



# BUSINESS

Policy



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**THIS POLICY (AND THE STATEMENT OF FACT AND THE SCHEDULE WHICH FORM AN INTEGRAL PART OF THE POLICY) IS A LEGAL CONTRACT. IT NEEDS TO BE EXAMINED THOROUGHLY TO ENSURE IT MEETS YOUR REQUIREMENTS. IF IT DOES NOT MEET YOUR REQUIREMENTS YOU MUST CONTACT YOUR INSURANCE ADVISER WITHOUT UNDUE DELAY.**

**ANY FACTS WHICH WE HAVE TAKEN INTO ACCOUNT IN THE ASSESSMENT OR ACCEPTANCE OF THIS POLICY, AND ANY SUBSEQUENT CHANGES TO THOSE FACTS, NEED TO BE DECLARED. FAILURE TO DO SO MAY INVALIDATE THE POLICY OR RESULT IN CERTAIN COVERS NOT OPERATING FULLY. IF THERE ARE ANY DOUBTS AS TO WHETHER A FACT IS MATERIAL OR NOT, YOU MUST CONTACT YOUR INSURANCE ADVISER WITHOUT UNDUE DELAY.**

### **About Your insurance Policy**

Your insurance **Policy** is made up of this **Policy** wording, **Your Statement of Fact** and the **Schedule** which shows the sums insured, **Our Limits of Liability**, the premium **You** will pay and any other terms which apply to **Your Policy**.

**You** should read the **Statement of Fact**, **Schedule** and the **Policy** wording together, to tell **You** what is covered and what is not covered, how **We** settle claims and other important information.

Some words in this **Policy** have a special meaning. They start with a capital letter and are in **bold type** whenever they appear in the **Policy**, and are listed under "Definitions" at the end of the **Policy**.

**We** have set out 'What is covered' to the left of each page, and 'What is not covered' to the right.

There are also some special exclusions which apply to the whole of certain Insurances.

### **The insurance contract**

This insurance **Policy** is a legal contract between **You** and **Us**. The contract is based on the information **You** gave **Us** when **You** applied for the insurance and any subsequent information which **You** have supplied.

**We** will provide cover for the Insurances shown on **Your Schedule** for the **Period of Insurance**, subject to all the terms, conditions and exclusions of this **Policy**. **You** must pay the premium for the **Period of Insurance** and comply with all of the **Policy** conditions.

If **You** do not meet **Your** part of the contract, **We** may turn down a claim or reduce the amount **We** pay for a claim.

This **Policy** has been issued by Royal & Sun Alliance Insurance plc.

# Customer Care Services

As part of **Our** commitment to customer care, **We** have provided additional services to help **You** when you need it most.

## Claims Helpline

**We** recognise that losses mean disruption to **Your Business** and that the ultimate test of any insurance policy is providing a fast, effective claims service. **We** also realise that running a business means that it might not be convenient for **You** to report a claim to **Us** during normal office hours. That's why **You** can now notify **Us** of any claim when it suits **You** - any time of the day or night. All **You** have to do is call!

- **24 hour Claims Helpline (including Emergency Repairs and Catastrophe Claim)**

**0845 300 4006**

(Please quote **Your Policy Number**)

## Emergency Repairs

Should emergency repairs be needed to **Your Property**, **We** will put **You** in touch with a tradesman from **Our** carefully selected panel. **You** will have to pay the cost of any work done, but where the **Damage** is caused by an insured **Event**, you can of course submit the cost as part of **Your** claim. Whatever the nature of the emergency, **You** just need to make a single phone call.

## Catastrophe Claim

If **You** are faced with a major catastrophe, such as a serious fire or flood, **We** recognise that **You** will need expert assistance immediately. **We** will send a representative to help **You** in a major crisis, 24 hours a day, 365 days a year.

## Advice Lines

Where do **You** turn to for answers to questions that affect **Your Business**? **Our** advice lines will put **You** in touch with highly qualified experts who can offer information and assistance on a wide range of issues:

Legal Assistance (available 24 hours)

Health and Safety issues (available 24 hours)

Tax advice (available Monday to Friday, 9am to 5pm)

Stress Counselling (available 24 hours)

- **Advice Line**

**01455 251500**

(Please quote reference number **70108**)

**THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE**

## Property Damage Insurance

### What is covered

#### Events

- 1 Fire, smoke, lightning, explosion and earthquake.
- 2 Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons.

### What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage to Property** caused by its undergoing any process involving the application of heat.
- 3 **Damage**
  - A) caused by the bursting of any boiler, economiser or other vessel, machine or apparatus belonging to **You** or under **Your** control in which internal pressure is due to steam only
  - B) to any vessel, machine or apparatus or its contents resulting from the explosion

but this shall not exclude **Damage** caused by explosion of

  - i) any boiler
  - ii) gas

used for domestic purposes only.
- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** arising from nationalisation, confiscation, requisition or destruction by order of the government or any public authority.
- 3 **Damage** arising from stoppage of work.

### What is covered

- 3 Storm or flood.
- 4 Escape of water from any tank, apparatus, pipe or appliance.
- 5 Impact by
  - A) any road vehicle including any fork lift truck or other industrial vehicle or
  - B) an aircraft or other aerial devices or articles dropped from them or
  - C) an animal.
- 6 Accidental escape of water from any automatic sprinkler installation.

### What is not covered

- 4 **Damage** in the course of theft or attempted theft directly caused by malicious persons not acting on behalf of or in connection with any political organisation.
- 5 **Damage** in respect of any **Building** which is empty or not in use directly caused by malicious persons not acting on behalf of or in connection with any political organisation.
- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** caused solely by change in the **Water Table Level**.
- 3 **Damage** caused by frost, subsidence, ground heave or landslip.
- 4 **Damage** caused to fences, gates and moveable **Property** in the open.
- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** by water discharged or leaking from an automatic sprinkler installation.
- 3 **Damage** in respect of any **Building** which is empty or not in use.
- 1 **Your Contribution** as shown in the **Schedule**.
- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** in respect of any **Building** which is empty or not in use.
- 3 **Damage** by heat caused by fire.

## What is covered

- 7 Theft or attempted theft.

## What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage to Property at Your Premises** which does not involve
  - A) entry to or exit from that part of the **Building** occupied by **You** for the purpose of the **Business** by forcible and violent means
  - or
  - B) actual or threatened assault or violence other than **Damage** to closed circuit television equipment, alarm system equipment, television or radio receiving aerials and satellite dishes belonging to **You** or for which **You** are responsible and which are securely fixed to the external structure of the **Buildings**.
- 3 **Damage to Property** in any part of the **Building** not occupied by **You** for the purpose of the **Business**.
- 4 **Damage** to lead forming part of the exterior of the **Premises**.
- 5 **Damage** to moveable **Property** in the open.
- 6 **Damage to Property** in any outbuilding.
- 7 **Damage to Money** and securities of any description.
- 8 **Damage to Computer Equipment, Ancillary Equipment or Computer Systems Records**
  - A) in transit unless it is in the custody of **Your** director; principal, partner or **Employee**
  - B) from an unattended vehicle unless it is
    - i) concealed in a glove compartment or locked luggage compartment
    - and
    - ii) all points of access to the vehicle are locked or the vehicle is stolen at the same time.

### What is covered

- 8 Subsidence, ground heave or landslip.
  
- 9 Oil escaping from a fixed heating installation or connected apparatus.
  
- 10 Falling trees or their branches.
  
- 11 A) Accidental breakage of fixed **Glass** and fixed sanitary ware  
B) Accidental **Damage** to neon and illuminated signs and electric light fittings  
forming part of the **Buildings** at the **Premises** and either owned by **You** or for which **You** are legally responsible for repair.

### What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
  - 2 **Damage** arising from the settlement or movement of made-up ground or by coastal erosion or erosion by any water course.
  - 3 **Damage** occurring as a result of the construction, demolition, structural alteration or structural repair of any **Property** at the **Premises**.
  - 4 **Damage** arising from normal settlement or bedding down of new structures.
  - 5 **Damage** commencing prior to the granting of cover under this Insurance.
- 
- 1 **Your Contribution** as shown in the **Schedule**.
  - 2 The cost of replacing the oil.
- 
- 1 **Your Contribution** as shown in the **Schedule**.
  - 2 **Damage** caused by felling or lopping by **You** or on **Your** behalf.
- 
- 1 **Your Contribution** as shown in the **Schedule**.
  - 2 **Damage**
    - A) as a direct result of alterations to the framework or position of any **Glass** or neon and illuminated signs and electric light fittings or sanitary ware
    - B) while the **Premises** are empty or not in use
    - C) existing prior to the commencement of this Insurance and not subsequently replaced.
  - 3 Any amount in excess of £10,000 any one loss.

## What is covered

- 12 Any other accident.

## What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** by any of the **Events** 1 – 11 or 13 or the causes shown under 'What is not covered' for each of these **Events** (whether or not insured).
- 3 **Damage** to any **Property** caused by
  - A) its own faulty or defective design or materials
  - B) inherent vice, latent defect, wear and tear; gradual deterioration or any gradually operating cause
  - C) faulty or defective workmanship, operational error or omission on **Your** part or that of **Your Employees**

but this shall not exclude subsequent **Damage** which itself results from an insured **Event**.

- 4 **Damage** caused by
  - A) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin, pests or insects
  - B) change in temperature, colour, flavour; texture or finish
  - C) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of connected steam and feed piping
  - D) mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which the breakdown or derangement originates

but not

- i) such **Damage** which itself results from other **Damage** which is covered by this Insurance
- ii) subsequent **Damage** which itself results from an insured **Event**.

## What is covered

## What is not covered

- 5 **Damage** caused by pollution or contamination.
- 6 **Damage** caused by acts of fraud or dishonesty.
- 7 **Damage** caused by disappearance, unexplained or inventory shortage, misfiling or misplacing of information.
- 8 **Damage** to a building or structure caused by its own collapse or cracking.
- 9 **Damage** to fences, gates and moveable **Property** in the open by wind, rain, hail, sleet, snow, flood or dust.
- 10 **Damage** to **Property** resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair.
- 11 **Damage** to **Property** other than **Computer Equipment, Ancillary Equipment** or **Computer Systems Records** in transit.
- 12 **Damage** to **Computer Equipment, Ancillary Equipment** or **Computer Systems Records** in transit unless it is in the custody of **Your** director, principal, partner or **Employee**.
- 13 **Damage** to **Money** and securities of any description.
- 14 **Damage** to vehicles licensed for road use (including attached accessories), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft.
- 15 **Damage** to **Property** or structures in course of construction or erection and to materials or supplies relating to such **Property** or structures.

## What is covered

**EVENT 13 ONLY APPLIES IF 'COMPUTER BREAKDOWN' IS SHOWN AS INCLUDED IN YOUR SCHEDULE**

- 13 Mechanical or electrical breakdown or derangement in respect of **Computer Equipment** or **Ancillary Equipment**.

## What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** by any of the **Events 1 – 12** or the causes shown under 'What is not covered' for each of these **Events** (whether or not insured).
- 3 **Damage** caused by or consisting of wear and tear or deterioration due to atmospheric conditions, rust or corrosion, faulty or defective workmanship, or operational error or omission by **You** or **Your Employees** but this shall not exclude subsequent **Damage** which itself results from an insured **Event**.
- 4 **Damage** to **Computer Equipment** or **Ancillary Equipment** in the open.
- 5 **Damage** where the cost of repair or remedy is recoverable under any guarantee or agreement for maintenance, rental, hire or lease or any provision in an agreement for the supply of the **Property**.
- 6 **Damage** to **Computer Equipment** or **Ancillary Equipment** resulting from
  - A) its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair
  - B) pollution or contamination
  - C) acts of fraud or dishonesty
  - D) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services

but not such **Damage** which itself results from other **Damage** which is covered by this Insurance.

# Extensions to Cover

## THIS INSURANCE ALSO COVERS

### What is covered

#### 1 Extinguishment Expenses

The reasonable costs incurred by **You** in refilling fire extinguishing appliances and replacing used sprinkler heads solely as a result of insured **Damage** to the **Property Insured**.

#### 2 Emergency Services

**Damage** to landscaped gardens and grounds caused by the emergency services when attending the **Premises** as a result of **Damage** by any of the insured **Events** 1 to 13 of this Insurance.

#### 3 Trace and Access and Repair or Replacement

**Damage** occurring as a result of escape of water or oil as insured by **Events** 4, 6 and 9 including

- A) the costs necessarily and reasonably incurred in locating the source of such **Damage**
- B) the costs necessarily and reasonably incurred in repairing and making good any **Damage** caused in locating the source of the **Damage** and
- C) the costs of repairing or replacing tanks, apparatus, pipes or appliances which have been damaged by freezing.

