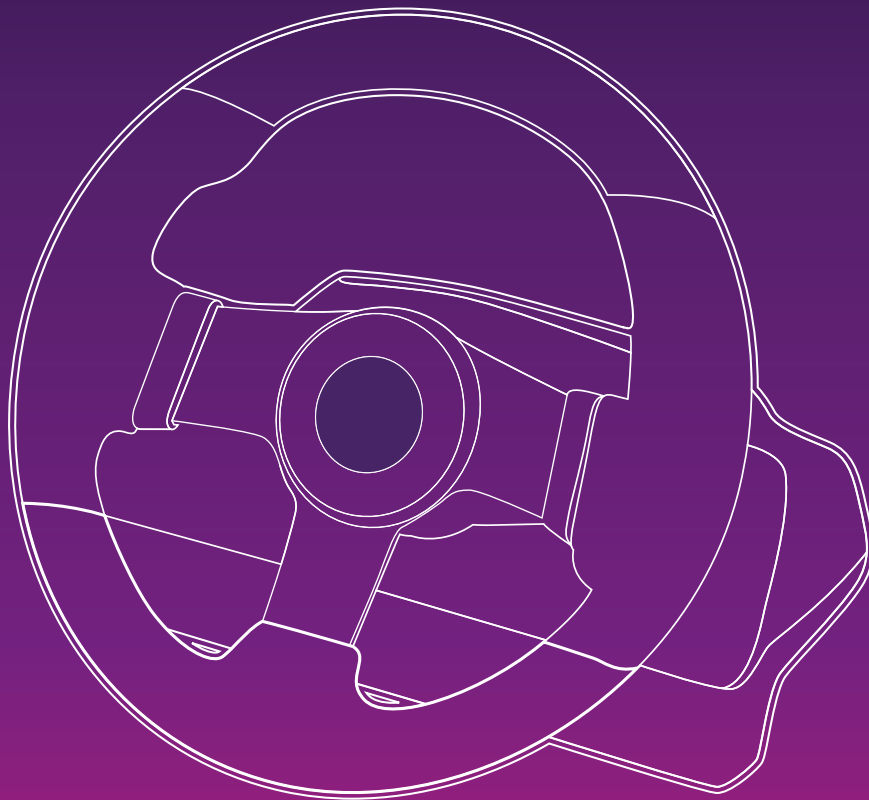


MOTOR TRADE
POLICY DOCUMENT



COVER
ENGINEERED FOR
THE MOTOR TRADE

Free Business Advice Service

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

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

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
- prosecution
- contract disputes
- landlord and tenant disputes.

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.

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.

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Motor Trade Internal Risks Policy

NIG policies are underwritten by U K Insurance Limited.

This Policy is subject to the terms and conditions for:

- a** the Period of Insurance shown in the Schedule; and
- b** any subsequent period,

for which You shall pay and We agree to accept the premium.

General Definitions

Average

Whenever an Item is declared to be subject to Average if the property covered thereby at the commencement of any Damage hereby insured against shall be collectively of greater value than its Sum Insured then the Insured shall be considered as his own insurer for the difference and shall bear a rateable share of the loss accordingly.

Business Hours

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

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.

Damage

Loss destruction or damage.

Engineering Damage

Damage to Covered Engineering Equipment caused by:

- a** electrical or mechanical Engineering Breakdown, including rupture or bursting caused by centrifugal force
- b** artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires
- c** Engineering Explosion or Engineering Collapse 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 Your control
- d** loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such boilers or equipment or
- e** loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such equipment.

All Engineering Damage resulting from the same event will be considered one event.

Engineering Breakdown

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

Fracturing of any part of the Covered Engineering Equipment by frost when such fracture renders the Covered Engineering Equipment inoperative

The actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary

Engineering Collapse

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

Engineering Explosion

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

Hazardous Substance

Any substance other than ammonia which has been declared to be hazardous to health by a governmental agency.

Perishable Goods

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

Employee

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

- a** under a contract of service or apprenticeship with the Insured
- b** 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 performing work under a similar degree of control and direction by the Insured as a person under a contract of service or apprenticeship with the Insured
- f** a driver or operator of hired-in plant
- g** a trainee or person undergoing work experience
- h** a voluntary helper.

Index-Linking

Whenever a sum insured is declared to be subject to Index-Linking it is adjusted at monthly Intervals as follows:

- a** in respect of Buildings and Tenants Improvements – in accordance with the percentage change in the General Building Cost Information Service
- b** in respect of Plant Machinery Trade Fixtures Portable Hand Tools Electronic Business Machines Computers and Software – in accordance with the Durable Goods Section of the Retail Prices Index
- c** in respect of Customers' Goods Stock in Trade Gross Profit Gross Rentals Gross Revenue Outstanding Debit Balances – in accordance with the Producer Price Index

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

The Insured

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

Motor Vehicle

Any

- a** mechanically propelled vehicle and/or trailer
 - b** caravan agricultural implement or small craft
- relating to the Business and including accessories and parts attached to or contained within it.

The Premises

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

Proposal

Any signed Proposal, declaration or other information supplied to Us by You or on Your behalf

General Conditions

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** You have a duty to make to Us 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, We may:
 - a** in relation to an alteration made to this Policy, (despite the references to notice period and the refunding of premiums in General Condition 6 b) by notice to You at Your 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 inception or renewal of this Policy, avoid this Policy and refuse all claims and retain any premiums paid;
 - ii** neither deliberate nor reckless and We would not have:
 - a** in relation to an alteration made to this Policy, agreed to the alteration on any terms, We may treat this Policy as if the alteration was never made, but in that event We:
 - 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. We 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, We may avoid this Policy and refuse all claims but will return any premiums paid; or
 - iii** neither deliberate nor reckless and We:
 - 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 We require; 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 We did or (in the case of an unchanged premium) would have increased the premium, We may reduce proportionately the amount to be paid on a claim arising out of events after the alteration.
We 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 We would have charged;
 - ii** (where the total premium was reduced as a result of the alteration), would have agreed to the alteration and We would have increased the premium, would not have reduced the premium, or would have reduced it by less than it did, We may reduce proportionately the amount to be paid on a claim arising out of events after the alteration.

We 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 We would not have changed it, and otherwise the increased or (as the case may be) reduced total premium We 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, We may reduce proportionately the amount to be paid on a claim.

We 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** We will be entitled to vary the premium and any terms in respect of any ongoing acceptance of cover (where agreed by Us), in relation to a breach of the duty to make to Us 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 Our liability that You shall immediately notify Us if any alteration be made either in the Business, at the Premises or in any property therein, relating to the occupancy or in any other circumstances whereby the risk is increased other than in accordance with:
 - i** Extension I Non-Invalidation and Extension M Capital Additions under Material Damage Section, or
 - ii** General Condition 2,at any time after the Effective Date (shown in the Schedule) of the Period of Insurance.
- b** This Policy shall cease to be in force if:
 - i** Your 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 Us.

5 Adjustment of Premium

If any part of the premium or renewal premium is based on estimates provided by the Insured the Insured shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record. The Insured shall within one month after the expiry of each Period of Insurance provide such information as the Company may require. The premium shall then be adjusted and the difference paid by or allowed to the Insured. Should the Insured fail to supply the information required then the Company shall be entitled to charge a reasonable additional premium.

6 Cancellation

1 Your Cancellation Rights

- a** Your Policy may be cancelled by You within 14 days of receipt of Your Policy (This is known as the “cooling off” period). If You elect to cancel within this period You should return all documents to Your Broker, Intermediary or Agent and We will pay a refund of Premium for the full amount paid to You. If a claim has been made or an incident advised that could give rise to a claim during the “cooling off” period Your Policy will be treated by Us as in force and no refund of Premium will be made.
- b** If You elect to cancel Your Policy after the “cooling off” period has expired but still during any Period of Insurance You must give 14 days notice in writing to Your Broker, Intermediary or Agent. You will be entitled to a proportionate refund of Premium, based on the number of days remaining in the Policy period, unless a claim has been made (or an incident advised 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.
- c** Where You pay by Instalments any amount of Premium returned under this condition will be reduced by any unpaid Premiums or instalments due at the time of cancellation.

2 Our Cancellation Rights

- a** We may cancel Your Policy (or any Section of it) at any time and in any Period of Insurance by giving a minimum of 14 days notice to You in writing at Your last known address.
- b** You will be entitled to a proportionate refund of Premium, based on the number of days remaining in the Policy period, unless a claim has been made (or an incident advised that could give rise to a claim) during the Period of Insurance when no refund of Premium will be made.
- c** Where You pay by Instalments any amount of Premium refunded under this 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 You shall immediately return to Us any effective Employers Liability Certificate(s) of Insurance.

7 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.

8 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.

9 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

1 Conditions Precedent

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

2 Action by the Insured

- 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 to 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
- g** in respect of Damage to the property insured under Section 1 Engineering Damage discontinue use of any damaged property unless the Company authorises otherwise until such property shall have been repaired to the satisfaction of the Company. Any damaged parts that are replaced shall be kept for inspection by the Company.

3 The Rights of the Company

The Company shall be entitled:

- a** on the happening of any 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 7, 8 and 9 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 7 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 8 and 9 for costs and expenses incurred before the date of payment.

4 Fraudulent Claims

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

- 1** will not be liable to pay the claim;
- 2** may recover from You any sums paid by Us to You in respect of the claim; and
- 3** may (despite the references to notice period and the refunding of premiums in General Condition 6 b) by notice to You at Your last known address treat this Policy as having been cancelled with effect from the time of the fraudulent act and may:
 - a** refuse all liability to You under this Policy in respect of any event that gives rise to Our liability occurring after the time of the fraudulent act; and
 - b** retain any premiums paid under this Policy.

