case within the meaning of the Companies Act or Companies (NI) Order as appropriate, current at the time of the Damage.

Extensions

Cover is extended to include loss of Income as insured by this Section resulting from interruption to or interference with the Business in consequence of:

A Denial of Access

Damage by any cause not excluded under Section 1 of this Policy to property in the vicinity of the Premises preventing or hindering access to or use of such Premises whether the Premises or property of the Insured therein shall be damaged or not but excluding the property of any supply undertaking from which the Insured obtains electricity gas water or telecommunications services

B Public Utilities

Damage by any cause not excluded under Section 1 of this Policy to property 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
 - d** land based premises of any public telecommunications undertaking
- from which the Insured obtains electricity gas water or telecommunications services

C Unspecified Suppliers

Damage by any cause not excluded under Section 1 of this Policy at the premises of the Insured's suppliers manufacturers or processors of components goods or materials but excluding the premises of any supply undertaking from which the Insured obtains electricity gas water or telecommunications services all in Great Britain Northern Ireland the Channel Islands or the Isle of Man

D Unspecified Customers

Damage by any cause not excluded under Section 1 of this Policy at the premises of any of the Insured's customers in Great Britain Northern Ireland the Channel Islands or the Isle of Man provided that for the purposes of this Extension the term "customers" means those companies organisations or individuals with whom at the time of the Damage the Insured has contracts or trading relationships to supply goods or services

E Property in Transit

Damage by any cause not excluded under Section 1 of this Policy to property whilst in transit in Great Britain or Northern Ireland.

F Disease

- 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
- c** poisoning directly caused by the consumption of food or drink provided at the Premises
- d** the discovery of vermin or pests at the Premises
- e** any accident causing defects in the drains or other sanitary arrangements at the Premises

Provided that

- i** the use of the Premises is restricted on the order or advice of a competent authority
- ii** for the purpose of this extension Indemnity Period shall mean the period during which the results of the Business shall be affected in consequence of the occurrence discovery or accident beginning with the date from which the restrictions on the Premises are applied (or in the case of **a** above with the date of the occurrence) and ending not later than the Maximum Indemnity Period thereafter
- iii** the Company shall not be liable for any costs incurred in the cleaning repair replacement recall or checking of property

The maximum amount payable under each of **a** to **c** above is £25,000 during each Period of Insurance.

G National Lottery

an Employee or Employees terminating their employment with the Insured as a direct result of a confirmed win on the National Lottery in the United Kingdom provided that for the purposes of this Extension

- a** 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
- b** Indemnity Period shall mean the period during which the results of the Business shall be affected in consequence of a confirmed win on the National Lottery beginning with the date of such win and ending not later than 3 months thereafter

Provided that after the application of all the terms conditions and provisions of the Policy the Company's liability in respect of any one claim shall not exceed

- a** under Extensions A and B 100% of the Sum Insured on Income
- b** under Extensions C to G the lesser of £250,000 or 10% of the Sum Insured on Income.

Section 3: Goods in Transit

In the event of accidental Damage to Property In Transit by the Method of Conveyance shown in the Schedule within the Territorial Limits during the Period of Insurance the Company will subject to the Limit of Liability pay the amount of the Damage or at its option replace or repair such Property.

Definitions

Property

Merchandise and goods (including tools other than machine tools) used in connection with the Business belonging to or the responsibility of the Insured.

Territorial Limits

Great Britain Northern Ireland the Isle of Man the Channel Islands and the Republic of Ireland including sea or air transits between these territories.

Method of Conveyance

- A** Vehicles owned or operated by the Insured.
- B** Carriers other than the Insured by means of road rail or inland air freight.

In Transit

- a** 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 warehousing not exceeding 30 days during the journey.
- b** 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 warehousing not exceeding 30 days during the journey.

Limit of Liability

The liability of the Company in respect of Damage arising out of one single event at any one location to any one load of Property In Transit shall not exceed the sums insured stated in the Schedule.

Excess

The Company shall not be liable for the first amount of each and every claim hereunder as stated in the Schedule.

Specific Conditions

The following Conditions apply to this Section.

- 1** The Insured shall keep their vehicles in a good state of repair and in efficient roadworthy condition.
- 2** 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.
- 3** It is a condition precedent to the liability of the Company in respect of any vehicle owned or operated by the Insured that whenever the loaded vehicle is left unattended during the Periods set out below then those of the following Security Measures indicated shall apply:

The Periods	Security Measures 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.

Extensions

In the event of accidental Damage to Property In Transit by Method of Conveyance A for which the Company has admitted liability under this Section the Company will also pay for

- a** Damage to packing materials protective sheeting ropes chains and toggles belonging to the Insured while being carried on the vehicle
- b** the additional costs reasonably incurred with the consent of the Company in
 - i** transferring Property to another vehicle and carrying to original destination consequent upon fire or overturning or collision of the conveying vehicle
 - ii** reloading any Property In Transit which has fallen from the conveying vehicle
 - iii** removing debris consequent upon Damage to the Property In Transit
- c** 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.

Reinstatement (Tools) Clause

In the event of tools used by the Insured in connection with the Business and insured by this Section being lost destroyed or damaged the basis upon which the amount payable in respect of such property is to be calculated shall be the cost of Reinstatement subject to the Provisions set out below.