### What is not covered

#### 1 Your Contribution as shown in the Schedule.

#### 1 Your Contribution as shown in the Schedule.

2 Any amount in excess of £10,000 any one loss.

3 The failure of any plant to germinate or propagate following replacement under this extension.

#### 1 Your Contribution as shown in the Schedule.

2 Any amount in excess of £10,000 any one loss.

## What is covered

### 4 Glazing Repairs

The reasonable costs of

- A) any necessary boarding up or temporary glazing pending replacement of broken **Glass**
- B) removing and refixing of window fittings, framework and other obstacles to replacement
- C) repairing or replacing window frames
- D) replacing fixed **Glass** and sanitary ware in any part of the **Buildings** at the **Premises** also occupied by **You** as a private dwelling provided that such **Glass** and sanitary ware are not insured on another policy

incurred as a result of **Damage** by any of the insured **Events** 1 – 13 of this Insurance.

### 5 Theft Cover Extension

- A) The cost of repairing **Damage** to the **Buildings** as a result of theft (whether or not the **Buildings** are insured by this Insurance) if **You** are responsible for the repairs and the **Damage** is not insured by another policy.
- B) The reasonable expenses incurred up to £1,000 in necessarily replacing locks to the **Buildings** or any safes or strongrooms in them following theft of keys from such **Buildings** or from the residence of any of **Your** authorised keyholding directors, partners or **Employees**.

## What is not covered

- I Any amount in excess of £10,000 any one loss including **Damage** covered by **Event** 11.

- I **Damage** to **Buildings** which **You** own but have failed to insure under this **Policy** or any other policy.

## What is covered

### 6 Repair Costs

Repair costs for which **You** are responsible in respect of **Damage** to

- A) the **Buildings** caused by falling television or radio receiving aerials, aerial fittings and masts or satellite dishes
- B) underground water, gas and drainpipes or electricity cabling extending from the **Buildings** to the public mains.

### 7 Unauthorised Use of Electricity, Gas or Water

The cost of metered electricity, gas or water for which **You** are legally responsible arising from its unauthorised use by persons taking possession, keeping possession or occupying the **Premises** without **Your** authority.

### 8 Loss of Metered Water

The additional metered water charges incurred by **You** as a result of **Damage** caused by any of the **Events** insured.

The amount payable shall be ascertained by comparing the charge made by the water suppliers on their accounts for the period during which the loss occurred with the normal charge but adjusted for any relevant factors affecting **Your** liability for metered water charges during such period.

## What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 Any amount in excess of £2,500 in any one **Period of Insurance**.
- 3 **Damage** unless
  - A) the **Premises** have been inspected weekly by **You** or a responsible person on **Your** behalf prior to the unauthorised occupation of the **Premises**
  - B) all practicable steps are taken to terminate such unauthorised occupation and use of the electricity, gas or water as soon as it is discovered.

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 Any amount in excess of £10,000 any one loss.
- 3 Any loss for which remedial action has not been taken within 14 days of the discovery of the **Damage**.

## What is covered

### 9 Property at Other Locations

#### Damage to

- A) **Deeds and Documents** and **Transparencies** whilst removed from the **Premises** to any location and whilst in transit
- B) any other **Property Insured** (excluding **Computer Equipment, Ancillary Equipment, Computer Systems Records** and vehicles licensed for road use) whilst temporarily removed from the **Premises** to any location and whilst in transit for cleaning, renovation, repair or other similar purposes.

## What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 Any amount in excess of the following amounts :
  - A) in respect of **Deeds and Documents** and **Transparencies**  
£25,000 any one loss or series of losses arising from the same insured **Event**
  - B) in respect of any one **Transparency**  
£1,000
  - C) in respect of any other **Property Insured**  
£250,000 any one loss.
- 3 **Damage** by theft from
  - A) any building not permanently occupied by **You** for the purpose of the **Business** unless the building is securely locked
  - B) any unattended vehicle unless all points of access to the vehicle are locked or the vehicle is stolen at the same time
  - C) any vehicle which is away from **Your** own **Premises** or a site where **You** are working between the hours of 1800 and 0800 unless such vehicle is contained in a securely locked building or guarded security park.
- 4 Any **Property** that is insured on another policy.
- 5 **Damage** occurring outside Europe.

## What is covered

### 10 Alterations and Additions - Buildings, Tenant's Improvements, General Contents, Computer Equipment and Ancillary Equipment

- A) i) Alterations or additions made to any **Buildings** insured
- or
- ii) **Buildings, Tenant's Improvements** or **General Contents** acquired or constructed during the **Period of Insurance**
- at any **Premises** covered by this Insurance or elsewhere in **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.
- B) **Computer Equipment** or **Ancillary Equipment** acquired anywhere in the world and which is only away from the **Premises** on a temporary basis.

Cover will be subject to the terms of this Insurance and will apply from the time from which **You** became responsible for such **Property** until the next renewal of the **Policy** at which date specific insurance should be effected.

The sum insured (and **Declared Value**) by each item shall be deemed to be increased for that period only by the value of the additional **Property** insured under the item but by not more than 10% and subject to **Our** liability not exceeding £500,000 in respect of additional **Property** at any one premises.

### 11 Seasonal Increase in Stock

An increase in the sum insured on **Stock** for the Amount of Increase and Period(s) of the year shown in the **Schedule**.

## What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage to Property** insured on another policy.

## What is covered

### 12 Index Linking

An adjustment in the sums insured (and **Declared Values** where appropriate) shown on the **Schedule**, excluding **Rent**, will automatically be applied monthly in line with the relevant recognised index. Index linking of the sums insured will continue during repair or replacement following **Damage** provided the sums insured at the time of the **Damage** represent the full rebuilding or replacement cost as appropriate, and work is carried out without undue delay.

For **Your** protection **We** will not reduce **Your** sums insured if the index moves down unless **You** ask **Us** to.

No extra charge will be made for any increase in sums insured until the renewal of the **Policy** when the renewal premium will be based on adjusted sums insured.

### 13 Additional Rental Cost of Computer Equipment or Ancillary Equipment

Following **Damage** to **Computer Equipment** and **Ancillary Equipment** the additional rental cost incurred by **You** which is necessary to replace any existing rental, lease or hire agreement in respect of the damaged **Property**.

### 14 Incompatibility of Computer Systems Records

A) the cost of modifying the **Computer Equipment**

or

B) the cost of replacing **Computer Systems Records** and the cost of reinstating programmes or the information on them

whichever is the less following **Damage** which has resulted in undamaged **Computer Equipment** being incompatible with any replacement **Computer Equipment**.

## What is not covered

1 **Your Contribution** as shown in the **Schedule**.

2 Any amount in excess of £7,500 any one loss.

1 **Your Contribution** as shown in the **Schedule**.

2 Any amount in excess of £10,000.

## What is covered

### 15 Accidental Discharge of Gas Systems

The cost of refilling the cylinder(s) of any gas flooding systems installed solely for the protection of the **Computer Equipment** and **Ancillary Equipment** following accidental discharge.

## What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 Any amount in excess of £5,000.
- 3 Any cost directly incurred as a result of the gas system being installed, commissioned or tested.

## THIS INSURANCE ALSO DOES NOT COVER

### 1 Marine Policies

**Damage to Property** which at the time of the **Damage** is insured or would but for the existence of this Insurance be insured by a marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this Insurance not been effected.

### 2 Sonic Bangs

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

### 3 War and Allied Risks

**Damage** caused by

- A) riot or civil commotion unless such **Event** is specifically insured and then only to the extent stated
- B) war; invasion, act of foreign enemy; hostilities (whether war be declared or not), civil war; rebellion, revolution, insurrection or military or usurped power.

## What is covered

## What is not covered

### 4 Pollution and Contamination

**Damage** caused by pollution or contamination except (unless otherwise excluded) destruction of or **Damage** to the **Property Insured** caused by

- A) pollution or contamination which itself results from any **Event** insured (other than **Event** 12)
- B) any **Event** insured (other than **Event** 12) which itself results from pollution or contamination.

### 5 Radioactive Contamination

**Damage** to any **Property** whatsoever or any loss or expense whatsoever resulting or arising therefrom or any loss directly or indirectly caused by or contributed to by or arising from

- A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- B) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of it.

### 6 Terrorism

**Damage** caused by or happening through or in consequence directly or indirectly of

- A) Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss and
- B) in Northern Ireland civil commotion.

## What is covered

## What is not covered

This Insurance also excludes **Damage** or loss resulting from **Damage** directly or indirectly caused by resulting from or in connection with any action aimed at controlling, preventing, suppressing or in any way relating to an act of Terrorism.

In **Great Britain** and Northern Ireland Terrorism means

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 so far that this Insurance is extended to include any situation elsewhere than in **Great Britain** and Northern Ireland Terrorism means

any act including but not limited to the use of force or violence or the threat of any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government committed for political, religious, ideological or similar purposes including the intention to

- A) influence any government or any international governmental organisation or
- B) put the public or any section of the public in fear.

In any action, suit or other proceedings where **We** allege that by reason of this exclusion any **Damage** or loss resulting from **Damage** is not covered by this Insurance the burden of proving that such **Damage** or loss is covered shall be upon **You**.

## What is covered

## What is not covered

### 7 Electronic Risk

**Damage** to the **Property Insured** arising directly or indirectly from

- A) the transmission or impact of any **Virus**
- B) unauthorised access to a **System**
- C) interruption of or interference with electronic means of communication used in the conduct of **Your Business** including but not limited to any diminution in the performance of any website or electronic means of communication
- D) **Failure of a System**
- E) any misinterpretation, use or misuse of **Data**

but **We** will not exclude **Damage to Property Insured** caused by **Events 1 – 12** unless

- I such **Damage** arises from
  - i) any malicious act
  - ii) any omission
  - iii) theft where the theft is achieved by electronic means
  - iv) any of the causes shown under 'What is not covered' for each of **Events 1 – 12** (whether or not insured).
- 2 in respect of **Damage to Data** by **Event 7** (Theft) the theft is achieved by electronic means alone and the physical media on which the **Data** is held is not also stolen.

# Property Damage Insurance - how We settle claims

If any of the **Property Insured** described in the **Schedule** suffers **Damage** by any **Event** covered under this Insurance

1 at the **Premises**

or

2 in respect of **Computer Equipment, Ancillary Equipment** or **Computer Systems Records** anywhere in the world whilst temporarily away from the **Premises**

We will pay **You** the amount of loss or at **Our** option reinstate or replace such **Property** provided that **Our** liability in any one **Period of Insurance** shall not exceed in the whole the total sum insured or in respect of any one item its sum insured or any other stated **Limit of Liability**.

## How We settle claims for Damage to Buildings, Tenant's Improvements, Computer Equipment, Ancillary Equipment and General Contents

(other than motor vehicles, directors', partners' and **Employees'** personal effects, **Deeds and Documents, Transparencies** and **Computer Systems Records**)

As long as the **Damage** is covered under this Insurance **We** will pay **You**

### Cost A

The cost of reinstatement which is

- 1 In respect of **Buildings, Tenant's Improvements and General Contents**
    - A) where the **Property** is destroyed the cost of rebuilding or in the case of **General Contents** the cost of replacement by similar **Property**
    - B) the cost of repairing or restoring the damaged portions where the **Property** is damaged
- all to a condition substantially the same as but not better or more extensive than its condition when new.

- 2 In respect of **Computer Equipment and Ancillary Equipment**
  - A) where the **Property** is destroyed or suffers **Damage** which is beyond economic repair
    - i) the cost of replacement by new **Property** of equal performance and specification
    - ii) the cost of **Property** of the next highest available specification and performance if **Property** of equal performance and specification cannot be found
  - B) where the **Property** suffers **Damage** the cost of repairing or restoring the damaged portions to a condition substantially the same as but not better or more extensive than its condition when new.

### Cost B

The cost of complying with Public Authorities requirements which is such additional cost of reinstatement of the **Property** as may be reasonably incurred in complying with Building Regulations or local authority or other statutory requirements first imposed upon **You** following the **Damage**

provided that

- 1 the reinstatement is completed within twelve months of the occurrence of the **Damage** or
- 2 within such further time as **We** may allow in writing

excluding

- 1 the cost of compliance with any of the above regulations or requirements relating to undamaged **Property** or undamaged portions of **Property** other than foundations
- 2 any rate, tax, duty, development or other charge or assessment which may arise out of capital appreciation as a result of complying with any of the above regulations or requirements.

### Cost C

The cost of removing debris which is the cost reasonably incurred in removing debris, dismantling, demolishing, shoring up and propping portions of the **Property** excluding any costs or expenses

- 1 incurred in removing debris except from the site of such damaged **Property** and the area immediately adjacent to it
- 2 arising from pollution or contamination of **Property** not insured by this Insurance.

### Cost D

The cost of professional fees which are those professional fees necessarily incurred in the reinstatement of the **Property** but not for preparing any claims.

### Cost E

The cost **You** reasonably incur in taking steps under exceptional circumstances to prevent **Damage** occurring or to mitigate **Damage** which is occurring provided that

- 1 the **Damage** avoided was not reasonably foreseeable and that **Damage** would have occurred had **You** not taken steps to prevent it
- 2 **We** are satisfied that the steps taken by **You** have avoided or mitigated **Damage**.

The most **We** will pay **You** in respect of such costs is £5,000.

### Cost F

The cost **You** necessarily and reasonably incur to undertake temporary repairs upon or to expedite the repair, reinstatement or replacement of **Property** which has suffered **Damage** but the most **We** will pay **You** in respect of such costs is £5,000.

