

Policy wording

March 2017

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Welcome to AXA

Welcome to AXA

Thank **you** for choosing AXA. Please read carefully all documents that **we** have provided and keep them in a safe place.

If **you** have any questions, need anything explaining or believe this contract does not meet **your** needs, please contact **us** or Came & Company.

Your policy

Your policy is divided into a number of sections. The sections of cover that apply are shown under **your** cover summary which is in the schedule. **Your** cover summary contains a list of sections available, but only those shown as 'insured' apply. Where a section does not apply **your** cover summary will state that it is 'not insured' and this section will not be included within the **policy**.

Your policy is a contract of insurance between **you** and **us** and **you** have a duty to make a fair presentation of the risk to **us** in accordance with the law.

The **policy** describes the cover for which **we** have accepted **your** premium. The **policy** wording, schedule and any endorsements must be read together.

Your policy is renewable provided **we** agree to accept **your** premium for any subsequent **period of insurance**. A new schedule will be issued for each **period of insurance** showing any changes to **your** cover.

Throughout **your policy**, **we** use defined terms. Defined terms are used to explain what a word means and are highlighted in bold blue print.

Headings have been used for **your** guidance to help **you** understand the cover provided. The headings do not form part of the contract.

Under the heading 'What is covered' **we** give information on the insurance provided. This must be read with 'What is not covered', the **policy** conditions and any conditions of cover that are applied to each section.

Under the heading 'What is not covered' **we** draw **your** attention to what is excluded from **your policy**.

Important phone numbers

Glass replacement service*

0300 303 2944

A quick and efficient service available 365 days a year.

Legal and tax advice**

0330 024 5346

Our confidential legal and tax advice line. Please quote AXA Commercial when **you** call.

Emergency helpline***

0330 024 5346

Our 24 hour emergency helpline. Please quote AXA Commercial when **you** call.

We will provide details of reputable contractors who will be able to help.

Calling the helpline does not constitute notification of an insurance claim.

You will have to pay for any call out charges, parts and cost of labour.

If connected to a potential claim please follow the Claims notification condition and Claims procedures condition first.

* The Glass replacement service is provided by an AXA approved glazing and locks provider.

** The telephone legal and tax advice is provided on behalf of Arc Legal Assistance Ltd by Irwin Mitchell Solicitors and can advise on general UK law and taxation.

** Tax telephone advice provided by Irwin Mitchell Solicitors may involve the use of external accountants to provide tax telephone advice.

** Arc Legal Assistance Ltd make no additional charge for providing these services.

*** The emergency assistance helpline is provided on behalf of Arc Legal Assistance Ltd by AXA Assistance UK. Arc Legal Assistance Ltd make no additional charge for providing these services. Arc Legal Assistance Ltd is authorised and regulated by the Financial Conduct Authority. Their Firm Reference Number is 305958.

Irwin Mitchell LLP is a limited liability partnership registered in England and Wales, with number OC343987, and is authorised and regulated by the Solicitors Regulation Authority.

Telephone calls may be monitored and recorded.

Making a claim

If **you** need to make a claim please first check **your policy** to make sure **you** are covered. **You** must then follow the Claims notification condition and Claims procedures condition of pages 8 and 9 of this section, headed Policy conditions.

Please contact **your** insurance adviser who will help **us** deal with **your** claim.

Making a complaint

If **you** are not happy with the way a claim or any other matter has been dealt with, please read 'Making a complaint' on page 126 of this **policy**.



rradar advisory service and important phone numbers

rradar advice and support included in your AXA Council Combined Policy

Your AXA Council Combined Policy includes access to expert legal, regulatory and risk management advice and support provided by leading law firm, **rradar**.

rradar's philosophy is to proactively help policy holders to understand all types of legislation, make sensible business decisions, stay compliant and prevent legal problems from occurring in the first place.

rradar Advice and Resource Centre

Enquiry line: 0800 955 6111

Email: contactus@rradar.com

Member login at: www.rradar.com

rradar provides **you** with simple, user friendly information and guidance on a range of legal and regulatory issues including:

- **Human resources and employment**
- **Health and safety**
- **Waste and environmental regulations**
- **Taxation**
- **Money laundering, fraud, bribery and corruption, anti-competitive practices**
- **Legal advice on a wide range of areas** including directors' and shareholders' duties, contract disputes, intellectual property, data protection and cybercrime, financial crime, motoring and criminal offences.

rradar's unlimited enquiry line is staffed by UK based experts with real industry experience including HR professionals, Health & Safety specialists and former tax inspectors, as well as leading accountants, solicitors and barristers with experience of every type of regulator, allegation, investigation and prosecution. Call 0800 955 6111 and quote **your policy** number.

rradar's members only online portal provides unlimited access to a huge range of documents and resources including templates, draft contracts, specimen letters, 'how to' articles, case studies, video training process guides and policies. Login via www.rradar.com. **You** will need **your policy** number to create **your** unique login.

Your insurance advisor should e-mail full details of **your** claim to: claims@rradar.com

This includes access to expert legal, regulatory and risk management advice and support provided by leading law firm, **rradar**.

Crisis legal helpline

0800 955 6222

Should an incident occur, **rradar's** experienced team of expert defence, prosecution and investigation lawyers and industry experts are on hand to help **you** when **you** need expert legal advice. 24 hours a day, 7 days a week, 365 days a year.

The **rradar** legal team have experience of defending every type of claim in every court and by every regulator. Advice can be provided over the phone, by email, or face to face wherever needed. **rradar** will provide on-going support throughout a case and aim to provide ideas and options to prevent the same problem from happening again in the future. For assistance call 0800 955 6222 and quote **your policy** number.

Crisis public relations advice

0207 9397 999

Our crisis public relations advice helpline provided by one of the UK's leading crisis public relations consultants Chelgate Limited, No 1 Tanner Street, London SE1 3LE. Please ask for the AXA claims team when **you** call. **You** may be asked to provide **your policy** number and to confirm that **we** have been notified of a claim. Advice will only be provided where **we** have accepted a claim under **your policy**.

All incidents that require instant claims and litigation expertise covered under **your policy** have immediate access to **rradar's** expert team around the clock every day of the year.

If **you** encounter instances where **you** need more detailed written advice and/or review and/or drafting of documents which may fall outside the scope of **your policy** **rradar** can help complete such work and agree a simple fixed fee with **you** before the work is undertaken.

Please ring the enquiry line and **rradar** will be able to advise **you** on a range of topics.

Legal privilege

All information provided by **rradar** is legally privileged and has the backing of a team of highly qualified lawyers and barristers. *Legal privilege means **your** discussions with **rradar** and the advice given in any proceedings will remain confidential and cannot be used against **you** by a claimant, the police, or other organisations.*

Meanings of defined terms

These meanings apply throughout **your policy**.
If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used.
There may be additional defined meanings in each section.

Business

The local council shown in **your** schedule.

Excess

First amount of any claim or claims for which **you** are responsible.

Period of insurance

Period from the start date to the expiry date of **your** cover shown in **your** schedule.

Policy

Policy, schedule and any endorsements attached or issued.

Policy territories

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

We/us/our

AXA Insurance UK plc.

You/your/yourself

The local council shown in your schedule as the insured.

Policy conditions

You must comply with the following conditions to have the full protection of **your policy**. If **you** do not comply then **we** may at **our** option take one or more of the following actions

- 1 Cancel **your policy**
- 2 Declare **your policy** void (treating your policy as if it had never existed)
- 3 Change the terms of **your policy**
- 4 Refuse to deal with all or part of any claim or reduce the amount of any claim payments.

There are additional conditions under each section of cover.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Applicable law condition

You and **we** can choose the law which applies to this **policy**. **We** propose that the Law of England and Wales applies. Unless **we** and **you** agree otherwise, the Law of England and Wales will apply to this **policy**.

Cancellation condition

- 1 **You** may cancel **your policy** within 14 days of receiving **your policy** in the first **period of insurance** if for any reason **you** are dissatisfied or the **policy** does not meet **your** requirements.
- 2 **You** may cancel **your policy** at any time if the **business** is sold by **you** or **you** cease trading or **you** sell all the property insured shown in **your** schedule.
- 3 **We** can cancel **your policy**
 - a at any time by giving 21 days' written notice to **your** last known address
 - b immediately without giving **you** notice if the premium has not been paid to **us**.

Where **your policy** is cancelled in accordance with any of the above provisions, **we** will refund part of the premium paid, proportionate to the unexpired **period of insurance** following cancellation, provided that no claim has been paid or is outstanding in the current **period of insurance**.

Cancellation of **your policy** will not affect any claims or rights **you** or **we** may have before the date of cancellation.

We do not have to offer renewal of **your policy** and cover will cease on the expiry date.

Change in risk condition

You must tell **us** as soon as possible during the **period of insurance** of any change

- 1 to the **business**
- 2 in the person, firm, company or organisation shown in **your** schedule as the insured
- 3 to the information **you** provided to **us** previously or any new information that increases the risk of loss as insured under any section of **your policy**.

Your policy will come to an end from the date of the change unless **we** agree in writing to accept an alteration.

We do not have to accept any request to vary **your policy**. If **you** wish to make any alteration to **your policy** **you** must disclose any change to the information **you** previously provided or any new information that could affect this insurance.

If **we** accept any variation to **your policy**, an increase in the premium or different terms or conditions of cover may be required by **us**.

Claims notification condition

You must

- 1 as soon as practical
 - a give **us** notice of any circumstances which might lead to a claim under **your policy**
 - b give **us** all the information **we** request
- 2 immediately
 - a on receipt send **us** every letter, court order, summons or other legal document served upon **you**
 - b tell **us** about any prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential claim under **your policy**

Policy conditions *continued*

- c** notify the police of any loss or damage that has been caused by malicious persons, thieves, rioters, strikers or vandals.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Claims procedures condition

- 1** **You** must take or allow others to take practical steps to prevent further injury, loss or damage, recover property lost and otherwise minimise the claim.
- 2** At **your** expense **you** must provide **us** with
 - a** full details in writing of any injury, loss or damage and any further information or declaration **we** may reasonably require
 - b** any assistance to enable **us** to settle or defend a claim
 - c** details of any other relevant insurances.
- 3** **You** may not accept, negotiate, pay, settle, admit or repudiate any claim without **our** written consent.
- 4** Following a claim **you** must allow **us** or anyone authorised by **us**
 - a** access to premises
 - b** to take possession of, or request delivery to **us** of any property insured.
- 5** **You** may not abandon any property to **us**.
- 6** **We** will be allowed complete control of any proceedings and settlement of the claim.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Fair presentation of risk condition

You have a duty to make a fair presentation of the risk which **you** wish to insure. This applies prior to the start of **your policy**, if any variation is required during the **period of insurance** and prior to each renewal. If **you** do not comply with this condition then

- 1** If the failure to make a fair presentation of the risk is deliberate or reckless **we** can elect to make **your policy** void and keep the premium. This means treating the **policy** as if it had not existed and that **we** will not return **your** premiums, or

- 2** If the failure to make a fair presentation of the risk is not deliberate or reckless and **we** would not have provided cover had **you** made a fair presentation, then **we** can elect to make **your policy** void and return **your** premium or
- 3** If the failure to make a fair presentation of the risk is not deliberate or reckless and **we** would have issued cover on different terms had **you** made a fair presentation of the risk then **we** can:
 - a** reduce proportionately any amount paid or payable in respect of a claim under **your policy** using the following formula. **We** will divide the premium actually charged by the premium which **we** would have charged had **you** made a fair presentation and calculate this as a percentage. The same percentage figure will be applied to the full amount of the claim to arrive at the proportion of the claim to be paid or payable; and/or
 - b** treat **your policy** as if it had included the different terms (other than payment of the premium) that **we** would have imposed had **you** made a fair presentation.
- 4** Where **we** elect to apply one of the above then
 - a** if **we** elect to make **your policy** void, this will be from the start of the **policy**, or the date of variation or from the date of renewal
 - b** **we** will apply the formula calculated by reference to the premium that would have been charged to claims from the start of the **policy**, or the date of variation or from the date of renewal
 - c** **we** will treat the **policy** as having different terms imposed from the start of the **policy**, or the date of variation or from the date of renewal

depending on when the failure to make a fair presentation occurs.

Fraud condition

You and anyone acting for **you** must not act in a fraudulent way.

- 1** knowingly makes a fraudulent or exaggerated claim under **your policy**;
- 2** knowingly makes a false statement in support of a claim (whether or not the claim itself is genuine); or
- 3** knowingly submit a false or forged document in support of a claim (whether or not the claim itself is genuine)

we will:

- a** refuse to pay the claim
- b** declare **your policy** void from the date of the fraudulent act without any refund of premiums.

We may also inform the police of the circumstances.

Instalments condition

If **you** fail to pay a premium instalment to **us** on the date due, this will result in **your policy** being cancelled from the date the missed instalment was due. **You** will not be entitled to any return of premium where this happens.

If a claim has been made or there has been any incident likely to lead to a claim during the current **period of insurance** the annual premium remains due in full.

Other insurance condition

If a claim is made under **your policy** and there is other insurance cover for which **you** are, or would be but for this **policy**, entitled to have a claim paid under the other insurance, **we** will at **our** option, either pay

- 1** a proportionate share of the claim
- or
- 2** an amount beyond that which is or would be payable under the other insurance.

Policy administration fees condition

We may charge **you** an administration fee if **we**

- 1** make any changes to **your policy** on **your** behalf
- 2** agree to cancel **your policy**, or
- 3** are requested to print and re-send **your policy** documents to **you**.

We will not make a charge without informing **you**.

Reasonable care condition

You must take reasonable steps to

- 1** prevent or protect against injury, loss or damage
- 2** keep **your** premises, machinery, plant and equipment and all other property insured in good condition and in full working order
- 3** remedy any defect or any danger that becomes apparent, as soon as possible.

If required by **us**, **you** must allow access to **your** premises and/or activities of **your business** to carry out inspection or survey. **You** must complete any risk improvements that **we** ask for, within a reasonable period of time advised by **us**.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Renewal term agreement condition

If **your** schedule shows that a renewal term agreement is operative, certain terms and conditions have been agreed by **you** and **us** that regulate the annual premium at which **we** will offer renewal. The agreement is included as part of the insurance contract and if **we** offer renewal in accordance with the agreement **you** agree that **your policy** will be renewed each year up to the expiry date of the agreement shown in **your** schedule.

Sanctions condition

This contract of insurance is subject to sanction, prohibition or restriction under United Nations resolutions. It is a condition of **your policy** that **we** will not provide cover, or pay any claim or provide any benefit under **your policy** to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **us**, or **our** parent, subsidiary or any AXA group member company, to any trade or economic sanctions, or violate any laws or regulations of the United Kingdom, the European Union, the United States of America or any other territory.

Subrogation (our rights) condition

We will be entitled to undertake in **your** name or on **your** behalf

- 1** the defence or settlement of any claim
- 2** steps to enforce rights against any other party before or after payment is made by **us**.

Third party rights condition

This contract is between **you** and **us**. The rights under this contract will not be enforceable by any other party because of the Contract (Rights of Third Parties) Act 1999.

Property damage section – All risks

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Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Property damage section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout **your policy**, and not just this section, can be found on page 7.

Alarmed buildings

The building(s) or those portions of the building(s) used by **you** at the **premises** protected by the **intruder alarm system**.

Building(s)

The **buildings**, outbuildings, extensions, and garages together with landlords fixtures and fittings in or on them, foundations or footings, canopies, annexes, gangways, conveniences, chimneys, fire escapes, walls, gates and fences, yards, car parks, dump tanks, packhouses, steel containers, ornamental ponds and fountains, lampposts, railings, fixed outdoor equipment, street furniture, war memorials, playground equipment, outdoor sports and recreation surfaces, **reservoirs**, water tanks, roads and pavements, piping, ducting, cables, wires and associated control gear, CCTV systems, entry and exit systems, signage and accessories on the **premises** and extending to the public mains, but only to the extent of **your** responsibility.

Business interruption

Loss resulting from interruption of or interference with the **business** carried on by **you** at the **premises** as a result of **damage** to property used by **you** at the **premises** for the purposes of the **business**.

Contents

Contents in and at **your premises** or held in trust by **you** for which **you** are responsible (including wines, spirits, cigarettes and tobacco held for entertainment purposes, promotional

materials, leaflets and the like but not more than £5,000 in total value). Contents does not include landlords fixtures and fittings, **stock** and vehicles licensed for road use (including accessories on them).

In addition, and as long as they are not insured elsewhere, **contents** will include

- 1 money** not exceeding £500
- 2** documents, manuscripts and accounting records, but only for the cost of the materials and clerical labour used in recompiling the records. This does not include any expense involved in the recreation of the information recorded
- 3** computer systems records, but only for the cost of the materials and clerical labour and computer time used in recompiling the records. This does not include any expense involved in the recreation of the information recorded
- 4** patterns, models, moulds, plans and designs for an amount not exceeding the cost of the labour and materials used in their reinstatement
- 5** contents of outbuildings
- 6** contents of open yards
- 7** tenants improvements, alterations and decorations
- 8** directors, partners, customers, visitors and employees personal effects (other than motor vehicles and **money**) or pedal cycles not exceeding £1,000 for any one person
- 9** rare books or works of art not exceeding £2,500 for any one item or £10,000 in total
- 10** outdoor furniture, heaters, ornaments and statues that are normally located outdoors within the confines of **your premises** not exceeding £5,000
- 11** marquees and associated lighting, heating and furniture that are erected within the confines of **your premises** not exceeding £10,000 provided **you** are legally responsible for them and they are not insured elsewhere
- 12** defibrillators not exceeding £5,000.

Contract works

The permanent and temporary works undertaken by **you** or on **your** behalf for the purpose of alteration or improvement to the **building(s)**. This includes all unfixed materials and goods, for which **you** are responsible and whether supplied free of charge or not, delivered to or placed on or adjacent to the permanent and temporary works and intended for incorporation in them, in performance of the contract at the **premises** specified in **your** schedule. This does not include any tools, contractor's plant and equipment, site huts and other temporary accommodation and their contents belonging to **you** or hired by **you** under a hiring agreement, hire purchase, lease agreement or on a free loan.

Damage

Accidental loss, destruction or damage.

Declared value

Your assessment in accordance with the Basis of claims settlement paragraphs **1, 2** and **4** under 'What is covered' of this section, for the cost of reinstatement of the **building(s)** and cost of replacement of the **contents** or **other items** applying at the start of the **period of insurance**. Ignoring any increase in cost which may apply during the **period of insurance** but including an allowance for any additional costs to comply with public authority requirements, professional fees and debris removal.

Defined peril

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, 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 or impact by any road vehicle or animal.

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network

connectivity or information systems. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

Flood

Damage caused by

- 1 the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal, drain or dam
- 2 inundation from the sea
- 3 inundation by rainwater or rainwater induced run off other than where the inundation is solely caused by or solely results from ingress of rainwater through or via the roof of the building.

Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether **your** property or not.

Intruder alarm system

The component parts including the means of communication used to transmit signals to the alarm-receiving centre.

Key holder

You or any person or key holding company authorised by **you**, who is available at all times to accept notification of faults to or alarm signals from the **intruder alarm system** and to attend and allow access to the **premises**.

Money

Bills of exchange, uncrossed promissory notes, cash, bank and currency notes, uncrossed cheques, giro cheques including pre-authenticated giro cheques, uncrossed postal orders, uncrossed money orders, uncrossed warrants, National gift vouchers, current postage stamps, unused units in franking machines, National Savings stamps

and certificates, National Insurance stamps, trading stamps, gift tokens, gaming machine tokens, lottery tickets (excluding scratch cards held in stock for resale), customer redemption vouchers, authenticated travel tickets, phone cards (excluding phone cards held in stock for resale), holiday with pay stamps, luncheon vouchers, securities for money, travel warrants, crossed warrants, credit company sales vouchers, debit card sales vouchers, crossed cheques, crossed giro drafts, crossed postal orders, crossed money orders, crossed national giro bank orders, crossed promissory notes, crossed bankers drafts, premium bond certificates, VAT purchase receipts, credit card counterfoils, premium bonds, savings bonds, stamped National Insurance cards and National savings certificates.

Non standard construction

Constructed of materials other than those detailed in the meaning of **standard construction**.

Other items

The items at **your premises** shown under the heading of 'Other items' or 'Miscellaneous' in **your** schedule.

Phishing

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

Premises

The **premises** shown in **your** schedule.

Reservoirs

A water storage area sited on the **premises**.

Seasonal building usage

Any **building(s)** or any portions of the **building(s)** which are not in active use due to seasonal closure directly linked with the **building's** normal sporting or recreational activity.

Standard construction

Brick, stone or concrete built and roofed with slates, tiles, metal, concrete, asphalt or sheets or slabs composed entirely of non combustible mineral ingredients and plastic roof lights.

Buildings constructed of metal or composite panels insulated with materials other than polystyrene will be regarded as standard construction.

Stock

Stock and materials in trade, including work in progress, finished goods and customers goods in and at **your building(s)** or held in trust by **you** for which **you** are responsible.

Terrorism

In England, Scotland and Wales: 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 Northern Ireland: An act including but not limited to the use of force or violence and/or threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political, religious, ideological or similar purposes including the intention to influence any government and/or put the public or any section of the public in fear.

In the Channel Islands and the Isle of Man: An act of any person(s) 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 any government de jure or de facto.

Unoccupied

Any **building(s)** or any portions of the **building(s)** excluding those closed due to **seasonal building usage** which are wholly empty, mainly empty or not in use by **you** or any of **your** tenants for more than 45 consecutive days.

Virus or similar mechanism

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 meaning of virus or similar mechanism includes but is not limited to, trojan horses worms and logic bombs.

✓ What is covered

Property damage cover

We will cover **you** for **damage** occurring during the **period of insurance** to any of the property insured detailed in **your** schedule. **We** will pay **you** for the value of the property at the time of its **damage** or for the amount of the **damage**, or at **our** option reinstate or replace the property or any part of it in accordance with the following Basis of claims settlement.

Basis of claims settlement

- 1** Claims for the total loss or destruction of **contents** or **other items** will be settled on the basis of replacement of property similar to but no better or more extensive than the **contents** or **other items** when new.
- 2** Claims for partial **damage** to **contents** or **other items** will be settled on the basis of restoration to a condition no better or more extensive than the condition of the **contents** or **other items** when new.
- 3** Claims for computer systems, records, documents, manuscripts, business books, accounting records and data carrying materials will be settled on the basis of the value of the materials together with the cost of clerical labour and computer time taken in reproducing those records, but **we** will not cover
 - a** any expenses in connection with reproducing information to be recorded on them
 - b** the value to **you** of the information contained in them.

- 4 Claims for **damage** to the **building(s)** and tenants improvements insured as a specific item will be settled on the basis of rebuilding or replacement of the destroyed property or the repair or restoration of the damaged portion of the property in each case to a condition equal to but no better or more extensive than its condition when new.
- 5 Claims for **stock** will be settled on the basis of its value at the time of loss or destruction with an adjustment for wear and tear.
- 6 Claims for second-hand **stock** purchased by **you** will be settled based upon the purchase price or the market value, whichever is the lower. **You** must keep a record of the second-hand **stock** purchase price, together with invoices and receipt or **we** will not pay **your** claim.
- 7 Claims for second-hand **stock** which have been donated to **you** will be based on the cost to replace the **stock** at the time of **damage** with an adjustment for wear and tear, obsolescence or depletion and calculated using **your** books, records and documents.
- 8 In respect of claims for **damage** to works of art, antiques or museum items **we** will pay:
 - a in the event the property is lost or destroyed, the cost of replacement with a similar item or the value of the item or
 - b in the event that the property is damaged the cost of repair of the item and the reduction in value as a result of the **damage**.

Provided that

- i the most **we** will pay for unspecified items is £5,000
- ii the most **we** will pay for specified items is the sum insured shown on **your** schedule
- iii the Average condition will not apply to these items.

For all claims for the **building(s)**, **contents** or **other items**, no payment will be made beyond the amount which would have been payable

under this section if this provision had not been incorporated, until the cost of reinstatement has actually been incurred.

All claims for the **building(s)**, **contents** or **other items** will be settled without deduction for any increases in the **declared value** between the start date of the **period of insurance** and the date of the **damage**.

Provided that

- 1 the **declared value** at the start of the **period of insurance** is not less than the cost of reinstatement at the start of the **period of insurance**
- 2 a revised **declared value** is provided to **us** annually at renewal

otherwise **our** liability for any claim is limited to the proportion of the claim that the **declared value** at the start of the **period of insurance** has to the cost of reinstatement at the start of the **period of insurance**.

The maximum **we** will pay under this section will not exceed

- 1 in the whole, the total sum insured or for any one item its sum insured or any other limit of liability shown in **your** schedule at the date of **damage**
- 2 the sum insured or limit remaining after deduction for any other **damage** occurring during the same **period of insurance** unless **we** have agreed to reinstate any of the sums insured or limits

adjusted in accordance with the Inflation protection cover.

Architects, surveyors, legal and consulting engineers fees cover

The cover provided for the **building(s)** and **contents** includes an amount for architects, surveyors, legal and consulting engineers fees necessarily incurred with **our** written consent, in the reinstatement or repair of the property insured as a result of its **damage**, but **we** will not cover any costs or expenses for preparing any claim.

We will not pay for any item more than the item sum insured shown in **your** schedule.

Bequeathed property cover

We will cover **you** for **damage** during the **period of insurance** to bequeathed property for which **you** are responsible following the administration of a deceased person's assets.

The most **we** will pay is

- 1 buildings** £100,000 or 10% of the total **buildings** sum insured whichever is the lower
- 2 contents**
 - a** £10,000 any one item excluding rare books, works of art, jewellery and precious stones and
 - b** £1,000 any one rare book, works of art, jewellery or precious stones and £10,000 in total for any one claim and
 - c** £25,000 any one claim.

You must

- 1** provide **us** with details of any bequeathed property as soon as reasonably possible, but at least within three months from the commencement date of **your** interest in the property
- 2** specifically insure such property with **us** from the date such property legally belongs to **you**
- 3** pay the additional premium.

We will not cover **you**

- 1** if the bequeathed property is already more specifically insured
- 2** in respect of vehicles licensed for road use including any accessories on or attached to the vehicle, caravans or trailers, watercraft or aircraft, livestock, growing crops or trees

unless agreed by **us** in writing.

Capital additions cover

We will cover **you** for

- 1** any newly acquired and/or newly erected building(s) or building(s) under construction or machinery and plant which is not insured elsewhere for which **you** are responsible

- 2** alterations, additions and improvements to the **building(s)**, or machinery and plant but not for any appreciation in value anywhere within the **policy territories**.

Provided that

- a** at any one **premises** this cover will not exceed 10% of the sum insured shown in **your** schedule for the **building(s)** and **contents** or £500,000 whichever is less
- b** **you** give **us** details in writing of the additions as soon as possible but in any event within 30 days and **you** will ensure specific insurance is arranged with **us** from the date **you** become responsible
- c** the provisions of this cover will be fully maintained in addition to any specific insurance effected under **b** above.

Contract price cover

If a sale contract is cancelled entirely due to **damage** to the **stock** sold by **you**, that is not delivered and still **your** responsibility, **our** liability will be based on the contract price. For this section, the value of all **stock** where the sale contract is cancelled in the event of **damage** will also be settled on this basis.

Contents kept at home

We will cover **damage** during the **period of insurance** to **contents** used and kept at the home of any councillor, trustee, employee or volunteer of **yours** for the purposes of the **business**. Provided that the home is located within the **policy territories**.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Continuing hire charges

We will cover **you** for continuing hire charges for **contents** hired in by **you** whilst such **contents** are being repaired as a direct result of **damage** during the **period of insurance**.

Provided that

- 1** **you** are legally liable for such costs; and
- 2** **we** have made payment or admitted liability for the **damage**.

Contract works cover

The cover for each **building(s)** item covered by this section extends to include **contract works** undertaken in the performance of any contract where **you** are responsible for arranging insurance cover under the terms of the contract. This cover extends to include the contractor as joint insured under this cover, when **you** are required to take out a policy in joint names as a result of the provisions contained within the JCT minor or intermediate contract terms.

Provided that

- 1 this cover will only apply as long as the **contract works** are not insured elsewhere
- 2 **we** will not be liable for the **excess** shown in **your** schedule for each and every loss.

Our liability will not exceed 10% of the sum insured shown in **your** schedule for the **building(s)** or £100,000 whichever is less for all losses arising out of one claim.

Debris removal cover

We will cover **you** for the costs and expenses necessarily incurred by **you** with **our** consent in

- 1 removing debris from
- 2 dismantling and/or demolishing
- 3 shoring up or propping

the portion or portions of the property insured as a result of **damage** covered by this section.

We will not cover any costs or expenses

- 1 incurred in removing debris except from the site of the property destroyed or damaged and the area immediately adjacent to the site
- 2 arising from pollution or contamination of property not covered by this section.

Our liability for any item under this cover will not exceed the sum insured for the item shown in **your** schedule.

Discharge of oil cover

We will cover **you** for costs and expenses necessarily incurred with **our** prior written consent to decontaminate the land at the **premises** shown in **your** schedule following the

accidental discharge of oil, other than resulting from the failure of the storage tank, from any oil fired heating appliance or storage tank occurring during the **period of insurance**.

Our liability shall not exceed £10,000 during any one **period of insurance**.

Drains clearance cover

We will cover **you** for the costs and expenses necessarily and reasonably incurred by **you** in clearing, cleaning and/or repairing drains, gutters and/or sewers to **your building(s)** or for which **you** are responsible following **damage** up to the limit shown in **your** schedule.

Environmental protection cover

We will pay the additional rebuilding costs following **damage** covered by this section, if **you** elect, with **our** written consent, to rebuild the damaged **building(s)** in a manner that aims to reduce potential harm to the environment or improve energy efficiency.

Provided that

- 1 **we** will not pay the additional costs of work **you** had already planned to be carried out prior to the **damage**
- 2 if **our** liability is reduced by the application of any terms or conditions of this **policy**, **our** liability will be reduced proportionately
- 3 **we** will not pay any additional costs for replacing undamaged property
- 4 if **you** elect not to rebuild the damaged **building(s)** then this cover will not apply.

Our liability for any one claim will not exceed 10% of the sum insured.

European Community and public authorities (including undamaged property) cover

The cover for the **building(s)** and **contents** also includes the additional cost of reinstatement that may be incurred solely due to the necessity to comply with the stipulations of

- 1 European Community legislation
- or

- 2 building or other regulations under or framed in pursuance of any Act of Parliament or Bye-laws of any public authority referred to as the stipulations, for
 - a the **damage** to the property insured
 - b undamaged portions of the property insured but excluding
 - 1 the cost incurred in complying with the stipulations
 - a for **damage** occurring before the start date of this cover
 - b for **damage** not insured by this section
 - c where notice has been served on **you** prior to the **damage** happening
 - d where there is an existing requirement which has to be implemented within a given period
 - e for property covered by this section entirely undamaged by any event covered by this section
 - 2 the additional cost that would have been required to make good the property lost, destroyed or damaged to a condition the same as when new, had the need to comply with the stipulations not arisen
 - 3 the amount of any charge or assessment arising out of capital appreciation which may be payable for the property or by the owner to comply with the stipulations.

