

# Retailers Combined

## Important Notice to Policyholder

### (applicable from the Effective Date shown on your Renewal Schedule)

NIG continually reviews its product offerings in our aim to ensure the cover provided is competitive in an ever-changing market. We are reissuing your NIG Retailers Combined policy onto our updated product wording with effect from the renewal date of your Policy.

The following part of this notice advises you of the main updates and changes. This Notice to Policyholder does not contain the full terms and conditions of your insurance, please therefore read all Policy documentation carefully as this will confirm the cover provided.

Please note that:

- these amendments may apply to aspects of this Policy for which cover has not been provided.
- the amounts and percentages stated are those which apply as standard to this Policy. Please refer to the Schedule for the actual amounts and percentages applicable.

Please contact your broker, intermediary or agent, should you have any questions.

#### Your policy wording changes are summarised as follows:

The Section headed **Helpline Services** has been updated.

The General Definitions, General Conditions, Claims Conditions and General Exclusions no longer apply to Section 12b: Engineering Inspection.

#### General Definitions

The following General Definition has been updated:

- **Index linking**

#### General Conditions

The following General Conditions have been updated:

- **Change of Risk or Interest** – now includes reference to the Personal Accident Section and new Extension number.
- **Adjustment of Premium** – references to Section numbers changed and to the Personal Accident Section.

The following General Conditions have been added:

- **Survey & Risk Improvement** – stating the Company's requirements of the Insured if a survey is requested by the Company.
- **Fire Extinguishment Appliances** – stating the Company's requirements in respect of such appliances.

#### Claims Conditions

The following Claims Condition has been updated:

- **Action by the Insured** – now includes additional requirements relating to Cyber cover (where operative) under the new Sub-Section 2 (Cyber Liability) of Section 14 Computer and Cyber and a requirement for any claim notification under Section 14 to now be notified direct to HSB Engineering Insurance Limited.

#### General Exclusions

The following General Exclusions have been updated:

- **Pollution or Contamination** – the Defined Perils now include leakage of beverages.
- **Date Recognition** – the listed perils now include sprinkler leakage and leakage of beverages. Sub Sections 5: Hardware and 6: Data Corruption and Extra Cost, of Section 14: Computer and Cyber, have been added to the list of Sections referenced.
- **Computer Virus and Hacking** – the listed perils now include leakage of beverages. Section 14: Computer and Cyber, is added to the list of Sections to which this General Exclusion shall not apply.

#### Section 1: Material Damage

The following Definitions have been updated:

- **Perils:**
  - Explosion.
  - Leakage of Beverages – has been added.
  - Subsidence now appears as Peril 14 as opposed to an Extension to the Section.
  - Any Accidental Cause.
- **Plant, Machinery, Trade Fixtures (and all other contents)**
- **Stock in Trade**

The following Definitions have been added:

- **Cigarettes and Tobacco**
- **Non-Ferrous Metals**
- **Portable Hand Tools**
- **Stock in Trade in the Open**
- **Wines and Spirits**

The following Extensions have been updated:

- **Underground Services** – cover now applies to perils 1–15 whether operative or not.
- **Loss of Oil and Metered Water** (this replaces the Loss of Metered Water Extension) – cover now includes loss of oil.
- **Property at Exhibitions** (this replaces the Stock at Exhibitions Extension) – cover now up to £50,000 per original cause at UK exhibitions and £25,000 per original cause at exhibitions in the EEA and includes Plant, Machinery, Trade Fixtures (and all other contents). A limit of £50,000 applies in the aggregate during any one Period of Insurance.
- **Loss of Rent** – cover now states that (where a Sum Insured is not stated for Rent in the Schedule) the amount payable shall not exceed 15% of the Sum Insured of the damaged building per original cause, subject to the maximum rental period, being 36 months.
- **Seasonal Increase** – this Extension shall not apply if the Stock Declaration Basis Clause or Stock – Maximum Value Basis Clause is operative.
- **Third Party Storage Sites** – cover now up to £50,000 per original cause in the UK and £25,000 per original cause in the EEA. A limit of £50,000 applies in the aggregate during any one Period of Insurance.

The following Extensions have been added:

- **Knotweed** – cover up to £10,000 per original occurrence and £10,000 in the aggregate in any one Period of Insurance.
- **Cost of Fuel Spillage Clean-up** – cover up to £25,000 per original cause.
- **Customers' and Employees' Personal Effects** – up to £10,000 per original cause for personal effects or £10,000 per original cause for any one motor vehicle, of any one customer, director of the Insured, partner of the Insured and/or Employee. The maximum amount payable under this Extension shall not exceed in total £100,000 per original cause.
- **Outside Catering** – cover up to £50,000 per original cause.