### Cost G

In respect of **Computer Equipment** and **Ancillary Equipment** the cost **You** necessarily and reasonably incur to reinstate programmes and information onto fixed disks.

## Additional factors when settling these claims

### The work of reinstatement on another site

The work of reinstatement may be carried out wholly or partially upon another site and in any manner suitable to **Your** requirements provided that it does not increase **Our** liability.

## Partial Damage

Where **Damage** occurs to only part of the **Property** **Our** liability shall not exceed the amount which **We** would have been liable to pay had the **Property** been wholly destroyed.

## Our rights against persons using Computer Equipment or Ancillary Equipment

**We** agree not to pursue any rights **We** may have against any person causing **Damage** whilst using **Computer Equipment** or **Ancillary Equipment** provided that the person

- 1 has **Your** authority to use the items
- 2 is subject to the terms and conditions of this **Policy** as they apply to **You**.

## Alternative Basis of Settlement

**Our** liability shall be limited to the Alternative Basis of Settlement

- 1 until the cost of reinstatement has actually been incurred
- 2 if the work of reinstatement is not carried out as quickly as is reasonably practicable
- 3 if at the time of its **Damage** the **Property** is covered by any other insurance effected by **You** or on **Your** behalf and such other insurance is not on the identical basis of reinstatement defined in Cost A above
- 4 if in the **Schedule** it is stated that the Alternative Basis of Settlement applies.

Where the Alternative Basis of Settlement applies **We** will pay the value of the **Property** at the time of its destruction or the amount of the **Damage** including the cost of

- complying with Public Authorities' requirements
- minimising **Damage** and temporary repairs
- removing debris
- professional fees
- reinstating programmes and information onto fixed disks

as defined in Costs B, C, D, E, F and G above and subject to the provisions and exceptions applying to those costs.

## Your sum insured - the penalty for underinsurance

If at the time of the **Damage** the **Declared Value** applying to the relevant **Buildings, Tenant's Improvements, General Contents, Computer Equipment** and **Ancillary Equipment** item is less than 85% of the Insurable Amount (see below) **You** will be responsible for the difference and **You** will bear a proportionate share of the loss.

Insurable Amount is

- 1 in respect of **Buildings, Tenant's Improvements** and **General Contents** the total of the above Costs A, B, C and D
- 2 in respect of **Computer Equipment** and **Ancillary Equipment** the total of the above Costs A, B, C, D and G

in reinstating the **Property Insured** to a condition substantially the same as when new at the level of costs applying at the commencement of the **Period of Insurance**.

However, if the loss is settled under the Alternative Basis of Settlement the **Declared Value** of the relevant item shall be 115% of the base value shown and the Insurable Amount shall be

- 1 in respect of **Buildings, Tenant's Improvements** and **General Contents** the total of the value at the time of the **Damage** of the **Property** insured by the item and the additional Costs B, C, D, E and F above
- 2 in respect of **Computer Equipment** and **Ancillary Equipment** the total of the value at the time of the **Damage** of the **Property** insured by the item and the additional Costs B, C, D, E, F and G above.

- B) arising from pollution or contamination of **Property** not insured by this Insurance

but **We** will not pay in excess of £1,000 for any one **Transparency**.

The Insurable Amount shall be the value at the time of **Damage** of the **Property** insured by the item.

## How We settle claims for Damage to Deeds and Documents, Transparencies and Computer Systems Records

We will pay **You**

- 1 the value of the materials as stationery
- 2 the cost of clerical labour and computer time spent in reproducing such documents
- 3 the costs necessarily and reasonably incurred in connection with the reproduction of any information to be recorded excluding the value to **You** of the information
- 4 the cost reasonably incurred in removing debris, dismantling, demolishing, shoring up and propping portions of the **Property** but excluding any costs or expenses incurred
  - A) in removing debris except from the site of such damaged **Property** and the area immediately adjacent to it

## How We settle claims for Damage to Stock and other insured Property not specifically provided for

We will pay **You**

- 1 the value of the **Property** at the time of its destruction or the amount of the **Damage**
- 2 the cost reasonably incurred in removing debris, dismantling, demolishing, shoring up and propping portions of the **Property** but excluding any costs or expenses incurred
  - A) in removing debris except from the site of such damaged **Property** and the area immediately adjacent to it
  - B) arising from pollution or contamination of **Property** not covered by this Insurance.

### Contract Price Provision for Stock

In respect only of goods sold but not delivered for which **You** are responsible and for which under the conditions of sale the sale contract is cancelled as a result of any **Damage** covered under this Insurance either wholly or to the extent of the **Damage** the amount payable will be based on the contract price.

### **Your sum insured – the penalty for underinsurance**

If at the time of the **Damage** the sum insured for **Stock** or other insured **Property** not specifically provided for is less than the Insurable Amount (see below), the amount otherwise payable shall be proportionately reduced.

The Insurable Amount shall be the contract price for those goods to which the 'Contract Price Provision for **Stock**' above applies or in the case of all other **Property**, the value at the time of **Damage**.

## **How We settle claims in respect of Rent of Buildings which suffer Damage**

We will pay You

- 1 the actual reduction in **Rent** received solely as a result of the **Damage** if the loss relates to **Rent** receivable by You
- 2 the amount of **Rent** which continues to be payable by You in respect of the **Buildings** or portions of the **Buildings** whilst unfit for occupation solely as a result of the **Damage** if the loss relates to **Rent** payable by You

but **Our** liability shall be limited to the loss suffered within the **Period of Rent** insured (as shown in the **Schedule**) commencing from the date of the **Damage**.

### **Your sum insured – the penalty for underinsurance**

If at the time of the **Damage** the sum insured for **Rent** is less than the Insurable Amount (see below) the amount payable shall be proportionately reduced.

The Insurable Amount shall be the annual **Rent** receivable or payable as the case may be at the commencement of the **Period of Insurance**. Such amount to be proportionately increased to correspond with the **Period of Rent** insured where that period exceeds twelve months.

## **Other considerations when settling any claims under this Insurance**

### **Designation**

Where necessary the item heading under which any **Property** is insured shall be determined by the designation under which such **Property** appears in **Your** books.

### **Workmen**

We accept that this Insurance will not be prejudiced by the presence of workmen on the **Premises** for the purpose of effecting repairs and minor structural and other alterations and also for general maintenance purposes and the like.

### **When We reinstate or replace Property**

We may at **Our** own option reinstate or replace any **Property** destroyed or damaged without being bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner.

### **Plans and documents in support of a claim**

You shall at **Your** own expense produce and provide **Us** with all such plans, documents, books and information as **We** may reasonably require.

## Transfer of interest

If at the time of any insured **Damage** to any **Buildings** covered by this Insurance **You** shall have contracted to sell **Your** interest in such **Buildings** and the purchase is subsequently completed the purchaser shall be entitled on completion of the purchase to the benefit of this Insurance in respect of such **Damage**. Such benefit shall be without prejudice to **Your** or **Our** rights and liabilities under this Insurance and up to the date of completion of the purchase provided the **Property** is not insured by the purchaser or on his behalf against such **Damage** on another policy.

## Automatic reinstatement after a loss

In the absence of written notice by **You** or **Us** to the contrary within 30 days of the occurrence of any **Damage** the applicable sum insured (or other restriction on the amount of **Our** liability under this Insurance) shall not be reduced by the amount of any loss provided that **You** shall pay the appropriate additional premium for such automatic reinstatement of cover and provided also that in respect of **Damage** by theft (if insured) such automatic reinstatement shall apply on the first occasion only in each **Period of Insurance**.

# Requirements which You must comply with to prevent loss or Damage

Failure to comply with any of the following requirements may result in **Us** not paying **Your** claim.

## Residual Breakdown

It is a requirement of the Insurance in respect of **Event 13** that **You** must have in force a **Maintenance Agreement** in respect of **Computer Equipment** and **Ancillary Equipment**.

## Computer Systems Records

It is a requirement of this Insurance that **You** shall ensure that

- 1 back-up information is taken and verified at least once every 24 hours and is
  - A) maintained at a location other than the **Premises** or
  - B) stored in a fireproof safe or fireproof cabinet on the **Premises** with a verified copy taken and stored at a location other than the **Premises** at least once every seven days
- 2 written and enforced **Data** protection, system security and virus protection procedures are in place for **Employees** with access to **Data**
- 3 at least one verified copy and up to date set of software programs is maintained at a location other than the **Premises**.

## Fire Extinguishing Appliances

**You** shall maintain all fire extinguishing appliances in efficient working order.

## Security Precautions

It is a requirement of this Insurance that

- 1 **You** shall ensure that whenever the **Business Premises** are left unattended
  - A) all locks, bolts and other protective devices are in full and effective operation
  - B) all keys (including those relating to any part of the **Intruder Alarm System**) are removed from the **Business Premises**.

- 2 **You** shall maintain the **Intruder Alarm System** at the **Premises** in full and effective working order under a contract to provide both corrective and preventive maintenance with the installer or such other contractor agreed by **Us** in writing.
- 3 **You** shall ensure the **Business Premises** are not left unattended
  - A) unless the **Intruder Alarm System** is tested and set in its entirety and is together with the means of communication used to transmit signals in full and effective operation and where the equipment permits any alarm receiving centre to which the **Intruder Alarm System** is connected has acknowledged the setting signal
  - B) if police response to alarm calls has been withdrawnwithout **Our** written agreement.
- 4 **You** shall ensure that any **Intruder Alarm System** required or approved by **Us** is installed in accordance with a specification agreed in writing by **Us**.
- 5 **You** shall not make any alteration to or substitution of
  - A) any part of the **Intruder Alarm System**
  - B) the procedures agreed by **You** for police or any other response to any activation of or other warning signal pertaining to the **Intruder Alarm System**
  - C) the maintenance contractwithout **Our** written agreement.
- 6 **You** shall not make any structural alteration of or changes in layout to the **Premises** that could affect operation of the **Intruder Alarm System** without **Our** written agreement.
- 7 **You** shall maintain secrecy of codes for operation of the **Intruder Alarm System** and shall not leave details of such codes at the **Business Premises** when the **Business Premises** are unattended.
- 8 **You** shall appoint at least two **Keyholders** and shall record details of the **Keyholders** with the police and any alarm receiving centre to which the **Intruder Alarm System** signals.
- 9 **You** shall immediately notify any change of **Keyholder** details to the police and any alarm receiving centre to which the **Intruder Alarm System** signals.
- 10 **You** shall ensure that in the event of notification of any activation of the **Intruder Alarm System** or interruption of the means of communication during any period that the system is set a **Keyholder** shall attend and allow access to the **Business Premises** without delay.
- 11 **You** shall advise **Us** as soon as possible and in any event not later than 10.00am on **Our** next working day and comply with any subsequent requirements stipulated by **Us** if **You** receive any notification
  - A) from the police, alarm installer/ maintenance contractor or alarm receiving centre that response to alarm signals or line interruptions 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.

## Minimum Standards of Security

It is a requirement of this Insurance that **You** must have implemented the following security measures by the Effective Date stated in the **Schedule** or within 8 weeks of commencement of theft cover if a date is not shown in the **Schedule**.

- 1 The final exit door of the **Business Premises** must be secured with one of the following
  - A) a mortice deadlock which has 5 or more levers and/or conforms to British Standard BS3621 for timber or steel framed doors
  - B) a cylinder operated mortice deadlock or deadlocking multi-point locking system with a minimum of three locking points for aluminium or UPVC framed doors
  - C) a close shackle padlock with a minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar irrespective of the door construction.
- 2 All external doors and all internal doors giving access to any part of the **Buildings** not occupied by **You** for the purpose of the **Business** must be secured with either
  - A) any of the locking arrangements specified in 1 above according to the construction of the doors
  - or
  - B) two key operated security bolts for doors fitted internally one fitted near the top and the other near the bottom of the door.
- 3 Where any of the doors described in 1 or 2 above are of double leaf construction
  - A) the first closing leaf must be secured with two key operated security bolts fitted internally and shooting vertically one at the top and the other at the bottom of the door
  - and
  - B) the final closing leaf must be secured with either
    - i) any of the locking arrangements specified in 1 above according to the construction of the doors
    - or
    - ii) two key operated security bolts fitted internally and shooting vertically one at the top and the other at the bottom of the door.
- 4 Where any of the doors described in 1 and 2 above are timber or steel outward opening doors, in addition each outward opening door to be fitted with hinge bolts top and bottom.
- 5 All ground floor and basement opening windows/skylights and readily accessible opening windows/skylights on other floors (see below) must be secured with either key operated locking devices or other locking devices which rely upon a removable component for their security.
 

Readily accessible opening windows/skylights are those that can be reached from the ground without the use of a ladder or via extension balconies, downpipes, external staircases and fire escapes, canopies, outbuildings, garages, walls, nearby trees or roofs, adjoining or next door premises.

This requirement does not apply to windows/skylights which are protected by solid steel bars, grilles, locked gates, shutters, expanded metal or weld mesh.

Any door or window designated as a fire exit following a fire risk assessment is excluded from these requirements. Fire exit doors and windows must be secured by means of a device suitable for use in emergency escape situations whenever that part of the **Business Premises** is left unattended.