“Reinstatement” means

- A** the replacement of property lost or destroyed
- B** the repair or restoration of property damaged

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

Provisions

- 1** No payment beyond the amount which would have been payable had this Clause not been operative shall be made:
 - a** unless the work of Reinstatement is commenced and carried out with reasonable despatch
 - b** until the cost of Reinstatement has been incurred
 - c** unless any other insurance covering the Insured’s interest in the property at the time of Damage is upon the same basis of Reinstatement as this Policyand if no such payment is made then the rights and liabilities of the Company and the Insured shall be those which would have applied had this Clause not been operative.
- 2** In the event of partial Damage to property the Company’s liability for any loss shall not exceed the cost which would have been incurred had such property been totally destroyed.

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
- 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
- 8 delay confiscation requisition embargo or nationalisation by order of the government or any public authority

The Company also shall not be liable hereunder 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 depreciation loss of market or any other consequential loss.

Section 4: Loss of Business Money

The Company will indemnify the Insured for accidental Damage by any cause not excluded to Money and Non-negotiable Currency as defined below in any of the Situations during the Period of Insurance

Provided that the liability of the Company shall in no case exceed the Maximum Amounts stated in the Schedule.

Definitions

Money

Cash bank and treasury notes cheques and girocheques (other than blank or partly completed cheques and girocheques) travellers cheques bills of exchange bankers drafts giro drafts postal orders money orders premium bonds current postage and revenue stamps trading stamps national insurance stamps (whether affixed to cards or otherwise) national savings and holiday with pay stamps gift tokens luncheon vouchers phone cards consumer redemption vouchers and travel tickets all belonging to the Insured or for which responsibility has been accepted by the Insured.

Non-Negotiable Currency

Crossed cheques crossed girocheques crossed bankers drafts crossed giro drafts crossed postal and crossed money orders national savings certificates premium bonds unexpired units in franking machines stamped national insurance cards credit card sales vouchers debit card sales vouchers VAT purchase invoices all belonging to the Insured or for which responsibility has been accepted by the Insured.

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 Insured's employees are working at such sites.

b Bank Night Safe

In a bank night safe.

c Premises During Business Hours

In the Premises during Business Hours.

d Premises Outside Business Hours In Safe

In a locked safe in an enclosed building at the Premises outside Business Hours.

e Premises Outside Business Hours Not In Safe

Not in a locked safe or locked till 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 authorised Employee of the Insured.

h Non-negotiable Currency

Non-negotiable Currency in any of the Situations described above.

Extensions

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

1 Damage to Safes

Damage to

- a any safe strongroom cash box till or franking machine
 - b any container or waistcoat whilst being used for carrying Money
- resulting from theft or attempted theft of Money up to an amount not exceeding the cost of repair or replacement

2 Damage to Clothing

Damage to clothing and personal effects belonging to the Insured or any partner director or Employee of the Insured resulting from theft or attempted theft of Money up to an amount not exceeding £500 any one person.

3 Credit Cards

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

4 Fidelity Guarantee

The Company will indemnify the Insured for any loss of Money or goods belonging to or the responsibility of the Insured caused by fraud or dishonesty of any Employee (other than a person working under the Community Offenders Act 1978 or similar legislation) arising in connection with the Business if such loss occurs during the Period of Insurance. The liability of the Company shall not exceed £10,000 in respect of any one claim.

Provided that

- a the acts of fraud or dishonesty insured against are discovered not later than twelve months after the resignation dismissal retirement or death of the Employee nor later than twelve months after the cancellation or non-renewal of this Policy
- b any Money of the Employee held by the Insured and any Money which but for the acts of fraud or dishonesty would have been due to the Employee from the Insured shall be deducted from the Insured's loss
- c the Insured and the Company shall share any other recovery made by either on account of any loss in the proportion that the amount of the loss borne by each bears to the total amount of the loss.

Special Conditions

The following Conditions apply to this Section.

1 Care and Supervision of Employees

The Insured shall take all reasonable care in the selection and supervision of Employees.

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

2 Money Records

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

3 Safe Keys

safe keys be removed from the Premises outside Business Hours

4 Safes

details of any safe in which the Maximum Amount of Money exceeds £1,500 be lodged with the Company

5 Transit Limits

Money (other than Non-Negotiable Currency) in transit be accompanied by the following numbers of persons between the ages of 18 and 65:

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

6 Theft Protections

all fastenings and protections on the Premises at the commencement of this Insurance and all additional fastenings and protections which have been stipulated by the Company shall be maintained during the currency of this insurance and put into full and effective operation at all times outside Business Hours.

Exclusions

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

- 1 arising from fraud or dishonesty of any Employee of the Insured other than as insured under Extension 4 (Fidelity Guarantee)
- 2 from unattended motor vehicles
- 3 arising from the use of any form of payment which proves to be counterfeit false fraudulent invalid uncollectable or irrecoverable for any reason
- 4 occurring outside the United Kingdom or the Republic of Ireland
- 5 due to errors omissions depreciation in value loss of market or consequential loss of any kind.

Section 5: Personal Accident (Assault)

In the event of Injury to any Insured Person whilst engaged on their occupation in the Business which within twenty-four months is the sole cause of any of the Results detailed below the Company will pay the Benefits stated in the Schedule to the Insured or their legal representative.

Definitions

Insured Person

The Insured or any partner director or employee of the Insured aged not less than 16 years nor more than 75 years.