The following Clause has been updated:

- **Day One (Non-Adjustable)** – Index Linking no longer applies.

The following Clauses have been added:

- **Stock Declaration Basis** (where stated as Operative in the Schedule) – available on a monthly or quarterly declaration basis. The Seasonal Increase Extension does not apply where this Clause is operative.
- **Stock – Maximum Value Basis** (where stated as Operative in the Schedule) – the Seasonal Increase Extension does not apply where this Clause is operative.
- **Seventy Two Hours Provision** – in respect of the Perils stated, continuous or intermittent Damage during any 72 hour period will be deemed to be one claim for the purpose of any Excess.

The following Conditions have been added:

- **Minimum Standards of Protection** (where stated as Operative in the Schedule) – requirements regarding protections fitted to openings at the Premises and being in operation outside Business Hours.
- **Subsidence** – now appears as a separate Condition as opposed to being an Additional Condition to the Subsidence, Ground Heave and Landslip Extension.
- **Stock Storage** – requirements regarding stock being stored clear of the floor (100mm/4").
- **Charging of Electrically Powered Vehicles and Lifting Equipment (including Hybrids)** – requirements regarding charging of such vehicles and equipment.
- **Flat or Felt Roof** – requirements regarding inspection and implementing recommendations.
- **Unoccupancy** – requirements for notifying the Company that the Premises (in full or part) are Vacant or Disused and of any Damage (whether insured or not) to such Premises. Other requirements including inspection, maintenance and protection of such Premises are also stipulated.
- **Kitchens (Safety and Maintenance)** – requirements regarding the safety and maintenance of cooking equipment.

#### Excess:

- The Excess under this Section for Impact now applies to the whole Peril and not just for impact by own vehicles or animals.

## Section 2: Business Interruption

Basis of Cover:

- The Sums Insured are no longer Index Linked.
- **Additional Increased Cost of Working** – up to £50,000 now included as standard.

The **Explosion** Definition has been replaced by the **Boiler Explosion** Definition.

The following Extensions have been updated:

- **Unspecified Suppliers** – cover now up to £100,000 per original cause in the UK and £50,000 in the aggregate and in any one Period of Insurance in the EEA. Cover in the EEA is restricted to Fire, Lightning, Explosion and Aircraft. This Extension applies to the premises of the Insured's suppliers as well as the suppliers of any Specified Supplier stated in the Schedule.
- **Unspecified Customers** – cover now up to £100,000 per original cause in the UK and £50,000 in the aggregate and in any one Period of Insurance in the EEA. Cover in the EEA is restricted to Fire, Lightning, Explosion and Aircraft. This Extension applies to the premises of the Insured's customers as well as the customers of any Specified Customer stated in the Schedule.
- **Storage Sites** – cover now up to £100,000 per original cause in the UK and £25,000 in the aggregate and in any one Period of Insurance in the EEA. Cover in the EEA is restricted to Fire, Lightning, Explosion and Aircraft.
- **UK National Lotteries** (this replaces the National Lottery Extension) – now applies specifically to a UK National Lottery.
- **Public Emergency** – the limit now applies in the aggregate and in any one Period of Insurance.
- **Closure** – the limit now applies in the aggregate and in any one Period of Insurance.
- **Disease** – the limit now applies in the aggregate and in any one Period of Insurance to the whole Extension, as opposed to under each of items a to c therein. The Indemnity Period shall not exceed 12 months.
- **Bomb Scares** – the Indemnity Period for this Extension is now defined as "The period beginning with the access to the Premises being prevented or hindered and ending when the results of the Business shall cease to be affected by such prevention or hindrance."
- **Exhibition Expenses** – cover now up to £50,000 in the UK and £25,000 in the EEA, both in the aggregate and in any one Period of Insurance.
- **Accidental Failure of Public Supply** – the limit now applies in the aggregate and in any one Period of Insurance.

The following Extensions have been added:

- **Specified Suppliers** – cover optional.
- **Specified Customers** – cover optional.
- **Property at Exhibitions** – cover up to £100,000 in the UK and £25,000 in the EEA, both in the aggregate and in any one Period of Insurance.