Special conditions applicable to European Community and public authorities cover

- 1 Reinstatement work must be started and carried out without unreasonable delay and must be completed within 12 months of the date of the **damage** or any further time that **we** agree (during those 12 months).
- 2 The reinstatement work may be carried out on another site (if the stipulations require) subject to **our** liability under this cover not being increased.
- 3 If **our** liability is reduced by the application of any of the terms or conditions of this **policy**, then **our** liability will be reduced proportionately.

- 4 The total amount recoverable under any item of this section, for this cover will not exceed
 - a for the lost, destroyed or damaged property
 - i 15% of its sum insured
 - ii where the sum insured by the item applies to property at more than one location, 15% of the total amount which **we** would have been liable for had the property insured by the item been totally destroyed
 - b for undamaged portions of property (other than foundations) 15% of the total amount which **we** would have been liable for had the property insured by the item at the **premises** suffered **damage**.

Our liability for **building(s)** and **contents** will not exceed the sum insured shown in **your** schedule.

Exhibition cover

We will cover **you** for any **stock**, **contents** and **other items** described in **your** schedule whilst at any exhibition within the **policy territories**.

Our liability will not exceed £25,000 or 10% of the total sum insured for **contents** shown in **your** schedule for such items for all losses arising out of one claim.

Explosives cover

We will cover **you** for **damage** to any property insured shown in **your** schedule, directly or indirectly caused by or as a result of the use of explosives for any theft or any attempted theft at the **premises**. **We** will only cover **you** if the risk of explosion is not insured under any other policy by **you** or on **your** behalf for the same property.

Our liability for any one **period of insurance** will not exceed the sum insured shown in **your** schedule.

Fire brigade charges cover

We will cover **you** for the costs and expenses incurred by **you** charged by the Local Authority for extinguishing fire or fire fighting, provided that these costs and expenses are necessary and reasonable.

Fire extinguishment expenses cover

We will cover **you** for the cost of replacing or refilling, recharging and/or replenishing extinguishment materials when **you**, **your** employees or the fire brigade attempt to extinguish or minimise **damage**.

Provided that these costs and expenses are not recoverable from the responsible public authority.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Freezer contents cover

We will cover **you** for damage to frozen or chilled goods in any cold chamber due to a change in temperature resulting from any cause, except loss, destruction or damage

- 1 following the deliberate act of any public electricity authority in termination, disconnection, restriction or withholding the supply of electricity
- 2 caused by neglect or misuse.

Provided that

- 1 the cold chamber must be maintained under an annual maintenance contract
- 2 where the cold chamber is over 10 years old, **you** will be responsible for 20% of any claim up to the sum insured.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Fund raising cover

We will cover **you** for **damage** occurring during the **period of insurance** to raffle prizes, donated goods or auction lots and additional **stock** or **contents** hired in for any fundraising event, religious festival or similar event situated within the **policy territories**.

Our liability for any one **period of insurance** will not exceed the sum insured shown in **your schedule**.

Fundraising and catering events cover

We will cover **you** for **damage** to **stock** and contents covered under this section while

- 1 at any fundraising event or event where **you** are providing outside catering which does not exceed 7 days

- 2 in the course of demonstration, construction, erection or dismantling at any such event
- 3 in transit to and from the event in the European Economic Area.

The most **we** will pay is £5,000 in respect of any one claim.

We will not cover **damage** as a result of

- a defective or inadequate packing, insulation or labelling
- b evaporation or ordinary leakage
- c delay
- d inadequate documentation
- e shortage in weight.

Further investigation expenses cover

Where a building has suffered **damage** and in the opinion of a competent construction professional there is a reasonable possibility of other **damage** to portions of the same building which is not immediately apparent, **we** will pay the reasonable costs and expenses incurred by **you** with **our** written consent in establishing whether or not such **damage** has occurred.

We will also pay the reasonable costs incurred by **you** with **our** written consent in establishing whether or not other surrounding **buildings** have suffered **damage** in the same incident but only if those **buildings** are subsequently found to have suffered **damage** for which **we** are responsible.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

General interest cover

We will automatically note the interest of other parties that may become interested in this insurance throughout the duration of this section. **You** must declare these interests to **us** in writing in the event of any **damage**.

Glass breakage cover

We will cover **you** and at **our** option pay for or make good any breakage or malicious scratching of all internal or external fixed glass, belonging to **you** or for which **you** are responsible at the **premises** during the **period of insurance** and which is in good condition

and free from **damage** at the start date of the **period of insurance**.

We will also pay for the cost of

- 1** breakage of fixed sanitaryware
- 2** boarding up and repair to associated framework reasonably incurred as a result of an insured breakage. **You** may instruct builders or glaziers to board up where necessary without **our** prior consent
- 3** repair or replacement of lettering, alarm foil or other ornamentation work on glass up to £5,000 in any one **period of insurance**
- 4** repair or replacement of fixed mirrors
- 5** removal or replacement of fixtures and fittings which may be necessary in connection with the replacement of the glass.

We will not pay for

- 1** breakage when the **building(s)** are **unoccupied** unless **we** have agreed otherwise
- 2** any property more specifically insured by **you** or on **your** behalf.

Our liability for any one claim will not exceed the sum insured shown in **your** schedule.

Hire agreement cover

If the property insured under this section is the subject of hire agreements, **we** will include the interest of the owners in any indemnity provided. **You** must provide the name of any other interested party in the event of a claim.

Inadvertent omissions cover

Provided that **you** have notified **us** of **your** intention to cover all property in which **you** have an interest and that **you** believe all the property is covered, **we** will cover **you** for **damage** to property that has been inadvertently omitted or the subject of typographical error. **We** will provide cover within the terms of this section, subject to payment of the premium for all such property from the start of this section or from the date of **your** interest in such property if it is erected or purchased after the start of this section.

Provided that

- 1** the value of the property insured which has been inadvertently omitted shall be added to the **declared value**
- 2** this extension of cover does not apply to property situated outside of the **policy territories** or to **stock** or **other items**.

Our liability for any one claim at any at one **premises** will not exceed the limit shown in **your** schedule.

Inflation protection cover

We will adjust the sum insured for the **building(s)**, **contents** or **other items** at each renewal in line with suitable indices and the renewal premium for this section will be based on the adjusted sums insured.

Landscaped gardens cover

We will cover **you** for the cost of restoring any **damage** caused by the emergency services to landscaped gardens, for which **you** are responsible, when the emergency services are attending the **premises** as a result of a **defined peril**.

Our liability in any one **period of insurance** will not exceed the limit shown in **your** schedule.

Leased buildings cover

We will cover **you** for **damage** to

- 1** the building(s) (including landlords fixtures and fittings) where **you** are the lessee and/or
- 2** rent payable by **you** in respect of the building(s)

up to the limit shown in **your** schedule but only to the extent of **your** legal liability for **damage** to those building(s) and/or for rent payable.

We will not cover any risk which any lessor has covenanted to insure.

Provided that no amount is recoverable under this cover

- 1** due to the application of any excess, deductible or average condition under any more specific insurance

- 2 due to a breach, other than any unintentional breach by **you**, of any condition or warranty under any more specific insurance
- 3 in excess of any monetary limit of indemnity under any more specific insurance.

Special conditions applicable to Leased buildings cover

- 1 If **we** request it, **you** agree to provide **us** with a copy of the lease or the relevant portions of the lease, for any of the **premises** which this cover applies to, and **you** also agree not to extend the relevant sections of the lease for the duration of this insurance without **our** prior consent.
- 2 **We** will not be responsible for rent payable unless the building which the rent payable relates to is damaged where it is rendered unfit for occupation and then only for the proportion of the rent payable that is equivalent to the time necessary for reinstating the **damage** sustained.

Locks and keys cover

We will cover **you** for the cost of replacing locks and keys needed to keep **your building(s)** secure if the keys are stolen using force and/or violence.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Loss reduction expenses cover

We will cover **you** for the costs and expenses necessarily and reasonably incurred by **you** with **our** consent in

- 1 preventing or reducing imminent **damage** which would have been covered by this section
- 2 reducing, mitigating or otherwise alleviating **damage** covered by this section during and after the occurrence of such **damage**.

Provided that

- 1 the impending **damage** was not reasonably foreseeable earlier and would be the natural outcome if the costs and expenses were not incurred
- 2 the impending **damage** did not arise from any defect in the property insured

- 3 **we** are satisfied that **damage** which would have been covered by this section has been avoided or reduced as a result of the measures taken.

Our liability in any one **period of insurance** will not exceed the limit shown in **your** schedule.

Metered water or gas cover

We will cover **you** for the additional metered water and/or gas charges incurred by **you** as a result of **damage** to the **building(s)** shown in **your** schedule, but **we** will not pay for the charges incurred for any **building(s)** which is **unoccupied**.

Provided that repairs are completed within 30 days of the **damage** being discovered.

The most **we** will pay is based on the amount of the water or gas charges for the period when the **damage** occurs, less the charge paid by **you** for the corresponding period in the preceding year. This will then be adjusted for changes in the suppliers' charges and for variations affecting **your** water or gas consumption during the intervening period.

Our liability during any one **period of insurance** will not exceed the limit shown in **your** schedule.

Motor vehicles (stationary risk) cover

We will cover stationary motor vehicles licensed for road use, belonging to or leased by **you** whilst situated at **your premises**, but only if they are not insured elsewhere.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Natural sports surfaces cover

We will cover **you** for **damage** to greens and playing surfaces as shown in **your** schedule, cover extends to include any irrigation or heating systems installed.

In the event of **damage we** will pay for

- 1 Re-seeding
or
- 2 Re-turfing.

The replacement of any trees or plants will be saplings of the same or similar type.

The maximum **we** will pay in respect of each claim is the limit shown in **your** schedule.

We will not cover **damage** as a result of

- a** the application of fertilisers or chemicals
 - b** the failure to apply fertilisers or chemicals
 - c** storm, **flood**, and other effects of weather
 - d** wear, tear and the course of play
 - e** maintenance work at the **premises**
 - f** animals
- and

We will not cover **damage** caused to the irrigation systems during the period 1 October to 30 April each year unless the system is drained.

We will not cover the first £250 of each and every claim.

Outworkers cover

We will cover **you** for **damage** to the property shown in **your** schedule whilst at any of the **premises** of any of **your** outworkers, situated anywhere in the **policy territories**.

Our liability during any one **period of insurance** will not exceed the limit shown in **your** schedule for any one outworker.

Pairs and sets cover

The insurance in respect of the personal property of **your** principals, directors, employees, customers or visitors where that property consists of articles in a pair or set, is limited to the value of the individual parts which suffer **damage**, irrespective of any special value which that property may have as a pair or set.

Patterns cover

We will cover **you** for **damage** to patterns, jigs, models, templates, moulds, tools, dyes, drawings or designs belonging to **you** or for which **you** are responsible whilst at the **premises** of any machine makers, engineers, founders or other metal workers (excluding any **premises** occupied by **you**) within the **policy territories**.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Public relations expenses cover

We will cover **you** for the costs and expenses necessarily and reasonably incurred by **you** with **our** written consent to employ suitable public relations personnel to deal with press and public announcements and other necessary activities following **damage** covered by this section.

Our liability during any one **period of insurance** will not exceed the limit shown in **your** schedule.

Raffle prizes and donations cover

We will cover **you** for **damage** to raffle prizes and donated goods to be used for fundraising events anywhere in the **policy territories**.

Our liability for any one claim will not exceed £1,500 or £500 in respect of any one item.

Seasonal increase cover

The **stock** sum insured shown in **your** schedule will be increased by 25% during the months of November, December and the first 14 days of the month of January and for 30 days before Easter Day.

Seventy two hour cover

We will cover **you** for **damage** within 72 consecutive hours of and caused by the **defined perils** of storm or **flood** as one claim, provided the perils are covered by this section.

You can decide when the 72 hour period starts as covered by this section, provided that **damage** occurred before the end of the **period of insurance**.

Sprinkler upgrade costs cover

We will cover **you** for the additional costs incurred following **damage** to the property shown in **your** schedule, to upgrade an automatic sprinkler installation within **your building(s)** in order to meet current Loss Prevention Council (LPC) rules.

Provided that at the date of the **damage** the installation conforms to the LPC rules current at the date of installation and that the system has a complete service record up to the date of the **damage**.

Our liability for any one claim will not exceed 10% of the sum insured.

Temporary removal cover

We will cover **contents** or **other items** whilst temporarily removed to any **premises** not owned or occupied by **you**

- 1 for cleaning, renovation, repair or similar purposes
- and
- 2 in transit to and from such **premises** anywhere in the **policy territories**.

Provided that **we** will not cover property that is specifically insured elsewhere.

Our liability under each item of this section for any **damage** occurring other than at **your premises** will not exceed £25,000 or 10% whichever is the lower of the item sum insured.

Temporary removal of documents cover

We will cover **you** for up to 10% of the value of deeds and other documents (including stamps on them), manuscripts, plans and writings of every description, computer systems, records and books (written and printed) whilst temporarily removed

- 1 to any **premises** not owned or occupied by **you**
- and
- 2 in transit to and from such **premises** within the **policy territories**.

This cover does not apply to property that is insured elsewhere.

Theft damage to buildings cover

Where there is no **building(s)** insurance in force under this section **we** will cover **you** for **damage** to the **building(s)** at the **premises** shown in **your** schedule resulting directly from theft or attempted theft covered by this section, provided that **you** are the owner of the **premises** or are legally responsible for the **damage**.

We will not pay for **damage** to any building(s) which are **unoccupied**.

Theft of building fabric cover

We will cover **you** for

- 1 **damage** to the external fabric of any **building(s)** insured by this section as a result of theft or attempted theft

- 2 **damage** following entry of rainwater as a result of theft or attempted theft of the external fabric of the **building(s)**.

This cover excludes

- 1 any **buildings** which are **unoccupied**
- 2 the **excess** shown in **your** schedule for each and every claim in respect of each separate **premises** shown in **your** schedule.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Theft or attempted theft cover

We will cover **you** for any loss, insured by this section, caused by theft or attempted theft

- 1 involving entry to or exit from the **building(s)** or part of the **building(s)** occupied by **you** at the **premises** by forcible and violent means
- 2 following assault or violence or threat of violence, to **you** or any of **your** partners, directors or employees or any member of **your** family, or any other person lawfully at the **premises**.

Trace and access cover

We will cover **you** for the reasonable costs necessarily incurred by **you** and subsequent making good of **damage**, in locating the source of the leak resulting from

- 1 the escape of water from any tank, apparatus or pipe
- 2 **damage** to cables, underground pipes and drains serving the **premises**.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Unauthorised use of electricity, gas, oil and water cover

We will cover **you** for the charges which **you** are responsible for if gas, electricity, oil or water is discharged from a metered system, arising from unauthorised use by persons taking possession, keeping possession or occupying the **building(s)** without **your** authority.

Provided that **you** take all practical steps to terminate the unauthorised use as soon as it is discovered.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Undamaged stock cover

In the event of **damage** covered by this section **we** will cover **you** for any additional costs and expenses **you** incur less the value of any salvage

- 1** in the event of undamaged **stock** deteriorating and/or being condemned or otherwise becoming unusable
- 2** for items that will form **stock** which **you** are obliged under contract to accept from any other party, but are unable to use.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Undamaged tenants improvements cover

In the event of **damage** covered by this section to the **building(s)** or **contents** specified in **your** schedule and as a result **your** lease is terminated by the lessor under a valid condition of **your** lease, **we** will cover **you** for the value of undamaged tenants fixtures, fittings, alterations, installations or additions, made at **your** expense and for which **you** are responsible and which cannot be legally removed from **building(s)** occupied but not owned by **you**.

Provided that **we** will not be liable for retaining walls, foundations or supports below the surface of the lowest floor or basement or for outdoor trees, shrubs, plants or lawns.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Underground pipes and services cover

We will cover **you** for the costs incurred following **damage** which **you** are responsible for to fuel or oil pipes, cables including overhead electricity and telephone cables, septic tanks and associated pipes, underground pipes and drains including inspection covers at the **premises** or connecting the **premises** to the public mains.

Provided that **we** will not cover **damage** caused by gradual deterioration or wear and tear.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Unspecified storage sites cover

We will cover **stock** belonging to **you** whilst at any unspecified location within the **policy territories** used by **you** for storage.

Provided that cover only applies where the **stock** is not insured elsewhere.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Value Added Tax cover

We will cover **you** for Value Added Tax (VAT) paid by **you** which is not subsequently recoverable.

Provided that

- 1 a** **your** responsibility for such VAT arises solely as a result of the reinstatement or repair of the property covered following **damage**
- b** **we** have paid or have agreed to pay for the **damage**
- c** if any payment made by **us** in respect of the reinstatement or repair of the **damage** is less than the actual cost of the reinstatement or repair of the **damage**, any payment under this cover resulting from that **damage** will be proportionally reduced
- 2** **your** responsibility for VAT does not arise from the replacement property covered being better or more extensive than the property which has been destroyed
- 3** where an option to reinstate the **building(s)** on another site is exercised, **our** responsibility under this cover will not exceed the amount of VAT that would have been payable had the **building(s)** been rebuilt on its original site
- 4** **our** responsibility under this cover will not include amounts payable by **you** as penalties or interest for non payment or late payment of VAT
- 5** **you** have taken all reasonable precautions to insure adequately for VAT responsibility at the start date of the **policy** and at each subsequent renewal date.

x What is not covered

Aircraft or aerial devices exclusion

We will not cover **you** for loss, destruction or damage caused by or occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds but **we** will cover subsequent **damage** which itself results from a cause covered by this section.

Brittle articles exclusion

We will not cover **you** for loss, destruction or damage to glass (other than fixed glass), china, earthenware, marble or other fragile or brittle objects other than **damage** caused by a **defined peril** which is covered by this section.

Business interruption exclusion

We will not cover **you** for any losses, damage, costs or expense of any kind which occurs as a result of **business interruption** under this section, except loss of rent payable where this is shown as covered in **your** schedule.

Collapse exclusion

We will not cover **you** for loss, destruction or damage to the **building(s)** or structure caused by its own collapse or cracking other than for **damage** caused by a **defined peril** which is covered by this section.

Collusion exclusion

We will not cover **you** for loss, destruction or damage by theft or attempted theft caused by or in conjunction with **you** or any of **your** partners, directors or employees or any member of **your** family or any other person lawfully at the **premises**.

Date recognition exclusion

We will not cover **you** for loss, destruction or damage directly or indirectly caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date, to process data or to operate properly due to failure to recognise any given date but **we** will cover subsequent **damage** which results from a **defined peril** covered by this section.

Electrical plant or apparatus exclusion

We will not cover **you** for loss, destruction or damage to any electrical plant or apparatus caused by its own overrunning, short-circuiting, excessive pressure or self-heating.

If the **damage** extends to other property insured, that **damage** is covered by this section.

Electronic risks exclusion

We will not cover **you** for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1 the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or
- 2 any alteration modification distortion erasure, corruption of data processed by any such computer or other equipment or component or system or item

whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

We will cover subsequent **damage** which is covered by this section, which itself results from a **defined peril** covered by this section, except for **damage** caused by malicious persons other than thieves.

Excess exclusion

We will not cover **you** for the **excess** shown in **your** schedule for each and every loss in respect of each separate **premises** shown in **your** schedule, in respect of

- 1 **damage** by fire, lightning, explosion, aircraft, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances or earthquake
- 2 **flood**
- 3 theft or attempted theft
- 4 all other **damage**.

Faulty or defective workmanship exclusion

We will not cover **you** for loss, destruction or damage caused by or consisting of faulty or defective workmanship, operational error or omission by **you**, any of **your** employees or anyone on **your** behalf, other than for **damage** caused by a **defined peril** which is covered by this section.

Fraud and dishonesty exclusion

We will not cover **you** for acts of fraud or dishonesty by **your** employees or any partner, director or member of **your** family, but **we** will cover subsequent **damage** which results from a **defined peril** covered by this section.

Miscellaneous damage exclusion

We will not cover **you** for loss, destruction or damage caused by or consisting of

- 1 corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
- 2 change in temperature, colour, flavour, texture or finish
- 3 joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
- 4 mechanical or electrical breakdown or derangement for the particular machine, apparatus or equipment where the breakdown or derangement originates

other than for **damage** caused by a **defined peril** which is covered by this section.

Money exclusion

We will not cover **you** for **money** (other than as detailed in the meaning of **contents**) unless caused by a **defined peril** covered by this section.

More specific insurance exclusion

We will not cover **you** for any property more specifically insured by **you** or on **your** behalf.

Motor vehicle and other property exclusion

We will not cover **you** for loss, destruction or damage to

- 1 vehicles licensed for road use (including accessories on them) caravans, railway locomotives, rolling stock, watercraft or aircraft
- 2 property or structures in the course of construction or erection and materials or supplies in connection with all such property
- 3 land, piers, jetties, bridges, culverts and excavations
- 4 livestock, growing crops or trees
- 5 pitch fibre pipes

unless specifically covered by this section.

Pollution or contamination exclusion

We will not cover **you** for any loss, destruction or damage caused by pollution or contamination unless the **damage** is caused by

- 1 pollution or contamination which itself results from a **defined peril** provided that peril is covered by this section
- 2 any **defined peril** provided that peril is covered by this section, which itself results from pollution or contamination.

Process exclusion

We will not cover **you** for loss, destruction or damage

- 1 to the property insured shown in **your** schedule caused by fire resulting from its undergoing any heating process or any process involving the application of heat
- 2 (other than by fire or explosion) to the property insured shown in **your** schedule resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair.

Property in the open exclusion

We will not cover **you** for loss, destruction or damage to fences, gates in the open caused by wind, rain, hail, sleet, snow, **flood**, dust.

Radioactive contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from damage to any property, or any consequential loss directly or indirectly caused by or contributed to by or arising from

- 1** ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 2** the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly.

Steam pressure exclusion

We will not cover **you** for loss, destruction or damage caused by or consisting of the bursting by steam pressure of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel, machine or apparatus where internal pressure is due to steam only belonging to **you** or under **your** control.

But **we** will cover subsequent **damage** which results from a cause covered by this section.

Subsidence exclusion

We will not cover **you** for loss, destruction or damage caused by or resulting from

- 1** subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe
- 2** coastal or river erosion
- 3** normal settlement or bedding down of new structures.

This exclusion does not apply if subsidence cover is shown as being covered in **your** schedule.

Terrorism and Northern Ireland exclusion

We will not cover **you** for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1** in England, Scotland, Wales, the Channel Islands and the Isle of Man

- a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.

- 2** in Northern Ireland

- a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
- c** riot, civil commotion and (except for damage or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious persons.

If any of the points above are found to be invalid or unenforceable, the remainder of the points shall remain in full force and effect.

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

Theft or any attempted theft exclusion

We will not cover **you** for loss, destruction or damage caused by or consisting of theft or attempted theft

- 1** not involving entry to, or exit from the building(s) or any part of the building(s) used by **you** at the **premises** by forcible and violent means
- 2** unless as a result of assault or violence or threat of violence to **you** or any of **your** partners, directors or employees or any member of **your** family, or any other person lawfully at the **premises**
- 3** of property in the open or property not contained in a fully secured and locked building which exceeds £500 in respect of any one item.

Unexplained loss exclusion

We will not cover **you** for loss, destruction or damage caused by or consisting of

- 1 disappearance, unexplained or inventory shortage
- 2 misfiling or misplacing of information.

Unoccupied building exclusion

We will not cover **you** for loss, destruction or damage to any building which is **unoccupied** caused

- 1 by freezing
- 2 by the escape of water from any tank, apparatus or pipe
- 3 by malicious persons not acting on behalf of or in connection with any political organisation other than by fire or explosion
- 4 by theft damage to the building
- 5 by theft of fabric of the building.

Valuables exclusion

We will not cover **you** for loss, destruction or damage to jewellery, precious stones, precious metals, bullion, furs, curiosities, works of art or rare books, but **we** will cover subsequent **damage** which results from a **defined peril** covered by this section.

War risks exclusion

We will not cover any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority.

Wear and tear, deterioration exclusion

We will not cover **you** for loss, destruction or damage caused by or consisting of inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level or its own faulty or defective design or materials but **we** will cover subsequent **damage** which itself results from a **defined peril** covered by this section.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions (including any specific conditions where applicable) to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Arbitration condition

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid, the amount of the difference will be referred to an arbitrator who is jointly appointed in accordance with the statutory requirements. **You** will not be able to take legal action against **us** over this disagreement until the arbitrators have made their award.

Average condition

If at the time of **damage** the sum insured is less than 85% of the value of the property covered, the amount **we** will pay will be reduced proportionately.

This will not apply to

- 1 a private dwelling, house or household goods and personal effects
- 2 a building used mainly for public religious worship or for connected activities
- 3 agricultural produce from a farm in Great Britain subject to the special condition of average (if shown in **your** schedule as applicable and detailed by endorsement)
- 4 any item subject to the two conditions of average (if shown in **your** schedule as applicable and detailed by endorsement)
- 5 any item subject to the Day one average condition.

Construction of buildings condition

Unless otherwise stated the **premises** described in **your** schedule must be of **standard construction**.

Contribution and average condition

If, at the time of the claim, there is any other policy covering the same property covered by this section, **we** will only be responsible for **our** proportionate share.

If any other policy is subject to any average (under insurance) condition, this section, if not already subject to average, will be subject to average in the same way as the other insurance policy.

If any other policy has a condition that prevents it from paying its share, **our** share of the claim will be limited to the proportion of the sum insured compared to the value of the property insured.

Designation condition

For the purpose of determining where necessary the heading under which any property is covered **we** agree to accept the designated category under which such property has been entered in **your** books.

Escape of water condition

If in relation to any claim for **damage** caused by the escape of water from any tank, apparatus or pipe to the property insured during the period 1st October to 31st March in respect of any **building** not physically occupied and used in its normal capacity on a weekly basis

you must ensure that

- 1 all pipes and tanks in roof spaces and other void or unheated areas must be suitably lagged
- 2 thermostatically controlled heating systems must be permanently on and set at a minimum temperature of 4 degrees centigrade
- 3 the location of the main stop valves must be clearly identified and indicate the direction of off/on.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Explosion condition

Any vessel, machinery or apparatus or its contents belonging to **you** or under **your** control, which needs examination to comply with any statutory regulations, will be the subject of a contract providing the required inspection.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Fire protections condition

You must ensure that all fireproof doors and shutters are kept closed (except during working hours) and all fire protections (including fire extinguishing appliances) must be maintained in efficient working order during the **period of insurance**.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for fire and/or explosion.

Indemnity condition

Where an item is marked 'I' in **your** schedule **your** cover is on an indemnity basis which means the cost of replacing the item less an adjustment for wear and tear.

You must declare to **us** at the start date of the **period of insurance** the sum insured for those items on this basis. Any claim for **damage** will be settled on this basis subject to

- 1 the value for those items will be calculated on this basis for the purpose of the Average condition
- 2 the maximum amount payable for any one item shall not exceed the sum insured for that item shown in **your** schedule.

Minimum security standards condition

The following minimum level of security must be installed and maintained at the **premises** and put into use whenever the **premises** are closed for business or left unattended.

Alternative minimum security protections can only be installed with **our** written permission.

- 1 All external doors of the building(s) or any part of the building(s) used by **you** at the **premises** must be secured as follows

- a** timber doors must be fitted with an appropriate mortice deadlock which has 5 or more levers and/or conforms to British Standards BS 3621 or European Norm EN 1303 together with a matching metal box striking plate, installed in accordance with the manufacturer's recommendations
- b** aluminium doors must be fitted with integral cylinder key operated mortice deadlocks to EN 1303
- c** UPVC doors must be fitted with key operated multi-point locking devices incorporating swinging/claw locking bolts
- d** the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom.

2 All internal doors in the building(s) that give access to any part of the building(s) not used by **you** for the purpose of the **business** are to be fitted with

- a** timber doors must be fitted with an appropriate mortice deadlock which has 5 or more levers and/or conforms to BS 3621 or EN 1303 together with a matching metal box striking plate, installed in accordance with the manufacturer's recommendations
- b** aluminium doors must be fitted with integral cylinder key operated mortice deadlocks to EN 1303
- c** UPVC doors must be fitted with key operated multi-point locking devices incorporating swinging/claw locking bolts
- d** the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom.

3 All opening external basement, ground floor and other accessible windows (accessible includes a window that can be easily reached from an adjacent flat roof, a fire escape, balconies, canopies or down pipes), fanlights, roof lights, skylights must all be fitted with suitable and appropriate key operated window locks, installed in accordance with the manufacturers recommendations. All louvered windows must have their louvers permanently

fixed into place to ensure they cannot be removed from their fixings.

This requirement does not apply to windows protected by solid steel bars, weld mesh or expanded metal grills securely fixed to the brickwork surrounding the window.

4 Any door or window officially designated by the local planning officer, local building control officer or as defined within the business fire risk assessment forming part of an emergency exit route, is excluded from the above requirements. The doors and windows must only be secured using suitable and appropriate internally operated quick release type of security devices, specifically designed for this purpose with mortice deadlocks conforming to BS 8621; panic bars/latches conforming to BS EN 1125.

5 Each item of electronic equipment with an individual replacement value of £10,000 or more must be securely anchored to the desk, workstation or to the structure of the building in accordance with the following Loss Prevention Standard (LPS) requirements –

- a** in respect of electronic equipment such as PCs, laser printers or fax machines, all items must be secured in accordance with LPS 1214 requirements
- b** in respect of electronic equipment such as blade servers, computer cabinets and security enclosures, all items must be secured in accordance with LPS 1175 requirements.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for malicious damage and/or theft or attempted theft.

Modern materials condition

Where an item is marked 'MM' in **your** schedule **your** cover is on a modern materials basis which means the cost of erecting modern **buildings** providing comparable facilities to the existing structures.

You must declare to **us** at the start date of the **period of insurance** the sum insured for those items on this basis. Any claim for **damage** will be settled on this basis subject to

- 1 the value of the **building(s)** will be calculated on this basis for the purpose of the Average condition
- 2 the amount payable for any **building(s)** shall not exceed either the cost of a modern building providing comparable facilities or the sum insured, whichever is less.

Mortgagee's condition

The act of neglect of any mortgagor or occupier of any **premises** covered by this section where the risk of **damage** is increased without the authority or knowledge of any mortgagee will not prejudice the interest of the latter party (or parties) in this section, provided they tell **us** immediately they become aware of any increased risk, pay any necessary additional premium and comply with any additional terms agreed with **us**.

Non invalidation condition

The cover provided by this section will not be invalidated by any act or omission or an alteration where the risk of **damage** is increased unknown to **you** and beyond **your** control, provided that when **you** become aware of it, **you** tell **us** immediately and pay any necessary additional premium and comply with any additional terms agreed with **us**.