Injury

Accidental bodily injury caused solely and directly as a result of robbery or any attempt thereat of Money or Non-negotiable Currency at any of the Situations described in Section 4 or of other property from the Premises during Business Hours

The Results

- 1 Death which shall not be presumed by the disappearance of the Insured Person
- 2 Loss of Limbs and/or Loss of Sight
- 3 Permanent Total Disablement
- 4 Temporary Total Disablement
- 5 Temporary Partial Disablement
- 6 Incurred Medical Expenses

N.B. The following Benefit limitations apply:

- a No further Benefit shall be payable to the same Insured Person after payment of any Benefit under Results 2 or 3.
- b Benefit under Result 3 is not payable before 104 weeks from the date of Injury nor following a payment of Benefit under Result 2.
- c Any Benefit paid under Result 4 shall be deducted from any Benefit thereafter becoming payable under Results 1, 2 or 3.
- d Benefit under Results 4 or 5 or any combination thereof is payable for a maximum of 104 weeks from the date of commencement of the first of these Results to occur.
- e Benefit under Result 5 is payable at a rate of 25% of the amount payable as Benefit under Result 4.
- f Benefit under Result 6 shall be reimbursement up to the greater of £100 or 15% of the amount payable as Benefit under Results 4 and 5.

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 Sight

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

Permanent Total Disablement

Permanent disablement rendering the Insured Person unable to attend to their usual occupation not being disablement following Loss of Limbs or Loss of Sight.

Temporary Total Disablement

Temporary disablement rendering the Insured Person unable to attend to their usual occupation.

Temporary Partial Disablement

Temporary disablement rendering the Insured Person unable to attend to a substantial and essential 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.

Special Conditions

- 1** In the event of death the Company shall be entitled to have a post-mortem examination at its own expense.
- 2** In the event of disablement the Insured Person must immediately place himself under the care of a qualified medical practitioner and as often as may be required submit to medical examination at the Company's expense.
- 3** Benefit under Results 4 and 5 shall be payable when the total amount has been agreed or at the request of the Insured at intervals of not less than four weeks (but not in advance) commencing four weeks after receipt of written notice of any Injury by the Company.
- 4** All certificates information and evidence required by the Company shall be furnished at the expense of the claimant under this Section and shall be in such form and of such nature as the Company shall prescribe.

Exclusion

The Company shall not be liable under this Section in respect of any death or disablement attributable to or accelerated by any pre-existing physical or mental condition.

Sections 6, 7 & 8 Employers' Liability - Public Liability - Products Liability

The Company will subject to the Indemnity Limits stated in Sections 6, 7 and 8 indemnify the Insured 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
in respect of the Occurrences stated in Sections 6, 7 and 8
- 2** all costs and expenses incurred by the Insured with the Company's written consent in defending any claim
- 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 these Sections or at any coroner's inquest or fatal accident inquiry.

Definitions

Property

Material property.

Territorial Limits

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

Craft

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

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 the Insured in connection with the Business and no longer in the charge or control of the Insured.

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.

Interpretations

The Insured - shall include

- a** personal representatives of the Insured in the event of the death of the Insured but only in respect of liability incurred by the Insured
- b** if the Insured so requests:
 - i** any director partner or Employee of the Insured while acting in connection with the Business provided that the Insured would have been entitled to indemnity under the respective Section if the claim had been made against the Insured
 - 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 his/her respective capacity as such

Provided that such persons shall observe fulfil and be subject to the terms conditions Exclusions and limits of each Section and the Policy in so far as they can apply.

The Business - shall include

- a** the ownership repair maintenance and decoration of the Premises
- b** private work undertaken by any Employee of the Insured for the Insured or with the Insured's consent for any director partner or other Employee of the Insured
- 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
- d** participation in sponsorships and exhibitions

Bodily Injury - shall include death disease illness mental injury mental anguish or nervous shock.

Special Conditions

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

Where indemnity is provided by Sections 7 and/or 8 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 inclusive of all costs and expenses.

2 Contractual Liability

In so far as concerns liability assumed by the Insured under agreement which would not have attached in the absence of such agreement Sections 6 and 7 will only apply if the Company retains sole conduct and control of any claim.

Section 8 will not apply to liability assumed by the Insured under agreement other than under any condition or warranty of goods implied by law unless such liability would have attached in the absence of such agreement.

Section 6: Employers' Liability

Occurrence

Bodily Injury caused to any Employee of the Insured occurring anywhere in 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.

Indemnity Limit

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

Special Conditions

- 1 The indemnity provided by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain Northern Ireland the Channel Islands and the Isle of Man 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 If this Policy or Section is cancelled any certificate of Employers' Liability insurance is similarly cancelled from the same date.

Exclusions

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

- 1 caused to any Employee (other than the driver) being carried in or upon a vehicle or entering or getting onto or alighting from a vehicle where such Bodily Injury is caused by or arises out of the use by the Insured of a vehicle on a road. For the purpose of this exclusion the expressions "vehicle", "use" and "road" shall have the same meanings as in Part VI of the Road Traffic Act 1988
- 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 an offshore rig or platform.
- 3 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 an offshore rig or platform.