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 a claim arises 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 in respect of such damage 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

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 Defective Workmanship/Sales Indemnity 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 Defective Workmanship/Sales Indemnity 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 Defined Peril
- b a Defined Peril which itself results from pollution or contamination

This Exclusion shall not apply to Section 7 - Employers Liability Section 8 - Public Liability and Section 9 - Defective Work/Sales Indemnity

NOTE: Defined Perils

The Defined Perils are:

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

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 correctly to recognise any date as its true calendar date
- b to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- 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 - Material Damage All Risks 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 fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons other than thieves earthquake storm flood escape of water from any tank apparatus or pipe theft or impact by any vehicle or animal

NOTE: General Exclusion 5 shall not apply to Section 7 - 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 other equipment or system for processing storing or receiving data or any computer software so as to be able correctly to recognise save retain manipulate interpret or process any date after December 31st 1999 where such computer or other property is unable to do so at the time of any Damage insured by this Policy

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 Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this Policy not been effected.

8 Computer Virus and Hacking (not applicable to Sections 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 the property of the Insured 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 therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances the acts of malicious persons (including the acts of thieves but excluding the acts of malicious persons which do not involve physical force or violence) storm flood escape of water or oil from any tank apparatus or pipe sprinkler leakage or 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 the property of the Insured or not

Section 1: Material Damage All Risks

In the event of any of the property insured or Covered Engineering Equipment suffering accidental Damage or Engineering Damage at the Premises 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

The Buildings

- a** Structures 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.

Tenants' Improvements

Structural fixtures and fittings the property of the Insured as occupier of the Premises.

Stock in Trade

Stock in trade items incidental to the Business (not being Motor Vehicles) the property of the Insured or held in trust or on commission for which the Insured is responsible including retail stock of cigarettes tobacco cigars vehicle audio equipment videos and/or clothing not exceeding a maximum of £2,500 in all unless otherwise stated in the Schedule.

Covered Engineering Equipment

Property Insured built to operate under vacuum or pressure, other than weight of contents, or used for the generation, transmission or utilization of energy.

Excluding:

- a** structure, foundation, masonry, brickwork, cabinet, compartment or air supported structure or building;
- b** insulating or refractory material;
- c** sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system;
- d** water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
- e** vehicle, aircraft, floating vessel or any equipment mounted on such vehicle, aircraft or floating vessel;
- f** dragline, excavation or construction equipment;
- g** equipment manufactured by the Insured for sale; or
- h** tools, dies, cutting edges, crushing surfaces, trailing cables, non metallic linings, driving belts or bands or any part requiring periodic renewal.

Plant, Machinery, Trade Fixtures

- a** Machinery plant fixtures fittings tools and other trade equipment including fixed fuel installations and their storage tanks
- b** vending machines (but not contents and/or cash therein)
- c** all office equipment and other contents
- d** patterns models moulds plans and designs
- e** documents manuscripts and business books but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up and not for the value to the Insured of the information contained therein
- f** directors' partners' visitors' and Employees' personal effects in so far they are not otherwise insured for an amount not exceeding £1,000 per person

all the property of the Insured or held by them in trust for which they are responsible BUT excluding Motor Vehicles Portable Hand Tools Electronic Business Machines Computers and Software.

Portable Hand Tools

Portable hand tools the property of the Insured and/or belonging to Employees and for which the Insured has accepted responsibility and not more specifically insured - maximum value any one tool £750.

Electronic Business Machines Computers and Software

Electronic business machines computers and software the property of the Insured or for which the Insured is responsible and in addition up to a limit of £50,000 computer systems records but only for the value of the material together with reproduction costs including the cost of gathering information but excluding the value to the Insured of the information.

Insured's Vehicles

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

Customers' Vehicles

Any Motor Vehicle held in the custody or control of the Insured (not being vehicles temporarily on site for fuel sales or similar passing trade) for which the Insured has accepted responsibility.

Customers' Goods

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

Rent

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

Extensions

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

A Professional Fees

The insurance by each item on Buildings Tenants' Improvements and Plant Machinery and Trade Fixtures includes an amount for architects' surveyors' consulting engineers' and legal fees necessarily and reasonably incurred in the reinstatement or repair of the property consequent on its Damage 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 Tenants Improvements and Plant Machinery and Trade Fixtures extends to include the additional cost of reinstatement of any Damage to the property insured 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 in respect of this Extension shall not exceed
 - i** in respect of the Damaged property 15% of its sum insured
 - ii** in respect of undamaged portions of the property (other than foundations) 15% of the total amount for which the Company would have been liable had the property been wholly destroyed
- d** 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 Damage to Framework (Glass)

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

E Underground Services

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 (not otherwise excluded) at the Premises.

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 Tenants Improvements and Plant Machinery and Trade Fixtures 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 £250,000 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 Tenants Improvements Plant Machinery Trade Fixtures and Stock 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 Plant and 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 other than Stock will in no case exceed the Sum Insured for that item. In respect of any item applying wholly or in part to Stock the liability of the Company shall be limited to 10% of the item sum insured but not exceeding £10,000

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** The Insurance for each item of property other than Stock in Trade Insured's Vehicles and Customers' Vehicles is covered whilst such property is temporarily removed from the Premises for the purposes of cleaning renovation repair or other similar purposes to any other premises within the United Kingdom or in transit by road rail or inland waterway

Provided that the maximum liability of the Company hereunder in respect of any one incident of Damage shall not exceed 15% of the sum insured on each Item and in the case of documents manuscripts plans and the like 15% of the total value thereof.

- b** The cover in respect of Plant Machinery Trade Fixtures and Stock in Trade is also extended to include property as therein defined 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 property is transferred, or in the aggregate 15% of the sum insured by the said items or £50,000 whichever is the less in respect of any such transfers at any one time

Both (a) and (b) above are subject to

- i** such property not being more specifically insured
- ii** the Excess applying under this Section.

P Temporary Removal (Motor Vehicles)

The Insurance for Insured's Vehicles and Customers' Vehicles extend to include Damage (not otherwise excluded) whilst such property is temporarily removed from the Premises for the purposes of cleaning renovation repair or other similar purposes to any other premises within the United Kingdom

Provided that the maximum liability of the Company hereunder shall not exceed £25,000 any one incident of Damage.

Q 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.

R 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.

S 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. For the purposes of this insurance the value of all goods to which this Extension could apply in the event of Damage will be ascertained similarly.

T Trace and Access

In the event of Damage resulting from Escape of Water or Oil (as insured herein) 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.

U New Vehicle Concession Insured's Own Vehicles

If within one year of registration as new any Motor Vehicle owned or registered in the Insured's name and insured for Damage is

- a** lost by theft and not recovered
or
- b** Damaged to the extent that the cost of repairs will exceed 60% of the manufacturer's recommended retail price plus taxes immediately prior to such Damage and the claim is settled as a total loss

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

Provided that

- i** the Insured requests it
- ii** such a replacement is available
- iii** the total payment will be limited to a maximum of £5,000 above the amount which would otherwise have been payable under this Section had this Extension not been incorporated

V Vehicles Held for Sale

If a new Motor Vehicle held for sale by the Insured is Damaged to the extent that it necessitates

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

the Company will consider such discount as forming part of the claim

Provided that

- i** the Company has agreed the level of discount necessary to effect the sale
and
- ii** the total payment will be limited to a maximum of £5,000 per vehicle

W Loss of Use (Customers' Vehicles)

Costs or expenses incurred by any customer with the Company's written consent in being deprived of the use of a Motor Vehicle following such vehicle's Damage at the Premises and within the terms and conditions of this Section but only during a reasonable period necessary to allow for repair or replacement thereof

Provided that the maximum liability of the Company hereunder shall not exceed £2,000 any one incident of Damage.

X Seasonal Increase (Insured's Vehicles)

The sum insured in respect of Insured's Vehicles is increased by 25% during the following periods:

- a** 14th February to 15th March
- b** 15th August to 15th September

Y Depreciation in Value (Stolen New Motor Vehicles)

If a new Motor Vehicle held for sale by the Insured is stolen but recovered undamaged and necessitates

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

the Company will pay the value of such discount

Provided that

- i** the Company has agreed the level of discount necessary to effect the sale
and
- ii** the total payment will be limited to a maximum of £1,000 or 10% of the new Motor vehicle value whichever is the less

Z Contamination by a Hazardous Substance

In the event of Engineering Damage to Covered Engineering Equipment We will pay for the additional cost to repair replace clean up or dispose of Covered Engineering Equipment due to contamination by a Hazardous Substance

Additional costs means those beyond those which would have been incurred had no Hazardous Substance been involved.

We shall not be liable for more than £6,000 for damage under this Extension including any loss of Gross Income.

AA Electronic Business Machines Computers and Software

The insurance by this Section is extended to include Engineering Damage to electronic business machines computers and software

We shall not be liable for more than £50,000 for Damage under this Extension including any loss of Gross Income.

AB Expediting Expenses

In the event of Engineering Damage to Covered Engineering Equipment We will pay for the reasonable cost of effecting temporary repairs and expedite permanent repairs or permanent replacement.

We shall not be liable for more than £15,000 for Damage under this Extension.

AC Perishable Goods

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

- a** breakdown or failure of the installation which means sudden stoppage of refrigeration process by reason of inherent fault or accidental means
- b** escape of refrigerant or refrigeration fumes
- c** accidental failure of the public electricity supply,

We will pay up to but in no case exceeding £15,000

We shall not be liable under this Extension for:

- 1** loss caused by wear tear deterioration of the cabinet or other gradually operating cause
- 2** loss occurring in any refrigeration unit which is older than 5 years when this insurance commences unless there is in force in respect of such refrigeration unit a maintenance or service agreement either with the manufacturers or suppliers thereof or an approved firm of refrigeration engineers
- 3** loss caused by incorrect setting of thermostats or automatic controlling devices
- 4** any consequential loss
- 5** loss arising from the deliberate act of the public electricity supply authority or the exercise of its power to withhold or restrict supply or from strikes or industrial disputes
- 6** Damage insured by any other Section or Policy.