Police notification condition

You must immediately notify the police of any loss or **damage** by theft or attempted theft of the property covered by this section. **You** must take all reasonable steps for the discovery and punishment of the guilty person or persons and to trace and recover the property lost.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for theft or attempted theft.

Protective and locking devices condition

All locks, bolts, bars, window fastenings and other protective and locking devices installed at the **premises** must be maintained and put into operation whenever the **premises** are closed for business or left unattended.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for malicious damage and/or theft or attempted theft.

Reinstatement condition

This condition is not applicable to motor vehicles and their accessories, personal effects or **stock**.

Where an item is marked 'R' in **your** schedule, **your** cover is on a reinstatement basis which means the cost of reinstatement of the property lost, destroyed or damaged.

Provided that

- 1 **our** liability for the repair or restoration of property that has suffered **damage** in part only will not exceed the amount **we** would have been liable for had the property been completely destroyed
- 2 if the sum insured at the time of any **damage** is less than 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item, at the time of rebuilding or replacement, the amount payable by **us** will be proportionately reduced
- 3 no payment will be made beyond the amount which would have been payable in the absence of this cover
 - a unless reinstatement commences and proceeds without unreasonable delay
 - b until reinstatement costs have been actually incurred
 - c if the property covered by this section at the time of its **damage** has any other insurance in force which is not on the same basis of reinstatement
- 4 all the terms and conditions of the **policy** will apply
 - a to any claim payable under this condition unless they have been amended by this condition
 - b if any claim is payable as if this condition had not been included.

Reinstatement of sum insured after loss condition

In the event of **damage** the sum insured by this section will be automatically reinstated from the date of the **damage** unless written notice is given to the contrary either by **us** or by **you**.

Provided that in the event of reinstatement **you** will

- 1 pay the necessary premiums that may be required for the reinstatement, from the date of reinstatement
- 2 complete any additional risk improvements which **we** may reasonably require.

Rent condition

Any cover on rent only applies if the **premises** or any part of them is unfit for occupation following **damage**.

The amount payable will not exceed the proportion of the sum insured on rent relating to the period necessary for reinstatement.

Seasonal building usage condition

The following must be complied with

- 1 the central heating system is to be kept in full and effective operation at a minimum temperature of 13C (55F)
or
- 2 the water services are shut off at the stopcock where they enter the **building(s)**, other than to maintain fire prevention systems
- 3 the **building(s)** are inspected internally and externally at least once a week by **you** or on **your** behalf and a written inspection of the inspection is maintained by **you**
- 4 all **damage** to the **premises** must be rectified immediately.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for fire and/or explosion and/or malicious damage and/or theft or attempted theft.

Security of premises condition

If the cover provided by this section has been granted following a survey of **your premises**, **you** must not alter door and window fastenings and other security devices (except as may be provided for in any further protection endorsement shown in **your** schedule) without **our** written consent. In **your** own interest **you** should give early notification of proposed changes so that if necessary a further survey can be completed.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for malicious damage and/or theft or attempted theft.

Subrogation waiver condition

In the event of a claim under this section **we** agree to waive any rights, remedies or relief to which **we** might have become entitled by subrogation against

- 1 any company standing in relation of parent to subsidiary (or subsidiary to parent) to **you**
- 2 any company which is a subsidiary of a parent company of which **you** are a subsidiary

in each case as defined by current law at the time of the **damage**.

Transfer of interest condition

If at the time of **damage** **you** have entered into a contract to sell **your** interest in any **building(s)** covered by this section and the sale has not, but subsequently completes, the purchaser will have the full protection of this section on exchange of contracts, provided the **building(s)** are not covered by any other insurance arranged by the purchaser.

Unoccupied buildings condition

The following must be complied with

- 1 **you** must tell **us** as soon as **you** become aware
 - a of any **buildings** or portions of **buildings** at the **premises** becoming **unoccupied** or **unoccupied buildings** or portions of **unoccupied buildings** at the **premises** becoming occupied and **you** agree to

- i pay any necessary additional premium as may be required by **us**
 - ii complete any additional risk improvements which **we** may reasonably require
 - b of any **damage** to the **unoccupied buildings** or **unoccupied** portions of **buildings** whether the **damage** is covered or not.
- 2 in respect of **unoccupied buildings** or **unoccupied** portions of **buildings**, **you** must ensure that
- a the **buildings** are inspected internally and externally at least once a week by **you** or on **your** behalf and a written record of the inspection is maintained by **you**
 - b all refuse and waste materials are removed from the interior of the **buildings** and removed from the **premises**
 - c **you** will secure the **premises** and put all protective, locking devices and any alarm protection in effective operation
 - d gas, water and electricity services (except electricity supply to maintain any fire or intruder alarm systems) and any fuel supplies are permanently shut off at the switch or stopcock where they enter the **buildings** (or in the case of individual flats or portions of a building, where they enter the flat or **unoccupied** part of the **building**)
 - e **you** implement any additional protections that **we** may require within the time scale **we** specify
 - f all **damage** to the **premises** must be rectified immediately
 - g letterboxes must be sealed
 - h the final exit door of the **building(s)** must be secured as follows
 - i timber doors must be fitted with an appropriate mortice deadlock which has 5 or more levers and/or conforms to British Standards BS 3621 or European Norm EN 1303 together with a matching

metal box striking plate, installed in accordance with the manufacturer's recommendations

- ii aluminium doors must be fitted with integral cylinder key operated mortice deadlocks to EN 1303
- iii UPVC doors must be fitted with key operated multi-point locking devices incorporating swinging/claw locking bolts
- iv the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for fire and/or explosion and/or malicious damage and/or theft or attempted theft.

Workmen's condition

Joiners and other tradesmen are allowed in or on the **premises** covered by this section to make repairs or minor structural alterations without prejudice to this insurance, provided that if the repairs or minor structural alterations involve the use of heat, **you** must comply with the Hot work permit system condition if applicable.

Specific section conditions and covers

The following conditions and covers only apply if shown in **your** schedule.

1 Day one average cover

Subject to the following special conditions, the amount payable for property under sums insured marked 'DA' in **your** schedule will be calculated as reinstatement of the **damage** to the property.

For this purpose, reinstatement means

- 1 the rebuilding or replacement of damaged property, which provided **our** liability is not increased may be completed
 - a in any manner suitable to **your** requirements
 - b upon another site

- 2** the repair or restoration of **damaged** property

to a condition equivalent to or the same as but no better or more extensive than its condition when new.

You have stated in writing the **declared value** shown in **your** schedule, for each item insured and the premium has been calculated accordingly.

Special conditions applicable to Day one average cover

- 1** At the start of each **period of insurance** **you** must tell **us** the **declared value** of each item insured. Without this declaration the last amount declared by **you** will be taken as the **declared value** which will be adjusted for inflation for the next **period of insurance**.
- 2** If at the time of **damage** the **declared value** of the property covered by any item is less than the cost of reinstatement at the start of the **period of insurance**, **our** liability for any **damage** will be proportionately reduced and will be limited to the proportion that the **declared value** bears to the cost of reinstatement.
- 3** **Our** liability for the repair or restoration of property damaged in part only, will not exceed the amount which would have been paid had the property been completely destroyed.
- 4** No payment will be made beyond the amount that would have been payable in the absence of this Day one average cover condition
 - a** unless reinstatement starts and proceeds without unreasonable delay
 - b** until the cost of reinstatement has been incurred
 - c** if the property covered by this section at the time of the **damage** is insured by any other insurance which is not upon the same basis of reinstatement.

If **you** do not comply with Special condition **4** above or **you** decide not to reinstate the property insured in a condition equal to but not better or more extensive than its condition when new, then this cover is cancelled and **our** and **your** rights and liabilities in respect

of the **damage** will be subject to the following Condition of average (under insurance).

Condition of average (under insurance)

The cover for each item is deemed to be subject to average i.e. if the property at the time of **damage** is valued at more than 115% of the **declared value** stated in **your** schedule then **you** will be considered as self insured for the difference and will be responsible for a proportionate share of the loss.

2 Stock declaration condition

The premium for any item in **your** schedule where the sum insured is marked 'D', is provisional and subject to adjustment as below.

Within 30 days of the end of each calendar month **you** will declare to **us** the value of the property on the last day of that month. If a declaration is not given, **you** will be deemed to have declared the sum insured as the value.

On the expiry of each **period of insurance** the actual premium will be calculated at the rate applicable on the total of the amounts declared divided by the number of the declarations, where a declaration is not received the sum insured will be used. If the actual premium is greater than the provisional premium **you** will pay the difference to **us**. If it is less **we** will pay the difference to **you**.

The sum insured will not be reduced by the amount of any loss. **You** will have to pay an appropriate extra premium on the amount of the loss from the date of the loss until the expiry of the **period of insurance**.

For cover to apply every insurance on such property covering **damage**, must be on a similar basis of declaration adjustment.

3 Subsidence cover

If this cover is shown as covered in **your** schedule, the Subsidence exclusion under the heading 'What is not covered' does not apply.

We will cover **you** for **damage** to the property insured caused by subsidence, ground heave or landslip of any part of the site on which the **building(s)** stands,

but **we** will not cover

- 1 the **excess** shown in **your** schedule for each and every claim in respect of each separate **premises**
- 2 **damage** to yards, car parks, roads, pavements, walls, gates and fences unless also affecting a building covered under this section is also damaged at the same time by the same cause
- 3 **damage** caused by or consisting of
 - a the normal settlement or bedding down of new structures
 - b the settlement or movement of made-up ground
 - c coastal or river erosion
 - d defective design or workmanship or the use of defective materials
 - e fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe
- 4 **damage** which originated before the start of this cover
- 5 **damage** resulting from
 - a demolition, construction, structural alteration or repair of any property or
 - b ground works or excavationat the **premises**.

Special conditions applicable to the Subsidence cover

You must notify **us** as soon as possible if **you** become aware of any demolition, ground works, excavation or construction being carried out on any adjoining site and **we** will then have the right to vary the terms or cancel the cover.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for subsidence, ground heave or landslide.

4 Deep fat frying condition

You must ensure that

- 1 all deep fat frying equipment must be fitted with
 - a a fully functioning thermostat to prevent the temperature of cooking oils or fats rising above 205 degrees centigrade or the manufacturers maximum temperature if less than 205 degrees centigrade
 - b a separate fully functioning high temperature limit control of a non-self-resetting type to shut off the heat source should the temperature of the fat exceed 205 degrees centigrade
- 2 a means for the emergency shutdown of power fuel supply and the extraction system of all cooking equipment must be provided. The emergency shutdown must be clearly labelled, easily accessible and safely located
- 3 all deep fat frying equipment including flues and exhaust ducting must be securely fixed and free from contact with combustible material. The exhaust ducting must be constructed of and supported by galvanised or stainless steel with watertight seams and joints
- 4 a fire blanket must be situated in the cooking area and must be in such a position where it can be safely reached in the event of fire
- 5 a 6 litre Class F wet chemical fire extinguisher must be situated where it is easily accessible in the vicinity of any deep fat frying equipment and must be maintained under an annual service contract with a British Approvals for Fire Equipment (BAFE) registered contractor
- 6 all extraction hoods, canopies, filters and grease traps must be cleaned at least once every 7 days and a written record must be kept by **you** detailing each cleaning activity
- 7 all internal surfaces of all ducting and extraction motors must be cleaned at least once every 12 months by a specialist contractor who is accredited by the Heating and Ventilation Contractors Association (HVCA) complying with the standards laid down by HVCA 'Technical Report (TR) 19 Internal cleanliness of ventilation systems'
- 8 all oily and greasy waste and cloths must be kept in metal bins with close fitting metal lids and removed from the **buildings** at the end of each working day and from the **premises** at least once a week
- 9 where fire suppression equipment is fitted

- a** the installation must be maintained annually under contract by the equipment manufacturer or their appointed approved contractors
 - b** the installation must have both manual and automatic operation and it must automatically shut down the heat supply and extraction system on activation
 - c** the installation must be recharged and fully operational within 48 hours following activation
- 10** the connection of the deep fat frying equipment to the power or gas supply must be carried out either by the supplier, manufacturer or by a GAS SAFE registered contractor for gas or an National Inspection Council for Electrical Installation Contracting (NICEIC), Electrical Contractors Association (ECA) or SELECT (Scotland only) registered contractor for electrical power supplies.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for fire and/or explosion.

5 No smoking condition

You must ensure that

- 1** smoking is not permitted in enclosed or substantially enclosed **buildings** and standard no smoking notices must be displayed in prominent positions
- 2** any outside area designated for smoking must be kept clear of combustible materials and provisions must be made for the extinguishment of lighted materials.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for fire and/or explosion.

6 Hot work permit system condition

You must ensure that for any construction, maintenance, repair or activity at the **premises**, to the plant or equipment which involves the application of heat, **you** must enforce a hot work permit system under which **you** must ensure that prior to any work commencing, the contractor employed to complete the work completes and signs a hot work permit which is available upon request from **us**.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

7 Waste condition

You must ensure that

- 1** all oily or greasy waste and cloths must be kept in metal bins with close fitting metal lids and removed from the **buildings** at the end of each working day and from the **premises** at least once a week
- 2** all other trade refuse must be swept up and removed daily from the **buildings** and from the **premises** at least once a week.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for fire and/or explosion.

8 Alarm condition

For cover to operate in respect of **damage** following entry or attempted entry to or exit from the **alarmed buildings** by forcible and violent means **you** must ensure that the following must be complied with

- 1** the **alarmed buildings** are protected by an **intruder alarm system** designed, installed and maintained to British Standard BS 4737 or European Norm EN 50131 including, where stipulated by **us** or the local police authority, Code of Practice DD243 for installation of intruder alarm systems designed to generate confirmed alarms
- 2** the intruder alarm installation and maintenance company must be both
 - a** a member of an alarm inspectorate which is accredited by the United Kingdom Accreditation Service (UKAS) to EN 45011 or EN 45012
 - and
 - b** accredited and operate a quality management system in accordance with EN International Organization for Standardization (ISO) 9000
- 3** the **intruder alarm system** must be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance, as per the requirements of BS 4737 or EN 50131 with the installing company or such other company as agreed with **us**.

Where remote alarm signalling is required, the signal transmission must be transmitted to an alarm receiving centre fully compliant with BS 5979:2000 and operated by a company accredited and operating to a quality management system in accordance with EN ISO 9000

- 4 no alteration to or substitution of
 - a any part of the **intruder alarm system**
 - b the maintenance contract
 - c the structure of the **alarmed buildings** or changes to their layout which would affect the effectiveness of the **intruder alarm system**
 - d the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**

be made without **our** written agreement

- 5 the **alarmed building** will not be left unattended without **our** agreement
 - a unless the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals (including both alarm transmission systems for dual signalling systems) in full operation
 - b if the police have withdrawn their response to alarm activations.

If the alarm system is not fully operative **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational

- 6 **you** must keep all security codes for the **intruder alarm system** confidential and all codes and keys must be removed from the **premises** when they are left unattended
- 7 **you** will appoint at least two **key holders** and give written details (which must be kept up to date) to the alarm company and either the police or the alarm receiving centre
- 8 in the event of notification of any activation of the **intruder alarm system** or interruption of means of communication, including one or both alarm transmission systems for dual signalling systems, during any period the **intruder alarm system** is set a **key holder** will attend the **premises** as soon as reasonably possible.

If the alarm cannot be reset following the **key holder** attendance **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational

- 9 in the event of **you** receiving any notification
 - a that the police attendance in response to alarm signals or calls 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.

You will tell **us** as soon as possible but in any event within 7 days and comply with any subsequent requirements stipulated by **us**.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for malicious damage and/or theft or attempted theft.

9 Loss of excess/No claims discount cover

The following meanings are added and apply purely to this cover.

Excess

The first part of each and every claim under a current **motor vehicle** policy.

Motor vehicle

Any private car, estate car, utility car or passenger vehicle with not more than 8 seats.

No claims discount

A discount allowed by an insurer by way of a reduction for normal premium payable in recognition of a period or periods of insurance without a claim under a **motor vehicle** policy.

Person insured

Any member or employee authorised by the policyholder to use a **motor vehicle** in connection with the **business**.

✓ What is covered

We will indemnify the **person insured** in respect of

- 1 payment of an **excess**
- 2 loss or reduction in **no claims discount** incurred as a result of an accident occurring within the **policy territories** involving a **motor vehicle** which at the time of the accident was being used by the **person insured** in connection with the **business**.

x What is not covered

We will not cover

- 1 any claim which is as a direct result of the use of a **motor vehicle** by the **person insured** between their domestic residence and their normal place of work or on social, domestic and pleasure use
- 2 any **excess** amount which has been compulsorily imposed by an insurer beyond the normal **excess** level for underwriting reasons
- 3 any temporary payment of an **excess**
- 4 any temporary loss of **no claims discount**
- 5 any amount in excess of
 - a £250 in respect of payment of an **excess**
 - b £250 in respect of loss or reduction in **no claims discount**.

Special conditions

- 1 In the event of a loss of **no claims discount** we will pay loss of or reduction in the ensuing years **no claims discount** between that earned and that which would have been earned had the accident not occurred.
- 2 The calculation of the amount to be paid will be based on the sale of **no claims discount** in force at the time of the accident.
- 3 On request the **person insured** will provide from their **motor vehicle** insurer evidence stating:
 - a the amount of **no claims discount**
 - b the scale of the **no claims discount**
 - c the date of the accident and location
 - d the amount and reason the **excess** is applied.

Business interruption section – All risks

Contents of this section

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Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Business interruption section. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this section. The meanings of defined terms that apply throughout **your policy**, and not just this section, can be found on page 7.

Note 1 For the purpose of the following defined meanings, any adjustments implemented in current cost accounting will be disregarded.

Note 2 To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section will be exclusive of such tax.

Note 3 Adjustments will be made as necessary for trends of the **business** and for variations and other circumstances affecting the **business**, either before or after the **incident**, or which would have affected the **business** had the **incident** not occurred so that the adjusted figures represent as closely as possible, the results which would have been obtained during the **indemnity period** after the **incident**.

Accounts receivable

The total amount of the balances debited to **customers** in **your** accounts and declared in the last statement given under the provisions of the Premium adjustment condition after adjustments for bad debts and for amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the date of the **incident**) to **customers** accounts in the period between the date of the statement and the date of the **incident**.

Annual gross rentals

The **gross rentals** during the 12 months immediately before the date of the **incident**.

Annual gross revenue

The **gross revenue** during the 12 months immediately before the date of the **incident**.

Annual turnover

The **turnover** during the 12 months immediately before the date of the **incident**.

Building(s)

The buildings, outbuildings, extensions, and garages together with landlords fixtures and fittings in or on them, foundations or footings, canopies, dump tanks, packhouses, steel containers, **reservoirs**, water tanks, annexes, gangways, conveniences, chimneys, fire escapes, walls, gates and fences, yards, car parks, roads and pavements, piping, ducting, cables, wires and associated control gear, CCTV systems, entry and exit systems signage and accessories on the **premises** and extending to the public mains, but only to the extent of **your** responsibility.

Business interruption

Loss resulting from interruption of or interference with the **business** carried on by **you** at the **premises** as a result of **damage** to property used by **you** at the **premises** for the purpose of the **business**.

Customers

All **your** customers who obtain goods or services from **you** on a credit basis.

Damage

Accidental loss, destruction or damage.

Defined peril

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, 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 or impact by any road vehicle or animal.

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

Estimated gross profit

The amount declared by **you** to **us** as the anticipated **gross profit** which will be earned by the **business** during the financial year most closely concurrent with the **period of insurance** (or a proportionately increased multiple of the anticipated **gross profit** where the **maximum indemnity period** exceeds 12 months).

Estimated gross rentals

The amount **you** declare to **us** as the anticipated **gross rentals** which will be earned by the **business** during the financial year most closely concurrent with the **period of insurance** (or a proportionately increased multiple of the anticipated **gross rentals** where the **maximum indemnity period** exceeds 12 months).

Estimated gross revenue

The amount declared by **you** to **us** as the anticipated **gross revenue** which will be earned by the **business** during the financial year most closely concurrent with the **period of insurance** (or a proportionately increased multiple of the anticipated **gross revenue** where the **maximum indemnity period** exceeds 12 months).

Flood

Damage caused by

- 1 the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal, drain or dam

- 2** inundation from the sea
- 3** inundation by rainwater or rainwater induced run off other than where the inundation is solely caused by or solely results from ingress of rainwater through or via the roof of the building.

Gross profit

The amount by which the sum of the **turnover**, closing stock and work in progress exceeds the sum of the opening stock, work in progress and **uninsured working expenses**.

The amounts of the opening and closing stocks (including work in progress) will be arrived at in accordance with **your** usual accounting methods with provision being made for depreciation.

Gross rentals

The money paid or payable to **you** for tenancies and other charges and for services rendered in the course of the **business** at the **premises**.

Gross revenue

The money paid or payable to **you** for services provided in the course of the **business** at the **premises**.

Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether **your** property or not.

Incident

Damage to property used by **you** at the **premises** for the purpose of the **business**.

or

Damage to **your** accounting records, other business books or records at the **premises** for any item on **accounts receivable**.

Indemnity period

The period during which the **business** is affected, starting on the date the **incident** occurred and ending not later than the **maximum indemnity period**.

Key person

Any of **your** treasurers, financial officers, secretaries, clerks, deputy clerks, groundsmen or deputy groundsmen aged between 21 and 90 inclusive at the start of the **period of insurance** whilst working on behalf of the **business** or commuting for the purpose of the **business**.

Maximum indemnity period

The period shown in **your** schedule.

Other items

The items shown under the heading of 'Other items' in **your** schedule.

Phishing

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

Premises

The premises shown in **your** schedule.

Rate of gross profit

The rate of gross profit earned on the **turnover** during the financial year immediately before the date of the **incident**.

Reservoirs

A water storage area sited on the **premises**.

Standard gross rentals

The **gross rentals** during the period in the 12 months immediately before the date of the **incident** 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 **incident** which corresponds with the **indemnity period**.

Standard turnover

The **turnover** during the period in the 12 months immediately before the date of the **incident** which corresponds with the **indemnity period**.

Terrorism

In England, Scotland and Wales: 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 Northern Ireland: An act including but not limited to the use of force or violence and/or threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political, religious, ideological or similar purposes including the intention to influence any government and/or put the public or any section of the public in fear.

In the Channel Islands and the Isle of Man: An act of any person(s) 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 any government de jure or de facto.

Turnover

The money paid or payable to **you** for goods sold and delivered and for services rendered in the course of the **business** at the **premises**.

Uninsured working expenses

Bad debts, purchases, packaging carriage and freight and discounts allowed.

Unoccupied

Any building(s) or any portions of the building(s) which are wholly empty, mainly empty or not in use by **you** or any of **your** tenants for more than 30 consecutive days.

Virus or similar mechanism

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 meaning of virus or similar mechanism includes but is not limited to, trojan horses worms and logic bombs.

Withdrawal

Issue of a closure notice or forfeiture or suspension or withdrawal.

Basis of claims settlement

These terms of settlement only apply if the paragraph title appears in **your** schedule for this section.

Accounts receivable

We will cover **you** for

1 loss of **accounts receivable**

and

2 additional costs

and the amount payable will be

- a** for loss of **accounts receivable**: the difference, solely due to the **incident**, between the amount of the **accounts receivable** at the date of the **incident** and the total amount received in payment of them during the 12 months after the **incident**
- b** for additional costs: the additional costs necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **accounts receivable** which would have taken place as a result of the **incident**, but not exceeding the amount which would otherwise have been payable under **a** above

provided that if at the time of the **incident** the sum insured by this item is less than the total amount of the **accounts receivable**, the amount payable will be proportionately reduced.

Additional increased cost of working

We will cover **you** for further additional costs beyond those recoverable under paragraph **b** for **gross profit/estimated gross profit** or **gross revenue/estimated gross revenue** that **you** necessarily and reasonably incur during the **indemnity period** as a result of the **incident**, for the sole purpose of avoiding or diminishing a reduction in **turnover** or **gross revenue**.

Gross profit/Estimated gross profit

We will cover **you** for loss of **gross profit** due to

1 reduction in **turnover**

and

2 increase in cost of working

and the amount payable will be

- a** for reduction in **turnover**: the sum produced by applying the **rate of gross profit** to the amount by which the **turnover**, during the **indemnity period**, falls short of the **standard turnover** as a result of the **incident**
- b** for increase in cost of working: the additional cost (subject to the provisions of the Uninsured working expenses condition) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **turnover** which would have taken place during the **indemnity period** as a result of the **incident**, but not exceeding the sum produced by applying the **rate of gross profit** to the amount of the reduction which has been avoided by this additional cost

less any amount saved during the **indemnity period** for the charges and expenses of the **business** payable out of **gross profit** as may stop or be reduced as a result of the **incident**.

Provided that if the sum insured by the item on **gross profit** is less than the sum produced by applying the **rate of gross profit** to the **annual turnover** (or to a proportionately increased multiple where the **maximum indemnity period** exceeds 12 months) the amount payable will be proportionately reduced.

Gross rentals/Estimated gross rentals

We will cover **you** for

1 a loss of **gross rentals**

and

2 increase in cost of working

and the amount payable will be

- a** for reduction in **gross rentals**: the amount by which the **gross rentals** during the **indemnity period**, falls short of the **standard gross rentals** as a result of the **incident**
- b** for increase in cost of working: the additional cost necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **gross rentals** which would have taken place during the **indemnity period** as a result of the **incident**, but not exceeding the amount of the reduction which has been avoided by this additional cost

less any amount saved during the **indemnity period** for the charges and expenses of the **business** payable out of **gross rentals** as may stop or be reduced as a result of the **incident**.

Provided that if the sum insured by the item on **gross rentals** is less than the **annual gross rentals** (or to a proportionately increased multiple where the **maximum indemnity period** exceeds 12 months) the amount payable will be proportionately reduced.

Gross revenue/Estimated gross revenue

We will cover **you** for

1 loss of **gross revenue**

and

2 increase in cost of working and the amount payable will be

- a** for reduction in **gross revenue**: the amount by which the **gross revenue** during the **indemnity period**, falls short of the **standard gross revenue** as a result of the **incident**
- b** for increase in cost of working: the additional cost necessarily and reasonably incurred for the sole purpose

of avoiding or diminishing the reduction in **gross revenue** which would have taken place during the **indemnity period** as a result of the **incident**, but not exceeding the amount of the reduction which has been avoided by this additional cost

less any amount saved during the **indemnity period** for the charges and expenses of the **business** payable out of **gross revenue** as may stop or be reduced as a result of the **incident**.

Provided that if the sum insured by the item on **gross revenue** is less than the **annual gross revenue** (or to a proportionately increased multiple where the **maximum indemnity period** exceeds 12 months) the amount payable will be proportionately reduced.

Increased cost of working

We will cover **you** for the increased cost of working and the amount payable will be the additional expenditure necessarily and reasonably incurred by **you** as a result of the **incident** in order to prevent or minimise the interruption of the **business** during the **indemnity period**. **We** will not be liable for more than 50% of the sum insured during the first 3 months of the **indemnity period** and the balance will follow in equal monthly proportions.

Other items

We will cover **you** for **other items** shown as covered in **your** schedule on the basis of cover described within the endorsement detailed in **your** schedule.

✓ What is covered

- 1 **We** will cover **you** for the items shown in **your** schedule other than for **accounts receivable**.

If any **building(s)** or other property used by **you** at the **premises** for the purpose of the **business** suffers **damage** during the **period of insurance** and as a result the **business** is interrupted or interfered with, then **we** will pay **you** for each item in **your** schedule the amount of loss resulting from the interruption or interference.

Provided that

- a at the time of the **damage** there is insurance in force covering **your** interest in the **building(s)** or other property against that **damage** and that

- i payments have been made or liability admitted under that insurance

or

- ii payment would have been made or liability admitted but for the conditions in that insurance, excluding liability for losses below a specified amount

- b **our** liability under this section will not exceed

- i the total sum insured or for any item its sum insured at the date of the **damage**
- ii the sum insured remaining after deduction for any other **business interruption** as a result of a claim for **damage** occurring during the same **period of insurance**, unless **we** have agreed to reinstate any sum insured

adjusted in accordance with the Inflation protection cover if shown as operative in **your** schedule.

- 2 **We** will cover **you** for any items shown in **your** schedule for **accounts receivable**.

If any of **your** accounting records, other business books or records at the **premises** suffers **damage** during the **period of insurance** and it is not possible for **you** to obtain from **your customers** all the amounts due to **you** and outstanding at the date of the **damage**, then **we** will pay **you** the amount **you** may be entitled to recover under the conditions of this section.

Provided that **our** liability will not exceed

- a the total sum insured or for any item of **accounts receivable**, its sum insured at the date of the **damage**
- b the sum insured remaining after deduction for any other loss under this section as a result of **damage**,

occurring during the same **period of insurance** unless **we** have agreed to reinstate the sum insured.

The sums insured will be adjusted in accordance with the Inflation protection cover if shown as operative in **your** schedule.

Contract sites cover

We will cover **you** for any loss insured by this section resulting from interruption of or interference with the **business** as a result of **damage** to **your** property whilst at contract sites being worked upon by **you** anywhere within the **policy territories**.

Our liability under this cover for any one site will not exceed the limit shown in **your** schedule.

Denial of access cover

We will cover **you** for any loss insured by this section resulting from interruption of or interference with the **business** as a result of **damage** to property within a 1 mile radius of **your premises** which prevents or hinders the access to or the use of **your premises** whether **your premises** or **your** property suffers **damage** or not but **we** will not cover loss, destruction or damage to property of any supply undertaking from which **you** obtain electricity, gas, water or telecommunications services which prevents or hinders the supply of these services.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Denial of access (non damage) cover

We will cover **you** for any loss insured by this section resulting from interruption of or interference with the **business** where access to **your premises** is restricted or hindered for more than 4 hours franchise period arising directly from

- 1 the actions taken by the police or any other statutory body in response to a danger or disturbance at **your premises** or within a 1 mile radius of **your premises**
- 2 the unlawful occupation of **your premises** by third parties.

Provided that

- 1 the insurance provided by this cover shall only apply for the period starting with the restriction or hindrance and ending after 12 weeks during which time the results of the **business** are affected
- 2 **our** liability for any one claim will not exceed the limit shown in **your** schedule.

We will not cover **you** where access to **your premises** is restricted or hindered as a result of

- 1 physical **damage** to property at **your premises** or elsewhere
- 2 strikes, picketing, labour disturbances or trade disputes
- 3 the condition of or the **business** conducted within **your premises** or any other **premises** owned or occupied by **you**
- 4 notifiable diseases as detailed in the Murder suicide or disease cover
- 5 actions where **you** have been given prior notice.

Exhibition cover

We will cover **you** for any loss, covered by this section, resulting from interruption or interference with the **business** as a result of **damage** to **your** property whilst at exhibition sites anywhere within the **policy territories**, other than at the **premises** in **your** occupation, where **you** are exhibiting goods.

Provided that after the application of all other terms and conditions of the **policy our** liability for any one loss will not exceed the limit shown in **your** schedule.