### **Portable Electronic Office Equipment**

It is a requirement of this Insurance that each item of electronic office equipment designed for mobile or portable use with a replacement value over £250 must, whenever the **Business Premises** are left unattended, be secured in locked cupboards, cabinets or security containers, the keys to which have been removed from the **Business Premises**.

### **Portable Power Tools**

It is a requirement of this Insurance that **You** must keep all portable power tools with a combined replacement value in excess of £3,500 within either

- 1 a locked metal security container constructed of minimum 2.5mm steel plate or framed minimum 1.5mm sheet steel and securely anchored to the floor or structure of the building. The container to be secured by a mortice deadlock conforming to BS 3621 together with a compatible boxed striking plate or a close shackle padlock with minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar or integral staple

or

- 2 a storeroom having brick or block walls and a steel lined or solid timber door secured by a mortice deadlock conforming to BS 3621 together with a compatible boxed striking plate or a close shackle padlock with a minimum shackle thickness of 10mm together with the manufacturer's corresponding locking bar. Windows must be protected by solid steel bars, grilles, lockable gates, expanded metal or weld-mesh.

In addition, **You** must remove keys to containers and storerooms from the **Premises** or alternatively hold them in a locked security safe the combination/keys to which must be removed from the **Premises** whenever the **Premises** are left unattended.

### **Storage in Basements**

It is a requirement of this Insurance that in respect of any **General Contents, Stock** or **Computer Equipment** kept in a basement that such **Property** is racked and kept at least 6" above the floor of the basement.

### **Storage of Flammable Solvents**

It is a requirement of this Insurance in respect of **Damage** caused by fire or explosion that all flammable solvents are kept in closed tins and are stored in a fire resisting compartment.

## THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE

# Deterioration of Stock Insurance

### What is covered

- I **Damage** that occurs as a result of deterioration or putrefaction of **Stock in the Cold Chamber** of any refrigeration unit while at the **Premises**
  - A) due to the rise or fall in temperature resulting from any cause not excluded
  - or
  - B) due to the action of refrigerant fumes which have escaped from the machine during the **Period of Insurance**.

### What is not covered

- I **Your Contribution** as shown in the **Schedule**.
- 2 **Damage to Stock in the Cold Chamber** of any refrigeration unit which at the commencement of the **Period of Insurance** in which the **Damage** occurred was more than fifteen years of age.
- 3 **Damage** in excess of the Sum Insured shown in the **Schedule**.
- 4 Deterioration or putrefaction resulting from **Damage** at the **Premises** by fire, lightning, explosion, flood, earthquake, aircraft or other aerial devices or articles dropped from them or by leakage from a sprinkler installation.
- 5 **Damage** resulting from the deliberate act of any public electricity supply authority or the exercise by any such authority of its power to withhold or restrict supply.
- 6 **Damage** resulting from **Your** deliberate neglect.
- 7 Loss of goodwill or any loss which is not a direct result of the **Event** which led to a claim under this Insurance.
- 8 **Damage** by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

## What is covered

## What is not covered

- 9 **Damage** to any **Property** whatsoever or any loss or expense whatsoever resulting or arising therefrom or any loss directly or indirectly caused by or contributed to, by or arising from
  - A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - B) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or a nuclear component of it.
- 10 **Damage** caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or riot or civil commotion in Northern Ireland or the Republic of Ireland.
- 11 A) **Damage to Data** which shall include but shall not be limited to
  - i) **Damage** to or corruption of **Data** whether in whole or in part
  - ii) unauthorised appropriation of use of access to or modification of **Data**
  - iii) unauthorised transmission of **Data** to any third parties
  - iv) **Damage** arising out of any misinterpretation, use or misuse of **Data**
  - v) **Damage** arising out of any operator error in respect of **Data**.

## What is covered

## What is not covered

- B) **Damage to the Property Insured** arising directly or indirectly from
- i) the transmission or impact of any **Virus**
  - ii) unauthorised access to a **System**
  - iii) interruption of or interference with electronic means of communication used in the conduct of **Your Business** including but not limited to any diminution in the performance of any website or electronic means of communication
  - iv) **Failure of a System**
  - v) anything described in A) above

but in respect of B) i), B) ii), B) iii) and B) iv) this shall not exclude subsequent **Damage** which itself results from a cause not otherwise excluded provided that such **Damage** does not arise by reason of any malicious act or omission.

## How We settle claims for Stock in the Cold Chamber

We will pay the value of the **Stock in the Cold Chamber** at the time of the **Damage**.

### **Your sum insured – the penalty for underinsurance**

If at the time of the **Damage** the sum insured for **Stock in the Cold Chamber** is less than the Insurable Amount (see below) the amount payable shall be proportionately reduced.

The Insurable Amount shall be the total value at the time of **Damage** to **Stock in the Cold Chamber** at the **Premises** held in all refrigeration units.

**THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE**

## All Risks Insurance

### What is covered

#### Section 1

- 1 Damage to Unspecified Equipment

#### Section 2

- 1 Damage to Specified Equipment

### What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 Any item with a value in excess of the Single Article Limit shown in the **Schedule**.

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 Any amount in excess of the sum insured shown in the **Schedule**.

**THIS INSURANCE ALSO DOES NOT COVER (IN RESPECT OF BOTH SECTION 1 AND SECTION 2)**

- 1 Any **Property** that is insured on another policy.
- 2 **Damage** by theft from any vehicle left unattended for the night.
- 3 **Damage** by theft from any vehicle unless the **Property** is concealed in a glove compartment or locked luggage compartment and either
  - A) all windows and sunroofs are fully closed and all doors and other means of access to the vehicle including the boot are locked
  - or
  - B) entry or access to the vehicle has been effected by forcible and violent means.

## What is covered

## What is not covered

- 4 **Damage** caused by
  - A) delay, confiscation or detention by order of any Government or Public Authority
  - B) counterfeit, substitute or foreign coins.
- 5 **Damage** to the contents of machines unless such contents are shown in the **Schedule**.
- 6 **Damage** as a result of any person obtaining any **Property** by deception.
- 7 **Damage** occurring outside the **Territorial Limits** as shown in the **Schedule**.
- 8 **Damage** caused by pollution or contamination.
- 9 **Damage** caused by disappearance, unexplained or inventory shortage, misfiling or misplacing of information.
- 10 **Damage** to **Property** resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair.
- 11 **Damage** commencing prior to the granting of cover under this Insurance.
- 12 **Damage** caused by
  - A) its own faulty or defective design or materials
  - B) inherent vice, latent defect, wear and tear, gradual deterioration or gradually operating cause, frost or change in the **Water Table Level**

but not subsequent **Damage** which itself results from other **Damage** which is covered by this Insurance

## What is covered

## What is not covered

- C) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin, pests or insects
- D) change in temperature, colour, flavour, texture or finish
- E) mechanical or electrical breakdown, failure or derangement

but not such **Damage** or subsequent **Damage** which itself results from other **Damage** which is covered by this Insurance.

- 13 **Damage to Money** and securities of any description.
- 14 **Damage** to vehicles licensed for road use (including attached accessories), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft.
- 15 **Damage** by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.
- 16 **Damage** or any loss or expense whatsoever resulting or arising therefrom or any loss directly or indirectly caused by or contributed to by or arising from
  - A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - B) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of it.

## What is covered

## What is not covered

- 17 **Damage** caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power:
- 18 A) **Damage to Data** which shall include but shall not be limited to
- i) **Damage** to or corruption of **Data** whether in whole or in part
  - ii) unauthorised appropriation of use of access to or modification of **Data**
  - iii) unauthorised transmission of **Data** to any third parties
  - iv) **Damage** arising out of any misinterpretation, use or misuse of **Data**
  - v) **Damage** arising out of any operator error in respect of **Data**.
- B) **Damage to the Property Insured** arising directly or indirectly from
- i) the transmission or impact of any **Virus**
  - ii) unauthorised access to a **System**
  - iii) interruption of or interference with electronic means of communication used in the conduct of **Your Business** including but not limited to any diminution in the performance of any website or electronic means of communication
  - iv) **Failure of a System**
  - v) anything described in A) above
- but in respect of B i), B ii), B iii) and B iv) this shall not exclude subsequent **Damage** which itself results from a cause not otherwise excluded provided that such **Damage** does not arise by reason of any malicious act or omission.

## What is covered

## What is not covered

### 19 Terrorism

**Damage** caused by or happening through or in consequence directly or indirectly of

- A) Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss and
- B) in Northern Ireland
  - 1) riot or civil commotion
  - 2) strikers, locked out workers or persons taking part in labour disturbances or malicious persons but this shall not apply to **Damage** by fire or explosion.

This Insurance also excludes **Damage** or loss resulting from **Damage** directly or indirectly caused by resulting from or in connection with any action aimed at controlling, preventing, suppressing or in any way relating to an act of Terrorism.

In **Great Britain** and Northern Ireland, Terrorism means

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 so far that this Insurance is extended to include any situation elsewhere than in **Great Britain** and Northern Ireland Terrorism means

### What is covered

### What is not covered

any act including but not limited to the use of force or violence or the threat of any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government committed for political, religious, ideological or similar purposes including the intention to

- A) influence any government or any international governmental organisation or
- B) put the public or any section of the public in fear.

In any action, suit or other proceedings where **We** allege that by reason of this exclusion any **Damage** or loss resulting from **Damage** is not covered by this Insurance the burden of proving that such **Damage** or loss is covered shall be upon **You**.

# Extensions to Cover

## THIS INSURANCE ALSO COVERS

### What is covered

#### I Index Linking in respect of Section 2

An adjustment in the sums insured in respect of **Specified Equipment** shown on the **Schedule** will automatically be applied in line with the relevant recognised index. Index linking of the sums insured will continue during repair or replacement following **Damage** provided the sums insured at the time of the **Damage** represent the full replacement cost, and repair or replacement is carried out without undue delay.

For **Your** protection **We** will not reduce **Your** sums insured if the index moves down unless **You** ask **Us** to.

No extra charge will be made for any increase in sums insured until the renewal of the **Policy** when the renewal premium will be based on adjusted sums insured.

### What is not covered

## All Risk Insurance - how We settle claims

If any of the **Property** described in the **Schedule** suffers **Damage** as covered under this Insurance **We** will pay **You** the amount of loss or at **Our** option reinstate or replace such **Property** provided that **Our** liability shall not exceed the applicable sum insured or **Limit of Liability** shown in the **Schedule**.

**We** will pay **You** the cost of reinstatement which is

- 1 the cost of replacement by similar **Property** where the **Property** is destroyed
- 2 the cost of repairing or restoring the damaged portions where the **Property** is damaged

all to a condition substantially the same but not better or more extensive than its condition when new.

## Other considerations when settling any claims under this Insurance

### Partial Damage

Where **Damage** occurs to only part of the **Property** **Our** liability shall not exceed the amount which **We** would have been liable to pay had the **Property** been wholly destroyed.

### Your sum insured – the penalty for underinsurance

If at the time of the **Damage** the sum insured for **Specified Equipment** is less than 85% of the Insurable Amount (see below) **You** will be responsible for the difference and **You** will bear a proportionate share of the loss.

The Insurable Amount shall be the value of reinstating the **Property** to a condition substantially the same as when new at the level of costs applying at the commencement of the **Period of Insurance**.

### Plans and documents in support of the claim

**You** shall at **Your** own expense produce and provide **Us** with all such plans, documents, books and information as **We** may reasonably require.

## Requirements which You must comply with to prevent loss or Damage

### Portable Electronic Office Equipment

It is a requirement of this Insurance that each item of electronic office equipment designed for mobile or portable use with a replacement value over £250 must whenever the **Business Premises** are left unattended be secured in locked cupboards, cabinets or security containers the keys to which have been removed from the **Business Premises**.

**Failure to comply with this requirement may result in Us not paying Your claim.**

**THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE**

## Transit Insurance

### Section I Vehicles owned or operated by You

#### What is covered

- 1 **Damage** to **Goods** while being loaded on, carried on, temporarily housed on or unloaded from any vehicle owned or operated by **You** anywhere within **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

#### What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 Loss of market, loss of profits, delay or any losses that are not directly associated with the incident that caused **You** to claim.
- 3 **Damage** resulting from dishonesty or insolvency of persons to whom **Goods** are entrusted.
- 4 **Damage** to glass, china, marble, earthenware, scientific instruments, furniture, antiques, curios, sculptures, works of art, pictures, prints, drawings, engravings and goods of a brittle nature unless caused by fire or theft or as a direct result of collision or overturning of the conveying vehicle.
- 5 **Damage** to **Goods** warehoused at a rental or under a contract for storage and distribution.
- 6 **Money** and securities.
- 7 **Damage** to **Goods** carried by or dispatched by **You** for hire or reward.
- 8 **Damage** arising as a result of packing which was inadequate to withstand normal handling during transit.
- 9 **Damage** due to insufficient labelling or incorrect addressing.