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

In the event of property other than Stock in Trade insured by this Section being lost destroyed or damaged the basis upon which the amount payable under such items is to be calculated shall be the cost of Reinstatement subject to the Provisions set out below.

"Reinstatement" means

A the rebuilding or replacement of property lost or destroyed

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

2 Reinstatement may be carried out at another site and in any manner suitable to the Insured subject to the liability of the Company not being increased as a result.

3 In the event of partial Damage to property insured the Company's liability for any loss shall not exceed the cost which would have been incurred had such property been totally destroyed.

4 Each item insured under this Clause is declared to be separately subject to the following Condition of Average:

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

3 Workmen

Workmen are allowed in and about any of the within described Premises for the purpose of making new erections or alterations repair decoration plant installation 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.

Conditions Precedent

The following Conditions Precedent apply to this section.

1 Theft Protections

It is a condition precedent to the liability of the Company that all fastenings and protections on the Premises 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.

2 Motor Vehicles in the Open

All Motor Vehicles in the open after Business Hours (plus Insured's Vehicles displayed for retail sale purposes and Customers' Vehicles during Business Hours) must be securely locked and all windows and similar openings tightly closed with the ignition key removed therefrom to within the Premises and kept in a place of safety out of sight from the public.

Excess

The Company shall not be liable for the first amount of each and every claim hereunder as stated at A in Section 1 of the Schedule but in respect of damage caused by theft malicious persons or vandals of or to any property insured in the open after Business hours the amount for which the Company shall not be liable is increased to the amount stated at B in Section 1 of the Schedule.

Average

Each item of property insured by this Section (other than Customers' Vehicles and Customers' Goods) is similarly but separately Subject to Average as defined in the General Definitions.

Index Linking

The Sums Insured in respect of Buildings Tenants Improvements Stock in Trade Plant Machinery Trade Fixtures Portable Hand Tools Electronic Business Machines Computers and Software Insured's Vehicles Customers' Vehicles Customers' Goods and Rent are subject to Index Linking as defined in the General Definitions.

Exclusions

The Company shall not be liable under this Section for Damage to any property insured arising out of or attributable to:

- 1 subsidence heave or landslip or normal settling cracking shrinkage or expansion of the Buildings or the site or any parts thereof on which the buildings stand
- 2 wear tear gradual deterioration erosion mildew damp wet or dry rot frost changes to water table level rust corrosion moth insect vermin
- 3 inherent vice defect evaporation shrinkage loss of weight contamination fermentation leakage action of light change of colour texture or flavour
- 4 collapse resulting from errors in design errors in processing faulty workmanship or faulty materials except for Damage to other property insured resulting from such collapse
- 5 loss of market loss of use monetary devaluation or any other consequential loss (other than that provided under Extension W of this Section)
- 6 theft of moveable property (other than Motor Vehicles) after Business Hours from the open yards and forecourts of the Premises and any buildings thereon which are incapable of being locked

- 7** infidelity or dishonesty of the Insured or any Employee or other person to whom any property insured may be entrusted but this Exclusion shall not apply to Damage by theft or any attempt by or in collusion with any Employee or other person lawfully on the Premises but Exclusion 6 shall apply notwithstanding
- 8** theft malicious act vandalism escape of water or oil from any water or heating installation occurring whilst the Premises are left vacant or become disused

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

- 9** defective workmanship or Damage to any property insured sustained whilst it is actually being worked upon and directly resulting from such work but this Exclusion shall not apply to Damage by fire or explosion to Insured's Vehicles
- 10** unexplained losses shortages due to error or omission losses discovered at times of normal stocktaking or making an inventory loss resulting from the Insured voluntarily parting with title or possession of any property if induced to do so by deception
- 11** Damage (other than Damage by fire resulting from explosion) occasioned by the bursting 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 nor Damage to vessels machinery or apparatus or their contents resulting from the explosion thereof (other than in respect of Engineering Damage).
- 12** mechanical derangement or breakdown of any plant and machinery (other than in respect of Engineering Damage).
- 13** 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 (other than in respect of Engineering Damage) 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
- 14** Damage to fixed glass or sanitaryware
 - a** which occurs during installation or removal
 - b** which was cracked or fractured prior to the inception of this insurance
- 15** electrical or magnetic injury disturbance or erasure of electronic records other than by lightning
- 16** money of every description or other negotiable currency securities stamps deeds bonds bills of exchange promissory notes jewellery precious stones and metals bullion gold and silver articles or furs
- 17** frost damage to Buildings (other than to internal plumbing installations provided the Premises are not vacant or have become disused).
- 18** a hydrostatic, pneumatic, or gas pressure test of any boiler or pressure vessel; or an insulation breakdown test of any type of electrical equipment.
- 19** damage to any electronic business machines computers and software caused by Engineering Damage to that equipment unless the Insured has a maintenance agreement in force with the manufacturer or other approved company providing for:
 - a** free repairs to or replacement of the equipment following Engineering Damage caused by any internal cause other than the negligence of the Insured; and
 - b** prevenative maintenance or adjustment of mechanical or moving parts.
- 20** loss or damage recoverable under the maintenance agreement or any condition or guarantee, or which would be recoverable but for breach of the Insured's obligations under the agreement.

Section 2: Business Interruption

If Damage by any cause insured under Section 1 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

- 1 133.33% of the Estimated Gross Profit or Estimated Gross Revenue or Estimated Gross Rentals shown in the Schedule and
- 2 100.00% of the Sum Insured shown in the Schedule for Increase in Cost of Working, Outstanding Debit Balances or any other Item insured hereunder.
- 3 £30,000 in the aggregate in respect of Engineering Damage.

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.

Gross Profit

The amount by which

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

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

- Uninsured Working Expenses**
- 1 Purchases (net of discounts)
 - 2 Bad debts
 - 3 Packaging carriage and freight
 - 4 Discounts Allowed

Estimated Gross Profit

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

Turnover

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

Gross Revenue

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

Estimated Gross Revenue

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

Gross Rentals

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

Estimated Gross Rentals

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

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.

Rate of Gross Profit

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

Standard Turnover

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

Standard Gross Revenue

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

Standard Gross Rentals

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

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

Outstanding Debit Balances

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

- a** bad debts
- b** bank 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

Estimated Gross Profit (Declaration Linked Basis)

The insurance in respect of Estimated Gross Profit is limited to loss of Gross Profit due to (a) REDUCTION IN TURNOVER and (b) INCREASE IN COST OF WORKING and the amount payable as indemnity thereunder shall be:

- a** In respect of REDUCTION IN TURNOVER: the sum produced by applying the rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the Damage fall short of the Standard Turnover
- b** In respect of INCREASE IN COST OF WORKING: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided

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

Estimated Gross Revenue (Declaration Linked Basis)

The insurance in respect of Estimated Gross Revenue is limited to loss of Gross Revenue due to (a) REDUCTION IN GROSS REVENUE and (b) INCREASE IN COST OF WORKING and the amount payable as indemnity thereunder shall be:

- a** In respect of REDUCTION IN GROSS REVENUE: the amount by which the Gross Revenue during the Indemnity Period shall in consequence of the Damage fall short of the Standard Gross Revenue
- b** In respect of INCREASE IN COST OF WORKING: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction thereby avoided

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

Estimated Gross Rentals (Declaration Linked Basis)

The insurance in respect of Estimated Gross Rentals is limited to loss of Gross Rentals due to (a) LOSS OF GROSS RENTALS and (b) INCREASE IN COST OF WORKING and the amount payable as indemnity thereunder shall be:

- a** In respect of LOSS OF GROSS RENTALS: the amount by which the Gross Rentals during the Indemnity Period shall in consequence of the Damage fall short of the Standard Gross Rentals
- b** In respect of INCREASE IN COST OF WORKING: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Rentals which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction thereby avoided

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

Increase in Cost of Working

The insurance in respect of Increase in Cost of Working (where insured as a separate item) is limited to the additional expenditure reasonably incurred in order to minimise any interruption or interference with the Business during the Indemnity Period.

Cost of Document Replacement

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

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 if the Sum Insured be less than the Outstanding Debit Balances the amount payable shall be proportionately reduced.

Professional Accountants Charges

Where insurance is arranged on Estimated Gross Profit Gross Revenue or Gross Rentals or Outstanding Debit Balances 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 provided that the Company's liability shall not exceed in total the Sum Insured for Estimated Gross Profit Gross Revenue or Gross Rentals or Outstanding Debit Balances (whichever is applicable) shown in the Schedule.

Condition Precedent (applicable to Outstanding Debit Balances only)

It is a condition precedent to the liability of the Company that the Insured's books of account or other business books or records in which Customers Accounts are shown shall be kept in fire resisting cabinets when not in use.

Index Linking

The Sums Insured in respect of Estimated Gross Profit Gross Revenue or Gross Rentals and Outstanding Debit Balances are subject to Index Linking as defined in the General Definitions.

Clauses

1 Departmental

If the Business be conducted in departments the independent trading results of which are ascertainable the provisions of Clauses (a) and (b) of the Estimated Gross Profit Gross Revenue or Gross Rentals items shall apply separately to each department affected by the Damage.

2 Payments on Account

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

3 Accumulated Stocks

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

4 Renewal Clause (applicable to Estimated Gross Profit Estimated Gross Revenue or Estimated Gross Rentals)

The Insured shall prior to each renewal furnish the Company with the Estimated Gross Profit Estimated Gross Revenue or Estimated Gross Rentals for the financial year most nearly concurrent with the ensuing year of insurance.

5 Standing Charges (applicable to Estimated Gross Profit)

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

6 Premium Adjustment Clause (applicable to Estimated Gross Profit Gross Revenue or Gross Rentals)

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

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

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

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

- a** is less than the Estimated Gross Profit Gross Revenue or Gross Rentals for the relative Period of Insurance the Company will allow a pro rata return of the premium paid but not exceeding one half of such premium
- b** is greater than the Estimated Gross Profit Gross Revenue or Gross Rentals for the relative Period of Insurance the Insured shall pay a pro rata addition to the premium paid.