All Extensions applicable to this Section, now clearly state that the limits apply in the aggregate across all the Premises.

## Section 3: Goods in Transit

Cover for tools (other than stock in trade) is now provided under Section 10: Specified All Risks.

The following Definition has been updated:

- **Property**

The following Clause has been removed:

- **Reinstatement (Tools) Clause**

The following Exclusion has been updated:

- any claim for which more specific insurance applies under any of Sections 11 to 14 or 19, of this Policy.

The following Exclusion has been added:

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

The standard Excess for this Section is now £100.

## Section 4: Terrorism

This is a new Section of the Policy, incorporating Non-Damage Business Interruption Head of Cover.

## Section 5: Business Money & Personal Accident (Assault)

Previously two separate Sections, these covers have been brought together in the form of Sub-Section 1: Business Money and Sub-Section 2: Personal Accident (Assault).

### Sub-Section 1: Business Money

The following Definition has been updated:

- **Money**

The following Condition has been added:

- **Minimum Standards of Protection** – automatically applies if applicable under Section 1: Material Damage.

### Sub-Section 2: Personal Accident (Assault)

Injury to the Insured Person – now states that Injury must occur in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland.

Standard Benefits – cover increased to £20,000 for Contingencies 1 to 6 and £200 per week for Contingencies 7 and 8.

The following Definitions have been updated:

- **Insured Person**

- **Contingencies:**

- **Loss of Sight** and **Loss of Limbs** – are now separate Contingencies.
- **Loss of Hearing** and **Loss of Speech** – have been added as two new Contingencies.

- **Permanent Total Disablement**

The following Extension has been added:

- **Medical Expenses** – now an Extension rather than a Contingency.

The Exclusion relating to pre-existing physical or mental conditions has been removed.

## Section 6: Employers' Liability

The following Extensions have been updated:

- **Health and Safety at Work etc. Act 1974** – cover does not now apply to any costs or expenses incurred without the Company's written consent.
- **Corporate Manslaughter and Corporate Homicide Act 2007** – the limit is restated as £1,000,000 in the aggregate and in any one Period of Insurance.

The following Condition has been added:

- **Contractual Liability** – in respect of liability assumed by the Insured by a contract or agreement entered into by the Insured and which would not have attached in the absence of such contract or agreement, cover under the Section shall only apply if the Company retains sole conduct and control of any claim.

## Section 7: Public Liability

The following Extensions have been updated:

- **Health and Safety at Work etc. Act 1974** – cover does not now apply to any costs or expenses incurred without the Company's written consent.

- **Claims under Data Protection Legislation** (this replaces the Data Protection Act 1998 Extension) – cover updated in consideration of current legislation.
- **Work Overseas** – now clarifies the persons working overseas and that cover shall not apply to legal liability assumed under agreement which would not have attached in the absence of such agreement.
- **Corporate Manslaughter and Corporate Homicide Act 2007** – the limit is restated as £1,000,000 in the aggregate and in any one Period of Insurance.

The following Extensions have been added:

- **Financial Loss** – cover up to £250,000 in the aggregate during any one Period of Insurance. Subject to an Excess of 10% (minimum contribution £2,500).
- **Environmental Statutory Clean Up Costs** – cover up to £250,000 in the aggregate and in any one Period of Insurance. Subject to an Excess of £1,000.
- **Legionellosis** – cover up to £100,000 in the aggregate during any one Period of Insurance. Subject to an Excess of 10% (minimum contribution £2,500).
- **Libel or Slander** – cover up to £100,000 in the aggregate during any one Period of Insurance. Subject to an Excess of 10% (minimum contribution £2,500).
- **Hairdressers and Beauty Treatment** (where stated as Operative in the Schedule) – optional cover for Standard Treatments and (where applicable) any additional treatments stated in the Schedule, subject to the total amount payable during any one Period of Insurance not exceeding the Indemnity Limit.

The following Condition has been updated:

- **Use of Heat** – the precautions that must be complied with have been updated.

The following Conditions have been added:

- **Underground Services** – the measures the Insured is required to take to minimise the risk of Damage to underground services before undertaking any work below ground level.
- **Contractual Liability** – in respect of liability assumed by the Insured by a contract or agreement entered into by the Insured and which would not have attached in the absence of such contract or agreement, cover under the Section shall only apply if the Company retains sole conduct and control of any claim.