Exhibition expenses cover

The following meanings highlighted in bold and black print will have the same meaning wherever they are used in the Exhibition expenses cover.

Expenses

Advertising, printing and stationery, insurance premiums, charge for space at exhibitions, telephone, hire of stands, display materials and the like, transport charges, wages on stand and installing exhibits.

Location

Any exhibition site within the **policy territories** elsewhere than at the **premises** in **your** occupation where **you** are exhibiting goods including whilst in transit by road, rail or inland waterway.

We will cover **you** for the **expenses you** incur in connection with exhibitions held at any **location**.

Provided that

- 1** in the event of the exhibition not being held (or **you** are unable to exhibit at all) as a result of the **incident** at any **location**, the amount recoverable will be limited to the **expenses you** have paid or are liable to pay in connection with the exhibition
- 2** should the exhibition be discontinued after it starts, but before the full exhibition finishes (or **you** are unable to continue to exhibit for the full period of the exhibition) as a result of the **incident** at any **location**, the amount recoverable will be limited to the proportion of the amount calculated in accordance with provision **1** above, as the period for which **you** could not exhibit relates to the whole period of the exhibition
- 3** if the sum insured is less than the total of the **expenses**, the amount payable will be proportionately reduced.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Failure of selected public supplies cover

We will cover **you** for any of the circumstances below, provided that after the application of all other terms and conditions of the section, **our** liability for any one claim will not exceed the limit shown in **your** schedule.

The accidental failure of

- 1** the public electricity supply at **your** suppliers generating station or sub station
- 2** the public gas supply at **your** suppliers land based premises
- 3** the public water supply at **your** suppliers waterworks or pumping station
- 4** the public telecommunications services at **your** suppliers land based premises

but **we** will not cover

- a** any failure
 - i** which does not involve a cessation of supply, for at least 8 hours franchise period
 - ii** due to an excluded cause
- b** loss resulting from failure caused by
 - i** the deliberate act of any supplier or by them using their power to withhold or restrict supply or services
 - ii** strikes or any labour or trade dispute
 - iii** atmospheric or weather conditions, but **we** will cover failure due to **damage** to equipment caused by these conditions.

In any action, lawsuit or other proceedings or where **we** allege that any loss resulting from **damage** is not covered by this section, it will be **your** responsibility to prove that they are covered.

Failure of selected public supplies terminal ends cover

We will cover **you** for any of the circumstances below, provided that after the application of all other terms and conditions of the section, **our** liability for any one claim will not exceed the limit shown in **your** schedule.

The accidental failure of

- 1** the public electricity supply at the “terminal ends” of **your** suppliers service feeds to the **premises** within the **policy territories**
- 2** the public gas supply at **your** suppliers meters to the **premises** within the **policy territories**
- 3** the public water supply at **your** suppliers main stop cock serving the **premises** (other than by drought) within the **policy territories**
- 4** the public telecommunications services supply (other than satellite services) at the incoming line, terminals or receivers to the **premises** within the **policy territories**

but **we** will not cover

- a** any failure
 - i** which does not involve a cessation of supply, for at least 8 hours franchise period
 - ii** due to an excluded cause
 - iii** that exceeds 12 weeks in duration
- b** loss resulting from failure caused by
 - i** the deliberate act of any supplier or by them using their power to withhold or restrict supply or services
 - ii** strikes or any labour or trade dispute
 - iii** atmospheric or weather conditions, but **we** will cover failure due to **damage** to equipment caused by these conditions.

In any action, lawsuit or other proceedings or where **we** allege that any loss resulting from **damage** is not covered by this section, it will be **your** responsibility to prove that they are covered.

Fines, penalties and damages cover

We will cover **you** for fines, penalties or damages for breach of contract and the amount payable will be the sums **you** are legally liable to pay in discharge of

- 1** fines, penalties or damages incurred solely as a result of **damage** for non completion or late completion of orders, work or services

and

- 2** committed costs for outside purchases or services incurred solely as a result of the **damage** in respect of the outside purchases or services which cannot be utilised by the **business** during the **indemnity period**.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Inflation protection cover

We will adjust the sum insured at each renewal in line with suitable indices of costs and the renewal premium for this section will be based on the adjusted sum insured.

Key person cover cover

We will cover **you** for the expense **you** incur in replacing a **key person** less any savings **you** are able to make in order to avoid or reduce the loss as a result of

- 1 a** the death of a **key person**
- b** the accidental bodily injury lasting more than 14 days to a **key person** which prevents them from carrying out their usual employment or usual occupation
- c** the **key person** contracting an illness or disease lasting more than 14 days which first becomes apparent during the **period of insurance**.

But **we** will not make any payment where the accidental bodily injury or illness to the **key person** is directly or indirectly caused by or results from

- a** any emotional or psychiatric disorder or condition;
- b** the **key person** taking or using drugs or controlled substances (other than drugs legally and appropriately prescribed by a qualified medical practitioner and properly used by the **key person**);
- c** the **key person** committing suicide or deliberately injuring themselves or putting themselves in unnecessary danger (unless trying to save a human life);
- d** any criminal act by **you** or the **key person**;
- e** pregnancy or any condition connected with pregnancy or childbirth;
- f** any physical defect, infirmity or medical condition known to the **key person** at the inception date of this **policy**, unless the defect, infirmity or condition has been without the need for any medical advice or medical treatment during the 24 month period preceding that **key person** suffering the accidental bodily injury or contracting the illness.

If a **key person** is suffering from temporary disablement, **we** will pay only for the period of that **key person's** disablement and **we** will consider the **key person** to have made a recovery when he or she is able to engage in and perform the major duties of his or her role in **your** activities.

Our liability under this cover will not exceed the limit shown in **your** schedule.

Our liability will not exceed the amount shown in **your** schedule in any one **period of insurance**.

Loss of attraction cover

We will cover **you** for any loss insured by this section resulting from interruption of or interference with the **business** for at least 8 hours franchise period as a result of **damage** to property within a 1 mile radius of **your premises** which causes **you** to lose custom.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Loss reduction expenses cover

We will cover **you** for the costs and expenses necessarily and reasonably incurred by **you** with **our** consent in

- 1** preventing or reducing imminent interruption of or interference with the **business** which would have been covered by this section
- 2** reducing, mitigating or otherwise alleviating any interruption of or interference with the **business** covered by this section during and after the occurrence of an insured event.

Provided that

- 1** the impending interruption of or interference with the **business** was not reasonably foreseeable earlier and would be the natural outcome if such costs and expenses were not incurred
- 2** the impending interruption of or interference with the **business** did not arise from any defect in the property used by **you** for the purpose of the **business**
- 3** **we** are satisfied that the interruption of or interference with the **business** which would have been covered by this section has been avoided or reduced as a result of the measures taken.

Our liability will not exceed the limit shown in **your** schedule in any one **period of insurance**.

Murder suicide or disease cover

We will cover **you** for any **business interruption** insured by this section resulting from interruption of or interference with the **business** conducted by **you** at the **premises** as a result of

- 1** the occurrence of any of the following specified human infectious or human contagious diseases

- i** Acute Encephalitis
- ii** Acute Poliomyelitis
- iii** Anthrax
- iv** Chicken Pox
- v** Cholera
- vi** Diphtheria
- vii** Dysentery
- viii** Legionellosis
- ix** Legionnaires Disease
- x** Leprosy
- xi** Leptospirosis
- xii** Malaria
- xiii** Measles
- xiv** Meningococcal Infection
- xv** Mumps
- xvi** Ophthalmia Neonatorum
- xvii** Paratyphoid fever
- xviii** Plague
- xix** Rabies
- xx** Rubella
- xxi** Scarlet Fever
- xxii** Smallpox
- xxiii** Tetanus
- xxiv** Tuberculosis
- xxv** Typhoid Fever
- xxvi** Viral Hepatitis
- xxvii** Whooping Cough
- xxviii** Yellow Fever

manifested by any person whilst at the **premises** or within a 25 mile radius of it

- 2 murder or suicide at the **premises**
- 3 injury or illness sustained by any person arising from or traceable to foreign or injurious matter in food or drink provided at the **premises**
- 4 the discovery of vermin or pests in the **building(s)** that prevents the use of or part use of the **building(s)** by order of the public authority
- 5 the closing of the whole or part of the **premises** by order of the public authority as a result of a defect in the drains or other sanitary arrangements at the **premises**.

This cover will only apply for the period starting with the occurrence of the loss and ending after 12 weeks during which time the results of the **business** are affected.

We will not cover any costs incurred in the cleaning, repair, replacement, recall or checking of the property insured.

Patterns cover

We will cover **you** for any loss insured by this section resulting from interruption of or interference with the **business** as a result of **damage** to patterns, jigs, models, templates, moulds, tools, dyes, drawings or designs which are **your** property or held in trust by **you** or for which **you** are responsible whilst at the premises of any machine makers, engineers, founders or other metal workers (excluding any premises in **your** occupation) within the **policy territories**.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Research and development expenses cover

We will cover **you** for **your** total expenditure on research and development already incurred for any projects which **you** are obliged to re-work or re-start or which are cancelled as a result of a loss insured by this section causing interruption of or interference with the **business** at the **premises**.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Theft or attempted theft cover

We will cover **you** for any loss insured by this section resulting from interruption or interference with the **business** caused by theft or attempted theft

- 1 involving entry to or exit from the building(s) or any part of the building(s) used by **you** at the **premises** by forcible and violent means
- 2 following assault or violence or threat of violence, to **you** or any of **your** partners, directors or employees or any member of **your** family, or any other person lawfully at the **premises**
- 3 of property in the open or property not contained in a fully secured and locked building not exceeding £500 in respect of any one item.

Theft of building fabric cover

We will cover **you** for any loss insured by this section resulting from interruption of or interference with the **business** caused by theft or attempted theft of the external fabric of any **building(s)** insured by this **policy** up to 100% of the sum insured.

This cover does not apply to any **building(s)** which is **unoccupied**.

Transit cover

We will cover **you** for any loss insured by this section resulting from interruption of or interference with the **business** as a result of **damage** to property belonging to **you** whilst in transit by road, rail or inland waterway within the **policy territories**.

Our liability under this cover for any one claim will not exceed the limit shown in **your** schedule.

Unspecified customers cover

The following meaning highlighted in bold black print will have the same meaning where it is used in the Unspecified customers cover.

Customers

The companies, organisations or individuals who at the date of the **incident you** have contracts or trading relationships with for the supply of goods or services.

We will cover you for any loss insured by this section resulting from interruption of or interference with the **business** as a result of

- 1 **damage** at the premises of any of **your customers** (other than those **customers** more specifically insured by this section) situated within the **policy territories**
- 2 **damage** to property insured in **your** schedule, held at unspecified **customers** premises.

Our liability for any one claim will not exceed the limit shown in **your** schedule.

Unspecified suppliers and storage sites cover

The following meaning highlighted in bold black print will have the same meaning where it is used in the Unspecified suppliers and storage sites cover.

Suppliers

The companies, organisations or individuals including manufacturers or processors of components, goods or materials who at the date of the **incident**, you have contracts or trading relationships with for the supply of goods or services to **you**.

We will cover you for any loss, covered by this section, resulting from interruption or interference with the **business** as a result of **damage** at

- 1 the **premises** of any of **your suppliers** other than those **suppliers** more specifically insured by this section
- 2 **premises** not in **your** occupation where **your** property is stored

within the **policy territories** or to properties noted in **your** schedule.

This cover does not apply to the premises of any **supplier** from where **you** obtain electricity, gas or water or telecommunications services.

Our liability under this cover for any one claim will not exceed the limit shown in **your** schedule.

x What is not covered

Aircraft and aerial devices exclusion

We will not cover you for **business interruption** caused by or occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds. We will cover subsequent **business interruption** which itself results from a cause covered by this section.

Brittle articles exclusion

We will not cover you for **business interruption** resulting from loss, destruction or damage to glass (other than fixed glass), china, earthenware, marble or other fragile or brittle objects other than for **business interruption** caused by a **defined peril** covered by this section.

Collapse exclusion

We will not cover you for **business interruption** resulting from loss, destruction or damage to the **building(s)** or structure caused by its own collapse or cracking unless resulting from a **defined peril** which is covered by this section.

Collusion exclusion

We will not cover you for **business interruption** resulting from theft or attempted theft caused by or in conjunction with **you** or any of **your** partners, directors or employees or any member of **your** family or any other people lawfully at the **premises**.

Date recognition exclusion

We will not cover you for **business interruption** directly or indirectly caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date, to process data or to operate properly, due to failure to recognise any given date but we will cover subsequent **business interruption** which results from a **defined peril** or theft or attempted theft covered by this section.

Electrical plant or apparatus exclusion

We will not cover **you** for **business interruption** as a result of loss, destruction or damage to any electrical plant or apparatus caused by its own overrunning, short circuiting, excessive pressure or self-heating.

We will cover subsequent **business interruption** which itself results from a cause covered by this section.

Electronic risks exclusion

We will not cover **you** for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1 the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or
- 2 any alteration modification distortion erasure, corruption of data processed by any such computer or other equipment or component or system or item

whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

We will cover subsequent **business interruption** which is covered by this section, which itself results from a **defined peril** covered by this section, except for loss, destruction or damage caused by malicious persons other than thieves.

Erasure of data exclusion

We will not cover **you** for **business interruption** arising directly or indirectly from

- 1 erasure, loss, distortion or corruption of information on computer systems or other records, programs or software caused deliberately by rioters, strikers, locked-out workers, persons taking part in labour disturbances, civil commotion or malicious persons

- 2 other erasure, loss, distortion or corruption of information on computer systems or other records, programs or software unless resulting from a **defined peril** covered by this section.

Faulty or defective workmanship exclusion

We will not cover **you** for **business interruption** caused by or consisting of faulty or defective workmanship, operational error or omission by **you**, any of **your** employees or anyone on **your** behalf, but **we** will cover subsequent **business interruption** which results from a **defined peril** covered by this section.

Fraud and dishonesty exclusion

We will not cover **you** for **business interruption** arising directly or indirectly from any acts of fraud or dishonesty by **your** employees, or any partner, director or member of **your** family. **We** will cover subsequent **business interruption** which results from a **defined peril** covered by this section.

Miscellaneous damage exclusion

We will not cover **you** for **business interruption** caused by or resulting from

- 1 corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
- 2 change in temperature, colour, flavour, texture or finish
- 3 joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
- 4 mechanical or electrical breakdown or derangement of a particular machine, apparatus or equipment where the breakdown or derangement originates

but **we** will cover

- 1 **business interruption** which results from a **defined peril** covered by this section
- 2 subsequent **business interruption** which itself results from a cause covered by this section.

Motor vehicle and other property exclusion

We will not cover **you** for **business interruption** resulting from loss, destruction or damage to

- 1** vehicles licensed for road use (including accessories on them) caravans, railway locomotives, rolling stock, watercraft or aircraft
- 2** property or structures in the course of construction or erection and materials or supplies in connection with all property in the course of construction or erection
- 3** land, piers, jetties, bridges, culverts or excavations
- 4** livestock, growing crops or trees

other than for the **business interruption** caused by a **defined peril** covered by this section.

Pollution or contamination exclusion

We will not cover **you** for any consequential loss resulting from pollution or contamination but **we** will cover loss resulting from **damage** to property used by **you** at the **premises** for the purpose of the **business** which is covered elsewhere in this section caused by

- 1** pollution or contamination at the **premises** which itself results from a **defined peril** provided that peril is covered by this section
- 2** a **defined peril** provided that peril is covered by this section which itself results from pollution or contamination.

Process exclusion

We will not cover **you** for **business interruption** arising directly or indirectly from loss, destruction or damage

- 1** to property used by **you** at the **premises** for the purpose of the **business** caused by fire, resulting from its undergoing any heating process or any process involving the application of heat
- 2** (other than by fire or explosion) to property used by **you** at the **premises** for the purpose of the **business** resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair.

Property in the open exclusion

We will not cover **you** for **business interruption** resulting from loss, destruction or damage to fences, and gates in the open caused by wind, rain, hail, sleet, snow, **flood**, dust, theft or attempted theft.

Radioactive contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from damage to any property, or any consequential loss directly or indirectly caused by or contributed to by or arising from

- 1** ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 2** the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly.

Steam pressure exclusion

We will not cover **you** for **business interruption** following loss, destruction or damage caused by or consisting of the bursting of any vessel, machine or apparatus (not being a boiler or economiser used for domestic purposes only) where the internal pressure is due to steam only belonging to **you** or under **your** control.

But **we** will cover subsequent **business interruption** which itself results from a cause covered by this section.

Subsidence exclusion

We will not cover **you** for **business interruption** caused by or resulting from

- 1** subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe
- 2** coastal or river erosion
- 3** normal settlement or bedding down of new structures.

This exclusion does not apply if Subsidence cover is shown as being covered in **your** schedule.

Terrorism and Northern Ireland exclusion

We will not cover **you** for consequential loss of any nature directly or indirectly caused by, resulting from or in connection with

- 1** In England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.
- 2** In Northern Ireland
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
 - c** riot, civil commotion and (except for damage or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious persons.

If any of the points above are found to be invalid or unenforceable, the remainder of the points shall remain in full force and effect.

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

Theft or any attempted theft exclusion

We will not cover **you** for **business interruption** caused by or consisting of theft or any attempted theft

- 1** not involving entry to, or exit from building(s) or any part of the building(s) used by **you** at the **premises** by forcible and violent means
- 2** following assault or violence or threat of violence to **you** or any of **your** partners, directors or employees or any member of

your family, or any other person lawfully at the **premises**

- 3** of property in the open or property not contained in a fully secured and locked building.

Unexplained losses exclusion

We will not cover **you** for **business interruption** arising directly or indirectly from

- 1** disappearance, unexplained or inventory shortage
- 2** misfiling or misplacing of information.

Unoccupied building exclusion

We will not cover **you** for **business interruption** for any building which is **unoccupied** caused by

- 1** freezing
- 2** escape of water from any tank, apparatus or pipe
- 3** malicious persons not acting on behalf of or in connection with any political organisation other than by fire or explosion
- 4** theft damage to the building
- 5** theft of fabric of the buildings.

War risks exclusion

We will not cover any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority.

Wear and tear, deterioration exclusion

We will not cover **you** for **business interruption** caused by or resulting from inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, faulty or defective design or materials. **We** will cover subsequent **business interruption** which itself results from a cause covered by this section.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions (including any specific conditions where applicable) to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Accounts receivable condition

We will cover **you** for **business interruption** caused by or arising directly or indirectly from the loss, destruction or damage to **your** accounting records, other business books or records at the **premises**.

Provided that

- 1 at the end of each month **you** record the total amount of **accounts receivable**
- 2 **you** keep a copy of such record at a place other than at the **premises**.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Accumulated stocks condition

In adjusting any loss, an allowance will be made if any shortage of **turnover** due to the **damage** is postponed because the **turnover** is temporarily maintained from accumulated stocks of raw materials, work in progress or finished goods.

Alternative trading condition

If during the **indemnity period** goods are sold, accommodation provided or services rendered elsewhere other than at the **premises** for the benefit of the **business**, either by **you** or by others on **your** behalf the money paid or payable for these sales, accommodation or services will be included in arriving at the **turnover**, **gross revenue** or **gross rentals** during the **indemnity period**.

Arbitration condition

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid, the amount of the difference will be referred to an arbitrator who is jointly appointed in accordance with the statutory requirements. **You** will not be able to take legal action against **us** over this disagreement until the arbitrators have made their award.

Cessation or discontinuation condition

We will not cover **you** if after the start of the **period of insurance** the **business** is wound up or carried on by a liquidator or receiver or permanently discontinued.

Claims condition

In the event of a claim being made under this section **you** will at **your** own expense

- 1 a other than in respect of **accounts receivable** provide **us** within 30 days after the end of the **indemnity period** or within such time as agreed by **us** with written details of **your** claim
b provide **us** with details of any other insurances covering the property used by **you** at the **premises** for the purpose of the **business** or any part of it or any consequential loss
- 2 deliver to **us** any books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs and any other information required by **us**, for the purpose of investigating or verifying the claim together with, if required, a statutory declaration of truth of the claim and any matters connected with it.

If **you** do not comply with this condition

- 1 **we** have the right to refuse to pay **your** claim
- 2 if **we** refuse to pay **your** claim **you** must repay **us** any amount **we** may have already paid.

Contribution condition

If the cover provided by this section is insured by any other policy, **we** will only cover **you** for **business interruption** up to the limits of **our** rateable proportion.

Departmental condition

If the **business** is conducted in departments, where the independent trading results can be ascertained, the basis of settlement for **gross profit** or **gross revenue** or **gross rent** will apply separately to each department affected by the **incident**. Where the sum insured for **gross profit**, **gross revenue** or **gross rent** is less than the total sum produced by applying the rate of **gross profit**, **gross revenue** or **gross rentals** for each department of the **business** (whether affected by the **incident** or not) to the **annual turnover**, **annual gross revenue** or **annual gross rentals** (or to a proportionately increased multiple thereof where the **maximum indemnity period** exceeds 12 months) the amount payable shall be proportionately reduced.

New business condition

For the purpose of any claim arising from an **incident** occurring before the completion of the first year's trading of the **business** at the **premises**, the following meanings apply and not as otherwise stated in this section.

1 Rate of gross profit

The rate of **gross profit** earned on the **turnover** during the period between the start date of the **business** and the date of the **incident**.

2 Annual turnover

The proportional equivalent for a 12 month period, of the **turnover** earned during the period between the start of the **business** and the date of the **incident**.

3 Standard turnover

The proportional equivalent for a period equal to the **indemnity period** of the **turnover** earned during the period between the start of the **business** and the date of the **incident**.

4 Annual gross revenue

The proportional equivalent for a period of 12 months of the **gross revenue** earned during the period between the start date of the **business** and the date of the **incident**.

5 Standard gross revenue

The proportional equivalent for a period equal to the **indemnity period** of the **gross revenue** earned during the period between the start date of the **business** and the date of the **incident**.

6 Annual gross rentals

The proportional equivalent for a period of 12 months of the **gross rentals** earned during the period between the start date of the **business** and the date of the **incident**.

7 Standard gross rentals

The proportional equivalent for a period equal to the **indemnity period** of the **gross rentals** earned during the period between the start of the **business** and the date of the **incident**.

We will make adjustments as necessary for trends of the **business** and for variations and other circumstances affecting the **business**, either before or after the **incident**, or which would have affected the **business** had the **incident** not occurred so that the adjusted figures represent as closely as possible, the results which would have been obtained during the **indemnity period** after the **incident**.

Payments on account condition

At **your** request, payments on account may be made to **you** monthly during the **indemnity period**.

Premium adjustment condition

The premium paid may be adjusted by **us** following a declaration of **gross profit**, **gross rentals** or **gross revenue** earned during the financial year most closely concurrent with the **period of insurance** as reported by **your** auditors.

- 1 If any **incident** occurred resulting in a claim for loss of **gross profit**, **gross rentals** or **gross revenue**, **we** will increase the declaration for the purpose of premium adjustment, by the amount by which the **gross profit**, **gross rentals** or **gross revenue** was reduced during the financial year solely as a result of the **incident**.

- 2** If either declaration (adjusted as above and proportionately increased where the **maximum indemnity period** exceeds 12 months) is less than the sum insured on **gross profit, gross rentals** or **gross revenue** for the relative **period of insurance**, **we** will allow a pro rata return in the premium but **we** will not return more than 25% of the original premium.

Note: Accountants may be substituted for auditors for companies exempt from credit requirements.

Professional accountants condition

Any particulars or details contained in **your** books of account, other business books or documents that are required by **us** for investigation or verifying any claim under the Claims condition for this section, may be produced by professional accountants if, at the time, they are regularly acting for **you**. Their report will be prima facie evidence of the particulars and details to which the report relates to.

We will pay **you** the reasonable charges that **you** have to pay for professional accountants in producing the particulars or details or any other proofs, information or evidence that **we** may require under the Claims condition for this section and reporting these particulars or details are in accordance with **your** accounting records, other business books or documents.

Provided that the total amount payable under this condition and the amount otherwise payable under the section does not exceed the sum insured shown in **your** schedule.

Reinstatement of sum insured after loss condition

In the event of **business interruption**, the sum insured by this section will be automatically reinstated from the date of the **damage** unless written notice is given to the contrary either by **us** or by **you**.

Provided that in the event of reinstatement **you** will

- 1** pay the necessary premiums that may be required for the reinstatement, from the date of reinstatement

- 2** complete any additional risk improvements which **we** may reasonably require.

Salvage sales condition

If following a loss insured by this section resulting from interruption of or interference with the **business you** hold a salvage sale during the **indemnity period** paragraph **1 a** of the **gross profit/estimated gross profit** item of the Basis of loss settlement is amended as follows for reduction in **turnover**, the sum produced by applying the **rate of gross profit** earned on the **turnover** during the financial year immediately before the date of the **incident**, to the amount by which the **turnover** during the **indemnity period** (less **turnover** for the period of the salvage sale) as a result of the **incident**, falls short of the **turnover** during the corresponding period in the 12 months immediately before the date of the **incident** from which amount shall be deducted the **gross profit** actually earned during the period of the salvage sale.

Subrogation waiver condition

In the event of a claim under this section **we** agree to waive any rights, remedies or relief to which **we** might have become entitled by subrogation against

- 1** any company standing in relation of parent to subsidiary (or subsidiary to parent) to **you**
- 2** any company which is a subsidiary of a parent company of which **you** are a subsidiary

in each case as defined by current law at the time of the **damage**.

Uninsured working expenses condition

If any working expenses of the **business** are not insured by this section (having been deducted in arriving at the **gross profit**) then in calculating the amount recoverable as increase in cost of working, that proportion only of any additional cost will be taken into account which the **gross profit** relates to the sum of the **gross profit** and the **uninsured working expenses**.

Specific section conditions and covers

The following conditions and covers only apply if shown as covered in **your** schedule.

1 Deposit premium condition

The first and annual premiums are provisional, being 75% of the premiums which are payable at the start of the **period of insurance** and the balance of 25% to be paid within 6 months of the end of that period, except for any item on **gross profit, gross revenue** or **gross rentals** the premium paid will be adjusted on receipt by **us** of a declaration of **gross profit, gross revenue** or **gross rentals** earned during the financial year most closely concurrent with the year of insurance as reported by **your** auditors.

Note: Accountants may be substituted for auditors for companies exempt from audit requirements.

If any **incident** occurred resulting in a claim for loss of **gross profit, gross revenue** or **gross rentals**, **we** will increase the above declaration 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 because of the **incident**.

If the declaration (adjusted as above and proportionately increased where the **maximum indemnity period** exceeds 12 months)

- 1** is less than 75% of the sum insured on **gross profit, gross revenue** or **gross rentals** for the relative period, **we** will allow a pro rata return of premium not exceeding 33 1/3% of the provisional premium paid
- 2** is greater than 75% of the sum insured on **gross profit, gross revenue** or **gross rentals** for the relative period, **you** will pay a pro rata additional premium not exceeding 33 1/3% of the provisional premium paid.

In the event that no declaration is received within 6 months of the end of the **period of insurance you** must pay the balance of 25% of the premium.

Part **1** of the Premium adjustment condition does not apply.

2 Declaration linked cover

- 1** Before each renewal **you** will supply **us** with the **estimated gross profit, estimated gross revenue** or **estimated gross rentals** for the financial year most closely concurrent with the following year of insurance.
- 2** The first and annual premiums for each item on **estimated gross profit, estimated gross revenue** or **estimated gross rentals** are provisional and are based on the **estimated gross profit, estimated gross revenue** or **estimated gross rentals**.

You must provide **us** with a declaration confirmed by **your** auditors, of the **gross profit, gross revenue** or **gross rentals** earned during the financial year most closely concurrent with the **period of insurance**. **We** must receive this no later than 6 months after the end of each **period of insurance**.

Note: Accountants may be substituted for auditors for companies exempt from audit requirements.

If any **incident** occurred resulting in a claim for loss of **gross profit, gross revenue** or **gross rentals**, **we** will increase the above declaration for the purpose of premium adjustment by the amount which the **gross profit, gross revenue** or **gross rentals** was reduced during the financial year solely as a result of the **incident**.

If the declaration (adjusted as provided above and proportionately increased where the **maximum indemnity period** exceeds 12 months)

- 1** is less than the **estimated gross profit, estimated gross revenue** or **estimated gross rentals** for the relative **period of insurance**, **we** will allow a pro rata return of the premium paid on the **estimated gross profit, estimated gross revenue** or **estimated gross rentals** but not exceeding 25% of the premium
- 2** is greater than the **estimated gross profit, estimated gross revenue** or **estimated gross rentals** for the relative **period of insurance**, **you** will pay a pro rata addition to the premium paid on the **estimated gross profit, estimated gross revenue** or **estimated gross rentals**.

Our liability under Part **1 b i** under 'What is covered' is restated so that **our** liability will not exceed for **gross profit, gross revenue** or **gross rentals** the uplifted sum insured shown in **your** schedule for **estimated gross profit, estimated gross revenue** or **estimated gross rentals** and for each other item 100% of the sums insured by the items or other amounts as may be agreed by **us**.

Part **1** of the Premium adjustment condition is deleted.

3 Subsidence cover

If this cover is shown as covered in **your** schedule, the Subsidence exclusion under the heading 'What is not covered' does not apply.

We will cover **you** for any loss, insured by this section, resulting from interruption of or interference with the **business** caused by subsidence or ground heave of any part of the site on which the **premises** stands or landslip, but **we** will not cover interference or interruption of the business caused by

- 1 damage** to yards, car parks, roads, pavements, walls, gates and fences unless also affecting the **building(s)** insured by this **policy**

- 2 damage** caused by or consisting of

- a** the normal settlement or bedding down of new structures
- b** the settlement or movement of made-up ground
- c** coastal or river erosion
- d** defective design or workmanship or the use of defective materials
- e** fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe

- 3 damage** which originated before the start of this cover

- 4 damage** resulting from

- a** demolition, construction, structural alteration or repair of any property
 - b** ground works or excavation
- at the **premises**.

Special conditions applicable to Subsidence cover

You must notify **us** as soon as possible if **you** become aware of any demolition, ground works, excavation or construction being carried out on any adjoining site and **we** will then have the right to vary the terms or cancel the cover.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Money and personal accident assault section

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Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Money and personal accident assault section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section. The meanings of defined terms that apply throughout **your policy**, and not just this section, can be found on page 7.

Alarmed buildings

The building(s) or those portions of the building(s) used by **you** at the **premises** protected by the **intruder alarm system**.

Business hours

Your usual office hours and the working hours (including overtime) while **you** or **your** employees entrusted with **money**, are at **your premises** or **your** contract sites for the purposes of the **business**.

Damage

Accidental loss, destruction or damage.

Defined peril

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, 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 or impact by any road vehicle or animal.

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether **your** property or not.

Insured person(s)

You and any of **your** principals, partners, directors, trustees, volunteers or employees aged between 21 and 90 inclusive at the start of the **period of insurance**.