7 Monthly Records (applicable to Outstanding Debit Balances)

The Insured shall at the end of each month record the total amount of debit balances outstanding as set out in Customers Accounts at that date and such record shall be kept at a place other than the Insured's own premises.

If the recorded amount exceeds the Sum Insured applicable at the date of such record then for the purposes of this Clause only the Insured shall be deemed to have recorded such Sum Insured.

8 Reinstatement of Losses

Unless written notice to the contrary 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.

9 Alternative Trading

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

Extensions

Cover provided by this Section is extended to include loss of Gross Profit or Gross Revenue following interruption of the Business as a result of:

A Unspecified Suppliers – Vehicles and Components

Accidental Damage (not otherwise excluded) to property at the premises of any:

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

all situate in Great Britain Northern Ireland or in any other member country of the European Union from which the Insured obtains regular supplies of Motor Vehicles components and accessories up to a limit of 25% of the Sum Insured.

B Unspecified Suppliers – Fuel

Accidental Damage (not otherwise excluded) to property at the premises of any company or supplier situate in Great Britain Northern Ireland or in any other member country of the European Union from which the Insured obtains regular supplies of motor fuels up to a limit of 15% of the Sum Insured.

C Unspecified Customers

Accidental Damage (not otherwise excluded) at the premises of any of the Insured's customers in Great Britain The Channel Islands Isle of Man or Northern Ireland with whom at the time of the Damage the Insured had agreed under contract or trading relationship to supply goods or services up to a limit of 15% of the Sum Insured.

D Storage Sites

Accidental Damage (not otherwise excluded) to the Insured's Vehicles whilst stored in any premises in Great Britain The Channel Islands Isle of Man or Northern Ireland not occupied or owned by the Insured up to a limit of 15% of the Sum Insured.

E Goods in Transit

Accidental Damage (not otherwise excluded) to property of the Insured whilst in transit anywhere in Great Britain The Channel Islands Isle of Man or Northern Ireland up to a limit of 5% of the Sum Insured.

F Closure

- 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 the use of the Premises is restricted on the order or advice of a competent authority.

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

G Public Utilities

Accidental Damage (not otherwise excluded) 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 all in Great Britain or Northern Ireland.

H Accidental Failure of Public Supply

Accidental total or partial failure of the public supply of:

- a** electricity at the terminal point of the supply undertaking's service feed to the Premises
- b** gas at the supply undertaking's meters at the Premises
- c** water at the supply undertaking's main stop cock serving the Premises
- d** fixed effluent system from the Premises (outside the control and responsibility of the Insured)

provided that the Company shall not be liable for:

- i** any failure resulting from the Insured's wilful act or neglect
- ii** a deliberate act of the supply undertaking unless for the sole purpose of safeguarding life or protecting any part of the supply undertaking system
- iii** a scheme of rationing unless solely necessitated by accidental Damage to the supply undertaking's generating or supply equipment
- iv** any industrial action or drought
- v** any failure which does not involve a cessation of supply for at least 30 consecutive minutes.

I Denial of Access

Accidental Damage (not otherwise excluded) 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.

NOTE: Extensions A, B, C, G and H shall not apply in respect of Loss of Gross Profit following interruption of the Business as a result of Engineering Damage.

Section 3: Goods In Transit

In the event of accidental Damage to Property In Transit 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

Stock in Trade Components Tools and Vehicles in Transit used in connection with the Business belonging to or the responsibility of the Insured.

In Transit

Property in transit

- a** from the moment the Property is being loaded by the Insured or anyone on his behalf into or on any Motor Vehicle belonging to or in the custody or control of the Insured
- b** whilst in the course of its journey on such vehicle to or from any destination within the Territorial Limits
- c** whilst unloading by the Insured or anyone on his behalf and until placed at the premises.

Components

Components parts tyres batteries and all other accessories relevant to Motor Vehicles belonging to or for which the Insured is responsible.

Tools

Tools equipment and other moveable Plant and Machinery incidental to the Business belonging to or for which the Insured is responsible.

Vehicles in Transit

Motor Vehicles being transported by the Insured on a vehicle constructed for the purpose but designed to carry a maximum of two such vehicles at any one time.

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.

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 or combination of loads 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 A in Section 3 of the Schedule.

Average

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

Condition Precedent

It is a condition precedent to the liability of the Company in respect of Property in Transit 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	Measures to Apply
a Between the hours of 6am and 9pm	1
b Between the hours of 9pm and 6am	1 and 2

The Security Measures

- 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.
- 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.

Special Condition

- 1 The Insured shall keep their motor vehicles in a good state of repair and in efficient roadworthy condition.

Extensions

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

A Packing Materials

Damage to packing materials protective sheeting ropes chains and toggles belonging to the Insured while being carried on the vehicle

B Transfer Costs

the additional costs necessarily incurred in transferring Property to another vehicle and carrying to original destination consequent upon fire or overturning or collision of the conveying vehicle subject to a limit of £2,500 any one loss

C Reloading Costs

the additional costs necessarily incurred in reloading any Property In Transit which has fallen from the conveying vehicle subject to a limit of £2,500 any one loss

D Debris Removal Cost

the additional costs necessarily incurred in removing debris consequent upon Damage to the Property In Transit subject to a limit of £2,500 any one loss

E Drivers Personal Effects

Damage to personal effects belonging to the driver and/or attendant whilst carried in any vehicle which is conveying Property In Transit up to an amount not exceeding £500 per person

F Customers' Goods

Damage to Customers' Goods whilst carried in any vehicle which is conveying Property In Transit up to an amount not exceeding £500 in respect of any one claim

G Substitute Vehicle

Damage to Property In Transit arising out of the use of any vehicle substituted by the Insured whilst their own vehicle is undergoing service or repair up to an amount not exceeding the Sum Insured applicable to the vehicle undergoing service or repair.

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

1 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.

2 Bank Night Safe

In a bank night safe.

3 Premises During Business Hours

In the Premises during Business Hours.

4 Premises Outside Business Hours In Safe

In a locked safe (details of which are lodged with the Company) in an enclosed building at the Premises outside Business Hours.

5 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.

6 Fuel Sales Staff

In the custody of fuel sales Employees during night-time at the Premises i.e. after 8pm until closing or until normal opening the next day (whichever is the earlier).

7 Private Dwellings

In the private dwelling of the Insured or any authorised Employee of the Insured.

8 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:

A Damage to Safes

Damage to

- a any safe strongroom 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

B 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.

C Credit Cards

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

D Vehicle Excise Licenses (Tax Discs)

Damage to unused vehicle excise licenses (tax discs) for which the Insured is responsible up to an amount not exceeding £2,000 any one loss unless stated otherwise in the Schedule.

Conditions Precedent

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

1 Money Records

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

2 Safe Keys

safe keys be removed from the Premises outside Business Hours

3 Safes

details of the safes used for containing Money be lodged with the Company

4 Cash Tills

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

5 Transit Limits

Money (other than Non-Negotiable Currency) in transit be accompanied by the following numbers of persons between the ages of 16 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.

Special Conditions

- 1** Endorsement B (Intruder Alarm Condition) if operative under Section 1 of this Policy is operative in like manner under this Section.
- 2** The Insured shall take all reasonable care in the selection and supervision of Employees

Exclusions

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

- 1** arising from fraud or dishonesty of any partner director or employee of the Insured and not discovered within fourteen working days of the occurrence of the loss
- 2** insured by a fidelity guarantee insurance except for any excess beyond the amount recoverable thereunder
- 3** from unattended motor vehicles
- 4** arising from the use of any form of payment which proves to be counterfeit false fraudulent invalid uncollectable or irrecoverable for any reason
- 5** occurring outside the United Kingdom or the Republic of Ireland
- 6** due to errors omissions depreciation in value loss of market or consequential loss of any kind.

Section 5: Wrongful Conversion

The Company will indemnify the Insured in the event of any Motor Vehicle purchased by the Insured in the United Kingdom in connection with the Business of which there is a breach of implied warranty of title in that:

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

the Company will pay the Insured up to the Maximum Amount in any one Period of insurance stated in the Schedule

Provided that

- a all payments for vehicles purchased or allowances for part exchange shall be settled by cheque or credit against the new purchase
- b no payment must be made until H P Information Ltd confirm the vehicle is not the subject of hire purchase interest. Such confirmation in writing will be required by the Company in the event of a claim.

Excess

The Company shall not be liable for 20% of each and every claim under this Section.

Section 6: 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 65 years.

Injury

Accidental bodily injury caused solely and directly by violence occurring during theft or attempted theft 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 a sum of £500.

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.

Extension

1 Victim Support

If as a result of the theft or attempt thereof of Money or other Non Negotiable Currency the Insured Person shall suffer social and/or emotional impairment following assault or violence or threat thereof the Company shall pay the fees for professional counselling but not exceeding:

- a** any hourly cost of more than £40
- b** £1,000 for any Insured Person in respect of any one incident
- c** £5,000 in total of all Insured Persons in respect of any one incident

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

1 Pre Existing Conditions

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

Sections 7 & 8: Employers Liability & Public Liability

The Company will subject to the Indemnity Limits stated in Sections 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 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 craft or thing made or intended to float on or in or travel through water air or space.

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 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.

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 Section 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 7 and 8 will only apply if the Company retains sole conduct and control of any claim.

3 Actions Brought Elsewhere in the World

In respect of legal liability arising in any country not a member of the European Union or any action for damages brought there or if any subsequent action is brought elsewhere in the world the Indemnity Limit stated in the Schedule shall be the maximum payable by the Company inclusive of all costs and expenses.

Section 7: 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 Acts 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.

Section 8: 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.