Section 7: Public Liability

Occurrences

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

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

Indemnity Limit

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

Excess

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

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
 - b materials goods or other property supplied installed or erected by or on behalf of the Insured
- 2 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 liability for Bodily Injury caused to any Employee of the Insured arising out of and in the course of such person's employment or engagement by the Insured in the Business
- 4 liability for Damage to Property belonging to or in the charge or under the control of the Insured but this Exclusion shall not apply to directors' partners' Employees' or visitors' property or any premises (including contents) which are temporarily occupied by the Insured for the purpose of work in connection with the Business (not being buildings which are owned by or leased rented or hired to the Insured)
- 5 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
 - b mechanically propelled vehicle (or trailer attached thereto) licensed for road use other than 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
 - 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 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
 - 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 all 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 incident shall be deemed to have occurred at the time such incident takes place
 - b the liability of the Company 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 Section 7 of the Schedule
 - c this Exclusion does not apply to the United States of America and/or Canada and/or their dependencies or trust territories
- 10 all 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 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 an offshore rig or platform.

Use of Heat Condition

It is a condition precedent to the liability of the Company that the undernoted precautions shall be complied with whenever the following equipment is used anywhere other than on the Insured's premises:

1 Oxyacetylene Electric Arc and Similar Welding and Cutting Equipment

The Insured shall take all reasonable precautions to prevent Injury or Damage and where the use of such equipment is sub-contracted shall also require the sub-contractor to take all reasonable precautions. The term "reasonable precautions" in relation to the use of such equipment shall include but not be limited to the following:

Before Starting Work

- a a person shall be made responsible for fire safety and for ensuring that reasonable precautions are taken
- b all persons shall be made aware of the location of the site's fire alarms and fire fighting equipment
- c the responsible person shall examine all property within a radius of six metres from where the heat is being applied and where possible remove all combustible material or otherwise cover and protect by overlapping sheets or screens of non-combustible material

During the Process of Work

- a** a person shall work alongside the operator of the equipment to look out for an outbreak of fire and there shall be available for immediate use:
 - i** at least two buckets of dry sand
 - ii** a hose connected to the nearest hydrant with water turned on and controllable at the nozzle of the hose (if water is not available or unsuitable then two fully charged fire extinguishers must be available)
- b** the lighting of equipment shall be in accordance with manufacturers' instructions and no piece of lighted equipment shall be left unattended
- c** gas cylinders not required for immediate use shall be kept at least six metres from where the heat is being applied

After Ceasing Work

a continuous examination for thirty minutes shall be made of the area within a radius of six metres from where the heat has been applied to ensure that there is no risk of fire.

2 Any Other Heat Application Equipment

The Insured shall take all reasonable precautions to prevent Injury or Damage.

Section 8: Products Liability

Occurrences

- 1 Accidental Bodily Injury to any person
- 2 accidental Damage to Property

occurring anywhere in the world during the Period of Insurance and caused by any Products Supplied in or from Great Britain Northern Ireland the Channel Islands or the Isle of Man.

Indemnity Limit

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

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 but this Exclusion shall not apply to Damage to Products Supplied under a separate previously completed contract
- 2 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 liability for Bodily Injury caused to any Employee of the Insured arising out of and in the course of such person's employment or engagement by the Insured in the Business
- 4 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 all 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 incident shall be deemed to have occurred at the time such incident takes place
 - b the liability of the Company 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 Section 8 of the Schedule
 - c this Exclusion does not apply to the United States of America and/or Canada and/or their dependencies or trust territories
- 9 all 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.

Extensions applicable to Sections 6, 7 and 8

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 or partner of the Insured £250
- b any Employee £150

B Health and Safety at Work etc. Act 1974

The Company will indemnify the Insured and at the Insured's request any director 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 awarded and the costs incurred with its written consent in appealing against any judgement given

The Company will also pay

- a the costs incurred with its written consent in appealing against any judgement given including any appeal against improvement and prohibition notices
- b prosecution costs awarded against the Insured

Provided that this indemnity shall not apply to

- i the payment of fines or penalties
- ii costs or expenses insured by any other policy.

Extensions applicable to Section 6 only

C Unsatisfied Court Judgements

In the event of a judgement 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 in Great Britain Northern Ireland the Channel Islands or the Isle of Man in any court situate in these territories and remaining unsatisfied in whole or in part six months after the date of such judgement 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
- b if any payment is made under the terms of this Extension the Employee or the personal representatives of the Employee shall assign the judgement to the Company.

D Work Overseas

The indemnity provided shall extend to apply in respect of liability for Bodily Injury caused to an Employee whilst temporarily engaged in work outside the Territorial Limits.

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

E Working Partners

In respect of Bodily Injury to any working partner named in the Schedule such person shall be deemed to be an Employee for the purposes of Section 6 of this Policy provided that:

- a** the Bodily Injury is sustained whilst such working partner is working in connection with the Business
- b** the Bodily Injury is caused by another partner or Employee whilst working in connection with the Business
- c** the injured working partner has a valid right of action in negligence against the working partner or Employee responsible for the Bodily Injury

Extension applicable to Sections 6 and 7 only

F Indemnity to Principals

The Company will at the request of the Insured indemnify any principal to the extent required by the contract between the Insured and the principal in respect of 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
- b** the principal shall observe fulfil and be subject to the terms conditions Exclusions and limits of this Sections and the Policy in so far as they can apply.