## What is covered

## What is not covered

### 10 Damage to Goods

- A) in any vehicle which is being used outside the normal course of the **Business** for social, domestic or pleasure purposes
- B) in open vehicles caused by atmospheric or climatic conditions unless the **Goods** are protected by vehicle sheets
- C) in open vehicles caused by theft unless the vehicle has been left unattended
- D) left in or on any unattended vehicle for the night except where such vehicle is left closed and locked and either
  - i) garaged in a building which is securely closed and locked
  - or
  - ii) parked in a compound secured by locked gates
- E) as a result of theft from any unattended vehicle unless
  - i) all doors, windows and other openings are left closed, securely locked and properly fastened
  - or
  - ii) entry or access to the vehicle has been effected by forcible and violent means.

### 11 Damage to Goods while at Exhibitions.

### 12 Any amount in excess of the **Limit of Liability** per vehicle shown in the **Schedule**.

# Extensions to Cover

## THIS SECTION ALSO COVERS

### What is covered

- I Additional costs reasonably incurred in
  - A) transhipping **Goods** to another vehicle delivering it to the original destination or returning it to the place of despatch following **Damage** to the **Goods** or an accident to the conveying vehicle
  - B) the removal of debris following **Damage** to the **Goods** or an accident to the conveying vehicle
  - C) reloading **Goods** on to any vehicle if they fall from a vehicle owned or operated by **You**.
  
- 2 **Damage** to sheets, ropes, packing materials, dunnage, securing chains and toggles owned by **You** or in **Your** charge or control while carried on any vehicle owned or operated by **You**.

### What is not covered

- I **Your Contribution** as shown in the **Schedule**.
- 2 Loss of market, loss of profits, delay or any losses that are not directly associated with the incident that caused **You** to claim.
- 3 **Damage** resulting from dishonesty or insolvency of persons to whom **Goods** are entrusted.
- 4 **Damage** to glass, china, marble, earthenware, scientific instruments, furniture, antiques, curios, sculptures, works of art, pictures, prints, drawings, engravings and goods of a brittle nature unless caused by fire or theft or as a direct result of collision or overturning of the conveying vehicle.
- 5 **Money** and Securities.
- 6 **Damage** arising as a result of packing which was inadequate to withstand normal handling during transit.
- 7 **Damage** due to insufficient labelling or incorrect addressing.
- 8 Any amount in excess of £2,500 for all claims arising out of any one **Event**.
  
- I **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** resulting from dishonesty or insolvency of persons to whom **Goods** are entrusted.
- 3 **Damage** arising as a result of packing which was inadequate to withstand normal handling during transit.

### What is covered

- 3 **Damage** to the personal effects belonging to the driver or attendant while carried by any vehicle owned or operated by **You** in the course of the employment of the driver or attendant with **You**.

### What is not covered

- 4 **Damage** due to insufficient labelling or incorrect addressing.
- 5 Loss of sheets, ropes, packing materials, dunnage, securing chains and toggles as a result of disappearance or shortage if such loss is not traceable to any **Event** or is only revealed when an inventory is made.
- 6 Any amount in excess of £2,500 for all claims arising out of any one **Event**.
- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Money** and securities.
- 3 Jewellery, watches, furs, cameras or any portable electronic entertainment equipment belonging to vehicle drivers or attendants.
- 4 Any amount in excess of £250 for all claims arising out of any one **Event** for any one person.

## Section 2 Post, Rail or Road Carrier

### What is covered

- 1 **Damage to Goods** while in the custody or control of the postal authority, railway board or any road carrier until delivered to the consignee's premises or in the course of return transit to **Your Premises** anywhere within **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

### What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 Loss of market, loss of profits, delay or any losses that are not directly associated with the incident that caused **You** to claim.
- 3 **Damage** to glass, china, marble, earthenware, scientific instruments, furniture, antiques, curios, sculptures, works of art, pictures, prints, drawings, engravings and goods of a brittle nature unless caused by fire or theft or as a direct result of collision or overturning of the conveying vehicle.
- 4 **Damage to Goods** warehoused at a rental or under a contract for storage and distribution.
- 5 **Money** and securities.
- 6 **Damage to Goods** carried by or dispatched by **You** for hire or reward.
- 7 **Damage** arising as a result of packing which was inadequate to withstand normal handling during transit.
- 8 **Damage** due to insufficient labelling or incorrect addressing.
- 9 **Damage** due to failure to make proper and complete declarations required by carriers.
- 10 **Damage to Goods** while at **Exhibitions**.
- 11 **Damage to Goods** consigned to or from any address outside **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.
- 12 Any amount in excess of the **Limits of Liability** per **Consignment** or per package shown in the **Schedule**.

## Section 3 Exhibitions

### What is covered

- 1 **Damage** by any cause to **Goods** while at **Exhibitions** within **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

### What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** resulting from dishonesty or insolvency of persons to whom **Goods** are entrusted.
- 3 **Money** and Securities.
- 4 **Goods** at any **Exhibition** premises for longer than 7 days.
- 5 **Damage** to
  - A) machinery due to its own running or operation
  - B) **Goods** by atmospheric or climatic conditions in respect of **Exhibitions** held in the open or in marquees or in tents
  - C) **Goods** whilst being demonstrated, tested or worn.
- 6 **Damage** as a result of theft of **Goods** left unattended at the **Exhibition** premises
  - A) during **Exhibition** opening hours
  - B) outside **Exhibition** opening hours unless theft involves entry to or exit from the room containing the **Goods** by forcible and violent means or the **Exhibition** premises or site is patrolled by security personnel.
- 7 Any amount in excess of the **Limit of Liability** for any one **Exhibition** as shown in the **Schedule**.

## What is covered

## What is not covered

### **THIS INSURANCE ALSO DOES NOT COVER (IN RESPECT OF SECTIONS 1, 2 AND 3)**

#### 1 Wear and Tear

Wear; tear; depreciation, deterioration, mildew, moth, vermin, inherent vice, inherent nature, mechanical or electrical breakdown, failure or derangement unless external **Damage** has occurred.

#### 2 Sonic Bangs

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

#### 3 War and Allied Risks

**Damage** caused by war; invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war; rebellion, revolution, insurrection, military or usurped power; confiscation, requisition, seizure or destruction by any government or any public authority.

#### 4 Radioactive Contamination

**Damage** to any **Goods** whatsoever or any loss or expense whatsoever resulting or arising therefrom or any loss directly or indirectly caused by or contributed to by or arising from

- A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- B) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of it.

## What is covered

## What is not covered

### 5 Terrorism

**Damage** caused by or happening through or in consequence directly or indirectly of

- A) Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss and
- B) in Northern Ireland
  - i) riot or civil commotion
  - ii) strikers, locked out workers or persons taking part in labour disturbances or malicious persons but this shall not apply to **Damage** by fire or explosion.

This Insurance also excludes **Damage** or loss resulting from **Damage** directly or indirectly caused by resulting from or in connection with any action aimed at controlling, preventing, suppressing or in any way relating to an act of Terrorism.

In **Great Britain** and Northern Ireland Terrorism means

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 so far that the insurance is extended to include any situation elsewhere than in **Great Britain** and Northern Ireland Terrorism means

## What is covered

## What is not covered

any act including but not limited to the use of force or violence or the threat of any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government committed for political, religious, ideological or similar purposes including the intention to

- A) influence any government or any international governmental organisation or
- B) put the public or any section of the public in fear.

In any action, suit or other proceedings where **We** allege that by reason of this exclusion any **Damage** or loss resulting from **Damage** is not covered by this Insurance the burden of proving that such **Damage** or loss is covered shall be upon **You**.

## 6 Electronic Risk

- A) **Damage to Data** which shall include but shall not be limited to
  - i) **Damage** to or corruption of **Data** whether in whole or in part
  - ii) unauthorised appropriation of use of access to or modification of **Data**
  - iii) unauthorised transmission of **Data** to any third parties
  - iv) **Damage** arising out of any misinterpretation, use or misuse of **Data**
  - v) **Damage** arising out of any operator error in respect of **Data**.

## What is covered

## What is not covered

- B) **Damage to the Property Insured** arising directly or indirectly from
- i) the transmission or impact of any **Virus**
  - ii) unauthorised access to a **System**
  - iii) interruption of or interference with electronic means of communication used in the conduct of **Your Business** including but not limited to any diminution in the performance of any website or electronic means of communication
  - iv) **Failure of a System**
  - v) anything described in A) above

but in respect of B) i), B) ii), B) iii) and B) iv) this shall not exclude subsequent **Damage** which itself results from a cause not otherwise excluded provided that such **Damage** does not arise by reason of any malicious act or omission.

## Transit Insurance - how We settle claims

If any of the **Goods** suffer **Damage** as covered under this Insurance within **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man **We** will pay **You** the amount of loss or at **Our** option repair; reinstate or replace such **Goods** provided that **Our** liability shall not exceed any stated **Limit of Liability**.

### **Your sum insured – the penalty for underinsurance**

If at the time of the **Damage** the Limit per vehicle under Section 1 or the Limit per **Consignment** under Section 2 as detailed in the **Schedule** are less than the Insurable Amount (see below) the amount payable shall be proportionately reduced.

The Insurable Amount shall be the maximum value at the time of **Damage** of the **Goods** insured as carried in any vehicle owned or operated by **You** or consigned by post, rail or road carrier.

## Special Condition applying to Vehicles owned or operated by You

It is a condition of Section 1 of this Insurance that **You** shall not at any time own or operate more vehicles than the number specified in the **Schedule** without **Our** written agreement.

**THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE**

## Business Interruption Insurance

### What is covered

#### Events

1 Fire, smoke, lightning, explosion and earthquake.

2 Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances, or malicious persons.

### What is not covered

1 **Damage to Property** caused by its undergoing any process involving the application of heat.

2 A) **Damage** caused by the bursting of any vessel, machine or apparatus belonging to **You** or under **Your** control in which internal pressure is due to steam only

B) loss resulting from **You** being deprived of the use of any vessel, machine or apparatus or its contents resulting from the explosion

but this shall not exclude explosion of

i) any boiler used for domestic purposes only or of any other boiler or economiser on the **Premises**

ii) gas used for domestic purposes only.

1 **Damage** arising from nationalisation, confiscation, requisition or destruction by order of the government or any public authority.

2 **Damage** arising from stoppage of work.

3 **Damage** in the course of theft or attempted theft directly caused by malicious persons not acting on behalf of or in connection with any political organisation.

4 **Damage** in respect of any **Building** which is empty or not in use directly caused by malicious persons not acting on behalf of or in connection with any political organisation.

### What is covered

- 3 Storm or flood.
  
- 4 Escape of water from any tank, apparatus, pipe or appliance.
  
- 5 Impact by
  - A) any road vehicle including any fork lift truck or other industrial vehicle or
  - B) an aircraft or other aerial devices or articles dropped from them or
  - C) an animal.
  
- 6 Accidental escape of water from any automatic sprinkler installation.
  
- 7 Theft or attempted theft.

### What is not covered

- 1 **Damage** caused solely by change in the **Water Table Level**.
  
- 2 **Damage** caused by frost, subsidence, ground heave or landslip.
  
- 3 **Damage** caused to fences, gates and moveable **Property** in the open.
  
- 1 **Damage** by water discharged or leaking from an automatic sprinkler installation.
  
- 2 **Damage** in respect of any **Building** which is empty or not in use.
  
- 1 **Damage** in respect of any **Building** which is empty or not in use.
  
- 2 **Damage** by heat caused by fire.
  
- 1 **Damage to Property at Your Premises** which does not involve
  - A) entry to or exit from that part of the **Building** occupied by **You** for the purpose of the **Business** by forcible and violent means

or

  - B) actual or threatened assault or violence.
  
- 2 **Damage to Property** in any part of the **Building** not occupied by **You** for the purpose of the **Business**.

## What is covered

- 3 **Damage** to lead forming part of the exterior of the **Premises**.
- 4 **Damage** to moveable **Property** in the open.
- 5 **Damage** to **Property** in any outbuilding.
- 6 **Damage** to **Money** and securities of any description.
- 7 **Damage** to **Computer Equipment, Ancillary Equipment** or **Computer Systems Records**
  - A) in transit unless it is in the custody of **Your** director, principal, partner or **Employee**
  - B) from an unattended vehicle unless it is
    - i) concealed in a glove compartment or locked luggage compartment  
and
    - ii) all points of access to the vehicle are locked or the vehicle is stolen at the same time.
- 8 Subsidence, ground heave or landslip.
- 9 Oil escaping from a fixed heating installation or connected apparatus.

## What is not covered

- 1 **Damage** arising from the settlement or movement of made-up ground or by coastal erosion or erosion by any water course.
- 2 **Damage** occurring as a result of the construction, demolition, structural alteration or structural repair of any **Property** at the **Premises**.
- 3 **Damage** arising from normal settlement or bedding down of new structures.
- 4 **Damage** commencing prior to the granting of cover under this Insurance.

## What is covered

- 10 Falling trees or their branches.
- 11 Any other accident.

## What is not covered

- 1 **Damage** caused by felling or lopping by **You** or on **Your** behalf.
- 1 **Damage** by any of the **Events** 1 – 10 or 12 or the causes shown under 'What is not covered' for each of these **Events** (whether or not insured).
- 2 **Damage** to any **Property** caused by
  - A) its own faulty or defective design or materials
  - B) inherent vice, latent defect, wear and tear, gradual deterioration or any gradually operating cause or
  - C) faulty or defective workmanship, operational error or omission on **Your** part or that of **Your Employees**

but this shall not exclude subsequent **Damage** which itself results from an insured **Event**.