Intruder alarm system

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

Key holder

You or any person or key holding company authorised by **you**, who is available at all times to accept notification of faults to or alarm signals from the **intruder alarm system** and to attend and allow access to the **premises**.

Money

Negotiable money and **non negotiable money** belonging to **you** or which **you** are responsible for.

Negotiable money

Bills of exchange, uncrossed promissory notes, cash, bank and currency notes, uncrossed cheques, giro cheques including pre-authenticated giro cheques, uncrossed postal orders, uncrossed money orders, uncrossed warrants, current postage stamps, unused units in franking machines, National Savings stamps and certificates, National gift vouchers, National Insurance stamps, trading stamps, gift tokens, gaming machine tokens, lottery tickets (excluding scratch cards held in stock for resale), customer redemption vouchers, authenticated travel tickets, phone cards (excluding phone cards held in stock for resale), holiday with pay stamps, luncheon vouchers, securities for money and travel warrants.

Non negotiable money

Crossed warrants, credit company sales vouchers, debit card sales vouchers, crossed cheques, crossed giro drafts, crossed postal orders, crossed money orders, crossed national giro bank, crossed promissory notes, crossed bankers drafts, premium bond certificates, VAT purchase receipts, credit card counterfoils, premium bonds, savings bonds, stamped National Insurance cards and National savings certificates.

Phishing

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

Premises

The premises shown in **your** schedule and any sites of contracts.

Terrorism

In England, Scotland and Wales: 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 Northern Ireland: An act including but not limited to the use of force or violence and/or threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political, religious, ideological or similar purposes including the intention to influence any government and/or put the public or any section of the public in fear.

In the Channel Islands and the Isle of Man: An act of any person(s) 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 any government de jure or de facto.

Virus or similar mechanism

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 meaning of virus or similar mechanism includes but is not limited to, trojan horses worms and logic bombs.

✓ What is covered

Part 1 – Money

We will cover **you** for

1 damage to **money** belonging to **you** or for which **you** are responsible in connection with the **business** as follows

a negotiable money

- i** in transit
- ii** at any of **your premises**
- iii** in a bank night safe
- iv** at the residence of any **insured person**
- v** in the custody of collectors for 24 hours from the time they receive it or until the next working day whichever is the later
- vi** in collection tins or boxes, not in the custody of collectors, whilst kept on third party premises, subject to a limit of £100 for any one claim and £500 in any one **period of insurance**

b non negotiable money

c damage to safes and strong rooms belonging to **you** or for which **you** are responsible resulting from theft or any attempted theft of **money**

anywhere within the **policy territories**.

Our liability for any one claim will not exceed the limits shown in **your** schedule.

2 damage to clothing and personal effects belonging to the **insured person** caused by robbery or attempted robbery occurring in the course of the **business** subject to a limit of £1,000 for any one **insured person**

3 damage to

- a** any stamp franking machine
- b** money belts, waistcoats, cash carrying cases and similar cash carrying devices designed for the safe carriage of **money**

as a result of robbery or attempted robbery occurring in the course of the **business**

4 costs necessarily incurred in

- a** opening or attempting to open any safe or strong room
- b** the replacement of locks of any safe or strong room

following the theft of or **damage** to the keys to the safe or strong room belonging to **you** for which **you** are responsible

5 costs necessarily incurred by an **insured person** for the purpose of the **business** as a direct result of a credit card, charge card, debit card or bank card being lost or stolen and it being fraudulently used by someone other than **you** or any **insured person**.

We will not cover **you** in respect of credit cards, charge cards, debit cards or bank cards for

- a** loss by any failure to comply with the terms under which the card was issued
- b** any card issued personally to an **insured person**
- c** losses arising after 48 hours from discovery of the loss of the card
- d** losses covered in whole or in part by any other insurance.

Our liability for any one claim will not exceed £5,000.

x What is not covered

Part 1 – Money

Please also refer to 'What is not covered' under **Part 1** and **2**.

Clerical errors exclusion

We will not cover **you** for any loss due to clerical or accounting errors.

Excess exclusion

We will not cover **you** for the **excess** shown in **your** schedule.

Fraud and dishonesty exclusion

We will not cover **you** for any loss arising from the fraud or dishonesty of **your** partners, directors or employees unless the loss is discovered within 14 working days of the date of the loss.

Unattended vehicles exclusion

We will not cover **you** for any loss, destruction or damage from unattended motor vehicles.

Unexplained loss exclusion

We will not cover **you** for loss, destruction or damage caused by or consisting of

- 1 disappearance, unexplained or inventory shortage
- 2 misfiling or misplacing of information.

✓ What is covered

Part 2 – Personal accident assault

We will pay the **insured person** or in the case of death their personal representatives compensation if any **insured person** suffers bodily injury sustained in the course of the **business**, as a result of

- 1 robbery or attempted robbery
- or
- 2 hold-up or attempted hold-up.

Payments will be made in accordance with the following Table of compensations.

Table of compensations

	Benefit	Compensation
1	Death*	£15,000
2	Total loss or permanent and total loss of use of one or more limbs*	£15,000
3	Total and irrecoverable loss of all sight in one or both eyes*	£15,000

4	Total disablement from engaging in or carrying out the insured persons usual profession or occupation	£100 per week for any one injury (while the insured person is disabled) for a period not exceeding 104 weeks calculated from the date of the injury
5	Reimbursement of incurred medical expenses*	Up to £250
6	Reimbursement of incurred counselling costs*	Up to £500

*occurring within 2 years of the date of the event giving rise to the bodily injury.

We will not pay

- 1 compensation to the **insured person** under more than one of the benefits of the Table of compensations for the same bodily injury
- 2 the weekly benefit under compensation 4 until the weekly amount payable has been agreed
- 3 under the compensation payable for benefit 4 more than the average weekly remuneration paid by **you** to the **insured person** over the period of 13 weeks immediately prior to the event which caused the bodily injury to the **insured person** who has suffered the bodily injury.

Where a compensation payment has already been made under benefit 4 and one of the benefits 1, 2 or 3 is also payable, the **insured person** may at their option request payment under the alternative benefit of compensation, in which case the compensation already paid under compensation 4 will be deducted from the alternative benefit of compensation now payable under 1, 2 or 3.

Conditions applicable to Part 2 (please also refer to the Section conditions)

- 1 **You** must write to **us** as soon as possible when **you** need to make a claim but in any case within 3 months of the date of the event giving rise to the bodily injury.
- 2 At **your** expense, **you** must supply all certificates, information and evidence in a

form that **we** may require. Where a claim for bodily injury is made, the **insured person** will undergo any medical examinations that **we** may require at **our** expense.

- 3 In the case of death of an **insured person**, **we** will be entitled to have a post-mortem examination completed at **our** expense.

x What is not covered Part 1 and 2

Electronic risks exclusion

We will not cover **you** for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1 the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or
- 2 any alteration modification distortion erasure, corruption of data processed by any such computer or other equipment or component or system or item

whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**

We will cover subsequent **damage** which is covered by this section, which itself results from a **defined peril** covered by this section, except for **damage** caused by malicious persons other than thieves.

Radioactive contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from damage to any property, or any consequential loss directly or indirectly caused by or contributed to by or arising from

- 1 ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

- 2 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly.

Terrorism and Northern Ireland exclusion

We will not cover **you** for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1 In England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.
- 2 In Northern Ireland
 - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
 - c riot, civil commotion and (except for damage or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious persons.

If any of the points above are found to be invalid or unenforceable, the remainder of the points shall remain in full force and effect.

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

War risks exclusion

We will not cover any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions (including any specific conditions where applicable) to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Arbitration condition

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid, the amount of the difference will be referred to an arbitrator who is jointly appointed in accordance with the statutory requirements. **You** will not be able to take legal action against **us** over this disagreement until the arbitrators have made their award.

Contribution condition applicable to Part 1 – Money

If the cover provided by this section is covered by any other policy, **we** will only cover **you** for loss or damage up to the limit shown in **your** schedule above the amount payable under such policy.

Key security condition

You must ensure that the keys of safes or strong rooms are not left at the **premises** out of **business hours** unless the **premises** are still occupied by **you** or any of **your** authorised employees. When the **premises** are still occupied by **you** or any of **your** authorised employees keys at the **premises** must be deposited in a secure place not in the vicinity of safes or strong rooms.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Premium adjustment condition

If the premium for this section has been calculated on an estimate provided by **you**, **you** will need to keep an accurate record of all relevant details and allow **us** to inspect the record within one month from the expiry of each **period of insurance**. **You** will need to supply **us** with an accurate account of the amount of bank and currency notes and/or coins in transit during the previous **period of insurance**. The premium for that period will be adjusted and the difference paid by or allowed to **you** subject to **us** retaining 75% of the deposit premium for the period or £75 whichever is the greater.

Reasonable precautions condition

You must take all reasonable precautions

- 1** to prevent accidents or injury or **damage** to **your** property or the property of others
- 2** for the safety of **money** covered by this section and on becoming aware of any event giving rise or likely to give rise to a claim under this section **you** must
 - a** give immediate notice to the police and notify **us** as soon as possible. Take all reasonable steps for the discovery and punishment of the guilty person or persons and to trace and recover the **money**
 - b** give immediate notice to the Inland Revenue of any loss of stamped National Insurance cards
 - c** within 14 days of **you** being aware of the event that may give rise to a claim, provide **us** with a detailed statement of the loss in writing

- d** provide all explanations, vouchers, proof of ownership and other evidence to substantiate the claim. If deemed necessary by **us**, **we** may require further evidence to support the statements of **you** or **your** employees.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Record keeping condition

You will keep a daily record of the amount of **money** contained in safes or strong rooms. This record must be kept in a separate secure place and will need to be produced to support a claim under this section.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Security condition

Whenever **negotiable money** in transit exceeds £3,000

- 1** it will be accompanied by at least two responsible adults
- 2** no more than the maximum amount of money carried by any one person limit shown in **your** schedule will be carried by any one person.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Specific section conditions

The following conditions only apply if shown in **your** schedule.

1 Alarm condition

For cover to operate in respect of **damage** following entry or attempted entry to or exit from the **alarmed buildings** by forcible and violent means **you** must ensure that the following are complied with

- 1** the **alarmed buildings** must be protected by an **intruder alarm system** designed, installed and maintained to British Standard BS 4737 or European Norm EN 50131 including, where stipulated by **us** or the local police authority, Code of Practice DD243 for the installation of intruder alarm systems designed to generate confirmed alarms

- 2** the intruder alarm installation and maintenance company must be both
 - a** a member of an alarm inspectorate which is accredited by the United Kingdom Accreditation Service (UKAS) to EN 45011 or EN 45012and
 - b** accredited and operate a quality management system in accordance with EN ISO 9000
- 3** the **intruder alarm system** must be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance, as per the requirements of BS 4737 or EN 50131 with the installing company or such other company as agreed with **us**. Where remote alarm signalling is required, the signal transmission must be transmitted to an alarm receiving centre fully compliant with BS 5979:2000 and operated by a company accredited and operating to a quality management system in accordance with EN ISO 9000
- 4** no alteration to or substitution of
 - a** any part of the **intruder alarm system**
 - b** the maintenance contract
 - c** the structure of the **alarmed buildings** or changes to their layout which would affect the effectiveness of the **intruder alarm system**
 - d** the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**be made without **our** written agreement
- 5** the **alarmed building** will not be left unattended without **our** agreement
 - a** unless the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals (including both alarm transmission systems for dual signalling systems) in full operation
 - b** if the police have withdrawn their response to alarm activations.

If the alarm system is not fully operative **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational

- 6** **you** must keep all security codes for the **intruder alarm system** confidential and all codes and keys must be removed from the **premises** when they are left unattended
- 7** **you** will appoint at least two **key holders** and give written details (which must be kept up to date) to the alarm company and either the police or the alarm receiving centre
- 8** in the event of notification of any activation of the **intruder alarm system** or interruption of means of communication, including one or both alarm transmission systems for dual signalling systems, during any period the **intruder alarm system** is set a **key holder** will attend the **premises** as soon as reasonably possible.

If the alarm cannot be reset following the **key holder** attendance **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational.

- 9** in the event of **you** receiving any notification
 - a** that the police attendance in response to alarm signals or calls 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.

You will tell **us** as soon as possible but in any event within 7 days and comply with any subsequent requirements stipulated by **us**.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

2 Minimum security standards condition

The following minimum level of security must be installed and maintained at the **premises** and put into use whenever the **premises** are closed for business or left unattended.

Alternative security protections can only be installed with **our** written permission.

- 1** All external doors of the buildings at the **premises** must be secured as follows
 - a** timber doors must be fitted with an appropriate mortice deadlock which has 5 or more levers and/or conforms to British Standards BS 3621 or European Norm EN 1303 together with a matching metal box striking plate, installed in accordance with the manufacturer's recommendations
 - b** aluminium doors must be fitted with integral cylinder key operated mortice deadlocks to EN 1303
 - c** UPVC doors must be fitted with key operated multi-point locking devices incorporating swinging/claw locking bolts
 - d** the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom.
- 2** All internal doors in the buildings that give access to any part of the **premises** not occupied by **you** for the purpose of the **business** must be fitted with either
 - a** timber doors must be fitted with an appropriate mortice deadlock which has 5 or more levers and/or conforms to BS 3621 or EN 1303 together with a matching metal box striking plate, installed in accordance with the manufacturer's recommendations
 - b** aluminium framed doors must be fitted with integral cylinder key operated mortice deadlocks to EN 1303
 - c** UPVC framed doors must be fitted with key operated multi-point locking devices incorporating swinging/claw locking bolts
 - d** the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom

- 3** All opening external basement, ground floor and other accessible windows (accessible includes a window that can be easily reached from an adjacent flat roof, a fire escape, balconies, canopies or down pipes), fanlights, roof lights, skylights must all be fitted with suitable and appropriate key operated window locks, installed in accordance with the manufacturers recommendations. All louvered windows must have their louvers permanently fixed into place to ensure they cannot be removed from their fixings.

This requirement does not apply to windows protected by solid steel bars, weld mesh or expanded metal grills securely fixed to the brickwork surrounding the window.

- 4** Any door or window officially designated by the local planning officer, local building control officer or as defined within the business fire risk assessment forming part of an emergency exit route, is excluded from the above requirements. The doors and windows must only be secured using suitable and appropriate internally operated quick release type of security devices, specifically designed for this purpose with mortice deadlocks conforming to BS 8621; panic bars/latches conforming to BS EN 1125.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Group personal accident section

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Meanings which apply to the Group personal accident section

These meanings apply within **your** Group personal accident section. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this section. The meanings of defined terms that apply throughout **your policy**, and not just this section, can be found on page 7.

Accident

A sudden, unexpected, unforeseen, specific event which occurs at an identifiable time and place during the **operative time**.

Death

Death occurring within two years of the **accident**.

Inception

The date that an **insured person** is first included in this insurance.

Injury

Identifiable physical injury caused by an **accident** (including sickness arising directly from, or medical or surgical treatment made necessary by the injury) which solely and independently of any other cause, results in the **death** or disablement of the **insured person** within 24 months of the date of the **accident**.

Insured person

- 1 **you**
 - 2 any **employee** of **yours** under a contract of employment with **you**
 - 3 trustees or committee members
 - 4 volunteers
- aged between 16 and 90 years at **inception** of the **policy**.

Loss of limb

Permanent loss by physical separation of an entire hand or foot or permanent total and irrecoverable loss of use of a hand, arm, leg or foot.

Loss of sight, hearing or speech

Total and irrecoverable loss of

- 1 sight in one or both eyes
- 2 hearing
- 3 speech.

Medical expenses

The cost of medical, surgical or other remedial attention or treatment given or prescribed by a qualified medical practitioner and all hospital, nursing home and ambulance charges connected with a claim covered by this section.

Operative time

The time when the **insured person** is covered.

Permanent total disablement

Disablement which

- 1 entirely prevents the **insured person** from engaging in or attending to any business or occupation, to which they are reasonably suited by training, education or experience
- 2 lasts for more than 12 months from the date of the accident
- 3 is beyond hope of improvement.

Temporary partial disablement

Disablement which prevents the **insured person** from engaging in or attending to a substantial part of their usual business or occupation.

Temporary total disablement

Disablement which entirely prevents the **insured person** from engaging in or attending to their usual business or occupation.

Weekly wage or earnings

The average weekly wage of the **yearly earnings**.

Yearly earnings

The total wages or salaries (exclusive of all allowances) shown in **your** accounting system as having been paid to an **insured person** for the 52 weeks immediately preceding the date of **injury** and/or sickness, or if the period of employment is less than 52 weeks the weekly average for that period will be used, multiplied by 52.

✓ What is covered

We will pay **you**, or in the event of **your death**, **your** personal representatives if, during the **period of insurance**, an **insured person**

- 1 sustains **injury**
- 2 incurs **medical expenses**

in accordance with the benefits table which is shown in **your policy** schedule.

Disappearance cover

If during the **period of insurance**, an **insured person** goes missing and sufficient evidence is produced to confirm that the **insured person** sustained an **injury** likely to have caused death, it will be presumed after six months that **death** has occurred. However, if the **insured person** is subsequently found to be alive, any amount already paid will be refunded to **us**.

Hi-jack, kidnap, unlawful detention cover

If at the **operative time** during the **period of insurance**, an **insured person** is subject to a hi-jack, kidnap, unlawful detention, **we** will pay £500 for each day, or any part of it, that the **insured person** is detained, up to a maximum period of 30 days for any one claim.

Maximum benefits

Benefit payable under this section arising from any one **accident** will not exceed the maximum benefit limit shown in **your** schedule.

If this amount is less than the amounts shown in **your** schedule that would otherwise be payable in total in respect of all **insured persons** involved in the same **accident**, the sum payable for each **insured person** will be reduced proportionally.

Payment of benefits

- 1 Benefit will not be payable under more than one of the items of the benefits table shown in **your** schedule as a result of one **accident**, except for any benefit payable for **temporary partial disablement** before or after **temporary total disablement**.
- 2 Weekly benefit specified in the benefits table shown in **your** schedule will be payable monthly in arrears.
- 3 Benefit for **loss of limb** or **loss of sight, hearing or speech**, will be payable as a lump sum after 12 months have elapsed.
- 4 Where any payment is made for weekly benefit, the amount will be deducted from any lump sum subsequently payable for the same **accident**.

x What is not covered

Armed forces exclusion

We will not cover claims in any way caused or contributed to, by the **insured person** engaging in or taking part in armed forces service or operations.

Chemical weapon exclusion

We will not cover claims in any way caused or contributed to by the actual or threatened malicious use of pathogenic or poisonous, biological or chemical materials.

Deliberate act exclusion

We will not cover claims in any way caused or contributed to, by the **insured person's** deliberate exposure to danger (except in an attempt to save human life).

Drugs exclusion

We will not cover claims in any way caused or contributed to, by the **insured person** being under the influence of alcohol, or drugs not prescribed by a qualified medical practitioner.

Flying exclusion

We will not cover claims in any way caused or contributed to, by the **insured person** engaging in flying of any kind other than as a passenger.

Pre-existing condition exclusion

We will not cover claims in any way caused or contributed to, by any existing defect or chronic or recurring disease or disorder, or other condition which the **insured person** has

- 1 sought advice, diagnosis, treatment or counselling
- 2 become aware, or should reasonably have been aware of
- 3 been treated for

in the 12 months immediately prior to **inception**.

Suicide and insanity exclusion

We will not cover claims in any way caused or contributed to, by the **insured person's** suicide, attempted suicide or intentional self-injury, or the **insured person** being in a state of insanity.

War risk exclusion

We will not cover claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, but this exclusion will not apply in the event of an **insured person** sustaining **injury** whilst on a journey outside their normal country of residence which started before the outbreak of war.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

Change in circumstances condition

You must tell **us** as soon as **you** become aware of

- 1 any **injury**, disability or other condition where the **insured person** has become affected
- 2 any change to information previously given in connection with the occupation of an **insured person**.

We do not have to accept any request to change **your** cover.

If **we** accept any change to the cover, an increase in the premium or different terms or conditions of cover may be required by **us**.

Claims evidence condition

- 1 The **insured person** must as early as possible, seek the attention of a qualified medical practitioner in the event of **injury** which causes or may cause a claim and all certificates, information and evidence required by **us** in connection with that **injury** is to be provided at **your** or the **insured person's** expense
- 2 All medical records, notes and correspondence in connection with a claim or a related pre-existing condition must be made available on request to any medical adviser appointed by **us** and that medical adviser is to be allowed to make an examination of the **insured person** as often as necessary

- 3 In the case of **death** of the **insured person** **we** will be entitled to have a post mortem examination at **our** expense.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Employers liability section

Contents of this section

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Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Employers liability section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section. The meanings of defined terms that apply throughout **your policy**, and not just this section, can be found on page 7.

Bodily injury

Death, bodily injury, illness or disease.

Claim costs

Costs and expenses

- 1** of any claimant which **you** become legally liable to pay
- 2** incurred with **our** prior written consent, to investigate or defend a claim against **you** including solicitors fees at
 - a** any coroner's inquest or fatal accident inquiry
 - b** summary court proceedings.

Contractual liability

Legal liability assumed by **you** under the express or intended terms of any contract or agreement that restrict **your** right of recovery, or increase **your** liability at law beyond that applicable in the absence of those terms.

Employed person

- 1** Anyone under a contract of service or apprenticeship with **you**.
- 2** Anyone who is
 - a** employed by **you** or on **your** behalf on a labour only basis
 - b** self employed
 - c** hired to **you** or borrowed by **you** from another employer
 - d** a voluntary helper or taking part in a work experience or training scheme and under **your** control or supervision.

Manslaughter costs

Costs and expenses of legal representation in connection with any criminal inquiry into or court proceedings brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Offshore

On or working from, or travelling by sea or air, to, from or between an offshore rig, platform or similar offshore installation.

Principal

Employer who has engaged **you** to act on their behalf, under a contract for the performance of work by **you**, in connection with the **business**.

Safety legislation costs

Costs and expenses of legal representation in connection with an alleged breach of statutory duty under Health and Safety, Consumer Protection or Food Safety legislation, enacted within the **policy territories**.

Terrorist act

Any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat, force or violence or other means.

✓ What is covered

We will cover the amount of damages which **you** are legally liable to pay in respect of **bodily injury** to any **employed person** resident in the **policy territories**, caused during the **period of insurance** and arising out of and in the course of their employment by **you** in connection with the **business**.

Additional business activities cover

The cover under this section includes the following activities of the **business**

- 1 providing and managing amenities for the benefit and welfare of **employed persons**
- 2 owning, repairing, maintaining and decorating **your** own property or premises **you** use

- 3 providing and managing facilities primarily used for fire prevention, safety or security at **your** premises
- 4 maintaining and repairing vehicles and machinery owned or used by **you**
- 5 private work **you** allow **employed persons** to do for **your** directors, partners or officers, as long as this work is done with **your** prior permission
- 6 the sale or disposal of **business** assets.

Claim costs cover

We will cover **claim costs** in connection with a claim for which an award of damages is paid or may be payable under this section, but **we** will not pay **claim costs** for any part of a claim not covered by this section.

Compensation for court attendance cover

We will compensate **you** at the rate of £500 per day, for each day that **we** request any director, partner or **employed person** to attend court as a witness in connection with a claim, for which an award of damages is paid or may be payable under this section.

Manslaughter costs cover

We will cover **manslaughter costs** in respect of any death occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** for damages covered by this section.

You must obtain **our** prior written consent to legal representation and **we** will only agree to payment on a fee basis agreed by **us**.

If a claim for damages is settled or is withdrawn **we** will have no further liability other than in respect of costs and expenses of legal representation incurred before the date of the claim payment or withdrawal of the claim.

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation if, in the opinion of Counsel (appointed by mutual consent), such an appeal is more likely to succeed than not and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

Employers liability section continued

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you**, or any person entitled to cover under this section, in connection with the proceedings.

The maximum **we** will pay for **manslaughter costs** and costs awarded against **you**, or any person entitled to cover under this section, in total, as a result of all occurrences during any one **period of insurance**, is £1,000,000.

We will not pay

- 1** fines, penalties or awards of compensation imposed by a criminal court
- 2** costs and expenses of implementing any remedial order or publicity order
- 3** costs and expenses of an appeal against any fine, penalty, compensation award, remedial order or publicity order
- 4** costs and expenses incurred as a result of the failure to comply with any remedial order or publicity order
- 5** costs and expenses covered by any Legal Expenses insurance
- 6** costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

Overseas employees cover

If **bodily injury** is caused during the **period of insurance** to any person under a contract of service or apprenticeship, arising out of and in the course of their employment by **you** in connection with the **business** and who is resident outside the **policy territories**, **we** will cover the amount of damages which **you** are legally liable to pay by a court of law having jurisdiction within the **policy territories**.

We will not pay

- 1** for any action or recovery brought or commenced
 - a** in a court of law outside the **policy territories**
 - b** in connection with any workmen's compensation or other social insurance, or arising from **your** failure to meet legal obligations or to pay adequate contributions for that insurance

- 2** where an insurance policy covering legal liability for **bodily injury** caused to **employed persons** is arranged outside the **policy territories**.

Personal liability cover

If no other insurance is in force, the cover provided by this section will apply to the legal liability of

- 1** any director or **employed person** of **yours** whilst
 - a** performing their normal duties in connection with the **business**
 - b** work is being carried out on behalf of a director or officer by an **employed person** with **your** consent
 - c** acting in a personal capacity, during the course of a trip or journey arranged for the purpose of the **business**
- 2** the spouse, civil partner, domestic partner or any children accompanying a director or **employed person** in the course of a business trip or journey.

The cover provided by this section will also apply to **your** personal representative, or the personal representative of any other deceased person entitled to cover.

Principals liability cover

We will cover the legal liability of any **principal** arising from the performance of **your** work for the **principal**.

We will not provide cover beyond the requirements of **your** contract with the **principal**.

Safety legislation costs cover

We will cover **safety legislation costs** in respect of any **bodily injury** occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** for damages covered by this section.

You must obtain **our** prior consent to legal representation and **we** will only agree to payment on a fee basis agreed by **us**.

If a claim for damages is settled or is withdrawn **we** will have no further liability other than in respect of costs and expenses of legal representation incurred before the date of the claim payment or withdrawal of the claim.

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation if, in the opinion of Counsel (appointed by mutual consent), such an appeal is more likely to succeed than not and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you**, or any person entitled to cover under this section, in connection with the proceedings.

The maximum **we** will pay for **safety legislation costs** and costs awarded against **you**, or any person entitled to cover under this section, in total, as a result of all occurrences during any one **period of insurance**, is £1,000,000.

We will not pay

- 1 fines, penalties or awards of compensation imposed by a criminal court
- 2 costs and expenses of an appeal against improvement or prohibition notices
- 3 costs and expenses on indictment for manslaughter, corporate manslaughter, corporate homicide or culpable homicide, other than **safety legislation costs** already incurred
- 4 costs and expenses covered by any Legal Expenses insurance
- 5 costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

Unsatisfied court judgements cover

We will at **your** request, pay an **employed person** the amount awarded to that person by a court of law for **bodily injury** against any company, partnership or individual conducting a business within the **policy territories**, if such award remains unpaid six months after the date of the judgement.

We will only provide cover if

- 1 there is no outstanding appeal
- 2 the **bodily injury** was sustained during the **period of insurance** by the **employed person** while working in connection with the **business**
- 3 the judgement was obtained in a court within the **policy territories**
- 4 the **employed person** or their personal representative assigns the amount awarded under the judgement to **us**.

Limit of indemnity

- 1 The employers liability limit of indemnity shown in **your** schedule is the maximum **we** will pay for the total of all damages and **claims costs** and will apply to any one claim or series of claims by one or more of the **employed persons** arising from one occurrence.
- 2 A **terrorist act** limit of indemnity of £5,000,000 will apply exclusively to any one claim or series of claims by one or more of the **employed persons** arising directly or indirectly in connection with a **terrorist act**.
- 3 In respect of any claim or claims, **we** may at any time pay the limit of indemnity applicable, after deducting any amounts already paid, or any lesser amount for which a settlement can be made. **We** will not then be liable to make any further payment in respect of the claim or claims.

x What is not covered

Offshore exclusion

We will not cover claims for **bodily injury** to any **employed person** while **offshore**.

Radioactive contamination exclusion

We will not cover claims for

1 contractual liability

2 which **your principal** has a legal liability caused by or arising from any type of nuclear radiation, nuclear material, nuclear waste, nuclear reaction or radioactive contamination.

Road Traffic Act exclusion

We will not cover claims for **bodily injury** to an **employed person** in circumstances where it is necessary to arrange compulsory motor insurance or security, under any Road Traffic Legislation.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions (including any specific conditions where applicable) to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Premium adjustment condition

If any part of the premium has been calculated on estimates **you** must, at **our** request, tell **us** the actual figures on the expiry of the **period of insurance** so that the final premium can be calculated using the agreed rates. If the adjusted premium is less than the estimated premium **we** will not return more than 10% of the original premium.

If the estimates shown in **your** schedule are marked as index linked, the renewal premium for each **period of insurance** will be calculated on an adjusted amount in line with suitable indices of costs.

Right of recovery condition

The cover provided under this section is in line with any law relating to the compulsory insurance of liability to persons employed within the **policy territories**. **You** must repay to **us** all amounts **we** pay which **we** would not have been liable to pay but for the law.

Public and products liability section

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Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Public and products liability section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meanings wherever it is used in this section. The meaning of defined terms that apply throughout **your policy**, and not just this section, can be found on page 7.

Abuse

Any form of

- 1** abuse or threat or cruelty
- 2** exploitation
- 3** molestation, intimate or inappropriate contact or inappropriate behaviour of a sexual nature
- 4** pornography.

Asbestos

Asbestos in any form, asbestos fibres or particles or derivatives of asbestos or any material containing asbestos.

Bodily injury

Death, bodily injury, illness or disease.

Claim costs

Costs and expenses

- 1** of any claimant which **you** become legally liable to pay
- 2** incurred with **our** prior written consent, to investigate or defend a claim against **you** including solicitors fees at
 - a** any coroner's inquest or fatal accident inquiry
 - b** summary court proceedings.

Clean up costs

Costs and expenses of remediation of environmental damage or environmental harm.

Contractual liability

Legal liability assumed by **you** under the express or intended terms of any contract or agreement that restrict **your** right of recovery, or increase **your** liability at law beyond that applicable in the absence of those terms.

Electronic data

Facts, concepts or information in a form usable for communications, interpretation or processing by electronic or electro-mechanical data processing or electronically controlled equipment which includes programmes, software, firmware, operating systems or other coded instructions for the processing or manipulation of data.

Employed person

- 1** Anyone under a contract of service or apprenticeship with **you**.
- 2** Anyone who is
 - a** employed by **you** or on **your** behalf on a labour only basis
 - b** self employed
 - c** hired to **you** or borrowed by **you** from another employer
 - d** a voluntary helper or taking part in a work experience or training scheme and under **your** control or supervision.

Enforcing authority

Any government or statutory authority, implementing or enforcing environmental protection legislation in the **policy territories**.