Extensions applicable to Section 7 only

G Work Overseas

The indemnity provided shall extend to apply

- a** within any member country of the European Union outside the Territorial Limits where any person is temporarily engaged on the Business of the Insured
- b** elsewhere in the world where any person is temporarily engaged in non-manual work in connection with the Business of the Insured.

H Defective Premises Act 1972

The Company will indemnify the Insured under Section 7 of this Policy in respect of 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
- b** liability for which the Insured is entitled to indemnity under any other policy.

I Leased or Rented Premises

Exclusion 4 of Section 7 shall not apply to liability for accidental Damage to any premises (including their fixtures and fittings) leased rented or hired to the Insured

Provided that the Company shall not be liable for Damage by any cause against which the lease or tenancy agreement stipulates that insurance shall be effected by the lessee or tenant.

J Member to Member Liability

Section 7 is extended to indemnify any member of the Insured's sports or social organisations in respect of liability for accidental Bodily Injury or Damage to Property sustained by fellow members of such organisations while engaged in the activities of such organisations.

K Motor Contingent Liability

Despite Exclusion 5 of Section 7 the Company will indemnify the Insured in respect of liability arising out of the use of any motor vehicle not belonging to or provided by the Insured and being used in the course of the Business anywhere in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Provided that this indemnity shall not apply:

- a** in respect of Damage to the vehicle
- b** whilst the vehicle is being driven
 - i** by the Insured
 - ii** with the general consent of the Insured or a representative of the Insured by any person who to the knowledge of the Insured or such representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
 - iii** to liability which is insured or would but for the existence of Section 7 be insured under any other insurance.

L Overseas Personal Liability

Section 7 is extended to indemnify the Insured and at the Insured's request any director or partner of the Insured or any Employee or any family member accompanying them while temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man in connection with the Business against legal liability as defined in this Section incurred in a personal capacity

Provided that this indemnity shall not apply:

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

Extensions applicable to Sections 7 and 8 only

M 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.

N Data Protection Act 1998

The Company will indemnify the Insured and at the Insured's request any director or partner of the Insured or any Employee against the sums which the Insured or any director or partner of the Insured or any Employee become(s) legally liable to pay as damages under Section 13 of the Data Protection Act 1998 for Damage or distress caused in connection with the Business during the Period of Insurance provided that the Insured is

- a** a registered user in accordance with the terms of the Act
- b** not in business as a computer bureau.

The total amount payable including all costs and expenses under this Extension in respect of all claims occurring during any one Period of Insurance is limited to £250,000.

The indemnity provided by this Extension shall not apply to:

- i** any Damage or distress caused by any deliberate act or omission by the Insured the result of which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission
- ii** any Damage or distress caused by any act of fraud or dishonesty
- iii** the costs and expenses of rectifying rewriting or erasing 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 of fines or penalties.

Extension applicable to Section 8 only

0 Consumer Protection and Food Safety Acts

The Company will indemnify the Insured and at the Insured's request any director partner or Employee of the Insured 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

The Company will also pay

a the costs incurred with its written consent of an appeal against conviction arising from such proceedings including an appeal against a suspension notice

b prosecution costs awarded against the Insured

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

iii costs or expenses insured by any other policy.

Section 9: Personal Accident

In the event of Injury to any Insured Person which within twelve months is the sole cause of any of the Results detailed below the Company will pay the Benefits stated in the Schedule to the Insured or their legal representative.

Definitions

Insured Person

The Insured or any partner or director of the Insured aged not less than 16 years nor more than 70 years.

Injury

Bodily injury caused solely and directly by accidental violent external and visible means but excluding injury as defined in Section 5 of this Policy.

The Results

- 1 Death which shall not be presumed by the disappearance of the Insured Person
- 2 Loss of Limbs
- 3 Loss of Sight
- 4 Permanent Total Disablement
- 5 Temporary Total Disablement
- 6 Incurred Medical Expenses

N.B. The following Benefit limitations apply:

- a If the aggregate amount of Benefit payable under this Section in respect of all Insured Persons involved in the same accident exceeds the Accumulation Limit shown in the Schedule the Benefit payable for each Insured Person shall be proportionately reduced until the total is equal to the Accumulation Limit.
- b No further Benefit shall be payable to the same Insured Person after payment of any Benefit under Results 2, 3 or 4.
- c Benefit under Result 4 is not payable before 104 weeks from the date of Injury nor following a payment of Benefit under Results 2 or 3.
- d Any Benefit paid under Result 5 shall be deducted from any Benefit thereafter becoming payable under Results 1, 2, 3 or 4.
- e Benefit under Result 5 is payable for a maximum of 104 weeks from its date of commencement.
- f Benefit under Result 6 shall be reimbursement up to the greater of £100 or 15% of the amount payable as Benefit under Result 5.

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 Sight

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

Permanent Total Disablement

Permanent disablement rendering the Insured Person unable to attend to their usual occupation not being disablement following Loss of Limbs or Loss of Sight.

Temporary Total Disablement

Temporary disablement rendering the Insured Person unable to attend to their usual occupation.

Temporary Partial Disablement

Temporary disablement rendering the Insured Person unable to attend to a substantial and essential 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.

Special Conditions

- 1 In the event of death the Company shall be entitled to have a post-mortem examination at its own expense.
- 2 In the event of disablement the Insured Person must immediately place himself under the care of a qualified medical practitioner and as often as may be required submit to medical examination at the Company's expense.
- 3 Benefit under Result 5 shall be payable when the total amount has been agreed or at the request of the Insured at intervals of not less than four weeks (but not in advance) commencing four weeks after receipt of written notice of any Injury by the Company.
- 4 All certificates information and evidence required by the Company shall be furnished at the expense of the claimant under this Section and shall be in such form and of such nature as the Company shall prescribe.