- 3 **Damage** caused by
  - A) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
  - B) change in temperature, colour, flavour, texture or finish
  - C) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of connected steam and feed piping
  - D) mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which the breakdown or derangement originates

## What is covered

## What is not covered

- E) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services

but not

- i) such **Damage** which itself results from other **Damage** which is covered by this Insurance
  - ii) subsequent **Damage** which itself results from an insured **Event**.
- 4 **Damage** caused by pollution or contamination.
  - 5 **Damage** caused by acts of fraud or dishonesty.
  - 6 **Damage** caused by disappearance, unexplained or inventory shortage, misfiling or misplacing of information.
  - 7 **Damage** to a building or structure caused by its own collapse or cracking.
  - 8 **Damage** to fences, gates and moveable **Property** in the open by wind, rain, hail, sleet, snow, flood or dust.
  - 9 **Damage** to **Property** resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair.
  - 10 **Damage** to **Property** in transit other than **Computer Equipment, Ancillary Equipment** or **Computer Systems Records**.
  - 11 **Damage** to **Computer Equipment, Ancillary Equipment** or **Computer Systems Records** in transit unless it is in the custody of **Your** director, principal, partner or **Employee**.

## What is covered

### EVENT 12 ONLY APPLIES IF 'COMPUTER BREAKDOWN' IS INCLUDED UNDER PROPERTY DAMAGE INSURANCE IN YOUR SCHEDULE

- 12 Mechanical or electrical breakdown or derangement in respect of **Computer Equipment** or **Ancillary Equipment**.

## What is not covered

- 12 **Damage** to **Property** or structures in course of construction or erection and to materials or supplies relating to such **Property** or structures.
- 13 **Damage** to vehicles licensed for road use (including attached accessories), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft.
- 14 **Damage** to land, roads, pavements, piers, jetties, bridges, culverts or excavations.
- 15 **Damage** to livestock, growing crops or trees.

- 1 **Damage** by any of the **Events** 1 – 11 or the causes shown under 'What is not covered' for each of these **Events** (whether or not insured).
- 2 **Damage** caused by or consisting of wear and tear or deterioration due to atmospheric conditions, rust or corrosion, faulty or defective workmanship, operational error or omission by **You** or **Your Employees**  
  
but this shall not exclude subsequent **Damage** which itself results from an insured **Event**.
- 3 **Damage** to **Computer Equipment** or **Ancillary Equipment** in the open.
- 4 Any amount in excess of 10% of the **Gross Revenue** Sum Insured or £250,000 whichever is the lower figure after the application of all other terms and conditions of this Insurance

## What is covered

## What is not covered

- A) in respect of **Damage to Computer Equipment** or **Ancillary Equipment** recoverable under any guarantee or **Maintenance Agreement**
  - B) if a **Maintenance Agreement** is not in force at the time of **Damage**.
- 5 Loss incurred during the first 48 hours following **Damage** unless a **Maintenance Agreement** is in force at the time of **Damage**.
- 6 **Damage to Computer Equipment** or **Ancillary Equipment** resulting from
- A) its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair
  - B) pollution or contamination
  - C) acts of fraud or dishonesty
  - D) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services

but not such **Damage** which itself results from other **Damage** which is covered by this Insurance.

# Extensions to Cover

## THIS INSURANCE ALSO COVERS

### What is covered

#### 1 Loss at Suppliers' or Customers' Premises

**Damage** by any of the insured **Events I – II** to any suppliers' or customers' premises within **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

#### 2 Loss at Storage Sites

**Damage** by any of the insured **Events I – II** to any premises within **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man which is not owned or occupied by **You** but which is used by **You** solely for storage purposes.

#### 3 Failure of Public Supply

Loss as a result of accidental failure of the public supply of

- A) electricity at the terminal ends of the supply authority's service feeders at the **Premises**
- B) gas at the supply authority's meters at the **Premises**
- C) water at the supply authority's main stop cock serving the **Premises**.

### What is not covered

1 Any amount in excess of 10% of the **Gross Profit** Sum Insured or £250,000 whichever is the lower figure after the application of all other terms and conditions of this Insurance.

1 Any amount in excess of 10% of the **Gross Profit** Sum Insured or £250,000 whichever is the lower figure after the application of all other terms and conditions of this Insurance.

1 Loss incurred during the first 24 consecutive hours of the **Indemnity Period**.

2 Loss as a result of failure of the public supply caused by drought or the deliberate act of any supply authority or service provider or by the exercise by any authority of its power to withhold or restrict supply or services.

3 Any amount in excess of £250,000 after the application of all other terms and conditions of this Insurance.

4 Loss as a result of the failure or restriction of the public supply caused by industrial action or strikes.

## What is covered

### 4 Disease, Murder, Suicide, Vermin and Pests

Loss as a result of

- A) closure or restrictions placed on the **Premises** on the advice or with the approval of the Medical Officer of Health of the Public Authority as a result of a notifiable human disease manifesting itself at the **Premises**
- B) injury or illness sustained by any customer or **Employee** arising from or traceable to foreign or injurious matter in food or drink sold from the **Premises**
- C) closing of the whole or part of the **Premises** by order of the Public Authority for the area in which the **Premises** are situated as a result of defects in the drains and other sanitary arrangements at the **Premises**
- D) murder or suicide occurring at the **Premises**
- E) vermin and pests at the **Premises**.

### 5 Denial of Access and Loss of Attraction

**Damage to Property** in the vicinity of the **Premises** by any of the insured **Events** 1 – 11 which

- A) hinders or prevents the use of the **Premises** or access to them or
- B) causes a fall in the number of customers attracted to the vicinity of the **Premises** whether the **Property** used by **You** for the purpose of the **Business** shall be damaged or not.

## What is not covered

- 1 Any amount in excess of £250,000 after the application of all other terms and conditions of this Insurance.

- 1 Loss as a result of obstruction by snow or flood water:
- 2 Loss as a result of **Damage** which prevents or hinders the supply of electricity, gas, water or telecommunications services.
- 3 Any amount in excess of £250,000 after the application of all other terms and conditions of this Insurance.

## What is covered

### 6 Telecommunications System

Loss as a result of accidental failure of the telecommunications system serving the **Premises** at the incoming telephone line terminals at the **Premises**.

## What is not covered

- 1 Loss as a result of accidental failure of satellite or mobile phone services.
- 2 Loss incurred during the first 24 consecutive hours of the **Indemnity Period**.
- 3 Loss as a result of failure of the telecommunications system caused by the deliberate act of the service provider or the exercise by any authority of its power to withhold or restrict services.
- 4 Any amount in excess of £250,000 after the application of all other terms and conditions of this Insurance.
- 5 Loss as a result of a failure or restriction of the telecommunication system caused by industrial action or strikes.
- 6 Loss as a result of upgrading the system by **You** whether or not undertaken by the telecommunications authority.
- 7 Loss as a result of essential repair for routine maintenance work undertaken by the telecommunications authority.
- 8 Loss as a result of use of equipment by **You** which is incorrectly installed or incompatible with the telecommunications system.
- 9 Loss as a result of the inability to access
  - A) extranets
  - or
  - B) applications and any services over the internet.

## What is covered

### 7 Property at Other Locations and In Transit

Damage by any insured **Event** to

- A) **Deeds and Documents** and **Transparencies** whilst removed from the **Premises** to any location and whilst in transit within Europe
- B) any other **Property Insured** (excluding **Computer Equipment, Ancillary Equipment, Computer Systems Records** and vehicles licensed for road use)
  - i) whilst temporarily removed from the **Premises** to any location and whilst in transit for cleaning, renovation, repair or other similar purposes within Europe
  - ii) in transit by road, rail, air or inland waterway within **Great Britain, Northern Ireland, the Channel Islands** or the Isle of Man.

### 8 Outstanding Debit Balances

Damage by any insured **Event** at the **Premises** to **Property Insured** which prevents **You** from tracing or establishing customers' **Outstanding Debit Balances** in whole or in part due to **You**.

### 9 In respect of Computer Equipment and Ancillary Equipment

The accidental failure of the electricity supply in the distribution wiring within the **Premises** in which the **Computer Equipment** or **Ancillary Equipment** is situated.

## What is not covered

- 1 Loss as a result of **Damage** to the conveying vehicle or craft by impact.
- 2 Any amount in excess of £25,000 any one loss after the application of all other terms and conditions of this Insurance.

- 1 Any amount in excess of the **Limit of Liability** in any **Period of Insurance** shown in the **Schedule**.

- 1 Any failure which is caused by **Event 12**.
- 2 Any amount in excess of 10% of the total sum insured in respect of **Gross Profit** or £250,000 whichever is the lower figure after the application of all other terms and conditions of this Insurance.

## What is covered

### 10 Index Linking

An adjustment in the sum insured in respect of **Gross Profit** shown on the **Schedule** will automatically be applied monthly in line with the relevant recognised index.

For **Your** protection **We** will not reduce **Your** sum insured if the index moves down unless **You** ask **Us** to.

No extra charge will be made for any increase in sum insured until the renewal of the **Policy** when the renewal premium will be based on adjusted sums insured.

## What is not covered

### THIS INSURANCE ALSO DOES NOT COVER

#### 1 Sonic Bangs

Loss as a result of **Damage** by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

#### 2 War and Allied Risks

Loss as a result of **Damage** caused by

- A) riot or civil commotion unless such **Event** is specifically insured and then only to the extent stated
- B) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power:

## What is covered

## What is not covered

### 3 Pollution and Contamination

Loss as a result of **Damage** caused by pollution or contamination but this shall not exclude loss resulting from **Damage** (not otherwise excluded) caused by

- A) pollution or contamination which itself results from any **Event** insured (other than **Event** 11)
- B) any **Event** insured (other than **Event** 11) which itself results from pollution or contamination.

### 4 Radioactive Contamination

Loss as a result of **Damage** caused by or happening through or causing loss or destruction of or **Damage** to any **Property** whatsoever or any loss or expense whatsoever resulting or arising therefrom or any loss directly or indirectly caused by or contributed to by or arising from

- A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- B) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or a nuclear component of it.

### 5 Satellite Telecommunications

- A) Loss arising from the failure of any satellite prior to it obtaining its full operating function or while in or beyond the final year of its design life.
- B) Atmospheric solar or lunar conditions causing temporary interference with transmission to or from any satellite.

## What is covered

## What is not covered

### 6 Terrorism

Loss as a result of **Damage** caused by or happening through or in consequence directly or indirectly of

A) Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss

and

B) in Northern Ireland civil commotion.

This Insurance also excludes **Damage** or loss resulting from **Damage** directly or indirectly caused by resulting from or in connection with any action aimed at controlling, preventing, suppressing or in any way relating to an act of Terrorism.

In **Great Britain** and Northern Ireland Terrorism means

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 so far that this Insurance is extended to include any situation elsewhere than in **Great Britain** and Northern Ireland Terrorism means

any act including but not limited to the use of force or violence or the threat of any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government committed for political, religious, ideological or similar purposes including the intention to

## What is covered

## What is not covered

- A) influence any government or any international governmental organisation or
- B) put the public or any section of the public in fear:

In any action, suit or other proceedings where **We** allege that by reason of this exclusion any **Damage** or loss resulting from **Damage** is not covered by this Insurance the burden of proving that such **Damage** or loss is covered shall be upon **You**.

### 7 Electronic Risk

Loss as a result of **Damage** to the **Property Insured** arising directly or indirectly from

- A) the transmission or impact of any **Virus**
- B) unauthorised access to a **System**
- C) interruption or interference with electronic means of communication used in the conduct of **Your Business** including but not limited to any diminution in the performance of any website or electronic means of communication
- D) **Failure of a System**
- E) any misinterpretation, use or misuse of **Data**

but **We** will not exclude **Damage** to **Property Insured** caused by **Events** | – | | unless

**What is covered****What is not covered**

- 1 such **Damage** arises from
  - i) any malicious act
  - ii) any omission
  - iii) theft where the theft is achieved by electronic means
  - iv) any of the causes shown under 'What is not covered' for each of **Events 1 – 11** (whether or not insured)
- 2 in respect of **Damage to Data** by **Event 7** (Theft) the theft is achieved by electronic means alone and the physical media on which the **Data** is held is not also stolen.

## Business Interruption Insurance - how We settle claims

If **Damage** by any **Event** covered under this Insurance occurs

- 1 at the **Premises** to **Property Insured** used by **You** for the purpose of the **Business**
- 2 anywhere in the world to **Computer Equipment, Ancillary Equipment** or **Computer Systems Records** whilst temporarily removed from the **Premises** by **You** for the purpose of the **Business**

and causes interruption of or interference with **Your Business** at the **Premises**

We will pay **You** the amount of loss resulting from the interruption or interference caused by the **Damage** in accordance with the following

- 1 in respect of reduction in **Turnover**  
the sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** falls short of the **Standard Turnover**
- 2 in respect of Increase in Cost of Working  
the additional expenditure reasonably incurred in avoiding or minimising the reduction in **Turnover** which but for that expenditure would have taken place during the **Indemnity Period** but no more than the total of
  - A) the sum produced by applying the **Rate of Gross Profit** to the amount of the reduction thereby avoided plus
  - B) 5% of the **Gross Profit** sum insured or £250,000 whichever is the less.