Event

Claim or series of claims against **you** as a result of or attributable to a single source or the same original, repeated or continuing cause.

Hot work

Any work that requires, uses or produces open flames or any other sources of heat or sparks that could ignite flammable or combustible materials.

Inflatable bouncy device

Pneumatic structure that derives its structural integrity from the use of internal pressurised air to inflate a pliable material envelope, so that air is the main support of the structure.

Manslaughter costs

Costs and expenses of legal representation in connection with any criminal inquiry into or court proceedings brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Nuisance or trespass

Nuisance, trespass to land or trespass to goods, or interference with any easement.

Offshore

On or working from, or travelling by sea or air, to, from or between an offshore rig, platform or similar offshore installation.

Personal injury

Personal injury or infringement of a person's legal right other than

- 1** **bodily injury**
- 2** a right arising from title to, or an interest in property.

Pollutants

Any solid, liquid or gaseous pollutant, contaminant or irritant substance or any biological agent that is a danger to human health.

Principal

Employer who has engaged **you** to act on their behalf, under a contract for the performance of work by **you**, in connection with the **business**.

Products

Products that **you** have sold, supplied, provided or delivered including

- 1** containers, packaging, labelling, instructions or advice in connection with products

2 services that have been completed as part of a contract for the sale or supply of products

in the course of the **business**.

Property damage

Loss of or damage to property that **you** do not own or possess and is not in **your** custody or under **your** control.

Safety legislation costs

Costs and expenses of legal representation in connection with an alleged breach of statutory duty under Health and Safety, Consumer Protection or Food Safety legislation, enacted within the **policy territories**.

Services

Work process or other operation that **you** undertake or is undertaken on **your** behalf including any goods or materials used in connection with the work process or other operation in the course of the **business**.

Sudden incident

Sudden identifiable unintended and unexpected incident that does not originate from a gradual, continuous or repetitive cause.

Terrorist act

Any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat, force or violence or other means.

✓ What is covered

We will cover the amount of damages which **you** are legally liable to pay in respect of

- 1 bodily injury**
- 2 personal injury**
- 3 property damage**
- 4 nuisance or trespass**

occurring during the **period of insurance** in connection with the **business**.

If legal liability to pay damages in respect of **property damage** or **nuisance or trespass** arises from a release or escape of **pollutants** into the atmosphere or onto land, water, buildings or any structure, the cover will only apply to a **sudden incident** which happens at a specific time and place during the **period of insurance** within the **policy territories** and all **property damage** or **nuisance or trespass** will be considered as having occurred at the time of the **sudden incident**.

Abuse cover

In respect of any claims for **bodily injury** or **personal injury** caused by or arising from **abuse** the cover under this section will apply only to such claims that are first made against **you** during the **period of insurance** in connection with the **business** and so long as **we** are notified during the same **period of insurance** or within 7 days after expiry.

Any circumstances relating to such **bodily injury** or **personal injury** notified in accordance with the **policy** conditions where a claim is made against **you** after the expiry of the **period of insurance**, will be considered as a claim first made against **you** during the **period of insurance** when **you** first told **us** of the circumstances.

The limit of indemnity shown in **your** schedule shall not apply to claims for **bodily injury** or **personal injury** caused by or arising from **abuse** and the maximum amount **we** will pay for the total of all damages and **claims costs** for all such claims made against **you** during any one **period of insurance** is £2,000,000.

Provided that

- 1 you** comply with all statutory and other regulations by any authority
- 2 your** written protection policy for young people and vulnerable adults is fully complied with at all times.

Additional business activities cover

The cover under this section includes the following activities of the **business**

- 1** providing and managing amenities for the benefit and welfare of **employed persons**
- 2** owning, repairing, maintaining and decorating **your** own property or premises **you** use
- 3** providing and managing facilities primarily used for fire prevention, safety or security at **your** premises
- 4** maintaining and repairing vehicles and machinery owned or used by **you**
- 5** private work **you** allow **employed persons** to do for **your** directors, partners or officers, as long as this work is done with **your** prior permission
- 6** the sale or disposal of **business** assets.

Claims costs cover

We will cover **claim costs** in connection with a claim for which an award of damages or **clean up costs** is paid or may be payable under this section, but **we** will not pay **claim costs** for any part of a claim not covered by this section.

Compensation for court attendance cover

We will compensate **you** at the rate of £500 per day, for each day that **we** request any director, partner or **employed person** to attend court as a witness in connection with a claim, for which an award of damages is paid or may be payable under this section.

Contingent motor liabilities cover

We will cover the amount of damages which **you** are legally liable to pay and **claim costs** in respect of accidental

- 1** **bodily injury**
- 2** **property damage**

occurring during the **period of insurance** and arising out of

- a** the use by an **employed person** of their own motor vehicle within the European Union in connection with the **business**

- b** the movement of any motor vehicle, not owned by, or provided by **you**, or an **employed person** that is preventing access to, or causing an obstruction within **your** premises or any site at which **you** are working

and the Road Traffic Act exclusion in this section will not apply to that liability.

We will not pay

- 1** for loss of or damage to any motor vehicle referred to in **a** or **b** above
- 2** unless the motor vehicle is being driven with **your** permission and **you** have taken reasonable steps to ensure that the person driving holds a valid licence to drive the motor vehicle
- 3** where cover is provided by another insurance policy.

Cross liabilities cover

Any person, firm, company or organisation covered by this section, is entitled to the cover as if a separate **policy** had been issued to each and where **you** are a membership organisation, the cover will apply to each member as if a separate **policy** had been issued to each member.

However the amount payable by **us** in total, on behalf of all entitled to cover, shall not in any circumstances exceed the limit of indemnity shown in **your** schedule.

Data Protection cover

We will cover the amount of compensation which **you** are legally liable to pay in respect of **personal injury** occurring during the **period of insurance**, arising from holding personal data, or, as a result of any loss, misuse or unauthorised disclosure of personal data held by **you** in the course of the **business**.

We will only pay

- 1** amounts of compensation which **you** are ordered to pay, or which **you** might reasonably be expected to pay by a court having jurisdiction
- 2** if **you** are registered or are in the process of registration (and the application has not been refused or withdrawn) under Data Protection legislation

within the **policy territories**.

We will not cover

- 1 fines or penalties imposed by a court
- 2 the costs of any appeal against the refusal of an application for registration or alteration, in connection with the Data Protection legislation or any enforcement, de-registration or prohibition notice
- 3 the cost of replacing, reinstating, rectifying or erasing any personal data
- 4 refund of monies paid to **you** by any claimant
- 5 compensation costs and expenses covered by any Legal Expenses insurance.

The maximum **we** will pay for compensation, costs and expenses in total, as a result of all occurrences during any one **period of insurance**, is the data protection limit of indemnity of £500,000.

Defective Premises Act cover

We will cover the amount of damages which **you** are legally liable to pay in respect of accidental **bodily injury** or **property damage**, occurring during any one **period of insurance**, arising out of premises **you** have disposed of, but had previously owned in connection with the **business**.

We will not cover

- 1 loss of or damage to the land or premises disposed of or in connection with the cost of rectifying any defect or alleged defect in them
- 2 any liability for which **you** are covered under any other insurance policy.

Employees' and visitors' personal belongings cover

We will cover **you** in respect of legal liability for accidental **damage** to **employed person** and visitors' vehicles and personal belongings which are in **your** custody or control.

We will not provide indemnity where this property is.

- 1 loaned, leased, hired or rented to **you**
- 2 stored for a fee or other consideration by **you**
- 3 in the custody or control of **you** for the purposes of being worked upon.

Environmental clean up cover

We will cover the amount of **clean up costs** which **you** are legally liable to pay, under a notice or order imposed upon **you** by an **enforcing authority**, arising from a release or escape of **pollutants**, onto or into land, surface water or ground water.

The cover will only apply to a **sudden incident** which happens at a specific time and place during the **period of insurance** in connection with the **business**, within the **policy territories**.

The maximum **we** will pay for all **clean up costs**, as a result of one **sudden incident** or all such incidents happening during any one **period of insurance**, is £1,000,000.

Where a claim for damages arises in addition to **clean up costs** as a result of the same **sudden incident**, the maximum **we** will pay for the total amount of damages and **clean up costs** added together, will not exceed the public liability limit of indemnity shown in **your** schedule.

We will not cover any part of a claim for **clean up costs**

- 1 at, in or upon property that is or was, owned by **you**, or in **your** possession, or in **your** custody or under **your** control
- 2 to achieve an improvement or alteration in the condition of the land, or any surface or ground water beyond that
 - a necessary to meet the standards required by law at the start of remediation
 - b existing at the time of a **sudden incident** for which a claim is made under this section
- 3 below £2,500 for any one **sudden incident**.

Hired or rent premises cover

We will cover **your** legal liability for accidental damage to premises (including fixtures and fittings) within the **policy territories** which are hired, rented or loaned to **you** in connection with the **business**.

We will not cover

- 1 the first £250 of Compensation, Costs and Expenses in respect of such damage caused other than by fire or explosion.

- 2 liability imposed on **you** solely by reason of the terms of any hiring or renting agreement
- 3 damage caused by fire or any other peril against which any hiring or renting agreement specifies that insurance is taken out by **you**.

Indemnity to hirer cover

The definition of **you** is extended to include any hirer of the **premises**.

We will not provide indemnity

- 1 in respect of
 - a any commercial or business hire
 - b any individual, club, organisation, society or group who hire the **premises** on a regular weekly or monthly basis. However, **we** will provide indemnity at **your** request to any individual or group who hire the **premises** for non commercial activities that are regarded as being for the benefit of the local community.
- 2 where indemnity is provided by another insurance policy.

The maximum **we** will pay in respect of any one claim is £2,000,000.

Libel and slander cover

We will cover the amount of damages which **you** are legally liable to pay in respect of a claim first made against **you** during the **period of insurance** for

- 1 libel in any written material produced
- 2 slanders expressed by **you** in the course of the **business**, so long as **we** are notified during the same **period of insurance** or within seven days of expiry.

Any circumstances notified in accordance with the **policy** conditions where a claim is made against **you** after expiry of the **period of insurance**, will be considered as a claim first made against **you** during the **period of insurance** when **you** first told **us** of the circumstances.

We will not cover claims caused by or arising from circumstances known to **you**, or of which **you** should have been aware, prior to the start of this section of the **policy**.

The Defamation and discrimination exclusion in this section does not apply to claims made against **you** under the terms of this cover clause, but **we** will not cover any false statement made maliciously.

The maximum **we** will pay for all damages and **claims costs** as a result all occurrences during any one **period of insurance** is £500,000.

We will not pay for the first 10% of any damages or **claims costs** or £1,000 (whichever is the greater) arising from one event.

Loss of third party keys cover

We will pay the reasonable costs to replace locks, keys or electronic pass cards of third parties following **your** loss of their keys or electronic pass cards for which **you** are legally responsible.

The maximum **we** will pay during any **one period of insurance** is the amount shown on **your** schedule.

Manslaughter costs cover

We will cover **manslaughter costs** in respect of any death occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** for damages covered by this section.

You must obtain **our** prior consent to legal representation and **we** will only agree to payment on a fee basis agreed by **us**.

If a claim for damages is settled or is withdrawn **we** will have no further liability other than in respect of costs and expenses of legal representation incurred before the date of the claim payment or withdrawal of the claim.

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation if, in the opinion of Counsel (appointed by mutual consent), such an appeal is more likely to succeed than not and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you**, or any person entitled to cover under this section, in connection with the proceedings.

The maximum **we** will pay for **manslaughter costs** and costs awarded against **you**, or any person entitled to cover under this section, in total, as a result of all occurrences during any one **period of insurance**, is £1,000,000.

We will not pay

- 1** fines, penalties or awards of compensation imposed by a criminal court
- 2** costs and expenses of implementing any remedial order or publicity order
- 3** costs and expenses of an appeal against any fine, penalty, compensation award, remedial order or publicity order
- 4** costs and expenses incurred as a result of the failure to comply with any remedial order or publicity order
- 5** costs and expenses covered by any Legal Expenses insurance
- 6** costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

Personal liability cover

If no other insurance is in force, the cover provided by this section will apply to the legal liability of

- 1** any director or **employed person** of **yours** whilst
 - a** performing their normal duties in connection with the **business**
 - b** work is being carried out on behalf of a director or officer by an **employed person** with **your** consent
 - c** acting in a personal capacity, during the course of a trip or journey arranged for the purpose of the **business**
- 2** the spouse, civil partner, domestic partner or any children accompanying a director or **employed person** in the course of a business trip or journey.

The cover provided by this section will also apply to **your** personal representative, or the personal representative of any other deceased person entitled to cover.

Principals liability cover

We will cover the legal liability of any **principal** arising from the performance of **your** work for the **principal**.

We will not provide cover beyond the requirements of **your** contract with the **principal**.

Property in your care cover

The cover provided by this section will apply to the following property whether or not it is in **your** possession or custody or under **your** control at the time of the occurrence of loss or damage

- 1** premises which are leased, let, rented, hired or lent to **you**
- 2** premises, including contents, which are not owned or rented by **you**, where **you** are temporarily carrying out work in connection with the **business**
- 3** the vehicles or personal effects of **employed persons** or visitors while on **your** premises.

We will not provide cover for

- 1** any **contractual liability**
- 2** loss of or damage to property for which **you** have an agreement to arrange insurance on behalf of the owner, or as if **you** were the owner, under a tenancy, rental or hire agreement
- 3** **clean up costs**.

Safety legislation costs cover

We will cover **safety legislation costs** in respect of any **bodily injury** or **property damage** occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** for damages covered by this section.

You must obtain **our** prior consent to legal representation and **we** will only agree to payment on a fee basis agreed by **us**.

If a claim for damages is settled or is withdrawn **we** will have no further liability other than in respect of costs and expenses of legal representation incurred before the date of the claim payment or withdrawal of the claim.

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), that such appeal is more likely to succeed than not and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you**, or any person entitled to cover under this section, in connection with the proceedings.

The maximum **we** will pay for **safety legislation costs** and costs awarded against **you**, or any person entitled to cover under this section, in total, as a result of all occurrences during any one **period of insurance**, is £1,000,000.

We will not pay

- 1 fines, penalties or awards of compensation imposed by a criminal court
- 2 costs and expenses of an appeal against improvement or prohibition notices
- 3 costs and expenses on indictment for manslaughter, corporate manslaughter, corporate homicide or culpable homicide, other than **safety legislation costs** already incurred
- 4 costs and expenses covered any Legal Expenses insurance
- 5 costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

Unauthorised use of third party telephones by your employees cover

We will pay for the sums **you** have to pay as compensation to third parties following the unauthorised use of their telephone system by any of **your employed persons** during the **period of insurance**, provided that the unauthorised use is notified to **us** within three months of its happening.

The maximum **we** will pay during any **one period of insurance** is the amount stated on **your** schedule.

Limit of indemnity

- 1 The public liability limit of indemnity shown in **your** schedule is the maximum amount **we** will pay for all damages arising from one **event**.
- 2 The public liability limit of indemnity is also the maximum amount **we** will pay for all damages as a result of all occurrences during any one **period of insurance** caused by or originating from release or escape of **pollutants**.
- 3 The products liability limit of indemnity shown in **your** schedule is the maximum amount **we** will pay for all damages as a result of all occurrences during any one **period of insurance** caused by or originating from **products**.
- 4 A **terrorist act** limit of indemnity of £2,000,000 applies and is the maximum amount **we** will pay for all damages as a result of all occurrences during any one **period of insurance**, arising directly or indirectly in connection with a **terrorist act**.
- 5 If **we** cover more than one person, firm, company or organisation, the amount payable by **us** in total, on behalf of all entitled to cover, shall not in any circumstances exceed the limit of indemnity shown in **your** schedule.
- 6 **We** will pay **claim costs** in addition to the limit of indemnity applicable to the claim or claims, except if an action for damages is started or brought in the United States of America or Canada.
- 7 If an action for damages is started or brought in the United States of America or Canada, **we** will not pay more than the limit of indemnity shown in **your** schedule, for the total of all damages and **claim costs** arising from the action.

- 8** In respect of any claim or claims, **we** may at any time pay the limit of indemnity applicable, after deducting any amounts already paid, or any lesser amount for which a settlement can be made. **We** will not then be liable to make any further payment in respect of the claim or claims. If **we** have agreed to pay **claim costs** in addition to the limit of indemnity, **we** will pay the costs incurred before the date of the claim payment.

x What is not covered

Aircraft and watercraft exclusion

We will not cover claims caused by or arising from **you** owning, possessing or using any

- 1** type of aircraft or spacecraft
- 2** watercraft or hovercraft exceeding 8 metres in length that is ordinarily capable of movement by mechanical power and which is under **your** control.

Airside exclusion

We will not cover claims caused by or arising from any **services** in, or on

- 1** aircraft
- 2** airport or airfield runways, manoeuvring areas or aprons, or any other parts of airports or airfields to which aircraft ordinarily have access.

Asbestos exclusion

We will not cover claims caused by or arising from

- 1** inhalation or ingestion of **asbestos**
- 2** exposure to or fear of the consequences of exposure to **asbestos**
- 3** the presence of **asbestos** in any property or on land
- 4** investigating, managing, removing, controlling or remediation of **asbestos**.

Aviation and hovercraft products exclusion

We will not cover claims caused by or arising from any **products** which to **your** knowledge, are for use in or on any aircraft, hovercraft or device intended to travel through air or space.

Contractual liability exclusion

We will not cover claims

- 1** for **contractual liability** in connection with **products**
- 2** where the terms of any contract or agreement made by **you**, prevent **us** from taking over the full defence or settlement of the claim
- 3** to pay liquidated damages, or any contractual fines or amounts payable under contractual penalty clauses.

Damage to products and services exclusion

We will not cover claims for loss of or damage to property forming part of a contract for the sale or supply of **products** or **services**, caused by or arising from a defect in or the unsuitability of those **products** or **services**.

Defamation and discrimination exclusion

We will not cover claims caused by or arising from

- 1** libel or slander
- 2** false statement
- 3** discrimination of any kind.

Deliberate act exclusion

We will not cover claims

- 1** caused by or arising from any deliberate act, error or omission
 - a** where the results are intended or expected, or are reasonably foreseeable by **you**
 - b** by anyone other than **you**, so far as cover is requested for their own liability
- 2** for **clean up costs** in circumstances where **you** have knowingly

- a** deviated from any regulatory notice, order or protection ruling
- b** omitted to inspect, maintain or perform necessary repairs to plant or machinery for which **you** are responsible.

Electronic data exclusion

We will not cover claims caused by or arising from

- 1** authorised or unauthorised transmission of **electronic data**
- 2** the content of any website, **your** email, intranet or extranet
- 3** loss, distortion, erasure, corruption or alteration of **electronic data** or any loss of use resulting in reduction of functionality
- 4** failure of electronic, electromechanical data processing or electronically controlled equipment or **electronic data** to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

Employee injury exclusion

We will not cover claims for **bodily injury** sustained by any **employed persons** arising out of and in the course of their employment with **you**.

Employment dispute exclusion

We will not cover claims caused by or arising from a dispute with, or proceedings brought by, any person for

- 1** their existing, past or prospective contract of employment with **you**
- 2** a breach of employment related legislation.

Excess exclusion

The **excess** will apply to each **event** for loss as stated in **your** schedule. In respect of **products**, the **excess** will apply to each **event** during each **period of insurance** that loss occurs as a result of the **event**.

Intellectual property exclusion

We will not cover claims caused by or arising from passing off or infringement of trade name, registered design, unregistered design, copyright or patent right.

North America exclusion

We will not cover claims caused by or arising from

- 1** any **products**, which to **your** knowledge, are for export, either directly or indirectly to the United States of America or Canada
- 2** **services** in the United States of America or Canada
- 3** pollution or contamination of the atmosphere, land or water or any buildings or structure, or any environmental damage or impairment in the United States of America or Canada.

Offshore exclusion

We will not cover claims caused by or arising from any **services**, **offshore**.

Overseas establishment exclusion

We will not cover claims caused by or arising from any associated or subsidiary company of **yours**, or any of **your** branch offices, or any representative of **yours** with power of attorney, registered, having premises or resident outside the **policy territories**.

Professional duty exclusion

We will not cover claims caused by or arising from any breach of professional duty in relation to advice, instruction, consultancy, design, formula, specification, inspection, survey, valuation, certification, testing or supervision undertaken or given for a fee.

Punitive damages exclusion

We will not cover claims to pay any award of punitive, exemplary or aggravated damages or additional damages resulting from the multiplication of compensatory damages, by a court of law outside the **policy territories**.

Radioactive contamination exclusion

We will not cover claims caused by or arising from any type of nuclear radiation, nuclear material, nuclear waste, nuclear reaction or radioactive contamination.

Recall exclusion

We will not cover claims to pay any costs or expenses caused by or arising from any decision or requirement to recall or withdraw **products** from sale or use.

Rectification of defects exclusion

We will not cover claims to rectify, remedy, repair, replace, re-apply, modify, investigate, access or remove defective or unsuitable **products** or **services**, or to make any refund.

Road Traffic Act exclusion

We will not cover claims caused by or arising from the ownership, possession or use by **you** or on **your** behalf of any motor vehicle, trailer or mobile plant in circumstances where compulsory insurance or security is required by Road Traffic Legislation or where cover is provided (or would be provided but for breach of the terms of cover) by another insurance.

War risk exclusion

We will not cover claims caused by or arising from war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or confiscation or nationalisation or requisition, or loss of or damage to property by or under the order of any government or public or local authority.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions (including any specific conditions where applicable) to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could

not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Firework displays and bonfires condition

You must ensure that in connection with fireworks displays or bonfires organised by **you** that

- 1 **you** consult the relevant authorities at least seven days before the event
- 2 **you** comply with any recommendations or instructions of the
 - a relevant authorities
 - b fireworks manufacturers.
- 3 **you** organise the event in accordance with the latest guidance from the Health and Safety Executive in particular
 - a storing fireworks in a safe manner
 - b keeping spectators a safe distance from the display and bonfire
 - c providing an adequate number of marshals or stewards to control spectators
 - d having available means of extinguishing a fire
 - e providing sufficient first aiders.
- 4 fireworks must be supplied by a reputable manufacturer and not modified by **you**
- 5 the display and bonfire must be at least 75 metres away from the premises or vehicles which **you** do not own, hire or rent or any flammable or other dangerous materials.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Fund raising events, activities and exhibitions condition

We will not cover for claims in respect of **fund raising events**

- 1 where the combined numbers of entrants and spectators on site exceed 1,000 at any one time

- 2 taking place outside the **policy territories**
- 3 where the event duration lasts longer than 48 hours
- 4 organised by a separate third party event organiser/company
- 5 involving
 - a weapons
 - b passenger carrying amusement devices
 - c animal rides of any kind
 - d ballooning or aerial activities including parachuting, paragliding or parascending
 - e go-karting, quad biking or motor sports
 - f bungee jumping
 - g professional sport teams or persons
 - h individual exhibitions valued at over £250,000
 - i racing or time trials other than on foot
 - j activity involving watercraft
 - k pyrotechnics
 - l fireworks and bonfire displays
 - m bouncy castles and other **inflatable bouncy devices**

unless agreed by **us** in writing.

Hot work precautions condition

The following precautions must be complied with each time that **hot work** is undertaken away from **your** premises

- 1 the area where the work is to be completed must be cleared of all combustibles
- 2 combustible floors and other combustible property which cannot be moved, must be protected by non combustible material and where welding, cutting or grinding equipment is being used, this must extend to at least 6 metres from or beneath the work area
- 3 where there is a danger of ignition either directly, or by conduction of heat, through any partitions or walls, the area on the other side must be inspected and combustible material removed

- 4 at least one fire extinguisher, of a type suitable for the use required, must be kept adjacent to the work or task and ready for immediate use
- 5 no heat producing equipment must be left out of view of its operator or firewatcher whilst lighted or powered or whilst hot
- 6 a thorough safety check for signs of fire or combustion around, above or below the work area must be made at regular intervals, for at least 30 minutes after each period of work is completed.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Legionella precautions condition

If **you** own or are responsible for water systems, water installations or cooling systems, a written risk assessment must be undertaken and controls put in place to prevent the growth of biological agents that may cause disease or illness.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Playgrounds and amusement devices condition

You must ensure that in connection with playground and amusement devices that

- 1 all equipment, devices and facilities including sand pits and paddling pools
 - a are manufactured and installed to the appropriate standard and maintained in a good condition
 - b are inspected by a competent person at least once every 4 weeks or more frequently as set out in the guidelines sent out by the Register of Playground Inspectors International authority and
 - i all defects or risks to health and safety are immediately rectified.or
 - ii the equipment, device or facility taken out of use.

- 2 **You** will erect where necessary suitable signs detailing any information that is necessary for the safe use of the equipment, device or facility and clearly stating any restrictions to its use.
- 3 **You** will determine whether supervision is necessary and ensure that it is provided whenever the play equipment, device or facilities are in use.
- 4 **We** will not cover claims caused by or arising from the operation of mechanically powered passenger carrying amusement devices or **inflatable bouncy device**.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Premium adjustment condition

If any part of the premium has been calculated on estimates **you** must, at **our** request, tell **us** the actual figures on the expiry of the **period of insurance** so that the final premium can be calculated using the agreed rates. If the adjusted premium is less than the estimated premium **we** will not return more than 10% of the original premium.

If the estimates shown in **your** schedule are marked as index linked, the renewal premium for each **period of insurance** will be calculated on an adjusted amount in line with suitable indices of costs.

Sub-contractors (services) condition

If **you** appoint any sub-contractor (other than an **employed person**) to carry out **services** at the premises or site of a customer, **you** must take reasonable steps to obtain confirmation from the sub-contractor, prior to starting work, that they have Public Liability insurance in force throughout the period of their involvement.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Selected all risks section – cover for specific items

Contents of this section

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Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Selected all risks section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meanings wherever it is used in this section. The meanings of defined terms that apply throughout **your policy**, and not just this section, can be found on page 7.

Alarmed buildings

The **building(s)** or those portions of the **building(s)** used by **you** at the **premises** protected by the **intruder alarm system**.

Building(s)

The buildings, outbuildings, extensions and garages at the **premises** occupied by **you** or under **your** control, as shown in **your** schedule.

Damage

Accidental loss, destruction or damage.

Defined peril

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, 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 or impact by any road vehicle or animal.

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes, stores or retrieves data whether **your** property or not.

Intruder alarm system

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

Key holder

You or any person or key holding company authorised by **you**, who is available at all times to accept notification of faults to or alarm signals from the **intruder alarm system** and to attend and allow access to the **premises**.

Phishing

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

Premises

The premises shown in **your** schedule.

Terrorism

In England, Scotland and Wales: 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 Northern Ireland: An act including, but not limited to the use of force or violence and/or threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political, religious, ideological or similar purposes including the intention to influence any government and/or put the public or any section of the public in fear.

In the Channel Islands and the Isle of Man:

An act of any person(s) 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 any government de jure or de facto.

United Kingdom

Anywhere in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Virus or similar mechanism

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 meaning of virus or similar mechanism includes but is not limited to, trojan horses worms and logic bombs.

✓ **What is covered**

We will cover **you** for **damage** to the described items specified in **your** schedule occurring during the **period of insurance** at the location shown in **your** schedule which are

- 1** lost, stolen or destroyed and which cannot be recovered or found. **We** will cover **you** for an amount equal to the replacement value of the property at the date of the loss subject to a suitable deduction for wear and tear
- 2** damaged in any other way. **We** will cover **you** for an amount sufficient to repair the damaged property or at **our** option replace or reinstate such property or any part of it.

We will pay **you** up to the sum insured shown in **your** schedule for any one item adjusted in accordance with the Inflation protection cover below.

Inflation protection cover

We will adjust the sums insured in line with suitable indices and the renewal premium for this section will be based on the adjusted sums insured.

Vending machine cover

In respect of any vending machine described in the schedule, **we** will extend cover to include the contents other than cash of the vending machine provided that

- 1** **damage** to contents occurs at the same time as **damage** to the machine itself
- 2** **our** liability under this extension in total for any one claim shall not exceed £100.

x What is not covered

Aircraft or aerial devices exclusion

We will not cover **you** for loss, destruction or damage caused by or occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds but **we** will cover subsequent **damage** which itself results from a cause covered by this section.

Confiscation or detention exclusion

We will not cover **you** for any claim arising out of official confiscation or detention.

Date recognition exclusion

We will not cover **you** for **damage** directly or indirectly caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date, to process data or to operate properly due to failure to recognise any given date but **we** will cover subsequent **damage** which results from a **defined peril** or theft or attempted theft covered by this section.

Electrically driven machinery exclusion

We will not cover **you** for loss, destruction or damage to any electrically driven machine or apparatus directly caused by its own overrunning, short-circuiting, excessive pressure, self-heating or by the application of excessive electrical energy or mechanical derangement not arising from external impact.

Electronic risks exclusion

We will not cover **you** for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1** the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or
- 2** any alteration modification distortion erasure, corruption of data processed by any such computer or other equipment or component or system or item

whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

We will cover subsequent **damage** which is covered by this section, which itself results from a **defined peril** covered by this section, except for **damage** caused by malicious persons other than thieves.

Excess exclusion

We will not cover **you** for the **excess** shown in **your** schedule. Where there is **damage** to more than one item described in **your** schedule as a result of a loss, **we** will only apply one **excess** this being the highest amount shown against any of the items specified that have suffered **damage**.

External conditions exclusion

We will not cover **you** for loss, destruction or damage arising from or attributable to the action of light, atmosphere, moths, parasites or vermin.

Fraud and dishonesty exclusion

We will not cover **you** for acts of fraud or dishonesty by **your** employees or any partner, director or member of **your** family but **we** will cover subsequent **damage** which results from a **defined peril** covered by this section.

Pollution or contamination exclusion

We will not cover **you** for any loss caused by pollution or contamination unless the **damage** is caused by

- 1** pollution or contamination which itself results from a **defined peril** provided that peril is covered by this section
- 2** any **defined peril** provided that peril is covered by this section, which itself results from pollution or contamination.

Radioactive contamination exclusion

We will not cover **damage**, or any other loss or expense resulting or arising from damage to any property, or any consequential loss directly or indirectly caused by or contributed to by or arising from

- 1** ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 2** the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly.

Temporary removal exclusion

We will not cover **you** for loss, destruction or damage to any component part of any insured item, while such part is removed from its normal position in the item.

Terrorism and Northern Ireland exclusion

We will not cover **you** for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1** In England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.

- 2** In Northern Ireland

- a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
- c** riot, civil commotion and (except for damage or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious persons.

If any of the points above are found to be invalid or unenforceable, the remainder of the points shall remain in full force and effect.

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

Theft exclusion

We will not cover **you** for theft or attempted theft

- 1** not involving entry to, or exit from the **building(s)** or part of the **building(s)** occupied by **you** at the **premises** by forcible and violent means
- 2** unless as a result of assault or violence or threat of violence to **you** or **your** partners, directors or employees, or any member of **your** family or any other person lawfully at the **premises**.