The following Exclusion has been updated:

- legal liability arising from:
  - a 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;
  - b breach of professional duty or malpractice of any nature, by the Insured or on the Insured's behalf;
  - c the sale, supply or administration of drugs, medicines, chemicals or medical supplies or equipment of any kind, by the Insured or on the Insured's behalf other than the sale or supply of proprietary branded and packaged drugs, medicines or medical supplies or equipment;
  - d any treatment used, practised or performed by the Insured or on the Insured's behalf, other than when performing first aid; or
  - e any surgical operation or medical procedure performed by the Insured or on the Insured's behalf.

The following Exclusion has been added:

- Bodily Injury or Damage to Property, caused by or arising from non-negligent liability for which the Insured is required to effect insurance under the terms of Clause 6.5.1 or Clause 21.2.1, of the Joint Contracts Tribunal (JCT) Standard Form of Building Contract or any clause of similar intent in other forms of contract.

## Section 8: Products Liability

The following Extensions have been updated:

- **Health and Safety at Work etc. Act 1974** – cover does not now apply to any costs or expenses incurred without the Company's written consent.
- **Claims under Data Protection Legislation** (this replaces the Data Protection Act 1998 Extension) – cover updated in consideration of current legislation.
- **Corporate Manslaughter and Corporate Homicide Act 2007** – the limit is restated as £1,000,000 in the aggregate and in any one Period of Insurance.

The following Extensions have been added:

- **Financial Loss** – cover up to £250,000 in the aggregate during any one Period of Insurance. Subject to an Excess of 10% (minimum contribution £2,500).
- **Environmental Statutory Clean Up Costs** – cover up to £250,000 in the aggregate and in any one Period of Insurance. Subject to an Excess of £1,000.
- **Legionellosis** – cover up to £100,000 in the aggregate during any one Period of Insurance. Subject to an Excess of 10% (minimum contribution £2,500).
- **Libel or Slander** – cover up to £100,000 in the aggregate during any one Period of Insurance. Subject to an Excess of 10% (minimum contribution £2,500).

The following Exclusions have been updated:

- legal liability arising from:
  - a 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;
  - b breach of professional duty or malpractice of any nature, by the Insured or on the Insured's behalf;
  - c the sale, supply or administration of drugs, medicines, chemicals or medical supplies or equipment of any kind, by the Insured or on the Insured's behalf other than the sale or supply of proprietary branded and packaged drugs, medicines or medical supplies or equipment;
  - d any treatment used, practised or performed by the Insured or on the Insured's behalf, other than when performing first aid; or
  - e any surgical operation or medical procedure performed by the Insured or on the Insured's behalf.
- legal liability assumed by the Insured under contract or agreement (other than under any condition or warranty of goods, implied by law) unless such liability would have attached in the absence of such contract or agreement, other than as provided for by the Vendor's Liability Extension, of this Section.

## Section 9: Breakage of Glass

The following Definition has been updated:

- **Glass**

The following Definition has been added:

- **Special Glass**

The Signs Extension is now Extension 6 Damage to Signs.

The following Exclusion has been updated:

- breakage of any Glass or Sanitary Ware, which was broken or cracked prior to the Effective Date (as stated in the Schedule).

## Section 10: Specified All Risks

This Section has been renamed (previously called All Risks on Machinery and/or Apparatus).

The following Condition has been added:

- **Minimum Standards of Protection** – automatically applies to Property Insured under this Section whilst kept at the Premises if this Condition is applicable under Section 1: Material Damage.

The following Exclusion has been updated:

- Damage to the Property Insured caused by or consisting of:
  - subsidence, ground heave or landslip unless resulting from:
    - a fire, explosion or earthquake; or
    - b the escape of water or oil from any tank or apparatus or pipe.

The following Exclusions have been added:

- Damage to the Property Insured caused by leakage of beverages in any building which is Vacant or Disused.
- Damage to the Property Insured caused by leakage of beverages from bottled stock.

## Section 11: Deterioration of Stock

The Section now states:

- where the stock is stored or situated, for cover to apply.
- that, in respect of stock stored in any temporary replacement Temperature Controlled Chamber whilst at the Premises, cover is restricted to up to 14 days.
- that at its own option, the Company may replace the stock that has been subject to Damage.
- the causes of Deterioration for which cover is applicable.

The following Definitions have been removed:

- **Limit of Indemnity** – see restated Section wording.
- **Occurrence** – see restated Section wording.