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 sold supplied installed or erected by or on behalf of the Insured
- 2 Damage to Property sustained while it is being worked upon and directly resulting from such work
- 3 liability arising from advice design formula or specification provided by or on behalf of the Insured for a fee or in circumstances where a fee would normally be charged
- 4 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
- 5 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 including vehicles or their contents or any premises (including contents) which are temporarily occupied by the Insured for the purpose of work in connection with the Business (not being buildings which are owned by or leased rented or hired to the Insured)
- 6 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 Businessbut 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

- 7 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
- 8 liquidated damages fines or penalties
- 9 punitive exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages
- 10 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
- 11 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
- 12 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.

- a **Blow Lamps or Blow Torches**
 - i The area in which the equipment is to be used is cleared of loose combustible material
 - ii lighted blow lamps or blow torches are continuously attended and extinguished immediately after use
 - iii blow lamps are filled only in the open
 - iv a suitable multi-purpose fire extinguisher is kept available for immediate use within close proximity of the area in which the equipment is to be used
 - v a thorough examination is made in and about the area in which the work has been undertaken immediately after each period of work and again between 30 and 60 minutes after termination of such work for the day.

b Welding or Flame Cutting Equipment

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

Extensions applicable to Sections 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 Cross Liabilities

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

C Health and Safety at Work etc. Act 1974

The Company will indemnify the Insured and at the Insured's request any director 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

Provided that this indemnity shall not apply to the payment of fines or penalties.

D Indemnity to Principals

The Company will at the request of the Insured indemnify any principal to the extent required by 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 Section in so far as they can apply.

Extension applicable to Section 7 only

E 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.

F 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.

Extensions applicable to Section 8 only

G Leased or Rented Premises

Exclusion 5 of Section 8 shall not apply to liability for accidental Damage to any premises (including their fixtures and fittings) leased rented or hired to the Insured

- a Damage by any cause against which the lease or tenancy agreement stipulates that insurance shall be effected by the lessee or tenant
- b the amount of the Excess stated in the Schedule.

H Defective Premises Act 1972

The Company will indemnify the Insured under Section 8 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 Member to Member Liability

Section 8 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.

J Overseas Personal Liability

Section 8 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.

K 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.

L Work Overseas

The Indemnity provided shall extend to apply:

- a** within any member country of the European Union outside of 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.

Optional Extension

The following extension is only operative if specifically mentioned in Section 7 of the Schedule.

A Injuries to Working Partners

In respect of Bodily Injury sustained by any working partner named in the Schedule the Company will deem such partner to be an Employee provided that the Company shall only be liable under this Extension where:

- a** the injury is sustained whilst such partner is working in connection with the Business
- b** the injury is caused by the negligence of another partner or Employee whilst working in the Business.

Section 9: Defective Workmanship/Sales Indemnity

The Company will subject to the Indemnity Limit stated in Section 9 indemnify the Insured in respect of the Contingencies stated below 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 below
- 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

Anywhere in the world excluding any premises occupied or owned by the Insured which are not mentioned in the Schedule.

Contingencies

- a** The repair servicing or maintenance of any Motor Vehicle including the supply of parts components or accessories relevant to such work
- b** the examination of Motor Vehicles in accordance with the Motor Vehicles (Tests) Regulations
- c** the pre-delivery check of new vehicles as required by the manufacturers and the fitting of additional accessories to them
- d** the sale of Motor Vehicles or any other goods (including any containers) relevant to the Business.

Pollution or Contamination

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

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 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.

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

Occurrences

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

occurring anywhere within the Territorial Limits during the Period of Insurance and caused by any Contingencies performed effected sold or supplied by the Insured in or from Great Britain Northern Ireland the Channel Islands or the Isle of Man in connection with the Business.

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.

Special Conditions

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

Where indemnity is provided 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

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

3 Actions Brought Elsewhere in the World

In respect of legal liability arising in any country not a member of the European Union or any action for damages brought there or if any subsequent action is brought elsewhere in the world the Indemnity Limit stated in the Schedule shall be the maximum payable by the Company inclusive of all costs and expenses.

Exclusions

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

- 1** any claim arising whilst any Motor Vehicle is being driven by or on behalf of the Insured
- 2** the cost of repair reinstatement or rectification of the original repair servicing or maintenance work by or on behalf of the Insured which give(s) rise to a claim hereunder
- 3** the cost of repair alteration replacement removal or recall of
 - a** any Motor Vehicle other than in respect of Damage to such Motor Vehicle arising as a direct result of the activities described by Contingencies (a), (b) and/or (c) having been carried out by or on behalf of the Insured
 - b** any other products (including parts components and accessories) supplied by or on behalf of the Insured in connection with the Business which give(s) rise to a claim hereunder or any refund for such Motor Vehicle or products

- 4 liability arising from advice design formula or specification provided by or on behalf of the Insured for a fee or in circumstances where a fee would normally be charged
- 5 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
- 6 liability caused by or arising from Property in the Insured's charge or control
- 7 liquidated damages fines or penalties
- 8 punitive exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages
- 9 all 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
- 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 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.

Excess

The Company shall not be liable for the first amount of each and every claim under this Section in respect of Damage to customers' vehicles undergoing work shown as Excess A in Section 9 of the Schedule.

Extensions

A Merchantable Quality

Section 9 is extended to indemnify the Insured against legal liability for damages and claimants' costs and expenses in respect of any claim for financial loss first made against the Insured during the Period of Insurance

Provided that the liability of the Company in respect of all claims made against the Insured during any one Period of Insurance including costs and expenses incurred with the Company's consent in the defence and settlement of any claims shall not exceed the amount shown in the Schedule

Subject otherwise to the terms, exclusions and conditions of this Policy.

For the purpose of this Extension "financial loss" means a pecuniary loss, cost or expense incurred by any retail purchaser in connection with any Motor Vehicle or other product (including parts components and accessories) sold or supplied by the Insured or any Employee of the Insured in or from the United Kingdom in connection with the Business which is not of merchantable quality or reasonably fit for the purpose for which it is intended.

Exceptions to this Extension

The indemnity provided by this Extension shall not apply to

- i** financial loss resulting from Bodily Injury, loss or damage to property
- ii** liability which attaches to the Insured by reason of an express term of contract unless liability would have attached to the Insured in the absence of such term
- iii** the cost of repair, alteration, replacement, removal or recall of any products (including parts components and accessories) by or on behalf of the Insured
- iv** liability arising from any professional act, error, omission or advice
- v** products sold or supplied which to the knowledge of the Insured are exported to the United States of America and/or Canada and/or their dependencies or trust territories unless agreed otherwise by the Company
- vi** claims which arise out of any circumstances notified to previous insurers or circumstances known to the Insured at the inception of this Extension which may give rise to a claim for financial loss
- vii** the first amount of each and every claim shown as Excess B in Section 9 of the Schedule.

Special provision applicable to this Extension

If during the currency of this Policy the Insured become aware of any circumstances which may be likely to give rise to a claim falling under this Extension and the Insured give written notice to the Company of such circumstances during the Period of Insurance any claim which may subsequently be made against the Insured arising out of the circumstances of which notification has been given shall be deemed to be a claim arising during the period of this Policy whenever such claim may actually be made.

B Damage to Own Motor Vehicles

Section 9 is extended to indemnify the Insured against Damage to any Motor Vehicle belonging to or hired by the Insured occurring during the Period of Insurance in connection with the Business and caused by or arising from any of the activities described by Contingencies (a), (b) and/or (c) having been carried out by or on behalf of the Insured

Provided that the liability of the Company is limited to the amount stated in the Schedule in respect of all claims in any one Period of Insurance.

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

Exceptions to this Extension

The indemnity provided by this Extension shall not apply to

- i** any claim arising whilst any Motor Vehicle is being driven by or on behalf of the Insured
- ii** any Damage sustained whilst the Motor Vehicle is actually undergoing any of the activities described by Contingencies (a), (b) and/or (c)
- iii** any Damage caused by or arising from wear and tear, depreciation or mechanical or electrical breakdown or failure
- v** any amount in excess of the market value of the Motor Vehicle at the time the Damage occurs
- vi** the first amount of each and every claim shown as Excess C in Section 9 of the Schedule.

C 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

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 10: Engineering Inspection of Machinery and Plant

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

Definitions

Wherever the following terms appear in this Section or in the Schedule they shall be deemed to mean as stated below :

Statutory Plant

Boiler/Pressure Plant

Thorough Examination of all pressure systems, containing a relevant fluid, which require a Written Scheme of Examination under regulations 8 of The Pressure Systems Safety Regulations.

AND

Lifting/Handling Plant

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

All Other Plant

Electrical/Mechanical Plant

Visual inspection of motors/compressors contained within qualifying pressure systems under the Boiler/Pressure Plant schedule.

AND

Local Exhaust Ventilation Plant

Thorough Examination & Test of all systems used for the extraction of vehicle exhaust gases, solvent or paint fumes and brake lining dust as required by regulation 9 of The Control of Substances Hazardous to Health Regulations. (This excludes the Initial Appraisal or re-validation of such systems as may be required under HSG54).

Inspection Authority

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

Clauses

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 Statutory Plant or Any Other 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 Statutory Plant or Any Other 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 expense whether arising directly or indirectly due to the fact that the Statutory Plant or All Other 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 Statutory Plant or All Other 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.

Conditions Precedent

It is a Condition Precedent to the liability of the Company that:

- a** Statutory Plant and All Other Plant shall be maintained in good working order and that Government or other regulations relating to the condition operation or inspection of such Statutory Plant and All Other Plant shall be observed.
- b** Statutory Plant and All Other 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.

Section 11: Legal Expenses

Claims under this Section are administered and managed by DAS Legal Expenses Insurance Company on behalf of the Company.