Exclusions

No Benefit shall be payable in respect of the death or disablement of any Insured Person resulting from or contributed to by:

- 1 the Insured Person flying except whilst travelling as a fare-paying passenger in a fully-licensed passenger-carrying aircraft
- 2 the Insured Person engaging in:
 - a winter sports mountaineering or rock climbing requiring the use of guides or ropes abseiling bungee jumping aeronautic sports or sub-aquatic or subterranean activities
 - b racing or practising for racing of any kind other than on foot polo playing steeplechasing hunting showjumping motor cycling (the term "motor cycling" includes use of motor scooters but not motor-assisted pedal cycles) or pillion riding
- 3 any pre-existing physical or mental condition
- 4 the influence of intoxicating liquor or drugs taken by the Insured Person (other than drugs taken under medical supervision unless for the treatment of drug addiction) or any sexually transmitted or communicable disease
- 5 intentional self-injury suicide or attempted suicide provoked assault fighting (except in bona fide self-defence) or wilful exposure to needless peril (except in an attempt to save human life)
- 6 war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power.

Section 10: Engineering Damage to Machinery and Plant

If the Machinery and Plant or any part thereof whilst at in or on the Premises suffer Damage the Company will pay to the Insured the value of the Machinery and Plant at the time of such Damage or at its option reinstate or replace such Machinery and Plant

Provided that the liability of the Company shall in no case exceed the Limit of Liability stated in the Schedule or such other limits as may be hereafter substituted by endorsement issued by the Company.

Definitions

Machinery and Plant - mechanical and electrical machinery and plant boilers pressure vessels storage tanks electronic equipment used solely or in part for the control or monitoring of any manufacturing repair handling alteration and/or treatment process

but excluding:

- a** chimneys masonry brickwork foundations supporting structures racking or shelving
- b** any item or any part of equipment sold supplied processed serviced manufactured or stored in the course of the Insured's trade or business
- c** computer or data processing equipment (unless linked and wholly dedicated to the control of any machine or production process) communications or alarm systems vending machines games machines and office equipment including but not limited to typewriters adding machines calculators facsimile machines and equipment for the printing or reproduction of documents or other records
- d** vehicles other than purpose built lifting and handling machinery
- e** exchangeable or detachable tools equipment and appliances or parts requiring renewal in the normal course of operation
- f** Machinery and Plant of a prototypical or experimental or novel nature in use or application.

Explosion - sudden and violent rending of the Machinery and Plant (other than boilers used only for domestic purposes) by force of internal steam pressure or other fluid pressure (other than pressure of chemical action or ignition of flue gasses) causing bodily displacement of any part of the Machinery and Plant together with the forcible ejection of the contents.

Collapse - sudden and dangerous distortion (whether or not attended by rupture) of any part of the Machinery and Plant caused by crushing stress by force of steam or other fluid pressure (other than pressure or ignition of flue gasses).

Breakdown - the actual failure breaking distortion or burning out of any mechanical or electrical machinery whilst in use arising out of:

- 1**
 - a** mechanical or electrical defects in the item
 - b** failure or fluctuation of the electricity supply
 - c** damage caused by the error or omission of the operator(s) of the Machinery and Plant other than in respect of any failure to maintain
- 2** fracturing of any part of the Machinery and Plant by frost when such fracture renders the item inoperative

Boilers and Pressure Vessels - Boilers Machinery and Plant subject to internal steam pressure Machinery and Plant used for storage of fluids under pressure vacuum vessels piping and protective devices associated with any of the aforementioned.

Inspecting Authority - Any Qualified Inspection Service as authorised by NIG on behalf of the Company.

Cover

The Company will indemnify the Insured against:

Cover A - Fragmentation

Damage by impact to surrounding property belonging to the Insured or for which the Insured is responsible resulting from fragmentation of any part of the Machinery and Plant provided that the Company's liability in respect of this cover shall not exceed the Limit of Liability stated in the Schedule.

Cover B - Explosion Collapse and Breakdown

- a** Damage to any boiler or other plant belonging to the Insured directly consequent upon and solely due to Explosion occasioned by the bursting of such plant.
- b** Damage to any boilers and pressure plant and connected pipes and radiators due to:
 - i** collapse or overheating of such plant
 - ii** cracking fracturing or failure of seams giving rise to leakage of the contents or leakage from the joints of sectional boilers
- c** Damage to mechanical and electrical Machinery and Plant due to Breakdown including any resultant loss of cooling lubricating or insulating oil refrigerant or brine

Provided that the Company's liability in respect of (a) (b) and (c) shall only apply if a Limit of Liability is stated in the Schedule.

Cover C - Explosion Damage to Own Property

In the event of Damage to any Boiler or Pressure Vessel (as defined in the Policy) for which a limit of liability against Cover B is stated in the Schedule caused by Explosion (as defined) for which indemnity is provided by this insurance the Company will also indemnify the Insured against damage to surrounding property belonging to the Insured or for which the Insured is responsible caused by the Explosion provided that the Company's liability for this Cover shall only apply if a Limit of Liability is stated in the Schedule.