The following Definitions have been added:

- **Defect**
- **Deterioration**
- **Temperature Controlled Chamber**

The following Extensions have been removed:

- **Expediting Costs**
- **Repair Costs Investigation**

The following Extensions have been updated:

- **Cleaning and Disinfection** – cover now up to £25,000 per original cause.
- **Disposal of Property Insured** (this replaces the Debris Removal Extension) – the limit of £25,000 is no longer subject to 20% of the indemnifiable Damage where such percentage amount was lower than £25,000.
- **Loss Prevention Measures** (this replaces the Loss Avoidance Measures Extension) – cover is now restricted to a maximum of £25,000 per original cause.

The following Clause has been updated:

- **Reinstatement of Losses** (this replaces the Automatic Reinstatement Extension) – now states that this Clause does not apply where the Sum Insured (or any other stated limit of liability) is applied as a maximum in any one Period of Insurance.



The following Conditions have been removed:

- **Payments on Account**
- **Other Insurances** – see Claims Condition 6 in the Policy.
- **Access** – see Claims Condition 3a in the Policy.

The following Condition has been added:

- **Discovering a Defect** – requirements regarding investigating a Defect which has not yet resulted in Deterioration and correcting the Defect in all Temperature Controlled Chambers.

The following Exclusions have been removed:

- **Wear and Tear**
- **Application of Tools**

The following Exclusions have been updated:

- The excluded perils have been restated to better align with the Perils defined in Section 1: Material Damage to exclude cover which is more specifically insured under that Section.
- The exclusion relating to public supplies of electricity or any communications network now includes all utility suppliers and reads as follows:  
  
any cost resulting from a deliberate act or failure, of a utility supplier, grid operator or telecommunications operator, other than where that was necessary to protect life or prevent damage to property.

The standard Excess for this Section is now £100.

## Section 12a: Engineering Damage to Machinery and Plant

The following Definitions have been updated:

- **Breakdown**
- **Explosion**
- **Indemnity Limit** (and replaces the Definition for Limit of Indemnity)
- **Property Insured**
- **Temporary Plant** (and replaces the Definition of Hired-in Plant)

The following Definitions have been added:

- **Defect**
- **Electronic Derangement**
- **Market Value**

The following Extension has been removed:

- **Automatic Reinstatement**

The following Extensions have been updated:

- **Machinery Movement** – cover now up to £50,000 per original cause.
- **Damage to Own Surrounding Property – Pressure Explosion** – amended to exclude Damage to the property being handled by, conveyed, heated, cooled or processed by or contained in the Property Insured (unless the Damage results from Explosion).
- **Temporary Plant** – this replaces the Extension for Hired-in Plant.
- **Cost of Substitute Equipment** – cover now up to £25,000 per original cause.
- **Hazardous Substances** – cover now up to £100,000 per original cause.
- **Environmental & Efficiency Improvements** – cover now up to 25% of the new replacement cost or 25% of the Indemnity Limit, whichever is the less.
- **Debris Removal Dismantling and Demolition** (this replaces the Debris Removal Extension) – cover now up to £50,000 per original cause and now includes the costs of dismantling, demolishing and protecting the Property Insured.

- **Loss Prevention Measures** (this replaces the Loss Avoidance Measures Extension) – now limited to £25,000 per original cause.
- **Temporary and Fast-Track Repair** (this replaces the Expediting Costs Extension) – now limited to £50,000 per original cause without a 50% lower limit.
- **Repair Cost Investigation** – cover now up to £50,000 per original cause.

The following Extension has been added:

- **Reinstatement of Data** – in respect of computer equipment controlling or operating an item of Property Insured – up to £100,000 per original cause.

The following Clause has been updated:

- **Reinstatement Basis of Settlement** – this replaces both the Basis of Settlement Condition and the Reinstatement Definition. This includes significant changes including (but not limited to) the way claims are handled for items partially subject to Damage as well as undamaged parts of equipment if not compatible with the replacement parts.

The following Conditions have been removed:

- **Basis of Settlement**
- **Restricted Life**
- **Multiple Lifting Operations**
- **Payments on Account**
- **Other Insurance** – see Claims Condition 6 in the Policy.
- **Access** – see Claims Condition 3a in the Policy.
- **Hiring Conditions**

The following Conditions have been added:

- **Claims Settlement** – requirements regarding the settling of claims.
- **Discovering a Defect** – requirements for correcting defects in the Property Insured.