Definitions

Annual Limit

The maximum the Company will pay for all claims arising under this Section in one Period of Insurance. The Annual Limit is £500,000

Attendance Expenses

Means the salary or wages of any Insured Person for the period the Insured Person is absent from work to attend at any court or tribunal hearing either:-

- a** as a witness on the Insured's behalf and at the request of the Professional Adviser in respect of a matter involving a valid claim under this Section
- b** as a party to the Proceedings and at the request of the Professional Adviser in respect of a matter involving a valid claim under this Section
- c** as a juror for each half or full day of such attendance and shall be calculated on the basis that:
 - i** the period of absence from work shall include the time taken to travel to and from the hearing
 - ii** the period of absence from work shall be calculated to the nearest half day, taking an eight hour day to be a whole day for this purpose and the maximum period for which a claim can be made in respect of any one day
 - iii** for full-time employees, one whole day's salary or wages equals 1/250th of the employee's annual salary or wages at the time of such attendance
 - iv** for part-time employees, the salary or wages for the period of absence from work shall bear the same proportion of their weekly salary or wages as the period of absence bears to their normal working week for the Insured
 - v** the maximum payable in respect of one eight hour period shall be £100 per person, £5,000 per Insured Event.

Awards of Compensation

Basic and compensatory awards made against the Insured Person under the legislation defined in the sections of cover by industrial tribunals, employment appeal tribunals or superior courts or settlements to which DAS have given previous approval.

The term does not include awards made under Ss.98 and 117 of the Employment Protection (Consolidation) Act 1978 as amended, nor does it include:

- a** settlement of Proceedings under the act
- b** pay awards
- c** redundancy payments
- d** notice entitlement
- e** pay in lieu of notice
- f** fines or penalties imposed by a court of criminal jurisdiction.

Awards of Pay

Awards made under S92 of the Employment Rights 1996 when an industrial tribunal declares the "written statement" to have been inadequate or untrue. It does not include awards made when the Insured Person have unreasonably refused to supply the "written statement".

Contributions Agency Investigation

An inspection of the Insured's PAYE and National Insurance records and returns by the Contributions Agency.

DAS

DAS Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Dismissal

Has the meaning given by Ss.95 and 96 of the Employment (Rights) Act 1996.

Geographical Limits

United Kingdom, Channel Islands or Isle of Man.

In-depth Investigation

The Inland Revenue system introduced in 1977 for examining accounts. It consists of a detailed examination of the latest accounts submitted to the Inland Revenue, involving inquiries into the records and underlying information from which they were taken.

Inland Revenue Enquiry

An enquiry into the Insured's returns of income or profit from a trade, profession or business commenced by the Inland Revenue under Section 9A, 11AB or 12AC of the Taxes Management Act 1970.

Insured Event

The incident or the start of a transaction or series of incidents which may lead to a claim or claims being made under the terms of this Section.

In employment disputes arising from a Dismissal, the Insured Event will be the effective date of termination of employment in respect of unfair, wrongful or constructive Dismissal Proceedings.

In accountancy matters the Insured Event is defined in the appropriate section.

For the purposes of the Limit, only one Insured Event will be regarded as having arisen from all causes or by actions, incidents or events which are related by cause or time.

Insured Person

The Insured and the directors, partners, managers and employees, of the Insured and any other individuals' declared to and accepted by the Company.

Limit

The maximum sum payable by the Company under a cover after calculating all Professional Costs and Expenses in respect of an Insured Event, subject to the Annual Limit.

Motor Vehicle

A road vehicle which is owned by or hired to the Insured and for which indemnity has been agreed in the Insured's current certificate of motor insurance and includes any trailer or caravan designed to be towed by that vehicle whilst it is attached to that vehicle.

PAYE Audit Inspection

An inspection of the Insured's PAYE and National Insurance records and returns of expenses payments by the PAYE Audit Unit of the Inland Revenue or a compliance visit by the Inland Revenue.

Period of Insurance

The period stated in the Schedule.

Proceedings

Civil, criminal, tribunal or arbitration Proceedings or appeals arising from them.

Professional Adviser

The solicitor, accountant or other appropriately qualified person, firm or company nominated to act for an Insured Person under the terms, definitions, conditions and exclusions of this Section.

Professional Costs and Expenses

Reasonable unrecovered fees, costs and disbursements properly and necessarily incurred by the Professional Adviser and any costs incurred by a third party, on the standard basis of any civil Proceedings, for which an Insured Person may be made liable by order of a court or by agreement.

Reinstatement/Re-Engagement Awards

Awards made against the Insured Person when an industrial tribunal, employment appeal tribunal or superior court makes an order for reinstatement or re-engagement under S113 of the Employment Rights Act 1996.

Statutory Licence

A licence issued under statute or statutory instrument or by government or local authority to the Insured where the licence is necessary to engage in the business or trade, including the Insured's operator's. Vehicle Inspectorate (MOT) Testing, HGV, PSV, Hackney Carriage, Road Service, Private Hire Car or Taxi Licence.

Value Added Tax (VAT) Dispute

A disagreement with H M Customs & Excise over the amount of VAT payable by the Insured.

Cover

Employment

What is insured

- a** Professional Costs and Expenses and Attendance Expenses incurred by the Insured Person:
 - i** in defending civil Proceedings under the following Acts and any amending legislation (“the Acts”):
 - Sex Discrimination Acts 1975 and 1986
 - Health and Safety at Work Act 1974
 - Race Relations Act 1976
 - Trade Union and Labour Relations (Consolidation) Act 1992
 - Fair Employment (Northern Ireland) Act 1976
 - Disability Discrimination Act 1995
 - Employment Rights Act 1996
 - ii** in defending any civil Proceedings for wrongful Dismissal made against the Insured by a former Employee or brought by an Employee or former Employee relating to his contract of employment with the Insured
- b** Compensation, Reinstatement/Re-Engagement Awards and pay awards made against the Insured Person, arising from any matter described here.

Limit

The maximum the Company will pay for any one claim is £50,000.

What is not insured

Any claim which is incurred by deliberately avoiding liability for a redundancy payment or for monies or benefits due under a contract of employment.

Any claim under Article 119 EEC treaty or under the Equal Pay Act 1970 and any amending legislation.

Protective awards as defined in S189(3) Trade Union and Labour Relations (Consolidation) Act 1992 or settlements in respect of such awards.

Redundancy Payments

Any claim arising from the Dismissal of any Employee unless the Dismissal is handled in accordance with the advice provided and procedures laid down by the legal helpline as described in the conditions to this Section.

Any claim arising where the Insured Event was within 30 days of the start of the first Period of Insurance, or within 180 days of the start of the first Period of Insurance, if the Employee was at that time subject to disciplinary Proceedings or any verbal or written warning.

Data Protection

What is insured

Professional Costs and Expenses and Attendance Expenses incurred by the Insured Person defending civil Proceedings arising under the Data Protection Act 1984 and appeals against:

- a** the refusal of the data protection registrar to register the Insured Person or alter the Insured Persons registered particulars
- b** any enforcement, de-registration or transfer prohibition notice served upon the Insured Person.

Limit

The maximum the Company will pay for any one claim is £50,000.

What is not insured

Claims arising where the Insured Person is required to be registered under the terms of Section 4 of the Data Protection Act 1984, but have not applied for registration.

Proceedings against the Insured Person alleging contempt of the data protection tribunal or registration.

Arising from failure to meet a request by a Data Protection Registrar for access to personal data.

Prosecution Defence for Employers

What is insured

Professional Costs and Expenses and Attendance Expenses incurred by the Insured Person arising from:

- a** any act or omission - or alleged act or omission - which leads to the Insured Persons prosecution in a court of criminal jurisdiction including motoring prosecutions.
- b** appeals by the Insured Person against the service of improvement and prohibition notices under the Health and Safety at Work Act 1974, before an industrial tribunal.

Limit

The maximum the Company will pay for one claim is £50,000.

What is not insured

Any claim arising from deliberate discrimination by the Insured Person amounting to an act of unlawful discrimination.

Fines or other penalties that the Insured Person is ordered to pay by a court of criminal jurisdiction.

Any claim arising from a prosecution of the Insured Person alleging:

- a** intentional obstruction of a person in the execution of a warrant issued under Schedule 4 of the Data Protection Act 1984 by the Insured Person
- b** the Insured Persons failure to give a person executing such a warrant the assistance as they reasonably require for its execution.

Prosecution Defence for Employees

What is insured

Professional Costs and Expenses and Attendance Expenses incurred by an Insured Person, concerning any matter arising out of the Insured Persons duties as an Employee arising from any act or omission, or alleged act or omission, which leads to the prosecution of the Employee in a court of criminal jurisdiction including motoring prosecutions.

Limit

The maximum the Company will pay for any one claim is £50,000.

What is not insured

Any claim arising from deliberate discrimination by an Insured Person amounting to an act of unlawful discrimination.

Fines or other penalties that the Insured Person are ordered to pay by a court of criminal jurisdiction.

Prosecutions of Employees for matters which do not relate to their duties as Employees.

Any claim arising from the prosecution of the Insured Person alleging:

- a** intentional obstruction by an Insured Person of a person in the execution of a warrant issued under Schedule 4 of the Data Protection Act 1984
- b** failure by an Insured Person to give a person executing such a warrant the assistance he reasonably requires for its execution.

Contract

What is insured

Professional Costs and Expenses and Attendance Expenses arising from any dispute between the Insured Person and a customer or supplier about a contract for the supply of goods or services entered into after the start of the first Period of Insurance and where at least £250 and no more than £3,000 is in dispute including disputes arising from the sale, lease, service, repair or test of a Motor Vehicle.

Limit

The maximum the Company will pay for any one claim is £50,000.

What is not insured

Any Insured Event which occurs within 90 days of the start of the first Period of Insurance.

The recovery of a debt from a customer where the customer does not dispute that the money is owed to the Insured Person.

Any dispute the Insured Person may have as a landlord or a tenant in connection with the lease or licence or tenancy agreement.

Professional negligence claims.

The defence of any matter which should be covered under a professional indemnity insurance

Property Protection

What is insured

Professional Costs and Expenses and Attendance Expenses incurred in pursuit of Proceedings against a third party, other than an Employee or former Employee of the Insured, following an act or omission relating to property owned by the Insured Person or in the Insured Persons care, custody or control which results in, or is likely to result in physical damage to that property and/or financial loss by the Insured Person.