War risks exclusion

We will not cover any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority.

Wear and tear, deterioration exclusion

We will not cover **you** for loss, destruction or damage caused by or consisting of inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level or its own faulty or defective design or materials. **We** will cover subsequent **damage** which itself results from a **defined peril** covered by this section.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions (including any specific conditions where applicable) to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Arbitration condition

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid, the amount of the difference will be referred to an arbitrator who is jointly appointed in accordance with the statutory requirements. **You** will not be able to take legal action against **us** over this disagreement until the arbitrators have made their award.

Average condition

If at the date of **damage** the sum insured is less than the value of the item described in **your** schedule, the amount **we** will pay will be reduced proportionately.

Contribution and average condition

If, at the time of the claim, there is any other policy covering the same item described in **your** schedule and covered by this section, **we** will be responsible only for **our** proportionate share.

If any other policy is subject to any Average condition, this section, if not already subject to average, will be subject to average in the same way as the other insurance policy.

If any other policy has a condition that prevents it from paying its share, **our** share of the claim will be limited to the proportion of the sum insured bears to the value of the item described in **your** schedule.

Indemnity condition

Where an item is marked 'I' in **your** schedule **your** cover is on an indemnity basis which means the cost of replacing the item less an adjustment for wear and tear.

You must declare to **us** at the start date of the **period of insurance** the sum insured for those items on this basis. Claims for **damage** will be settled on this basis subject to

- 1 the value for those items will be calculated on this basis for the purpose of the Average condition
- 2 the maximum amount payable for any one item shall not exceed the sum insured for that item shown in **your** schedule.

Police notification condition

You must immediately notify the police of any loss or **damage** by theft or attempted theft of property covered by this section. **You** must take all reasonable steps for the discovery and punishment of the guilty person or persons and to trace and recover the property lost.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Reinstatement condition

Where the sum insured in **your** schedule is marked 'R' the basis of claims settlement will be the cost of repair or the current replacement value without deduction for wear and tear provided that all necessary repairs or replacements are carried out without delay.

If any property is to be reinstated or replaced by **us**, **you** will at **your** own expense provide **us** with plans, documents, books and any information as may be reasonably required. **We** will not be required to reinstate exactly, but only as circumstances permit and in a reasonable manner. **We** will not pay more than the sum insured for any one item.

Reinstatement of sum insured after loss condition

In the event of **damage** the sum insured by this section will be automatically reinstated from the date of the **damage** unless written notice is given to the contrary either by **us** or by **you**.

Provided that in the event of reinstatement **you** will

- 1 pay the necessary premiums that may be required for the reinstatement, from the date of reinstatement
- 2 complete any additional risk improvements which **we** may reasonably require.

Subrogation waiver condition

In the event of a claim under this section **we** agree to waive any rights, remedies or relief to which **we** might have become entitled by subrogation against

- 1 any company standing in relation of parent to subsidiary (or subsidiary to parent) to **you**
- 2 any company which is a subsidiary of a parent company of which **you** are a subsidiary

in each case as defined by current law at the time of the **damage**.

Unattended vehicles condition

We will not cover **you** for theft or attempted theft from any unattended vehicle unless

- 1 the doors of the vehicle are locked and all its windows and other openings are fully closed and properly fastened
- 2 the vehicle is in a locked garage or a walled or fenced compound that is either securely locked or has a watchman in constant attendance between the hours of 9 p.m. and 6 a.m.

- 3 any computer(s) and computer equipment is concealed from view in a locked glove box or locked boot or covered hatchback area.

It will be up to **you** to prove that any theft or attempted theft occurred before 9 p.m. and after 6 a.m.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Specific section conditions

The following conditions apply only if shown in **your** schedule.

1 Alarm condition

For cover to operate in respect of **damage** following entry or attempted entry to or exit from the **alarmed buildings** by forcible and violent means **you** must ensure that the following are complied with

- 1 the **alarmed buildings** must be protected by an **intruder alarm system** designed, installed and maintained to British Standard BS 4737 or European Norm EN 50131 including, where stipulated by **us** or the local police authority, Code of Practice DD243 for the installation and configuration of intruder alarm systems designed to generate confirmed alarms
- 2 the intruder alarm installation and maintenance company must be both
 - a a member of an alarm inspectorate which is accredited by the United Kingdom Accreditation Service (UKAS) to EN 45011 or EN 45012and
 - b accredited and operate a quality management system in accordance with EN ISO 9000
- 3 the **intruder alarm system** must be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance, as per the requirements of BS 4737 or EN 50131 with the installing company or such other company as agreed with **us**. Where remote alarm signalling is required, the

signal transmission must be transmitted to an alarm receiving centre fully compliant with BS 5979:2000 and operated by a company accredited and operating to a quality management system in accordance with EN ISO 9000

- 4** no alteration to or substitution of
- a** any part of the **intruder alarm system**
 - b** the maintenance contract
 - c** the structure of the **alarmed buildings** or changes to their layout which would affect the effectiveness of the **intruder alarm system**
 - d** the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**

be made without **our** written agreement

- 5** the **alarmed buildings** will not be left unattended without **our** agreement
- a** unless the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals (including both alarm transmission systems for dual signalling systems) in full operation
 - b** if the police have withdrawn their response to alarm activations.

If the alarm system is not fully operative **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational

- 6** **you** must keep all security codes for the **intruder alarm system** confidential and all codes and keys must be removed from the **premises** when they are left unattended
- 7** **you** will appoint at least two **key holders** and give written details (which must be kept up to date) to the alarm company and either the police or the alarm receiving centre

- 8** in the event of notification of any activation of the **intruder alarm system** or interruption of means of communication, including one or both alarm transmission systems for dual signalling systems, during any period the **intruder alarm system** is set a **key holder** will attend the **premises** as soon as reasonably possible

If the alarm cannot be reset following the **key holder** attendance **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational

- 9** in the event of **you** receiving any notification
- a** that the police attendance in response to alarm signals or calls 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.

You will advise **us** as soon as possible but in any event within 7 days and comply with any subsequent requirements stipulated by **us**.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

2 Minimum security standards condition

The following minimum level of security must be installed and maintained at the **premises** and put into use whenever the **premises** are closed for business or left unattended.

Alternative security protections can only be installed with **our** written permission.

- 1** All external doors of the **building(s)** at the **premises** must be secured as follows

- a** timber doors must be fitted with an appropriate mortice deadlock which has 5 or more levers and/ or conforms to British Standards BS 3621 or European Norm EN 1303 together with a matching metal box striking plate, installed in accordance with the manufacturer's recommendations
 - b** aluminium doors must be fitted with integral cylinder key operated mortice deadlocks to EN 1303
 - c** UPVC doors must be fitted with key operated multi-point locking devices incorporating swinging/claw locking bolts
 - d** the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom.
- 2** All internal doors in the **building(s)** that give access to any part of the **premises** not occupied by **you** for the purpose of the **business** must be fitted with either
 - a** timber doors must be fitted with an appropriate mortice deadlock which has 5 or more levers and/ or conforms to BS 3621 or EN 1303 together with a matching metal box striking plate, installed in accordance with the manufacturer's recommendations
 - b** aluminium framed doors must be fitted with integral cylinder key operated mortice deadlocks to EN 1303
 - c** UPVC framed doors must be fitted with key operated multi-point locking devices incorporating swinging/claw locking bolts
 - d** the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom.
- 3** All opening external basement, ground floor and other accessible windows (accessible includes a window that can be easily reached from an adjacent flat roof, a fire escape, balconies, canopies or down pipes), fanlights, roof lights, skylights must be fitted with suitable and appropriate key operated window locks, installed in accordance with the manufacturer's recommendations. All louvered windows must have their louvers permanently fixed into place to ensure they cannot be removed from their fixings.

This requirement does not apply to windows protected by solid steel bars, weld mesh or expanded metal grills securely fixed to the brickwork surrounding the window
- 4** Any door or window officially designated by the local planning officer, local building control officer or as defined within the business fire risk assessment forming part of an emergency exit route, is excluded from the above requirements. The doors and windows must only be secured using suitable and appropriate internally operated quick release type of security devices, specifically designed for this purpose with mortice deadlocks conforming to BS 8621; panic bars/latches conforming to BS EN 1125.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Officers liability section

Contents of this section

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Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Officers liability section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section. The meanings of defined terms that apply throughout **your policy** and not just this section can be found on page 7.

Bail costs

Costs agreed with **us**, to pay for a bond to guarantee an **insured person's** bail or equivalent in another country as required by a court of law.

Circumstance

Any verbal or written complaint made against **you** or an **insured person** that could give rise to a claim. This does not include any routine employment disciplinary action or dismissal.

Claim

Any written demand or civil, criminal, arbitration or regulatory proceeding first made against **you** or an **insured person** during the **period of insurance**:

- 1 seeking monetary damages
- 2 seeking a penalty or other legal action and alleging a wrongful act
- 3 alleging an employment practice wrongful act.

Crisis public relations consultants

Chelgate Limited, No 1 Tanner Street,
London SE1 3LE.

Crisis public relations costs

Costs incurred by the **crisis public relations consultants** following a **claim** and/or **investigation** to prevent, limit or reduce the actual or potential damage to **your** or any **insured person's** reputation from negative publicity or media attention.

Defence costs

Costs agreed with **us**, in writing, to:

- 1** investigate or defend any **claim**
- 2** fund an appeal against a ruling or judgement (including payment of an appeal bond).

Deprivation of assets expenses

Costs and expenses of any **insured person** paid directly to provide the services listed below as a direct result of any interim or interlocutory order confiscating or suspending the rights of ownership over personal assets or real property of any **insured person** during the **period of insurance**

- 1** schooling
- 2** housing
- 3** utilities or
- 4** personal insurances.

Such costs shall only be paid where a personal allowance has been directed by a Court to meet such payments and that personal allowance has been exhausted.

Employed person

Anyone:

- 1** under a contract of service or apprenticeship with **you** or a worker as defined in Section 230 of the Employment Rights Act 1996
- 2** who is
 - a** employed by **you** or for **you** on a labour only basis
 - b** hired to **you** or borrowed by **you** from another employer
 - c** a voluntary helper or someone taking part in a work experience or training scheme
 - d** a councillor

and under **your** control or supervision.

Employment practice claim

- 1** Any **claim** by any **employed person** for any actual or alleged:
 - a** wrongful, unfair or constructive dismissal, discharge or termination of employment
 - b** breach of written or implied contract
 - c** employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d** harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
 - e** **retaliatory treatment**
 - f** defamation or invasion of privacy.
- 2** Any other **claim** happening only as a result of **you** employing any current, former or prospective **employed person**.

Employment practice wrongful act

- 1** Any actual or alleged act, conduct, error or omission carried out or attempted by **you**, an **insured person** or a third party where **you** are held to be legally responsible for any actual or alleged:
 - a** wrongful, unfair or constructive dismissal, termination of employment
 - b** breach of written or implied contract
 - c** employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d** harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
 - e** **retaliatory treatment**
 - f** defamation or invasion of privacy.
- 2** Any other **claim** happening only as a result of **you** employing any current, former or prospective **employed person**.

Employment related benefits

Any payment to an **insured person** as well as normal salary including:

- 1 payments made or due (including options to purchase, acquire or sell) under a share option
- 2 pension scheme or other employee benefit program incentive or deferred salary.

Excess

The first amount of any **claim** or **claims** as detailed in **your policy** schedule for which **you** are responsible. The excess applies to **loss** (as defined in each section of the policy), **crisis public relation costs**, **defence costs** and **investigation costs**, however, it will not apply to any **claim** successfully defended.

The excess will only be charged at the end of each **claim** and/or investigation.

Extradition proceeding

Any **claim** or proceeding brought against an **insured person** under United Kingdom extradition law or similar law in any other country.

Insured person

- 1 Any person who was, is, or during the **period of insurance** becomes a councilor, trustee, director, member or officer of **yours**.
- 2 Any natural person acting in the capacity as a trustee of **yours** (not including any administrator, liquidator, receiver or auditor).
- 3 Any shadow director as defined under United Kingdom law or similar legislation in any other country.
- 4 Any **employed person** of **yours**.
- 5 Any trustee of any pension or employee benefit scheme or trust fund operated or administered by **you**.
- 6 The lawful husband, wife, civil or unmarried partner of an insured person described in 1 to 5 above, only because of their relationship, following a **claim** against the insured person.

- 7 The estates, heirs or legal representatives of any insured person above who has died or become incapacitated, insolvent or bankrupt but only in relation to a **claim** against the insured person.

Investigation

Other than investigations by HMRC, any official hearing, investigation, examination, official enquiry or enquiry into **your** or an **insured person's** business carried out by any government department, regulator or third party with legal rights to do so.

For HMRC investigations, investigation is restricted to those enquiries undertaken by the Special Civil Investigations Office under Code of Practice 8 or Code of Practice 9, an enquiry held under section 60 or 61 of the VAT Act 1994 or any matters handled by the National Investigations Service of HMRC.

Investigation does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the business activities of **your** industry which is not related only to **your** or any **insured person's** conduct.

Investigation costs

Legal and other professional costs and expenses agreed with **us** in writing, incurred directly by **you** or an **insured person** in preparing for and attending any investigation.

This does not include salary or any other additional costs of **yours**.

Limit of liability

The amount shown in **your policy** schedule as the limit of liability.

Loss

Costs and expenses of any claimant which an **insured person** becomes legally liable to pay and incurred with **our** prior written agreement, to investigate or defend a **claim** against any **insured person** and this will include

- a defence costs and investigation costs

- b** awards of damages (including punitive and exemplary damages where legally allowed)
- c** pre and post judgement interest on a judgement or award covered by this section
- d** settlements

but this will not include any criminal fines or penalties, taxes (other than those covered under the Tax cover), salary or employment related benefits.

Civil fines are covered only where they are insurable under United Kingdom law.

Manslaughter claim

Any court action brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Outside company

Any company other than **you**:

- 1** that is a charity or association, or
- 2** in which **you** hold any issued share capital

but this does not include

- a** any company registered in the United States of America
- b** any listed company
- c** any financial services company.

Policy territories

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

Pollutant

Any contaminant, irritant or other substance including, but not limited to: asbestos, lead, smoke, vapour, water, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals, waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed).

Pollution

Actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape

of any **pollutant** or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify, or neutralise any **pollutant**.

Pollution clean up costs

Costs incurred by **you** or imposed by the Environment Agency to investigate and clean up any **pollution** incident.

Regulatory mitigation costs

Costs incurred by **you** in reporting and representing **you** following a report to any official regulator to reduce or avoid any potential fine or penalty.

Retaliatory treatment

Any actual or alleged action by **you** against an **employed person** as a result of the **employed person** using or trying to use their legal rights.

This includes but is not limited to their rights under employment discrimination statutes.

Safety legislation claim

Any court action alleging a breach of statutory duty under health and safety, consumer protection or food safety legislation.

Subsidiary

Any company where **you**:

- 1** own more than 50% of the share capital
- 2** have a majority of the voting rights
- 3** have the right to appoint or remove a majority of the company's board of directors
- 4** control a majority of its voting rights under a written agreement with other shareholders or members.

If a company ceases to be a subsidiary cover will continue but only for a **claim** caused by a **wrongful act** carried out before it stopped being a subsidiary.

Fines are covered only where they are insurable under United Kingdom law.

Wrongful act

Any actual or alleged act, error or omission carried out or attempted by an **insured person** during the performance of their duties but only in their role as **your** trustee, director, officer or **employed person** including:

- 1 breach of any duty, including fiduciary or statutory duty
- 2 breach of trust
- 3 negligence, negligent misstatement, misleading statement or negligent misrepresentation
- 4 defamation
- 5 wrongful trading as defined under United Kingdom law
- 6 breach of warranty or authority
- 7 any other act, error or omission attempted or allegedly carried out or attempted by an **insured person** only because of their position as a trustee, director, officer or **employed person** of **yours**.

You/your

In addition to the **policy** definition this will include:

- 1 a **subsidiary**, and any **subsidiary** created or acquired during the **period of insurance** provided that the newly created or acquired subsidiary:
 - a is not registered in the United States of America; or
 - b does not trade any of its securities on any United States of America exchange;But only for a **claim** against an **insured person** caused by a **wrongful act** carried out after the date of creation or acquisition.
- 2 any pension or employee benefit scheme or trust fund of **yours**.

Limit of cover

The most **we** will pay for any one **claim** including **defence costs** and/or **investigation costs** is the **limit of liability**.

Each **claim** will be treated as being made when **we** receive written notice of the **claim**. **Investigation costs** will be treated as being made when attendance of an **insured person** is notified as being required.

✓ What is covered

Additional limit for non-indemnifiable loss

Where the **limit of liability** has been exhausted, the **limit of liability** shall be increased by £100,000 per **claim** and/or **investigation** for each **insured person** provided that such limit shall be excess of:

- 1 any other available insurance
- 2 any other available indemnity.

Bail costs cover

We will pay on behalf of any **insured person bail costs** caused by a **claim** for a **wrongful act**.

Circumstance investigation cover

We will pay the costs of **radar** legal in the **investigation** of any **circumstance** reported to **us** during the **period of insurance** including the steps that might be appropriate to avert or reduce the potential of a **claim**.

The most **we** will pay for all **circumstance investigation claims** in any one **period of insurance** is £25,000.

Claims against an insured person cover

We will pay the **loss** incurred by any **insured person** caused by a **claim** for a **wrongful act**.

Company reimbursement cover

We will pay for the **loss** which **you** are legally allowed to pay on behalf of an **insured person** caused by a **claim** for a **wrongful act**.

Compensation for court attendance cover

We will pay **you** at the rate of £250 per day for each **insured person** and any accompanying husband, wife, civil or unmarried partner provided such **insured person's** attendance is needed in court in connection with any **claim** or investigation.

Crisis public relations costs cover

We will pay **crisis public relations costs** for any **insured person** caused by a **claim** for a **wrongful act**.

Deprivation of assets cover

We shall pay the **loss** of any **insured person** for **deprivation of asset expenses**.

The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all **deprivation of asset claims** in any one **period of insurance**.

Employment practice claims cover

We will pay for the **loss** caused by an **employment practice claim** during the **period of insurance** brought by a current, former or potential **employed person**.

This cover does not apply if the **insured person** is covered under the Employment practices liability section of this **policy**.

Extradition proceedings cover

We will pay, for any **insured person**, the **loss** caused by any **extradition proceedings** against any **insured person** during the **period of insurance** caused by a **claim** for any **wrongful act**.

Investigation costs cover

We will pay the **investigation costs** caused by an **investigation** first notified as being required during the **period of insurance**.

Manslaughter claims cover

We will pay for the **defence costs** which **you** are legally allowed to pay on behalf of an **insured person** caused by a **manslaughter claim** against an **insured person** for a **wrongful act**.

Outside company cover

We will pay for the **loss** incurred by any **insured person** for any **wrongful act** within the **policy territories** carried out in their role as a trustee, director or officer of an **outside company**.

Provided that the **insured person** acts in that role at **your** written request and the **claim** does not arise from a **wrongful act** carried out after the **insured person** stopped acting in this role. **We** will only pay after any cover provided by the **outside company** to its trustees, directors or officers and any other insurance available to its trustees, directors and officers has been used.

Pension/employee benefit schemes cover

We will pay for the **loss** caused by a **claim** for a **wrongful act** in connection with an **insured person's** operation or administration of any of **your** pension schemes (other than a defined benefit scheme), employee benefit schemes or trust funds.

Personal charity/Not for profit association cover

We will pay for the **loss** incurred by any **insured person** for any **wrongful act** within the **policy territories** carried out in their role in a personal capacity as a director or officer of a charity or any not for profit organisation.

Pollution claims cover

We will pay for the **loss** arising from **pollution** caused by a **claim** for any **wrongful act**.

Retired trustees cover

In the event that this **policy** is not renewed or replaced with a similar policy, cover will continue for any **insured person** who voluntarily stops being a trustee before the date of non-renewal for reasons other than:

- 1** disqualification from holding such a position; or
 - 2** a take-over or merger,
- for an unlimited period from the date of non renewal (the “run-off period”), provided that:
- a** cover will only apply to **claims** caused by any **wrongful act** carried out or alleged before the date of retirement of the **insured person**
 - b** the run-off period will run at the same time as any extended notification period
 - c** no similar insurance is in place elsewhere.

Safety legislation claims cover

We will pay for the **defence costs** which **you** are legally allowed to pay on behalf of an **insured person** caused by a **safety legislation claim** (or similar legislation in any other jurisdiction) against an **insured person** for a **wrongful act**.

Tax cover

If **you** become insolvent, this section will extend to pay for any **claim** against an **insured person** alleging a **wrongful act** relating to **your** unpaid tax liability within the **policy territories**.

Optional section extension of cover

Extended claims notification period cover

Your schedule will show if **you** have this cover.

If **we** or **you** refuse to renew the **policy** for any reason other than nonpayment of premium or insolvency, **you** may purchase an extended claims notification period of 12 months upon payment of 50% of the full **policy** annual premium.

This extended notification period is only available if:

- 1** **we** receive **your** written notice of purchase within 30 days following the end of the **period of insurance**; and
- 2** the **policy** is not replaced by any other policy; and
- 3** at the end of the **period of insurance**, **you** have not merged with another charity, club or association.

If **we** offer renewal terms, conditions, **limits of liability** or premiums that are different from those of the expiring **policy**, this does not mean a refusal to renew.

Condition of the cover

Where **you** have taken this cover the **policy** Claims notification condition on page 8, is deleted and replaced with the following:

You must:

- 1** as soon as possible within the extended notification period
 - a** give **us** notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b** give **us** all the information **we** request
- 2** immediately
 - a** on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b** tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section
 - c** notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**. **We** will not refund any premium to **you** if **you** cancel the extended notification period before it ends.

x What is not covered

Bodily injury or property damage exclusion

We will not cover any **claim**, **loss** (as defined in each section of the **policy**) or **investigation**:

- 1 for psychological or emotional distress other than an **employment practice claim**
- 2 for sickness, disease, bodily injury or death other than a **safety legislation claim** or **manslaughter claim**
- 3 for the loss, damage or destruction of any tangible property including loss of use of that property

unless arising directly from **your** breach of a duty of care. Cover shall apply solely in excess of any other insurance policy available to **you** or any **insured person**.

Deliberate or dishonest acts exclusion

We will not cover any **claim**, **loss** or **investigation** caused by:

- 1 a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation carried out by any **insured person**
- 2 an act by any **insured person** intended to obtain or which does obtain a personal profit or advantage which was not legally theirs
- 3 an act intended to obtain or which does obtain a profit for any company other than **you** where an **insured person** is a director, officer or employee of that company.

This exclusion will only apply after a court ruling or an admission by an **insured person** that such an act did take place.

Defined benefit pension schemes exclusion

We will not cover any **claim**, **loss** (as defined in each section of the **policy**) or **investigation** caused by:

- 1 an **insured person's** operation or administration of any defined benefit pension scheme
- 2 an **insured person's** breach of any legislation or regulation relating to any defined benefit pension scheme.

Excess exclusion

We will not pay the **excess** detailed in **your policy** schedule (under each section of cover).

Prior claims, investigations and circumstances exclusion

We will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim**, **investigation** or **circumstance** which **you** were aware of before the start of the **period of insurance**.

Prior litigation exclusion

We will not cover any **claim**, **loss** (as defined in each section of the **policy**) or **investigation** caused by any previous or known litigation or proceedings (including allegations from the same or essentially the same facts) involving an **insured person**, **you** or an **outside company** started before the date of **your** first purchase of Officers Liability insurance.

Related party claims in the United States of America exclusion

We will not cover any **claim**, **loss** or **investigation** caused by any **claim** brought by **you**, an **outside company** or an **insured person** within or subject to the laws of the United States of America.

This exclusion will not apply to:

- 1 **defence costs**
- 2 any shareholder derivative proceedings in **your** name without **your** or any **insured person's** solicitation, assistance or participation
- 3 any **claim** brought by **your** liquidator, receiver or administrative receiver or similar body
- 4 any **employment practices claim**
- 5 any **claim** made by a previously **insured person** of **yours**
- 6 any **claim** seeking a contribution or indemnity if that **claim** would be covered by this section if made against an **insured person**.

Takeovers and mergers exclusion

We will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim** for a **wrongful act** after **you** merge or consolidate with another charity, club or association.

Specific United States of America legislation exclusion

We will not cover any **claim**, **loss** or **investigation** caused by the following legislation in the United States of America:

- 1** any breach of the Racketeer Influenced and Corrupt Organizations Act 18 USC Sections 1961 et seq., any amendments to this Act or any rules or regulations made under it
- 2** any breach of the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, the rules or regulations of the Securities Exchange Commission under either or both Acts, similar securities laws or regulations of any state, or any laws of any state relating to any transaction caused by, involving or relating to the sale of securities
- 3** any breach of the Employment Retirement Income Security Act of 1974 as amended, or any rules or regulations made under it, or similar provisions of any federal, state or local law.

Section conditions

Claims conditions

You and/or any **insured person** must reimburse **us** for any **defence costs** paid where it is later determined that there is no cover under this **policy**.

If a **claim** is made which is not completely covered by any section of this **policy**, **we** will do **our** best to agree with **you** or any **insured person** a fair allocation between **loss** (as defined in each section of the **policy**) that is covered and **loss** (as defined within each section of the **policy**) not covered by this **policy**.

Claims notification condition

You must:

- 1** as soon as possible within the **period of insurance** or at the latest within 45 days after it expires
 - a** give **us**, and the **crisis public relations consultants** where appropriate, notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b** give **us**, and the **crisis public relations consultants** where appropriate, all the information **we** request
- 2** immediately
 - a** on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b** tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section
 - c** unless agreed with **us** in writing, notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Claims procedures condition

- 1** **You** must take, or allow others to take, practical steps to minimise any **claim**.
- 2** At **your** expense **you** must provide **us** with
 - a** full details in writing and any further information **we** may reasonably require
 - b** any assistance to enable **us** to settle or defend a **claim**
 - c** details of any other relevant insurances.
- 3** **You** may appoint legal representation with **our** prior written consent. Where **we** agree to **your** legal representation, the maximum following hourly rates shall apply:
Partner – £185 per hour,
Associate – £150 per hour,
Solicitor – £115 per hour,
Paralegal – £90 per hour.

Where a **claim** is made against **you** and/or more than one **insured person**, unless there is a conflict of interest, the same legal representative should be used. If it is not possible to obtain **our** consent before incurring defence costs, **we** will agree to this providing **our** agreement is obtained within 14 days.

- 4 **You** must not accept, negotiate, pay, settle, admit or reject any **claim** without **our** prior written consent.
- 5 **We** have the right to fully participate in the defence of any **claim** including the negotiation of any settlement. **We** will also have the right to defend any **claim** made against **you**.
- 6 Where it is assessed by **us** and **your** legal representation that **you** have a greater than 60% prospect of success, **you** shall have the right to defend any **claim** made against **you** or any **insured person**.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Fair presentation of risk

The **policy** condition, Fair presentation of risk condition on page 9 will only apply under this section to an **insured person** who had knowledge of a misstatement or omission before the **period of insurance** that could affect the terms and/or conditions of this **policy**.

In these circumstances **we** waive **our** right to cancel the **policy** on the grounds of non-disclosure, fair presentation of risk or fraud.

Notification of potential claims

You may give **us** notice of any circumstance which might lead to a **claim** under this **policy** giving reasons for the expectation and including full details of the people and dates involved.

Severability

All information which any **insured person** provided before **we** agreed to insure **you** will be considered as a separate application for each **insured person**.

The knowledge of or any statement made by any **insured person** will not be applied to any other **insured person** for the purposes of deciding whether cover is available for any **claim**.

Only statements made (whether in the Proposal or otherwise) and information possessed by any Trustee, Finance Director, Chief Executive, Human Resources Director, Managing Director or Chairman of **you** or any other person authorised by **you** to make statements on behalf of **you** shall be attributed to **you** in determining whether cover applies under **your policy**.

Council legal liability and legal expenses section

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Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Council legal liability and legal expenses section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section. The meanings of defined terms that apply throughout **your policy** and not just this section can be found on page 7.

Bail costs

Costs agreed with **us**, to pay for a bond to guarantee an **insured person's** bail or equivalent in another country as required by a court of law.

Circumstance

Any verbal or written complaint made against **you** or an **insured person** that could give rise to a **claim**. This does not include any routine employment disciplinary action or dismissal.

Claim

Any written demand or civil, criminal, arbitration or regulatory proceeding first made against **you** or an **insured person** during the **period of insurance**:

- 1 seeking monetary damages
- 2 seeking a penalty or other legal action and alleging a wrongful act
- 3 alleging an employment practice wrongful act.

Crisis public relations consultants

Chelgate Limited, No 1 Tanner Street, London SE1 3LE.

Crisis public relations costs

Costs incurred by the **crisis public relations consultants** following a **claim**.

Cyber liability claim

Loss which **you** are legally liable caused by **your** electronic systems.

Defence costs

Costs agreed with **us**, in writing, to:

- 1 investigate or defend any **claim**
- 2 fund an appeal against a ruling or judgement (including payment of an appeal bond).

Employment practice claim

- 1 Any **claim** by any employed person for any actual or alleged:
 - a wrongful, unfair or constructive dismissal, discharge or termination of employment
 - b breach of written or implied contract
 - c employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
 - e **retaliatory treatment**
 - f defamation or invasion of privacy.
- 2 Any other **claim** happening only as a result of **you** employing any current, former or prospective employed person.

Employment practice wrongful act

- 1 Any actual or alleged act, conduct, error or omission carried out or attempted by **you**, an **insured person** or a third party where **you** are held to be legally responsible for any actual or alleged:
 - a wrongful, unfair or constructive dismissal, termination of employment
 - b breach of written or implied contract
 - c employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
 - e **retaliatory treatment**
 - f defamation or invasion of privacy.

- 2 Any other **claim** happening only as a result of **you** employing any current, former or prospective employed person.

Employment related benefits

Any payment to an **insured person** as well as normal salary including:

- 1 payments made or due (including options to purchase, acquire or sell) under a share option
- 2 pension scheme or other employee benefit program incentive or deferred salary.

Excess

The first amount of any **claim** or **claims** as detailed in **your policy** schedule for which **you** are responsible. The excess applies to **loss** (as defined in each section of the **policy**), **crisis public relation costs**, **defence costs** and **investigation costs**, however, it will not apply to any **claim** successfully defended. The excess will only be charged at the end of each **claim** and/or **investigation**.

Extradition proceeding

Any **claim** or proceeding brought against an **insured person** under United Kingdom extradition law or similar law in any other country.

Identity fraud

Any agreement entered into by anyone other than **you**, pretending to be **you**, for the purpose of committing a criminal or malicious act.

Insured person

- 1 Any person who was, is, or during the **period of insurance** becomes a trustee, director, member councillor or officer of **yours**.
- 2 Any natural person acting in the capacity as a trustee of **yours** (not including any administrator, liquidator, receiver or auditor).
- 3 Any shadow director as defined under United Kingdom law or similar legislation in any other country.
- 4 Any employed person of **yours**.