The following Exclusion has been removed:

- **Guarantees of Performance**

The following Exclusion has been updated:

- The excluded perils have been restated to accord with the Perils defined in Section 1: Material Damage (other than Explosion as defined within this Section 12a) to exclude cover which is more specifically insured under Section 1: Material Damage. This Exclusion does not apply to the Temporary Removal or Temporary Plant Extensions.

The following Exclusions have been added:

- Damage to consumable parts of the Property Insured requiring periodic renewal unless forming part of other insured Damage.
- Damage caused directly by:
  - reduction in performance
  - any fault known about prior to the start of the Period of Insurance.
- Damage recoverable under any maintenance agreement or any warranty or guarantee.
- Damage to the Property Insured caused by solidification unless that Damage results from Damage to the Property Insured.
- any cost of improving or overhauling the Property Insured following Damage, unless otherwise specifically covered under this Section.
- Damage which is discovered when carrying out checks or inventories which cannot be accounted for.

## Section 12b: Engineering Inspection

This Section has been completely rewritten as a separate contract within the Policy, the contract being between the owner/user of the Plant requiring inspection (the "Client") and HSB Engineering Insurance Services Limited ("HSB"). The premium is charged and shown separately in the Schedule as a "Fee".

- The Policy Definitions, General Conditions, Claims Conditions and General Exclusions do not apply to this Section 12b.
- HSB set out their requirements for undertaking a Thorough Examination of the Plant and the Client's obligations and responsibilities for preparation of the Plant, for Health & Safety, allowing the HSB representative safe access to the Plant, keeping them safe at all times and allowing them to work in a safe working environment.
- Additional charges may be made if the situation warrants it. These are itemised on Clause 5 Fees, Additional Charges and Taxes.
- Apart from causing death or personal injury by HSB's negligence or in other circumstances where HSB cannot limit their legal responsibility by law, the amount HSB will pay has now been restricted to £10,000,000.
- This Section now includes information on how to make a complaint against HSB, how to make an enquiry and how HSB uses the Client's information.

## Section 13: Engineering Business Interruption

The following Definitions have been updated:

- **Insured Event** (and previously defined as Accident, with Event 1 and Event 2 previously defined as Section 1 and Section 2 respectively)
- **Indemnity Period**
- **Uninsured Working Expenses**

The following Extension has been removed:

- **Loss Avoidance Measures**

The following Extensions have been added:

- **Claims Preparation Costs** – up to £75,000 per original cause.
- **Anchor Location** – up to £50,000 per original cause.
- **Public Relations Costs** – up to £25,000 per original cause.
- **Brands and Labels** – up to £50,000 per original cause.

The following Clauses have been moved from Sections 11, 12a, 13 and 14 (Supplemental) where they appeared as Conditions:

- **Payments on Account**
- **Value Added Tax**

The following Clause has been added:

- **Uneconomical Repairs** – if an item subject to Damage is no longer being produced or is no longer available so that the repair would be uneconomical, indemnity is restricted to a maximum period of 6 months (or the Indemnity Period shown in the Schedule if less).

The following Conditions have been moved from Sections 11, 12a, 13 and 14 (Supplemental):

- **Claims Settlement** – now states that the loss sustained by the Insured during any Franchise period or Time Exclusion, stated in the Schedule, will be deducted from the claim.
- **Access**

The following Conditions have been added:

- **Damage Requirement** – requires that there has to be Damage covered under Section 12a: Engineering Damage to Machinery and Plant to the Property Insured for payment to be made under this Section and also replaces the Material Damage Proviso Waiver Clause.

- **More than One Insured** – where more than one insured party is named in the Schedule, the first named insured will act on behalf of all named parties. The Company will not pay more than the Sum Insured (or any other stated limit of liability), regardless of the number of people or organisations insured.

The Exclusions to this Section have been restated. Additional Exclusions comprise:

- losses due to insolvency or bankruptcy.
- loss of Gross Profit, Gross Revenue or other costs resulting from:
  - any lease, contract, licence or order ending or being suspended or cancelled.
  - penalties of any kind.
  - lack of, or guarantees of, performance.
  - inefficiency or delay.
  - measures to eliminate or reduce losses from any of the above causes.

## Section 14: Computer and Cyber

This Section has been rewritten with the following covers now available:

**Sub-Section 1 – Cyber Crime** (new)

**Sub-Section 2 – Cyber Liability** (new)

**Sub-Section 3 – Data Breach Expense** (new)

**Sub-Section 4 – Cyber Event – Loss of Business Income** (new)

**Sub-Section 5 – Hardware** (previously Sub-Section 1: Hardware)

**Sub-Section 6 – Data Corruption and Extra Cost** (replacing Sub-Sections 2: Reinstatement of Data and 3: Increased Cost of Working)

The following notifications only advise you of the changes to cover previously available.