Limit

The maximum the Company will pay for any one claim is £50,000.

What is not insured

Any claim arising from a contract made between the Insured Person and a third party other than a contract for the repair, renovation, reinstatement or decoration of real property.

Any claim arising from a lease or licence to occupy land or property and disputes relating to the occupation of land or property owned by the Insured Person, by a party or parties whose licence to occupy such property has been determined or revoked or which was never granted by or on the Insured Persons behalf.

Any claim involving:

- a** goods in transit
- b** goods hired
- c** goods lent to third parties
- d** goods at premises other than those occupied by the Insured Person, unless they are at the premises for the purpose of installation or use in work carried out by the Insured Person.

Any claim arising from an appeal against refusal of planning permission.

Tenancy Disputes

What is insured

Professional Costs and Expenses and Attendance Expenses incurred by the Insured Person in the pursuit or defence of Proceedings between the Insured Person and the Insured Persons landlord under the terms of the lease or tenancy agreement applying to the Insured Persons business premises.

Limit

The maximum the Company will pay for any one claim is £50,000.

What is not insured

Any claim arising from or relating to the amount, payment or non-payment of rent.

Any claim arising from or relating to the renewal of the lease or tenancy agreement.

Statutory Licence Protection

What is insured

Professional Costs and Expenses and Attendance Expenses incurred by the Insured arising from a hearing convened by the appropriate authority at which the Insured's operator's. Vehicle Inspectorate (MOT) Testing, HGV, PSV, Hackney Carriage, Road Service, Private Hire Car or Taxi Licence is liable to be revoked, curtailed, suspended or not renewed.

Limit

The maximum the Company will pay for any one claim is £50,000.

What is not insured

Any claim arising from an original application.

Tax Disputes

What is insured

Professional Costs and Expenses and Attendance Expenses incurred by the Insured Person and arising directly from:

- a** a VAT Dispute with H M Customs & Excise. The Insured Event, in respect of VAT Disputes, is the earliest of:
 - i** the date on which H M Custom & Excise requests a meeting with the Insured Person or enters the Insured Persons premises or expresses dissatisfaction with any of the Insured Persons VAT returns
 - ii** the time at which the Insured Person or the Insured Persons Professional Adviser was first aware, or could reasonably have been aware, that a VAT Dispute was likely to arise with H M Customs & Excise
 - iii** the date upon which the notice of assessment was served
- b** an In-depth Investigation of the Insured Persons accounts. The Insured Event, in respect of In-depth Investigations, will be the commencement of the investigation.
- c** an Inland Revenue Enquiry into the Insured Persons business accounts and records. The Insured Event, in respect of an Inland Revenue Enquiry shall be the receipt of a notice under Section 9A(i) or Section 11AB(i) or Section 12AC(i) of the Taxes Management Act 1970.
- d** a dispute with the Inland Revenue following a PAYE Audit Inspection. The Insured Event is the earliest of:-
 - i** the date the Inland Revenue expresses dissatisfaction with the amounts of PAYE or National Insurance Contributions paid or the returns of expenses payments made
or
 - ii** the date the Inland Revenue expresses dissatisfaction with the amounts of income tax paid by the Insured Person in respect of payments to subcontractors not in possession of s714 certificates
or
 - iii** the date the Inland Revenue commences an investigation into the accuracy of forms P9D or P11D or into the Insured Persons liability to pay additional tax because of alleged inaccuracies in such forms and indicates an intention to collect additional amounts of tax
- e** a dispute with the Department of Social Security or Contributions Agency following a Contributions Agency inspection.

What is not insured

Professional Costs and Expenses and Attendance Expenses incurred in dealing with routine matters.

Any claim where deliberate misstatements have been made in respect of accounts, returns or any other submissions made to the relevant authorities with intent to deceive.

Any claim where the Insured Person have failed to give the Insured Persons business status to the relevant authorities within a statutory period.

Any claim where a false representation has been made either knowingly or without belief in its truth and such representation has resulted in a misstatement of amounts due, expenses claimed, profits chargeable or losses allowable for tax or contributions purposes.

Professional Costs and Expenses incurred in respect of an investigation or enquiry by the Special Compliance Office or following the transfer of an enquiry to that office.

In respect of Inland Revenue enquiries only (C) the first £250, or 4 hours of chargeable time, whichever is the less, of the Professional Adviser's costs incurred in dealing with the enquiry.

Professional Costs and Expenses arising after the issue of a notice under Section 28A(5) of the Taxes Management Act 1970 notifying the Insured Person that the enquiry has been completed.

Professional Costs and Expenses incurred in respect of an amendment under Section 9(4) of the Taxes Management 1979 (“a repair”) or otherwise than wholly in connection with an Inland Revenue Enquiry into the Insured’s business profits. Where appropriate, Professional Adviser’s fees shall be apportioned.

Any claim involving tax or National Insurance contributions avoidance schemes.

Any claim where the Insured Persons have failed to maintain or submit accurate, truthful and up to date records and returns have failed to observe statutory time limits or requirements.

The Insured Event is the date on which the Contributions Agency expresses dissatisfaction with the amounts of National Insurance paid or the returns made and indicates an intention to collect additional amounts of contribution.

Limit

The maximum the Company will pay for any one claim is £25,000.

Conditions applicable to Tax Disputes

- a** The Insured Person must have maintained and must continue to maintain accurate, truthful and up to date records and make returns in accordance with statute and account conventions acceptable to H M Customs & Excise or Inland Revenue where applicable and have made all returns and payments except those which are disputed and provided information to these bodies where applicable.
- b** The Insured Person must contact the legal helpline as soon as possible on 0345 878 5024 after the Insured Event and comply with the advice given.
- c** The Insured Person or the Insured Persons Professional Adviser should notify DAS in writing of any invitation by H M Customs & Excise or by the Inland Revenue or the Contributions Agency to make an offer in settlement.
- d** In respect of In-depth Investigations the Insured Persons Professional Adviser must provide copies of relevant correspondence between the Inland Revenue, the Professional Adviser and the Insured Person, together with copies of the accounts and tax computations giving rise to the enquiry. If DAS dispute that an In-depth Investigation has commenced, the dispute shall be settled in accordance with the provisions of this cover.
- e** In respect of Inland Revenue enquiries the Insured Persons Professional Adviser must provide a copy of the Inland Revenue’s notice of enquiry and a copy of the return giving rise to the enquiry.

What is not insured

Exclusions applicable to all covers

The Company will not be liable for

War and similar risks

Any consequence of:

- a** war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, military or usurped power.
- b** confiscation, destruction, requisition, nationalisation or seizure by order of the Government or public authority.

Radioactivity

Any expense, directly or indirectly arising from:

- a** ionising radiation 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 nuclear assembly or nuclear component.

Costs and Expenses incurred

- a** Where the Insured Event had commenced or occurred before the first Period of Insurance.
- b** Where at, or prior to, the start of the first Period of Insurance, in Das' reasonable judgement, the Insured Person should have realised that a claim might occur.
- c** Prior to written confirmation from DAS that the claim has been accepted or Professional Costs and Expenses beyond those for which DAS have given the Company's prior approval in accordance with the terms and conditions of the cover.
- d** Where the Insured Person fail to instruct or give proper instructions to DAS or to the Professional Adviser.
- e** Where the Insured Person are responsible for anything which in DAS' reasonable opinion prejudices success in the prosecution, defence or settlement of the Proceedings.
- f** Where the Insured Person fail to provide evidence or information reasonably required by DAS to establish whether support can be provided under this cover.
- g** Where the Insured Person are responsible for anything which in DAS' reasonable opinion prejudices the Company's position in respect of the Proceedings.
- h** Where the Insured Event occurs outside of the Geographical Limits.

Claims

- a** Arising from any deliberate criminal act or omission by the Insured Person.
- b** Involving prosecutions which allege dishonesty or intentional violence.
- c** Notified to DAS more than 180 days after the Insured Event.
- d** For an application for a judicial review.
- e** Made by or against the Insured Person against or by DAS.
- f** Directly or indirectly caused by , contributed to or arising from:
 - i** subsidence or mining or quarrying activities
 - ii** patents, copyrights, trademarks, merchandise marks, service marks, registered designs, intellectual or artistic property, secrecy or confidentiality agreements (other than claims under employment cover) and passing off
 - iii** computer software except operating systems and packaged software that have not been tailored by the supplier to the customer's own requirements
 - iv** the malfunction or failure of any software, stored program, computer, device or system wholly or partly or attributable to a date based event whether occurring before, during or after the year 2000.
 - v** actual, planned or proposed works by or under the order of any government or public or local authority
 - vi** planning law including town and country planning legislation
 - vii** the construction of or structural alteration to buildings or parts of building
 - viii** libel or slander or malicious falsehood.
- g** Where the Insured Person act without DAS' consent or contrary to or in a manner different from DAS' advice or that of the Insured Persons Professional Adviser.
- h** Made under this cover which do not arise from and relate to the Insured Persons normal business as shown in the schedule.
- i** Relating to prosecutions arising out of deliberate discrimination amounting to an act of unlawful discrimination.
- j** Which are false or fraudulent.
- k** Involving a motor vehicle where at the time of the incident the driver (being the Insured) did not hold or was disqualified from holding or obtaining a licence to drive.
- l** Where the Insured's motor insurers repudiate the Insured's motor policy or refuse indemnity to the Insured.

Professional Costs and Expenses

What is not insured

- a** Incurred in avoidable correspondence
- b** which are recoverable from a court, tribunal or elsewhere
- c** incurred in respect of any claim where, but for the existence of this policy the Insured Person would be entitled to indemnity under any other policy or certificate or, but for a breach or alleged breach, by the Insured Person of the terms of the other policy or certificate.

Damages, interest, fines or other penalties which the Insured Person are ordered to pay unless provided for in this cover.