- 5 Any trustee of any pension or employee benefit scheme or trust fund operated or administered by **you**.
- 6 The lawful husband, wife, civil or unmarried partner of an **insured person** described in 1 to 5 above, only because of their relationship, following a **claim** against the **insured person**.
- 7 The estates, heirs or legal representatives of any **insured person** above who has died or become incapacitated, insolvent or bankrupt but only in relation to a **claim** against the **insured person**.

Internet and e-mail claim

- 1 A claim against **you** arising from:
 - a the content of **your** website, extranet or e-mail including any alterations made by a hacker but not including any professional business service provided by **you**
 - b a third parties reliance on a hacker's fraudulent use of **your** e-mail, website
- 2 The reasonable costs incurred with **our** prior written consent of repairing or replacing **your** computer system or website following a hacker attack.
- 3 The reimbursement of any ransom paid to a hacker where damage would be covered by this section.

The above shall not include any virus, trojan horse, worm or logic bomb created by **you** or any **insured person** of **you**.

Investigation

Other than investigations by HMRC, any official hearing, investigation, examination, official enquiry or enquiry into **your** or an **insured person's** business carried out by any government department, regulator or third party with legal rights to do so.

For HMRC investigations, investigation is restricted to those enquiries undertaken by the Special Civil Investigations Office under Code of Practice 8 or Code of Practice 9, an enquiry held under section 60 or 61 of the VAT Act 1994 or any matters handled by the National Investigations Service of HMRC.

Investigation does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the business activities of **your** industry which is not related only to **your** or any **insured person's** conduct.

Investigation costs

Legal and other professional costs and expenses agreed with **us** in writing, incurred directly by **you** or an **insured person** in preparing for and attending any **investigation**.

This does not include salary or any other additional costs of **yours**.

Limit of liability

The amount shown in **your policy** schedule as the limit of liability.

Loss

Costs and expenses of any claimant which an **insured person** becomes legally liable to pay and incurred with **our** prior written agreement, to investigate or defend a **claim** against any **insured person** and this will include

- a **defence costs** and **investigation costs**
- b awards of damages (including punitive and exemplary damages where legally allowed)
- c pre and post judgement interest on a judgement or award covered by this section
- d settlements

but this will not include any criminal fines or penalties, taxes (other than those covered under the Tax cover), salary or employment related benefits.

Civil fines are covered only where they are insurable under United Kingdom law.

Manslaughter claim

Any court action brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Outside company

Any company other than **you**:

- 1** that is a charity or association, or
- 2** in which **you** hold any issued share capital but this does not include
 - a** any company registered in the United States of America
 - b** any listed company
 - c** any financial services company.

Pollutant

Any contaminant, irritant or other substance including, but not limited to: asbestos, lead, smoke, vapour, water, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals, waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed).

Pollution

Actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any pollutant or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify, or neutralise any **pollutant**.

Pollution clean up costs

Costs incurred by **you** or imposed by the Environment Agency to investigate and clean up any **pollution** incident.

Products

Products that **you** supply, provide or deliver including containers, packaging, labelling, instructions, advice and services in connection with **your** product.

Regulatory mitigation costs

Costs incurred by **you** in reporting and representing you following a report to any official regulator to reduce or avoid any potential fine or penalty.

Retaliatory treatment

Any actual or alleged action by **you** against an employed person as a result of the employed person using or trying to use their legal rights.

This includes but is not limited to their rights under employment discrimination statutes.

Safety legislation claim

Any court action alleging a breach of statutory duty under health and safety, consumer protection or food safety legislation.

Subsidiary

Any company where **you**:

- 1** own more than 50% of the share capital
- 2** have a majority of the voting rights
- 3** have the right to appoint or remove a majority of the company's board of directors
- 4** control a majority of its voting rights under a written agreement with other shareholders or members.

If a company ceases to be a subsidiary cover will continue but only for a **claim** caused by a **wrongful act** carried out before it stopped being a subsidiary.

Tax investigation

- 1** Full enquiry by H M Revenue and Customs
- 2** Aspect enquiry by H M Revenue and Customs
- 3** A challenge following a compliance review by HM Revenue and Customs regarding PAYE regulations
- 4** An appeal to a VAT or Duties Tribunal.

Tax investigation will not include:

- a** any defence costs incurred in connection with the normal completion of tax or VAT returns
- b** any Tax avoidance scheme
- c** any criminal prosecution.

Wrongful act

Any actual or alleged act, error or omission carried out or attempted by an **insured person** during the performance of their duties but only in their role as **your** trustee, director, officer or employed person including:

- 1 breach of any duty, including fiduciary or statutory duty
- 2 breach of trust
- 3 negligence, negligent misstatement, misleading statement or negligent misrepresentation
- 4 defamation
- 5 wrongful trading as defined under United Kingdom law
- 6 breach of warranty or authority
- 7 any other act, error or omission attempted or allegedly carried out or attempted by an **insured person** only because of their position as a trustee, director, officer or employed person of **yours**.

You/your

In addition to the **policy** definition this will include:

- 1 a **subsidiary**, and any **subsidiary** created or acquired during the **period of insurance** provided that the newly created or acquired **subsidiary**:
 - a is not registered in the United States of America; or
 - b does not trade any of its securities on any United States of America exchange;But only for a **claim** against an **insured person** caused by a **wrongful act** carried out after the date of creation or acquisition
- 2 any pension or employee benefit scheme or trust fund of **yours**.

Limit of cover

The most **we** will pay for any one **claim** including **defence costs** and/or **investigation costs** is the **limit of liability**.

Each **claim** will be treated as made when **we** receive written notice of the **claim**.

✓ What is covered

Contractual disputes cover

We will pay for **your defence costs** in any dispute over a contract for the sale or hire of goods or the supply of a service provided that:

- 1 the sum in dispute exceeds £500
- 2 **defence costs** shall be limited to a maximum of 75% of the amount in dispute
- 3 any debt has been outstanding for at least 30 days.

Criminal prosecution cover

We will pay **your defence costs** for any criminal **claim** against **you**.

Cyber liability cover

We will pay for **your loss** resulting from any **cyber liability**.

Data protection cover

We will pay **your defence costs** for a civil **claim** made against **you** for compensation under Section 13 of the 1998 Data Protection Act.

Debt recovery cover

We will pay **your defence costs** in pursuit of recovery of an uncontested debt arising from sale of **your** goods or services, provided that:

- 1 the debt exceeds £500
- 2 **your claim** is notified within three months of the debt becoming due
- 3 **you** have exhausted all reasonable credit control and recovery procedures
- 4 **we** are satisfied the defendant has sufficient assets to satisfy any judgement debt
- 5 the maximum number of **claims** that can be made in any one **period of insurance** is five.

We will not cover any **claim** relating to:

- a any disputed debt
- b any lease or tenancy dispute
- c the ownership, hire, possession or use of any motor vehicle, aircraft or watercraft.

Employee dishonesty and third party electronic funds transfer cover

We will pay for **your** direct financial loss caused by the dishonesty of an **employed person** discovered during the **period of insurance**

- 1 caused by the dishonesty of an **employed person** discovered during the **period of insurance**
- 2 caused by the dishonesty of any third party accessing **your** computer systems.

Provided that there was a clear intention to cause **you** financial loss or damage and for that person to obtain a financial gain other than salary, bonus or commission.

The most **we** will pay under this cover is £150,000 for any one **claim**. This is also the most **we** will pay for all Employee dishonesty and third party electronic funds transfer claims in any one **period of insurance**.

Insolvency fees cover

We will pay the costs of an insolvency practitioner who has been appointed following **your** insolvency provided that:

- 1 for any personal insolvency, **we** will contribute 50% of fees in a voluntary arrangement
- 2 for a private company, the maximum **we** will pay for any claim is £10,000 and **you** will be required to pay a £1,500 **excess**.

We will not cover any **claim** relating to:

- a bankruptcy
- b a Compulsory Liquidation
- c the payment of fees to an insolvency practitioner not approved by **us**.

Internet and e-mail cover

We will pay **your** loss caused by any internet and e-mail **claim** made against **you** for a **wrongful act**.

Jury service cover

We will pay **you** at the rate of £100 per day for each **insured person's** attendance at court for jury service provided such costs are not recoverable from the court. The most **we** will pay under this cover is £1,000 any one **claim**.

Cover only applies to jury service first requested during the **period of insurance**.

Motor disputes cover

We will pay **you** defence costs for any **claim**

- 1 Between **you** and a customer or supplier in respect of a contract for the sale, purchase, hire, lease, hire purchase, service, repair or test of a motor vehicle owned by **you** or for which **you** are legally responsible;
- 2 The pursuit of a **claim** by **you** to recover damages, including damages for personal injury, suffered by an **insured person** following a road traffic accident, provided that the motor vehicle in which the **insured person** of **yours** was travelling is properly insured as required by law at the time of occurrence.

Other wrongful acts cover

We will pay for **your** loss caused by any **claim** made against **you** for a **wrongful act**.

Personal injury damages recovery cover

We will pay **your** defence costs in pursuit of **your** legal rights for damages for death or bodily injury to any **insured person**. This does not include any actual or alleged clinical negligence or illness or naturally occurring condition.

Pollution claims clean up costs cover

We will pay **your** loss for pollution clean up costs for any **claim** and/or **investigation** made against **you**.

The most **we** will pay under this cover is £25,000 for any one **claim**. This is also the most **we** will pay for all loss of documents **claims** in any one **period of insurance**.

Pollution claims cover

We will pay for **your** defence costs caused by any **claim** made against **you** for a **wrongful act** in connection with **pollution**.

The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all **claims**, made against **you** for a **wrongful act** in connection with **pollution**, in any one **period of insurance**.

Restrictive covenants cover

We will pay **your defence costs** for any **claim** against an employed person or former employed person who is in breach of restrictions contained within a written contract of employment signed by the employed person.

Safety legislation claims cover

We will pay for **your defence costs** caused by a **safety legislation claim** caused by any **claim** made against **you** for a **wrongful act**.

Statutory licence cover

We will pay for **your defence costs** for any appeal to the relevant statutory or regulatory licence authority, court or other legally empowered body following the suspension, revoking, altering or refusal to renew **your** licence to trade.

Tax protection cover

We will pay **your defence costs** for any **tax investigation**.

Third party electronic funds transfer cover

We will pay for **your** direct financial loss caused by the dishonesty of any third party accessing **your** computer systems and transferring funds with the intention of obtaining an improper financial gain. The most **we** will pay under this cover is £100,000 for any one **claim**.

This is also the most **we** will pay for all third party electronic fund transfer claims in any one **period of insurance**.

Trespass, nuisance, person removal and property dispute cover

We will pay for **your defence costs** in any dispute relating to **your** property (other than with **your** tenants), arising from nuisance, the need to remove any trespassing persons or physical damage to **your** property.

Wrongful arrest and malicious prosecution cover

Other than any **claim** from any **insured person**, **we** will pay **your defence costs** for a **claim** against **you** for wrongful arrest or malicious prosecution.

Optional section extension of cover

Extended claims notification period cover

Your schedule will show if **you** have this cover.

If **we** or **you** refuse to renew the **policy** for any reason other than nonpayment of premium or insolvency, **you** may purchase an extended claims notification period of 12 months upon payment of 50% of the full **policy** annual premium.

This extended notification period is only available if:

- 1** **we** receive **your** written notice of purchase within 30 days following the end of the **period of insurance**; and
- 2** the **policy** is not replaced by any other policy; and
- 3** at the end of the **period of insurance**, **you** have not merged with another charity, club or association.

If **we** offer renewal terms, conditions, **limits of liability** or premiums that are different from those of the expiring **policy**, this does not mean a refusal to renew.

Condition of the cover

Where **you** have taken this cover the **policy** Claims notification condition on page 8, is deleted and replaced with the following:

You must:

- 1** as soon as possible within the extended notification period
 - a** give **us** notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b** give **us** all the information **we** request
- 2** immediately
 - a** on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b** tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section

- c** notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**. **We** will not refund any premium to **you** if **you** cancel the extended notification period before it ends.

x What is not covered

Claims outside of the policy territories exclusion

We will not cover any **loss** or **investigation** caused by any **claim** outside the **policy territories**.

Criminal prosecutions relating to use of motor vehicles

We will not cover any **claim**, **loss** or **investigation** caused by any criminal prosecution relating to the ownership or use of a motor vehicle.

Deliberate or dishonest acts exclusion

We will not cover any **claim**, **loss** or **investigation** caused by:

- 1** a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation carried out by any **insured person** acting for **you**. This exclusion does not apply to any regulatory self reporting
- 2** an act by any **insured person** intended to obtain or which does obtain a personal profit or advantage which was not legally theirs other than a **claim** under the employee dishonesty or third party electronic funds transfer cover
- 3** an act intended to obtain or which does obtain a profit for any company other than **you** where an **insured person** is a director, officer or employee of that company.

Employment exclusion

We will not cover any **claim**, **loss** or **investigation** caused by any **employment practice claim**.

Employee dishonesty and third party funds transfer exclusion

We will not cover any **claim**, **loss** or **investigation** caused by employee dishonesty or third party funds transfer in relation to:

- 1** any accounting or arithmetical error, omission or unexplained shortage
- 2** any default on a credit or other loan agreement
- 3** any loss of interest, loss of profit or any other indirect financial loss.

We will also not cover **your** costs of establishing the amount of **your** direct financial loss.

Products liability exclusion

We will not cover any **claim**, **loss** or **investigation** caused by the sale, manufacture, installation or supply of any of **your products**. This exclusion does not apply to any **investigation costs** cover and/or criminal/regulatory proceeding.

Prospects of success exclusion

We will not cover any **claim**, that in **our** opinion has a less than 51% prospect of success.

Section conditions

Claims conditions

You and/or any **insured person** must reimburse **us** for any **defence costs** paid where it is later determined that there is no cover under this **policy**.

If a **claim** is made which is not completely covered by any section of this **policy**, **we** will do **our** best to agree with **you** or any **insured person** a fair allocation between **loss** (as defined in each section of the **policy**) that is covered and **loss** (as defined within each section of the **policy**) not covered by this **policy**.

Claims notification condition

You must:

- 1** as soon as possible within the **period of insurance** or at the latest within 45 days after it expires
 - a** give **us**, and the **crisis public relations consultants** where appropriate, notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b** give **us**, and the **crisis public relations consultants** where appropriate, all the information **we** request
- 2** immediately
 - a** on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b** tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section.
 - c** unless agreed with **us** in writing, notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Claims procedures condition

- 1** **You** must take, or allow others to take, practical steps to minimise any **claim**.
- 2** At **your** expense **you** must provide **us** with
 - a** full details in writing and any further information **we** may reasonably require
 - b** any assistance to enable **us** to settle or defend a **claim**
 - c** details of any other relevant insurances.
- 3** **You** may appoint legal representation with **our** prior written consent. Where **we** agree to **your** legal representation, the maximum following hourly rates shall apply:

Partner – £185 per hour,
Associate – £150 per hour,

Solicitor – £115 per hour,
Paralegal – £90 per hour.

Where a **claim** is made against **you** and/or more than one **insured person**, unless there is a conflict of interest, the same legal representative should be used. If it is not possible to obtain **our** consent before incurring **defence costs**, **we** will agree to this providing **our** agreement is obtained within 14 days.

- 4** **You** must not accept, negotiate, pay, settle, admit or reject any **claim** without **our** prior written consent.
- 5** **We** have the right to fully participate in the defence of any **claim** including the negotiation of any settlement. **We** will also have the right to defend any **claim** made against **you**.
- 6** Where it is assessed by **us** and **your** legal representation that **you** have a greater than 60% prospect of success, **you** shall have the right to defend any **claim** made against **you** or any **insured person**.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Notification of potential claims

You may give **us** notice of any circumstance which might lead to a **claim** under this **policy** giving reasons for the expectation and including full details of the people and dates involved.

Severability condition

Only statements made (whether in the Proposal or otherwise) and information possessed by any Trustee, Finance Director, Chief Executive, Human Resources Director, Managing Director or Chairman of the charity or association or any other person authorised by **you** to make statements or complete the proposal shall be attributed to **you** in determining whether cover applies under **your policy**.

Terrorism section

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Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Terrorism section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout **your policy**, and not just this section, can be found on page 7.

Business interruption

Loss resulting from interruption of or interference with the **business** carried on by **you** at the **premises** as a result of **damage** to property used by **you** at the **premises** for the purpose of the **business**.

Damage

Accidental loss, destruction or damage.

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether **your** property or not.

Phishing

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

Premises

The premises shown in **your** schedule.

Terrorism

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

Virus or similar mechanism

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 meaning of virus or similar mechanism includes but is not limited to, trojan horses worms and logic bombs.

✓ What is covered

The cover provided under the Sections applicable as shown in the Terrorism section of **your** schedule is extended to include **damage** to the property insured or **business interruption** where covered directly or indirectly caused by happening through or as a result of **terrorism**.

x What is not covered

Electronic risks exclusion

We will not cover any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1** the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or
- 2** any alteration modification distortion erasure, corruption of data processed by any such computer or other equipment or component or system or item

whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

Excluded property exclusion

We will not cover **you** for any losses directly or indirectly caused by or resulting from loss, destruction or damage to any

- 1** property located outside England, Wales and Scotland or in the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987
- 2** nuclear installation or nuclear reactor
- 3** property which is specifically excluded elsewhere in this **policy**.

Motor exclusion

We will not cover **you** for

- 1** any property covered by a motor policy other than a motor trade policy
- 2** property covered under a road risks section of a motor trade policy.

Other insurances exclusion

We will not cover **you** for any property which is insured by or would but for the existence of this section, be insured by any form of transit, aviation or marine policy.

War and allied risks exclusion

We will not cover any claims caused by or happening through riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

Section conditions

These conditions of cover apply only to this section.

You must comply with the following conditions to have the full protection of **your policy**.

Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

Limitation of liability condition

Our liability for all losses from any one event and in total in any one **period of insurance** will not exceed

- 1** the total sums insured, or
- 2** for each item its individual sum insured, or
- 3** any other limit of liability

whichever is the less as stated within the Sections applicable shown in the Terrorism section of **your** schedule.

Proof of cover condition

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, costs or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

Equipment breakdown section

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Your schedule will show if this section is covered.

Basis of claims settlement

As described under Property damage – all risks section of the **policy**.

Meanings of defined terms

You can find the meanings for words in bold blue on page 7. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Accident(s)

- 1** Electrical or mechanical **breakdown** including rupture or bursting caused by centrifugal force.
- 2** Artificially generated electrical current including electric arcing that disturbs electrical devices appliances or wires.
- 3** **Explosion** or **collapse** of **covered equipment** operating under steam or other fluid pressure.
- 4** **Damage** to **covered equipment** operating under steam or other fluid pressure caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment.
- 5** **Damage** to hot water boilers, other water heating equipment, oil or water storage tanks caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment.
- 6** **Damage** caused by operator error that results in overloading of **covered equipment**.
- 7** **Damage** caused by materials being processed.

All accidents that are the result of the same event will be considered to be one **accident**.

Breakdown

- 1 The actual breaking, failure, distortion or burning out of any part of the **covered equipment** whilst in ordinary use arising from defects in the **covered equipment** causing its sudden stoppage and necessitating repair or replacement before it can resume work.
- 2 Fracturing of any part of the **covered equipment** by frost when such fracture renders the **covered equipment** inoperative.
- 3 The actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary.

Collapse

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

Computer equipment

- 1 Electronic, computer or other data processing equipment, including building management control systems.
- 2 Projectors, printers, scanners and other peripheral devices used in conjunction with 1.
- 3 Software and programs licensed to **you** and installed on 1.
- 4 **Portable computer equipment.**

Covered equipment

- 1 **Computer equipment**
- 2 Equipment at the **premises** owned by **you** or for which **you** are responsible
 - a which is built to operate under vacuum or pressure (other than the weight of its contents)or
 - b that generates, transmits, stores or converts energy.

Damage/damaged

Direct physical loss or damage.

Derangement

Electrical or mechanical malfunction of the machinery arising from a cause internal to **computer equipment** unaccompanied by visible **damage** to or breaking of any parts of the equipment.

Explosion

The sudden and violent rending of **covered 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 equipment** together with forcible ejection of the contents.

Hazardous substance

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

Manufacturing production or process equipment

Any machine or apparatus (other than boilers, lifts, fork lift trucks, dock levelers and lifting tables) which has a primary purpose of processing or producing a product or service intended for eventual sale by **you** and any equipment which exclusively serves such machinery or apparatus.

Media

All forms of electronic, magnetic and optical tapes and discs for use in any **computer equipment.**

Portable computer equipment

- 1 Laptops, palmtops and notebooks
- 2 personal digital assistants (PDAs)
- 3 projectors, printers, scanners and other peripheral devices which are designed to be carried and used in conjunction with other portable computer equipment
- 4 removable satellite navigation systems
- 5 digital cameras

unless otherwise specified in the schedule.

Verified

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

✓ What is covered

Provided that the Property damage – all risks section of this **policy** is operative **we** will cover **you** for **damage** caused by or resulting from an **accident** to **covered equipment** owned by **you** or for which **you** are responsible.

Limit of cover

Our liability for any one **accident** will not exceed the limits shown in **your** schedule

Extensions of cover

Computer equipment, reinstatement of data and increased costs of working cover

We will cover **you** for **damage** caused by or resulting from an **accident** to **computer equipment**.

The most **we** will pay for this cover is the amount shown in **your** schedule for any one **accident** to **computer equipment** whilst at the **premises**, or to **portable computer equipment** within the **policy territories**.

In addition **we** will pay for the costs incurred in reinstating data or lost or damaged as a result of an **accident** to or **derangement** of **computer equipment**.

The most **we** will pay for this cover is £5,000 any one **accident**.

Provided that

- 1 liability is limited solely to the cost of reinstating data onto **media**
- 2 **we** will not be responsible for **damage** to software.

In addition **we** will pay the reasonable costs necessarily incurred in minimising or preventing the resulting interruption or interference to **your** computer operations.

The most **we** will pay for this cover is £5,000 any one **accident**.

Damage to own surrounding property cover

We will pay for **damage** to property at **your premises**, or **damage** to property which is in **your** custody and control and for which **you** are responsible, directly resulting from the **explosion** or **collapse** of any **covered equipment** operating under steam pressure.

The most **we** will pay under this extension is £1,000,000 any one **accident**.

Debris removal cover

We will cover **you** for the costs incurred in the removal of debris and protection of **covered equipment** following an **accident**.

The most **we** will pay under this extension is £25,000 any one **accident** or 20% of the **damage** whichever is the lower.

Expediting expenses cover

With respect to damaged **covered equipment** **we** will pay for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement.

The most **we** will pay under this extension is £5,000 any one **accident**.

Hazardous substances cover

We will cover **you** for the additional cost to repair or replace **covered equipment** because of contamination by a **hazardous substance** including any additional expenses incurred to clean up or dispose of such property.

The most **we** will pay for this cover is £5,000 any one **accident**.

Storage tanks and loss of contents cover

We will pay for **damage** caused by an **accident** to oil storage tanks or water tanks including connected pipework belonging to **you** or for which **you** are responsible at the **premises**.

In addition this extension covers loss of the contents of oil storage tanks caused by

- 1 escape of contents – leakage, discharge or overflow from the oil storage tanks caused by or resulting from an **accident**
- 2 contamination – contamination of the contents of oil storage tanks caused by or resulting from an **accident** including cleaning costs incurred as a result of such loss.

The most **we** will pay under this extension is £5,000 any one **accident**.

x What is not covered

Covered equipment exclusion

We will not cover **you** for **damage** to

- 1 any supporting structure, foundation, masonry, brickwork or cabinet, including the pipe work buried in the ground or in concrete, masonry or brickwork
- 2 any insulating or refractory material
- 3 any sewer, piping, underground vessels or piping or piping forming a part of a sprinkler system
- 4 any water piping other than boiler feedwater piping, boiler condensate return piping, hot water heating and supply piping or water piping forming a part of a refrigerating or air conditioning system
- 5 any vehicle, aircraft, floating vessels or any equipment mounted thereon (other than vehicle recovery cranes or equipment which are included but not the actual vehicle)
- 6 self propelled plant and equipment (other than fork lift trucks and pallet trucks used by **you** at **your premises**), dragline excavation or construction equipment
- 7 equipment manufactured by **you** for sale

- 8 tools, dies, cutting edges, crushing surfaces, trailing cables, flexible hoses, non metallic linings, electric elements or filaments, cathode ray tubes or x-ray tubes, driving belts or bands or any part requiring periodic renewal
- 9 any electronic equipment (other than **computer equipment**) used for research diagnostic treatment, experimental or other medical or scientific purposes
- 10 any **manufacturing production or process equipment** including linked **computer equipment**
- 11 any bespoke software or individually tailored packages unless **you** have in force a support agreement with the supplier or a third party maintainer approved by the supplier
- 12 any electricity generating equipment other than emergency back-up power equipment or wind turbines (less than 10kw) or photovoltaic equipment less than 50kw
- 13 any kitchen and food preparation equipment, laundry and cleaning equipment, audio-visual equipment and **computer equipment** whilst in a private dwelling or private dwelling quarters (unless such equipment is **your** property or for which **you** are responsible)
- 14 equipment owned by **your** tenant(s)
- 15 fuel installations
- 16 any safety or protective device caused by its operation.

Excess exclusion

We will not cover **you** for the amount shown as the **excess** for all other **damage** under the Property damage – all risks section.

Guarantee or maintenance agreement exclusion

We will not cover **you** for **damage** recoverable under the maintenance agreement or any warranty or guarantee or which would be recoverable but for breach of **your** obligations under the agreement.

Gradually operating causes exclusion

We will not cover **you** for **damage** caused by depletion, deterioration, corrosion, erosion, wear and tear or other gradually developing conditions (but any such **damage** resulting from an **accident** will be covered).

Loss or damage to data or media exclusion

We will not cover **you** for **damage** to data or **media** of any kind caused by

- 1 programming error or programming limitation
- 2 computer virus
- 3 introduction of malicious code
- 4 loss of data (other than as specifically provided for under the Extension of cover for the reinstatement of data)
- 5 loss of access
- 6 loss of use
- 7 loss of functionality.

Resetting exclusion

We will not cover **you** for **damage** caused by any condition which can be corrected by resetting, calibrating, realigning, tightening, adjusting or cleaning or by the performance of maintenance (but any such **damage** resulting from an **accident** will be covered).

Solidification exclusion

We will not cover **you** for **damage** due to the solidification or biological activity or spontaneous chemical reaction in the contents of tanks or materials being processed.

Testing exclusion

We will not cover **you** for **damage** caused by or resulting from a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions (including any specific conditions where applicable) to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact.

Back-up records condition

You will maintain a minimum of two generations of verified back-up computer records taken at intervals no less frequently than 168 hours and take all reasonable precautions to store and maintain records in accordance with the maker's recommendations.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for reinstatement of data.

Precautions condition

You will exercise due diligence in

- 1 complying with any statute or order
- 2 ensuring that insured items are properly maintained and used in accordance with manufacturers recommendations and in taking reasonable precautions to prevent **damage**.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Making a complaint

AXA Insurance aims to provide the highest standard of service to every customer.

If **our** service does not meet **your** expectations **we** want to hear about it so **we** can try to put things right.

All complaints **we** receive are taken seriously. Following the steps below will help **us** understand **your** concerns and give **you** a fair response.

How to make your complaint

The majority of complaints can be resolved quickly and satisfactorily by the department **you** are dealing with. If **your** complaint relates to a claim on **your policy**, please contact the department dealing with **your** claim. If **your** complaint relates to anything else, please contact the agent or AXA office where **your policy** was purchased. Telephone contact is often the most effective way to resolve complaints quickly.

Alternatively **you** can write to **us** at

AXA Insurance
Commercial complaints
AXA House
4 Parklands
Lostock
Bolton
BL6 4SD

Tel: 01204 815359

Email:

commercial.complaints@axa-insurance.co.uk

When **you** make contact please tell **us** the following information:

- Name, address and postcode, telephone number and e-mail address (if **you** have one).
- **Your policy** and/or claim number, and the type of **policy you** hold.
- The name of **your** insurance agent/firm (if applicable).
- The reason for **your** complaint.

Any written correspondence should be headed '**COMPLAINT**' and **you** may include copies of supporting material.

Beyond AXA

Should **you** remain dissatisfied following **our** final written response, **you** may be eligible to refer **your** case to the Financial Ombudsman Service (FOS).

The FOS is an independent body that arbitrates on complaints about general insurance products. The FOS can only consider **your** complaint if **we** have given **you our** final decision.

You have six months from the date of **our** final response to refer **your** complaint to the FOS. This does not affect **your** right to take legal action.

Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR

Tel: 0800 023 4567*

Tel: 0300 123 9123**

Fax: 020 7964 1001

Email:

complaint.info@financial-ombudsman.org.uk

Web: www.financial-ombudsman.org.uk

Our promise to you

We will

- Acknowledge written complaints promptly.
- Investigate **your** complaint quickly and thoroughly.
- Keep **you** informed of progress of **your** complaint.
- Do everything possible to resolve **your** complaint.
- Learn from **our** mistakes.
- Use the information from complaints to continuously improve **our** service.

Telephone calls may be monitored and recorded.

* free for people phoning from a 'fixed line' (for example, a landline at home)

** free for mobile-phone users who pay a monthly charge for calls to numbers starting 01 or 02

Financial Services Compensation Scheme (FSCS)

AXA Insurance UK plc are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation in the unlikely event **we** cannot meet **our** obligations to **you**. This depends on the type of insurance, size of the **business** and the circumstances of the claim. Further information about the compensation scheme arrangements is available from the FSCS (www.fscs.org.uk).

The European Commission has also provided an Online Dispute Resolution Service for logging complaints. To use this service please go to: <http://ec.europa.eu/odr>

Legal and tax advice complaints

If **you** have a complaint about the telephone legal or tax advice services **you** should contact Arc Legal Assistance Ltd who will liaise with Irwin Mitchell Solicitors:

Arc Legal Assistance Ltd
The Gatehouse, Lodge Park
Lodge Lane
Colchester
Essex
CO4 5NE

Tel: 0344 770 9000

If **you** are unhappy with the written response from Arc Legal Assistance Ltd, **you** may contact the Legal Ombudsman at:

PO Box 6806
Wolverhampton
WV1 9WJ

Tel: 0300 555 0333

Web: www.legalombudsman.org.uk

The Legal Ombudsman will only consider matters which have been submitted to it within the earliest of the following timescales:

- a** within one year from the act/omission complained of
- b** within one year from when the client should reasonably have known there was cause for a complaint, without taking advice from a third party and
- c** within six months of the client receiving a written reply from Arc Legal Assistance Ltd concerning the complaint.

**This document is available in
other formats.**

If you would like a Braille, large print
or audio version, please contact your
insurance adviser.

www.axa.co.uk



INSPIRE
Underwriting

Inspire Underwriting Limited

Incorporated and registered in England and
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GU1 4RY

redefining / standards



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