Cover does not include

- a** Damage resulting from lack of heat light power steam refrigeration or air conditioning
- b** damage arising from fire howsoever the fire may have been caused

Extensions

A Capital Additions

Any item of Machinery and Plant of a similar class or type to the Machinery and Plant described in the Schedule which is purchased by or leased to the Insured shall be deemed to be included in this insurance for a period not exceeding 12 months from the time installation is completed and the item is ready to commence normal working provided that:

- a such item is as far as the Insured is aware suitable for service free from material defects and in sound working condition
- b such item shall not be worked until any relevant statutory provisions for inspection and certification have been fulfilled
- c such item shall be insured to the same extent as similar items of Machinery and Plant described in the Schedule
- d if any such item proves to be unacceptable to the Company the insurance on the item shall terminate from the date of notification to the Insured.

B Cost of Debris Removal

Subject to the Limit of Liability the Company will pay for costs incurred with the Company's consent in the removal of Machinery and Plant or other insured property consequent upon Damage for which indemnity is provided by this insurance but excluding any costs or expenses arising from pollution or contamination of property not covered by this insurance.

C Temporary Repairs

In respect of each claim for Damage for which indemnity is provided by this insurance the Company will subject to the Limit of Liability pay the reasonable cost (if previously approved by the Company) of effecting temporary repair and of expediting permanent repair of such Damage provided that the Company's liability under this extension shall not exceed £10,000.

D Temporary Removal

The insurance under this section also applies whilst the Machinery and Plant is temporarily located away from the Premises at any other premises or working sites in the European Community or European Free Trade Area for the purpose of repair maintenance overhaul or inspection of the Machinery and Plant including transit between the Premises and temporary locations provided that the Company's liability under this extension shall not exceed £25,000 during transit by sea or air in respect of any one incident of Damage or series of incidents of Damage from a common cause.

E Loss Minimisation

Subject to the Limit of Liability the Company will pay reasonable costs incurred by the Insured in taking exceptional measures to avoid or mitigate impending Damage for which indemnity is provided by this insurance provided that:

- a the impending Damage does not stem from any defect within any item of Machinery and Plant
- b Damage would be reasonably expected in the absence of such measures
- c the Company is satisfied that Damage has been avoided or reduced in consequence of the measures taken
- d the terms and conditions of this insurance shall apply as if Damage had occurred.

Clauses

1 Reinstatement

In the event of:

- a** Damage to Boiler and Pressure Vessels
- b** Damage to Machinery and Plant other than that described in (a) above which at the time of Damage is less than 2 years old
- c** Damage by Explosion of Machinery and Plant to any other property (excluding stock in trade or goods in process of manufacture) belonging to the Insured or for which the Insured is responsible

the amount payable shall be the reinstatement of the Machinery and Plant and such additional cost of reinstatement as may be incurred in complying with Building Regulations or local authority or statutory requirements.

For this purpose 'reinstatement' means:

- i** where the Machinery and Plant or property is lost or destroyed or suffers Damage to the extent that it cannot be economically repaired the cost of replacement by similar Machinery and Plant or property or if a building the cost of rebuilding
- ii** where the Machinery and Plant or property suffers Damage the cost of repairing or restoring the portion of Machinery and Plant suffering Damage to a condition substantially the same as but not better or more extensive than its condition when new.

2 Indemnity

In the event of Damage other than as described in (a) (b) and (c) of Clause 1 above the Company will pay the amount of loss meaning:

- a** where the Machinery and Plant or property is lost or destroyed the value of the Machinery and Plant or property prior to its loss or destruction
- b** where the Machinery and Plant or property suffers Damage the cost of repairing or restoring the portion of Machinery and Plant suffering Damage to a condition substantially the same as but not better or more extensive than its condition prior to the occurrence of the Damage.

3 Special Provisions

The following Special Provisions apply:

- a** where Damage occurs to only part of the Machinery and Plant or property the liability of the Company shall not exceed the amount which the Company would have been liable to pay had the Machinery and Plant or property been wholly destroyed
- b** the Company shall not be liable for:
 - i** the cost of complying with Building Regulations or local authority or statutory requirements relating to property or portions of property which has not suffered Damage and/or under which notice has been served prior to the Damage
 - ii** any rate tax duty development or other charge or assessment arising out of capital appreciation as a result of complying with any of the said regulations or requirements
- c** the work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the Damage or within such further time as the Company may allow during the said twelve months and may be carried out wholly or partially upon another site and in any manner suitable to the requirements of the Insured provided that it does not increase the liability of the Company
- d** The Company's liability for the cost of reinstatement shall be limited to the value of the Machinery and Plant or property prior to the occurrence of the Damage until the costs of reinstatement shall have actually been incurred.

4 a Inspection

The Inspecting Authority shall have the right to inspect the insured Machinery and Plant at all reasonable times during the Period of Insurance.