## Outstanding Debit Balances – how We settle claims

If **Damage** by any **Event** covered under this Insurance occurs at the **Premises** which prevents **You** from tracing or establishing customers' **Outstanding Debit Balances** in whole or in part due to **You**

We will pay **You**

- 1 the difference between the **Outstanding Debit Balances** and the total of the amounts received or traced in connection with such balances
- 2 the additional expenditure incurred with **Our** consent in tracing and establishing customers' debit balances after the **Damage**.

## Other considerations when settling any claims under this Insurance

### Material Damage Requirement (not applicable to Event 12)

Payment must have been made or liability admitted for the **Damage** under an insurance covering **Your** interest in the **Property** or

Payment would have been made or liability admitted for the **Damage** but for the operation of a term in such insurance excluding liability for losses below a specified amount.

### Limit of Liability

**Our** liability in any one **Period of Insurance** shall not exceed in the whole the total sum insured or in respect of any item its sum insured or any other stated **Limit of Liability**.

## Our rights against persons using Computer Equipment or Ancillary Equipment

We agree not to pursue any rights We may have against any person causing **Damage** whilst using **Computer Equipment** or **Ancillary Equipment** provided that the person

- 1 has **Your** authority to use the items
- 2 is subject to the terms and conditions of this **Policy** as they apply to **You**.

## Alternative trading

If during the **Indemnity Period** work is carried out or services rendered elsewhere than at the **Premises** for the benefit of the **Business** either by **You** or by others on **Your** behalf the money paid or payable in respect of such sales or services shall be taken into account in arriving at the **Turnover** during the **Indemnity Period**.

## Savings

If any of the charges or expenses of the **Business** payable out of **Gross Profit** cease or reduce directly as a result of the **Damage** the amount of such savings during the **Indemnity Period** shall be deducted from the amount payable.

## Underinsurance

If the sum insured is less than the Insurable Amount (see below) the amount payable shall be proportionately reduced.

The Insurable Amount is the **Gross Profit** which would have been earned in the twelve months immediately following the date of the **Damage** had the **Damage** not occurred after account has been taken of the trends of the **Business** and of the variations in or other circumstances

affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred (subject to the proviso that the amount of **Gross Profit** shall be proportionately increased to correspond with the maximum **Indemnity Period** where it exceeds twelve months).

- |             |   |   |
|-------------|---|---|
| <b>Note</b> | 1 | Value Added Tax is excluded to the extent that <b>You</b> are accountable to the tax authorities. |
|             | 2 | Any adjustment implemented in current cost accounting is disregarded.                             |

## Professional Accountants' charges

We will pay the reasonable charges payable by **You** to **Your** professional accountants for producing information required by **Us** under the terms of the Claims Conditions and for reporting that such information is in accordance with **Your** accounts.

## Payments on account

Payments on account may at **Our** discretion be made during the **Indemnity Period** if requested by **You**.

## Automatic reinstatement after a loss

In the absence of written notice by **You** or **Us** to the contrary the applicable sum insured (or other restriction on the amount of **Our** liability) shall not be reduced by the amount of any loss provided that **You** shall pay the appropriate additional premium for such automatic reinstatement of cover. (Automatic Reinstatement will not be provided in respect of the cover for **Outstanding Debit Balances**).

## Requirements which You must comply with to minimise loss of Gross Profit

### Computer Systems Records

It is a requirement of this Insurance that You shall ensure that

- 1 back up information is taken and verified at least once every 24 hours and is
  - A) maintained at a location other than the **Premises** or
  - B) stored in a fireproof safe or fireproof cabinet on the **Premises** with a verified copy taken and stored at a location other than the **Premises** at least once every seven days
- 2 written and enforced **Data** protection, system security and virus protection procedures are in place for **Employees** with access to **Data**
- 3 at least one verified copy and up to date set of software programmes is maintained at a location other than the **Premises**.

**Failure to comply with any of these requirements may result in Us not paying Your claim.**

## Requirements which You must comply with to minimise loss of Outstanding Debit Balances

### Duplicate Records

It is a requirement of this Insurance that You shall maintain a record elsewhere than in the building in which the original records are kept showing the total amount outstanding in the credit accounts of the **Business** at the end of each month and in the event of **Damage** giving rise to a claim shall supply that record to **Us**.

**Failure to comply with this requirement may result in Us not paying Your claim.**

## THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE

# Money Insurance

### What is covered

**Damage** to **Money** and property described up to the **Limit of Liability** any one loss as stated in the **Schedule** or as below

#### I Negotiable Money

- A) in **Your Business Premises** during **Working Hours** or in transit or in a bank night safe and thereafter within bank premises until at the bank's risk

**Limit of Liability** - as shown in the **Schedule**.

- B) in **Your Business Premises** out of **Working Hours**

- i) in locked safes or strongrooms as shown in the **Schedule**

**Limit of Liability** any one loss - as shown in the **Schedule**

- ii) in all other locked safes or strongrooms

**Limit of Liability** any one loss – as shown in the **Schedule**

- iii) not in a locked safe or strongroom

**Limit of Liability** any one loss - £500.

- C) in **Your** residence or that of **Your** directors, partners or **Employees**

- i) whilst in a locked safe or whilst an adult is in the residence

**Limit of Liability** any one loss - £500

- ii) otherwise

**Limit of Liability** any one loss - £250.

### What is not covered

- 1 **Your Contribution** as shown in the **Schedule**.
- 2 **Damage** by theft by any of **Your** directors, partners or **Employees** unless the theft is discovered within seven working days of the occurrence.
- 3 **Damage** to or corruption of **Data** whether in whole or part.
- 4 Shortage due to error or omission.
- 5 **Damage** due to the use of counterfeit **Money**.
- 6 **Damage** outside of **Great Britain**, Northern Ireland, the Republic of Ireland, the Channel Islands or the Isle of Man.
- 7 **Damage** by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.
- 8 **Damage** caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or riot or civil commotion in Northern Ireland or the Republic of Ireland.
- 9 **Damage** to any **Property** whatsoever or any loss or expense whatsoever resulting or arising therefrom or any loss directly or indirectly caused by or contributed to by or arising from
  - A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - B) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of it.

## What is covered

### 2 Non-Negotiable Money

**Limit of Liability** any one loss - £250,000.

### 3 **Damage** to clothing and personal effects (not exceeding £25 per person in personal **Money**) belonging to **You** or any of **Your** directors, partners or **Employees** following a robbery or attempted robbery whilst engaged in the **Business**

**Limit of Liability** any one loss  
- £500 per person.

### 4 Stamped or impressed National Insurance Cards

**Limit of Liability** – Unlimited.

### 5 **Damage** following theft or attempted theft to any postal franking machine, safe, strongroom or any container or waistcoat used for the carriage of **Money** belonging to **You** or for which **You** are responsible

**Limit of Liability** – Unlimited.

## What is not covered

# Extensions to Cover

## THIS INSURANCE ALSO COVERS

### Personal Injury (Robbery)

#### What is covered

We will pay the appropriate amount to **You** in accordance with the number of Units of cover shown in the **Schedule** and the Benefits set out below if accidental bodily injury is sustained by any **Insured Person**

- 1 solely and directly as a result of robbery or attempted robbery while engaged in the **Business** and
- 2 within two years is the sole cause of Death, **Disablement** or incurring of **Medical Expenses** for which the Benefit is claimed.

#### Benefits

- 1 Death  
£5,000 per Unit.
- 2 **Loss of Limb** or **Loss of Eye**  
£5,000 per Unit.
- 3 Permanent Total Disablement other than by **Loss of Limb** or **Loss of Eye** from gainful employment of any and every kind  
£5,000 per Unit.
- 4 Temporary Total Disablement from usual occupation  
£50 per week per Unit (for a maximum of 104 weeks in all and not necessarily consecutive).
- 5 **Medical Expenses** necessarily incurred in the treatment of the **Insured Person**  
Reimbursement up to 15% of the amount payable under Benefit 4.

#### What is not covered

Benefit will not be paid for

- 1 Bodily injury sustained by any person before such person attains the age of sixteen years or after the expiry of the **Period of Insurance** during which such person attains the age of eighty years.
- 2 Bodily injury, Death, **Disablement** or **Medical Expenses** resulting from or contributed to by the **Insured Person** having a physical or mental defect of any sort which was known either to **You** or the **Insured Person** when the **Policy** was issued or at renewal unless the defect has been notified to **Us** and accepted in writing by **Us**.
- 3 Sickness or disease or any naturally occurring condition or degenerative process or the result of a gradually operating cause.

## Money Insurance - how We settle claims

If **Money** and insured **Property** suffers **Damage** **We** will pay **You** the amount of loss of **Money** or at **Our** option reinstate or replace the **Property** provided that **Our** liability shall not exceed any stated **Limit of Liability**.

## Other considerations when settling claims under this Insurance

If at the time of any claim under this Insurance **You** are or would but for the existence of this **Policy** be entitled to indemnity under any other policy or policies **We** shall not be liable except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this Insurance not been effected.

## Requirements which You must comply with to prevent loss or Damage

### Security Precautions

It is a requirement of this Insurance that

- I **You** shall ensure that whenever the **Business Premises** are left unattended
  - A) all locks bolts and other protective devices are in full and effective operation
  - B) all keys (including those relating to any part of the **Intruder Alarm System**) are removed from the **Business Premises**.

- 2 **You** shall maintain the **Intruder Alarm System** at the **Premises** in full and effective working order under a contract to provide both corrective and preventive maintenance with the installer or such other contractor agreed by **Us** in writing.
- 3 **You** shall ensure the **Business Premises** are not left unattended
  - A) unless the **Intruder Alarm System** is tested and set in its entirety and is together with the means of communication used to transmit signals in full and effective operation and where the equipment permits any alarm receiving centre to which the **Intruder Alarm System** is connected has acknowledged the setting signal
  - B) if police response to alarm calls has been withdrawn  
without **Our** written agreement.
- 4 **You** shall ensure that any **Intruder Alarm System** required or approved by **Us** is installed in accordance with a specification agreed in writing by **Us**.
- 5 **You** shall not make any alteration to or substitution of
  - A) any part of the **Intruder Alarm System**
  - B) the procedures agreed by **You** for police or any other response to any activation of or other warning signal pertaining to the **Intruder Alarm System**
  - C) the maintenance contract  
without **Our** written agreement.
- 6 **You** shall not make any structural alteration of or changes in layout to the **Premises** that could affect operation of the **Intruder Alarm System** without **Our** written agreement.

- 7 **You** shall maintain secrecy of codes for operation of the **Intruder Alarm System** and shall not leave details of such codes at the **Business Premises** when the **Business Premises** are unattended.
- 8 **You** shall appoint at least two **Keyholders** and shall record details of the **Keyholders** with the police and any alarm receiving centre to which the **Intruder Alarm System** signals.
- 9 **You** shall immediately notify any change of **Keyholder** details to the police and any alarm receiving centre to which the **Intruder Alarm System** signals.
- 10 **You** shall ensure that in the event of notification of any activation of the **Intruder Alarm System** or interruption of the means of communication during any period that the system is set a **Keyholder** shall attend and allow access to the **Business Premises** without delay.
- 11 **You** shall advise **Us** as soon as possible and in any event not later than 10.00am on **Our** next working day and comply with any subsequent requirements stipulated by **Us** if **You** receive any notification
  - A) from the police, alarm installer/ maintenance contractor or alarm receiving centre that response to alarm signals or line interruptions 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.

**Failure to comply with any of these requirements may result in Us not paying Your claim.**

**THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE**

# Liabilities Insurance

## Section I Employers' Liability

### What is covered

Any **Person Entitled to Indemnity** is covered

- 1 against legal liability for damages in respect of **Injury** of any **Person Employed** caused during any **Period of Insurance**
  - A) in **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Manor
  - B) while temporarily outside these territoriesarising out of and in the course of employment by **You** in the **Business**
- 2 against legal liability for claimant's costs and expenses in connection with 1 above
- 3 in respect of
  - A) costs of legal representation at
    - i) any coroner's inquest or inquiry in respect of any death
    - ii) proceedings in any Court arising out of any alleged breach of statutory duty resulting in **Injury**which may be the subject of indemnity under this Section
  - B) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 above

incurred with **Our** written consent.

### What is not covered

#### 1 Radioactive Contamination

Any legal liability directly or indirectly caused by, or contributed to by, or arising from

- A) ionising radiation or radioactive contamination from any nuclear fuel or waste which results from the burning of nuclear fuel

or

- B) the radioactive, toxic, explosive or other dangerous properties of any nuclear assembly or any part of it

where the legal liability is

- i) that of any principal
- ii) accepted under an agreement without which the legal liability would not exist.

#### 2 Road Traffic Legislation

Any legal liability for **Injury** in respect of which **You** are required to arrange insurance or security in accordance with road traffic legislation within the European Union.