Claims under this Section of the Policy are administered by and managed on NIG's behalf by HSB Engineering Insurance Limited. The Section now includes instructions for **Making a Claim**.

The majority of the Definitions under this Section have been rewritten and new Definitions added.

Note that the cover previously provided under Sub-Section 4: Virus Hacking and Denial of Service Attack is now included within Sub-Sections 5 – Hardware and 6 – Data Corruption and Extra Cost.

### Sub-Section 5 – Hardware

The following Extensions have been removed:

- **Portable Computer Equipment** – Cover now automatically applies anywhere in the world so this Extension is no longer required.
- **Data Carrying Materials** – These are also now automatically included as Data within the Definition of Computer Equipment.

The following Extensions have been updated:

- **Extra Hardware** (this replaces the Automatic Cover Extension) – now extends to include additional Hardware whilst at any premises owned, leased or occupied by the Insured within the UK, Channel Islands or Isle of Man which the Insured has accidentally failed to notify the Company of. Cover now up to £500,000.
- **Gas-Flooding Systems** – cover now up to £100,000 any one Occurrence.
- **Incompatibility** (this replaces the Incompatibility of Records Extension) – cover now up to £100,000 any one Occurrence.
- **Temporary Removal** – cover now up to £100,000 any one Occurrence.
- **Waste Disposal Costs** (this replaces the Waste Electrical and Electronic Equipment Directive Extension) – no longer restricted to the Waste Electrical and Electronic Equipment Directive and cover now up to £100,000 any one Occurrence.

The following Extensions have been added:

- **Extra Hire or Lease Cost** – up to £25,000 in the aggregate any one Occurrence.
- **Fire Brigade Charges** – up to £50,000 any one Occurrence.
- **Recovery of Hardware** – up to £10,000 any one Occurrence.
- **Security Guard Costs** – up to £25,000 any one Occurrence.
- **Trace and Access** – up to £25,000 any one Occurrence.

The following Condition has been added:

- **Minimum Standards of Protection** – applicable if applied to the Premises under Section 1: Material Damage of this Policy.

The following Exclusion has been added:

- disappearances or shortages discovered during checks or inventories.

### Sub-Section 6 – Data Corruption and Extra Cost

The Sums Insured under Sub-Section 2: Reinstatement of Data and Sub-Section 3: Increased Cost of Working of the Insured's existing Policy have been combined to form the basis of the Sum Insured for this new Sub-Section 6. Please note, however, that the new Sum Insured may be higher. The Schedule will show the actual Sum Insured applied.

Cover now includes the cost of investigating and reconfiguring the Insured's Computer System and the Computer System of a Service Provider in addition to the cost of restoring and recreating Data.

The following Extension has been removed:

- **Research and Development Costs** – the cost of restoring and recreating Data is now part of the cover provided as standard under this Section.

The following Extensions have been added:

- **Accountants' Fees** – The costs incurred in providing the Company with the information they need to calculate what should be paid for extra staffing as well as any extra fees which might be charged by the Insured's usual auditors or accountants – up to £50,000 any one Occurrence.
- **Loss of Interest** – up to £10,000 any one Occurrence.

The following Exclusion has been added:

- the cost of any forensic or legal investigation.

### All Sub-Sections:

The following Extensions have been removed:

- **Debris Removal**
- **Automatic Reinstatement**

The following Extensions have been updated:

- **Avoiding Corruption** (this replaces the Virus Seek and Destroy Costs Extension) – now includes (subject to the Company's written agreement) the cost of hiring professional consultants to make recommendations on how to prevent the Insured's Computer System from being infected by a Computer Virus or to prevent Hacking. Cover now up to £50,000 any one Occurrence.
- **Loss Prevention Measures** (this replaces the Loss Avoidance Measures Extension) – now limited to £50,000 any one Occurrence.
- **Temporary and Fast-Track Repair** (this replaces the Expediting Costs Extension) – cover now up to £100,000 any one Occurrence or 50% of the cost of Damage or other loss covered by this Section of the Policy, whichever is the lesser.
- **Waiver of Subrogation Rights** (this replaces the Subrogation Waiver Extension) – updated so that we do not waive rights of recovery from a Service Provider or the rights to recover from any Employee or from Directors and Officers due to dishonest, fraudulent, criminal or malicious acts or decisions.