The Inspecting Authority will make periodical inspections of Machinery and Plant described in the Schedule and the Insured agrees to properly repair and make available the Machinery and Plant at no expense to the Company to enable the Inspecting Authority to carry out such inspections and report thereon.

b Date Recognition Exclusion Clause (Inspection)

- i** The scope of the inspection service provided by the Company shall not extend to the testing of any item of Plant described in the Schedule to ensure that it or any part of it meets the definition of Year 2000 compliance (as set out in BSI document DISC PD 2000-1 “Year 2000 Conformity Requirements”) or that the Plant (or any part of it) described in the Schedule will not be affected in any way by reason of dates falling on before or after 1st January 2000. Accordingly the Insured agrees that subject to clause (ii) the Company shall in no event be liable whether in contract tort (including negligence) or otherwise howsoever for any loss damage costs claims or expenses whether arising directly or indirectly due to the fact that the Plant described in the Schedule is affected in any way by reason of dates falling on before or after 1st January 2000 or due to any failure of the Plant described in the Schedule to meet the definition of Year 2000 compliance (as set out in BSI document DISC PD 2000-1 “Year 2000 Conformity Requirements”) and the Insured agrees to indemnify and keep indemnified the Company against all such claims costs losses damages and expenses howsoever arising.
- ii** Nothing in this Agreement shall exclude or limit the Company’s liability for death or personal injury caused by its negligence to the extent that the same is prohibited by United Kingdom statute.

Special Conditions

The following Conditions apply to this Section.

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

- a** Machinery and Plant shall be maintained in good working order and that Government or other regulations relating to the condition operation or inspection of such Machinery and Plant shall be observed
- b** Machinery and Plant shall be operated and maintained in accordance with manufacturers recommendations The Insured shall notify the Company of any proposed alteration or additions or modifications to an insured item and any proposed departure from ordinary working conditions.

Excess

The Company shall not be liable for the first amount of each and every claim under this Section as stated at **(a)** in the Schedule.

Exclusions

The Company shall not be liable under this Section for:

1 In respect of Cover A Damage caused by Explosion

In respect of Covers B and C Damage caused by Explosion (other than Explosion as defined under this Cover)

In respect of Covers A, B and C:

2 Damage caused by fire howsoever the fire may have been caused

3 Damage caused by lightning aircraft or other aerial device or article dropped therefrom earthquake storm flood water discharged or leaking from any installation or automatic sprinkler system or theft

4 Damage caused by and occurring during testing or intentional overloading of the Machinery and Plant except for Damage caused by and occurring during the checking of the correct working of the Machinery and Plant or of safety installations in connection therewith

5 Damage caused by or arising from hydraulic testing

6 Damage caused by burning or distortion by heat of mechanical parts or furnaces kilns stoking or firing units

7 the cost of remedying:

a wear and tear or gradual deterioration whether by wasting grooving rust corrosion erosion or otherwise

b gradually developing defects flaws deformation distortion cracks or partial fractures

c loose parts or defective joints or seams (other than joints between the sections of sectional heating or hot water supply boilers)

but Insured Damage resulting from the foregoing is not excluded

8 a scratching of painted or polished surfaces

b Damage to ropes unless resulting in complete severance

c Damage to non-metallic protective linings batteries flexible pipes or hoses and driving or conveyor belts

unless forming part of other Damage for which indemnity is provided by this insurance

9 Damage to rubber tyres unless such Damage arises out of an accident for which insurance is provided by this section of the policy to other parts of the Machinery and Plant or unless such Damage arises out of a malicious act which necessitates replacement of such tyres repair thereof being impracticable

10 loss of use of the Machinery and Plant or property or consequential loss of any nature whatsoever.

Endorsements

Endorsements are operative in respect of any Premises where the letter shown below against each Endorsement appears in the Schedule under the address of the Premises.

Endorsement A

Subsidence Ground Heave and Landslip (applicable to Section 1 of this Policy)

Notwithstanding Exclusion 3(a) cover in respect of Damage to Buildings under Section 1 is extended to include subsidence or ground heave of any part of the site on which the Premises stand and landslip but excluding Damage:

- a** to yards car parks roads pavements swimming pools walls gates and fences unless also affecting a Building insured hereby
- b** caused by or consisting of:
 - i** the normal settlement or bedding down 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 earthquake or the escape of water from any tank apparatus or pipe
- c** Damage which commenced prior to the inception of this cover.
- d** Damage resulting from
 - i** demolition construction structural alteration or repair of any property or
 - ii** groundworks or excavationat the same Premises
- e** the amount of the Excess stated in the Schedule for each and every claim.

Special Condition

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.

Endorsement B

Intruder Alarm Condition (applicable to Sections 1 and 4 of this Policy)

Definitions

Intruder Alarm System: The component parts including the means of communication used to transmit signals.

Alarmed Premises: The Premises or those portions of 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 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 Premises.

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

- 1** 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
 - c** the maintenance contractshall be made without the written agreement of the Company
- 4** the Alarmed Premises 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
 - b** if the Police have withdrawn their response to alarm calls
- 5** all keys to the Intruder Alarm System are removed from 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 on 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 attend the Premises as soon as reasonably possible
- 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
 - c** that the Intruder Alarm System cannot be returned to or maintained in full working orderthe Insured shall advise the Company as soon as possible and in any event not later than 10.00a.m. on the Company's next working day and comply with any subsequent requirements stipulated by the Company.

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 the 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, quoting your policy number.

The Chief Executive,
NIG
Churchill Court,
Westmoreland Road,
Bromley BR1 1DP.

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.

Details about our Regulator

NIG policies are underwritten by U K Insurance Limited who is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, registration number 202810. 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/pru, 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

Whoever you are contacting, please always quote your Policy Number as it will help your enquiry or complaint to be dealt with promptly.