The costs of an appeal are excluded unless DAS have given the Company's prior written consent to such costs being incurred.

The fees of an expert witness without DAS approval being obtained for the appointment of the expert witness and to the amount of his fees.

Conditions

Cancellation

This cover may be cancelled at any time by either the Company or the Insured's representative giving 30 days notice in writing to the other. If no claims have been made or notified a pro rata return of premium will be made. There shall be no return of premium in respect of a Period of Insurance in which a claim has been made or notified and claims notifications will not be accepted after cancellation.

Appointing a Professional Adviser

- a** At any time before Proceedings are issued DAS may:
 - i** Take over the claim and deal with it in the Insured Persons name.
 - ii** Appoint a Professional Adviser to act for the Company and the Insured Person.
- b** If Proceedings need to be issued:
 - i** The Insured Person may inform DAS of the Insured Persons choice of a Professional Adviser. DAS may accept such choice if the Professional Adviser confirms in writing that he or she will cooperate with the Insured Person to enable the Insured Person to keep to the terms of this Certificate. DAS must also agree the hourly rate or agreed fees the Company will pay the Professional Adviser. The hourly rate will depend upon how complicated the case is, the amount of money at stake and the Insured Persons location.
 - ii** If DAS and the Insured Person cannot agree with the Insured Persons choice of Professional Adviser, the Insured Person may suggest another. If DAS still cannot agree upon a suitable Professional Adviser, DAS shall ask the Law Society to choose a solicitor to act. Both DAS and the Insured Person must accept their decision.
- c** If the Insured Persons Professional Adviser refuses to continue acting for the Insured Person for reasonable cause or the Insured Person discontinue the Insured Persons instructions then the Company's liability will stop at once unless DAS agree to the appointment of another Professional Adviser.

Where a claim arises under Section 1 - Employment Cover, DAS shall have the exclusive right to select and instruct the Professional Adviser and, where appropriate, to determine such appointment.

Conducting Proceedings

The Insured Person will instruct the nominated Professional Adviser to:

- a** provide DAS immediately with an opinion of the prospects of success, an estimate of the total costs likely to be incurred, and details of the charging rate
- b** to keep DAS fully and promptly advised of the progress of the case, of any change in his view of prospects of success and/or his estimate of costs during the Proceedings. If he does not comply, all liability under this cover will cease.

The Company will meet the Professional Adviser's costs and expenses of dealing with the Proceedings which have been agreed in advance by the Company - both amount and purpose - and as long as prospects of success remain reasonable.

DAS' right to information

DAS will have direct access to the Professional Adviser at all times and the Insured Person will cooperate fully with DAS and keep DAS informed of all material developments.

DAS will be entitled to obtain any information, copy document, account or correspondence relating to the Proceedings, whether or not it is privileged and the Insured Person will give any instructions to the Professional Adviser which might be required immediately.

DAS will be notified as soon as reasonably possible by the Insured Person or the Professional Adviser of any offer or payment into court made with a view to settlement.

If any offer or payment into court is not accepted by the Insured Person but DAS reasonably consider the outcome of the Proceedings to be equally or less favourable to the Insured Person than the offer of payment, the Company will have no liability in respect of any further Professional Costs and Expenses unless DAS have given the Company's agreement for Proceedings to continue.

If the Insured Person are not satisfied with DAS' decision, the dispute must be resolved under the terms of the Disputes condition, below.

Co-operation

The Insured Person will co-operate with DAS at all times and reply promptly to any correspondence connected with the claim.

Investigation of the claim

DAS may, or through DAS' servants, agents, solicitors or accountants, make its own investigations into the claim and may, subject to Insured Persons approval which will not be withheld unreasonably, attempted to reach a settlement of the Proceedings.

Information to be given to the Professional Adviser

The Insured Person will give all information requested by the Professional Adviser to him promptly and meet with him whenever requested.

Taxation of bills

If the Company request it, the Insured Person will instruct the Professional Adviser to submit his bill of costs for taxation by the court or by the appropriate professional body.

Withdrawal and discontinuance

If the Insured Person withdraw from or discontinue the Proceedings without the Company's prior agreement, the responsibility for payment of any Professional Costs and Expenses and third party costs will become the Insured Persons.

The Company will be entitled to reimbursement by the Insured Person for any costs paid or incurred during the course of the Proceedings, including any Professional Costs and Expenses which the Company are obliged to pay because of the Insured Person withdrawing or discontinuing.

Recovery of costs from third parties

The Insured Person will, whenever reasonably possible, attempt to recover costs from a third party and will instruct the Professional Adviser accordingly.

Agreement

DAS will not be bound by any agreement to which DAS are not a party.

Disputes

In the event of any dispute arising between the Insured Person and DAS, where provision has not already been made, the dispute will be promptly referred by the Insured Person for the arbitration of a single arbitrator who must be either a solicitor or a barrister nominated by the parties or, failing agreement, by the Law Society.

Any arbitration will be in accordance with the provisions of the then current arbitration acts and will be binding on both parties. The costs will be at the discretion of the arbitrator.

Prospects of Success

If at any time DAS consider the Insured Persons prospects of success in the Proceedings are not good, or that the Insured Persons interests can be achieved by other means, DAS will provide the Insured Person with a written explanation of DAS' decision.

The Company will then be under no further liability to indemnify the Insured Person in respect of the case.

If the Insured Person disagree with this decision, the Insured Person can ask DAS to obtain an opinion from an independent solicitor or barrister. If the Insured Person and DAS are unable to agree on a suitable solicitor or barrister, the president of the Law Society will be asked to provide a nomination.

If the independent opinion disagrees with DAS' view, the Company will pay the cost of obtaining it but if it supports DAS' view the Insured Person will pay the cost.

Applicable Law

United Kingdom law allows for the insurer and the Insured to choose the law applicable to this insurance contract. The Company propose that the contract is governed by English law. If there is any dispute as to which law applies it shall be English law.

Claims Procedure (other than employment cover)

Potential claims must be notified to DAS as soon as possible by telephoning and the Insured Person must follow DAS' advice. Should the Insured Person incur Professional Costs and Expenses prior to DAS accepting a claim, details of costs must be produced for DAS at the Insured Persons expense.

DAS will send the Insured Person a claim form which must be completed, giving a complete and truthful report of the facts of the claim, indicating any potential witnesses and any documentary evidence and return it to DAS at the earliest opportunity.

Claims Procedure for employment cover

The Insured Person will give DAS immediate notice in writing of any Proceedings of suit made or brought against the Insured Person or believed by the Insured Person to be considered and any summons or other process served or threatened to be served and any event which may give rise to Proceedings against the Insured Person.

Without prejudice to the generality of this condition:

- a** immediately a Dismissal is contemplated, the Insured Person must contact the legal helpline and follow the advice given. No Employee is to be dismissed without the prior approval of the legal helpline
- b** if the Insured Person receive a form IT1 (originating application) from an industrial tribunal and wish to obtain indemnity under this cover the Insured Person should notify the legal helpline on 0345 878 5033. This must be done immediately because of the statutory 14 days time limit for entering a notice of appearance (IT3). The notice of appearance should be left blank for completion by the Insured Persons Professional Adviser upon request, the Insured Person must complete a claim form and forward it to DAS
- c** if the Insured Person receive a notice of intended prosecution or summons and wish to claim indemnity, the Insured Person must complete a claim form and forward it to DAS by recorded delivery post together with a copy of the notice or summons
- d** if a former Employee requests a written statement of reasons for Dismissal, the Insured Person must contact the legal helpline not later than 7 days from the request and prior to the statement being given
- e** if the Insured Person wish to obtain indemnity against any other claims under this cover the Insured Person must immediately complete a claim form and send it by recorded delivery to DAS.

Business Legal Helpline

The helpline service may be used to discuss any business legal problem concerning the Insured. Simply telephone the number mentioned on the inside of the front cover of this policy and ask for the legal helpline. This service is here to help the Insured. Do not hesitate to make full use of it. In particular if something the Insured are proposing to do may result in a claim, You must use the helpline first.

Endorsements

The following Endorsements are operative only if the letter against each appears in the respective Section of the Schedule.

Each Endorsement is subject to the terms conditions and limitations of the Section to which it attaches in so far as they can apply.

Endorsement A

Subsidence Ground Heave and Landslip

Section 1

The Perils insured under this Section are 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 bedding down or settlement of new structures
 - ii** the settlement or movement of made- up ground
 - iii** coastal or river erosion
 - iv** defective design or workmanship or the use of defective materials
 - v** fire subterranean fire explosion 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 excavation at 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

Section 1

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 thereof 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 order the Insured shall advise the Company as soon as possible and in any event not later than 10.00a.m. on the Company's next working day and comply with any subsequent requirements stipulated by the Company.

Endorsement C

Loss of MOT Licence

Section 2

Definitions

Damage

For the purposes of this extension Damage shall include the suspension or withdrawal of the Insured's MOT Licence by the Department of Transport.

MOT Licence

The licence granted by the Department of Transport to carry out MOT tests on motor vehicles and issued to the Insured as an Authorised Examiner or to a Nominated Tester employed by the Insured in connection with the Business.

Cover

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

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

Extension

1 Appeal Fees and Charges

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

Special Conditions

- 1 The Insured shall take all reasonable:
 - a precautions to prevent a loss under this Section occurring
 - b steps to observe and comply with all statutory or Public Authority laws obligations and requirements
- 2 On receipt of a formal warning letter from the Vehicle Inspectorate, the Insured must immediately notify and give written confirmation to the Company together with copies of documentation received.

Exclusions

The Company shall not be liable for any loss arising from:

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

Important Information

Your 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. We will return any premium paid unless a claim has been made.

Termination

If you wish to terminate the contract at any other time, please contact the broker, intermediary or agent who arranged the Policy. Any return of premium will be made based on the number of days remaining in the Policy period, unless a claim has been made when no refund is due.

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.