The following Extension has been added:

- **Investigation Cost** – up to £50,000 any one Occurrence.

The following Conditions have been removed:

- **Declaration of Values**
- **Back Up Programs**
- **Unattended Vehicles**
- **Access**

The following Condition has been updated:

- **Data Backup** (this replaces the Back Up Records Condition, which previously only applied to Reinstatement of Data and Increase Cost of Working Sub-Sections) – it is now a requirement that the Insured and the Insured's Service Provider must back up original Data at least every 7 days and that the Insured must take precautions to store the Data safely.

The following Clause has been removed:

- **Average**

The following Clauses have been added and apply to all Sub-Sections:

- **Seventy Two Hours Clause** – all claims resulting from earthquake, storm or flood, all Damage or other loss, arising within a 72 hour period shall be deemed to constitute one claim.
- **War** – General Exclusion 1: War, Government Action and Terrorism of this Policy shall not apply in respect of weapons of war which were not discovered before the start of the Period of Insurance provided that there is no war in that country.
- **One Excess** – only the one (highest) Excess shall apply to claims made under more than the one Sub-Section of Section 14.

The following Conditions have been added:

- **Caring for Hardware:**
  - Hardware must be maintained, inspected and tested as per manufacturer's recommendations.
  - a record must be kept of all maintenance and Data back-up procedures and any maintenance carried out.
- **Cyber Attack Limit** – the maximum amount payable in total for all claims, costs or losses resulting from a Cyber Attack will be £250,000 in any one Period of Insurance.
- **Defence Software** – the Insured's Computer System must be protected by licensed virus-protection software and that firewall protection be in place and maintained on all external gateways to the internet.
- **Enforcement of the Insured's Rights** – the Company reserves the right to take all necessary steps to enforce the Insured's rights against any third-party other than in circumstances which are provided for by the Waiver of Subrogation Rights Extension.
- **Controlling Defence** – the Company reserve the right to take control of investigating, settling or defending any claim against the Insured and will only defend claims if they think that there is a reasonable chance of success.
- **Other Insurances** – as soon as the Insured becomes aware of any incident or circumstance which may result in a claim under this Section, the Insured must provide details of any other insurances which may cover the same loss.
- **Salvage and Recoveries** – the Company reserve the right, once a claim has been paid and the Insured later recovers their Hardware or recovers money from a third party, to reclaim any amounts over and above the amount paid by the Company in connection with the claim.

The following Exclusions have been added:

- circumstances known about prior to inception of cover.
- property confiscated or damaged by public authorities.
- extortion, blackmail or ransom demands other than those covered under Sub-Section 1 – Cyber Crime.
- fines, penalties, punitive or exemplary damages other than as provided under Sub-Section 2 – Cyber Liability.
- any intentional act, or failure to act unless such act or failure is to prevent or minimise injury, damage or loss.
- the cost of normal Computer System maintenance.
- the Insured's commercial decision to stop trading or the decision of the Insured's Service Provider, customer or supplier to stop or reduce trade or restrict services.
- losses caused by or arising from the Insured's insolvency or bankruptcy.
- Damage caused by any nuclear or atomic device or material.

### Section 17: Legal Expenses

This Section has been rewritten. Cover now includes Legal Expenses for:

- **Employment Disputes and Compensation Awards**
- **Legal Defence**
- **Statutory Licence Appeal**
- **Contract Disputes**
- **Tenancy Disputes**
- **Property Protection and Personal Injury**
- **Debt Recovery**
- **Tax Protection**

Exclusions:

- **Late reported claims**
- **Costs DAS have not agreed**
- **Court awards and fines**
- **Legal action DAS have not agreed**
- **Intellectual property rights**
- **Deliberate acts**
- **Franchise or agency agreements**
- **A dispute with DAS**
- **Shareholder or partnership disputes**
- **Judicial review**
- **Bankruptcy**
- **Defamation**
- **Litigant in person**

### Section 18: Personal Accident

This is a new Section under this Policy.

### Endorsements

Please note that any endorsements that apply to your Policy may also have been amended in light of the changes notified to you in this Notice. Where any endorsements, whether arising as a result of the changes notified to you in this Notice or otherwise, have been amended, replaced or added, they will appear in your Schedule. If removed, then they may have been catered for in the Policy wording. Please ensure that you read any endorsements to your policy carefully.