# Extensions to Section I

## THIS INSURANCE ALSO COVERS

### What is covered

#### 1 Compensation for Court Attendance

If **We** require any director, partner or **Employee** of **Yours** to attend Court as a witness in connection with a claim **We** will pay **You** the amount shown below

- A) for any director or partner of **Yours** £500 per day
- B) for any **Employee** £250 per day.

#### 2 Unsatisfied Court Judgements

If an **Employee** or their personal representative is awarded damages for **Injury** in any Court situated in **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man which is not paid, in whole or in part, after 6 months, **We** will, at **Your** request, pay the amount of the judgement provided that

- A) the damages are awarded against a company or individual operating from premises in **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man
- B) the **Injury** was caused during any **Period of Insurance** in the course of employment by **You**
- C) there is no on-going, planned or outstanding appeal
- D) the **Employee** or their personal representative shall assign the judgement to **Us**.

### What is not covered

## **What is covered**

### **3 Index Linking**

**We** will adjust the estimate of wages provided by **You** and on which the premium for this Section is based in line with suitable indices of costs and the premium at renewal will be based on the adjusted amount of wages. **We** will not reduce **Your** estimate of wages if the index moves down unless **You** ask **Us** to.

## **What is not covered**

# Employers' Liability - how We settle claims

## How We settle claims for Your legal liabilities to Persons Entitled to Indemnity

Subject to the terms and conditions of **Your Policy**, **We** will pay the amount of any damages and costs which a Court has ordered **You** to pay or which **You** have (with **Our** written consent) agreed to pay, in addition to any costs that **You** have incurred with **Our** written consent.

### The most We will pay

**Our** liability for **Injury** and costs and expenses payable in respect of any one **Event** will not exceed the **Limit of Indemnity** shown under Section 1 (Employers' Liability) in **Your Schedule**.

For the purposes of the **Limit of Indemnity** applying to Terrorism (as shown in the **Schedule**), Terrorism means

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.

### Our right to pay the full limit at any time

In respect of any one **Event**, **We** may pay the **Limit of Indemnity** shown in **Your Schedule** (less any sums already paid or incurred) or any lesser amount for which any claims arising from the **Event** can be settled. **We** will then relinquish control of such claims and be under no further liability.

## Parties to the contract of insurance

The total amount payable by **Us** in respect of all damages, costs and expenses arising out of all claims during any one **Period of Insurance** consequent on or attributable to one source or original cause irrespective of the number of **Persons Entitled to Indemnity** having a claim under this **Policy** consequent on or attributable to that one source or original cause shall not exceed the **Limit of Indemnity** shown under Section 1 (Employers' Liability) in **Your Schedule**.

For the purposes of the **Limit of Indemnity** all of the **Persons Entitled to Indemnity** under this **Policy** shall be treated as one party or legal entity so that there will be only two parties to the contract of insurance namely **Us** and **You**.

## THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE

# Section 2 Public Liability/Products Liability

### What is covered

Any **Person Entitled to Indemnity** is covered

- I up to the **Limit of Indemnity** against legal liability for damages in respect of
  - A) accidental **Injury** of any person
  - B) **Damage to Property**
  - C) accidental nuisance, accidental trespass to land or goods, or accidental interference with any easement, right of air, light, water or way

happening during any **Period of Insurance** in connection with the **Business**
- 2 against legal liability for claimant's costs and expenses in connection with I above
- 3 in respect of
  - A) costs of legal representation at
    - i) any coroner's inquest or inquiry in respect of any death
    - ii) proceedings in any Court arising out of any alleged breach of statutory duty resulting in **Injury**

which may be the subject of indemnity under this Section
  - B) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under I above

incurred with **Our** written consent.

### What is not covered

#### I Mechanical Vehicles

Any legal liability arising from or out of the ownership possession or use by or on behalf of **You** or any **Person Entitled to Indemnity** of any

- A) mechanically propelled vehicle other than legal liability arising out of
  - i) the use of plant as a tool of trade on site
  - ii) the use of plant at **Your Premises**
  - iii) the loading or unloading of any vehicle

except where **You** are required to arrange insurance or security in accordance with road traffic legislation, or where cover is provided by a motor insurance policy

- B) aircraft or other aerial device
- C) aerospace device
- D) hovercraft
- E) water-borne craft (other than hand-propelled or sailing craft in inland or territorial waters).

#### 2 Employers' Liability

Any legal liability for bodily injury or mental injury to or death, disease or illness of any **Person Employed** arising out of and in the course of employment by **You** in the **Business**.

## What is covered

## What is not covered

### 3 Property in Your Custody or Control

Any legal liability for **Damage** to any **Property** which belongs to or is held in trust by or is in the custody or control of **You** other than

- A) **Your** directors', partners', **Employees'** or visitors' personal effects including vehicles and their contents
- B) premises and their contents which are not owned, leased or rented to **You** at which **You** are working in connection with **Your Business**
- C) premises and their fixtures and fittings which are leased or rented to **You** unless the legal liability arises solely because of a contract or agreement or where the legal liability arises from an agreement to maintain insurance in respect of **Damage** to any such premises and their fixtures and fittings.

### 4 Pollution or Contamination

Any legal liability caused by or arising out of pollution or contamination of buildings or other structures or of water or land or the atmosphere unless the pollution or contamination is caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during any **Period of Insurance**. All pollution and contamination which arises out of one incident shall be considered by **Us** for the purpose of this **Policy** to have occurred at the time such incident takes place.

## What is covered

## What is not covered

### 5 Product Defects and Recall

- A) Any legal liability in respect of loss of or **Damage** to any product supplied or contract work executed by **You** caused by any defect or unsuitability for its intended purpose.
- B) Any legal liability in respect of the cost of recall, removal, repair, alteration, replacement or reinstatement arising from the defect or unsuitability of any product supplied by **You** or any contract work executed by **You**.

### 6 Professional Risks

Any legal liability arising from or in connection with any advice, design or specification provided by **You** for a fee.

### 7 Contractual Liability

Any legal liability arising from or in connection with any product supplied or contract work executed by **You** where such liability has been accepted by agreement except to the extent that such liability would have attached in the absence of such agreement. This exclusion shall not apply if such agreement has been accepted by **Us** in writing.

### 8 Disposed Premises

Any legal liability for the costs of remedying

- A) any defect or alleged defect
- B) the presence of **Asbestos, Asbestos Dust or Asbestos Containing Materials**

in premises disposed of by **You**.

## What is covered

## What is not covered

### 9 Fines or Penalties

Any legal liability for

- A) fines or penalties
- B) compensation ordered or awarded by a Court of Criminal Jurisdiction
- C) aggravated, exemplary or punitive damages awarded by any Court outside **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

### 10 Radioactive Contamination

Any legal liability directly or indirectly caused by, or contributed to by, or arising from

- A) ionising radiation or radioactive contamination from any nuclear fuel or waste which results from the burning of any nuclear fuel

or

- B) the radioactive, toxic, explosive or other dangerous properties of any nuclear assembly or any part of it.

### 11 War and Allied Risks

Any legal liability arising from any consequence of war, invasion, act of foreign enemy, hostilities, (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power:

### 12 Breach of Professional Duty

Any legal liability arising out of or in connection with any breach of professional duty.

## What is covered

## What is not covered

### 13 Fear of Asbestos

Any legal liability for mental injury or fear of suffering bodily injury, death, disease or illness arising out of actual or suspected exposure to **Asbestos, Asbestos Dust** or **Asbestos Containing Materials**.

### 14 Asbestos Removal Costs

Any legal liability for the costs of management (including those of any persons under any statutory duty to manage), removal, repair, alteration, recall, replacement or reinstatement of any property or part thereof arising out of the presence of **Asbestos, Asbestos Dust** or **Asbestos Containing Materials**.

### 15 Contribution

Your **Contribution** as shown in the **Schedule**.

# Extensions to Section 2

## THIS INSURANCE ALSO COVERS

### What is covered

#### 1 Cross Liabilities

If there is more than one Policyholder specified in the **Schedule** this Section will apply separately to each one as if a separate **Policy** had been issued to each

Provided that **Our** total amount payable does not exceed the **Limit of Indemnity** stated in the **Schedule**.

#### 2 Compensation for Court Attendance

If **We** require any director, partner or **Employee** of **Yours** to attend Court as a witness in connection with a claim **We** will pay **You** the amount shown below

- A) for any director or partner of **Yours** £500 per day
- B) for any **Employee** £250 per day.

#### 3 Contingent Motor Liability

**Your** legal liability to pay damages and/or costs resulting from

- A) **Injury** to others, or
- B) **Damage** to **Property** belonging to others

arising out of the use of any motor vehicle by an **Employee** in the course of the **Business** which is not **Your Property** nor provided by **You**.

### What is not covered

- 1 **Damage** to the vehicle or its contents.
- 2 Any legal liability caused while the vehicle is being driven by **You**.
- 3 Where cover is provided by any other insurance policy.
- 4 Any legal liability caused while the vehicle is being driven outside of **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

## What is covered

### 4 Personal Legal Liabilities whilst Overseas

We will cover **You** or at **Your** request **Your** directors, partners, **Employees** or any family member accompanying them for legal liabilities in a personal capacity whilst temporarily outside of **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man in connection with the **Business**.

### 5 Data Protection Act 1998

**Your** legal liability to pay damages and/or costs to others which are the result of damage or distress as described in Section 13 of the Data Protection Act 1998

Provided that

- A) **You** are registered in accordance with the terms of the Act, or
- B) **You** have applied for registration and it has not been refused or withdrawn
- C) **You** have taken all reasonable precautions to comply with the requirements of the Act.

We will also cover at **Your** request **Your** directors, partners or **Employees** under this Extension.

The **Business** shall include the provision of any reciprocal arrangement for the storage or processing of computer data or for the use of computer facilities.

## What is not covered

- I Any legal liability arising out of
  - A) the ownership or occupation of land or buildings
  - B) where cover is provided by any other insurance policy
  - C) all exclusions shown under 'What is not covered'.
- I Any legal liability **You** have to pay fines or penalties.
- 2 The cost of rectifying, reinstating, erasing, blocking or destroying any personal data.
- 3 Where cover is provided by any other insurance.
- 4 Any claim arising from or caused by a deliberate or intentional act or omission by anyone entitled to cover under this Extension.
- 5 Any claim arising from or caused by circumstances notified to any of **Your** previous insurers.
- 6 Any claim arising from circumstances known to **You** at the time **You** took out this Insurance.

## **What is covered**

### **6 Index Linking**

**We** will adjust the estimate of wages and turnover provided by **You** and on which the premium for this Section is based in line with suitable indices of costs and the premium at renewal will be based on the adjusted amount of wages and turnover.

**We** will not reduce **Your** estimate of wages or turnover if the index moves down unless **You** ask **Us** to.

## **What is not covered**

# Public Liability/Products Liability - how We settle claims

## How We settle claims for Your legal liabilities to third parties

Subject to the terms and conditions of **Your Policy**, **We** will pay the amount of any damages and costs which a Court has ordered **You** to pay or which **You** have (with **Our** written consent) agreed to pay, in addition to any costs that **You** have incurred with **Our** written consent.

**Your Contribution** in respect of damages, costs and expenses, as shown in the **Schedule**, is payable before **We** will be liable to make any payment.

## The most We will pay

In respect of any one **Event** the most **We** will pay is the **Limit of Indemnity** shown under Section 2 (Public Liability/Products Liability) in **Your Schedule**.

In respect of all **Events** happening during any one **Period of Insurance** in respect of products supplied the most **We** will pay is the **Limit of Indemnity** in respect of Products shown under Section 2 (Public Liability/Products Liability) in **Your Schedule**.

In respect of all incidents considered by **Us** to have occurred during any one **Period of Insurance** in respect of pollution or contamination of buildings, other structures, water, land or atmosphere the most **We** will pay is the **Limit of Indemnity** in respect of Pollution shown under Section 2 (Public Liability/Products Liability) in **Your Schedule**.

## Our right to pay the full limit at any time

In respect of any one **Event** **We** may pay the **Limit of Indemnity** shown under Section 2 (Public Liability/Products Liability) in **Your Schedule** (less any sums already paid or incurred) or any lesser amount for which any claims arising from the **Event** can be settled. **We** will then

relinquish control of such claims and have no further liability in respect of them except for any further costs and expenses for which **We** are liable under this **Policy** and which were incurred by **You** prior to the date of such payment.

## Parties to the contract of insurance

If **We** have to provide cover for more than one person **Our** liability will not be more than the **Limit of Indemnity** shown under Section 2 (Public Liability/Products Liability) in **Your Schedule**.

The most **We** will pay in respect of all incidents considered by **Us** to have occurred during any one **Period of Insurance** consequent on or attributable to one source or original cause irrespective of the number of **Persons Entitled to Indemnity** having a claim under this **Policy** consequent on or attributable to that one source or original cause shall not exceed the **Limit of Indemnity** shown under Section 2 (Public Liability/Products Liability) in **Your Schedule**.

The most **We** will pay in respect of all damages arising out of all claims during any one **Period of Insurance** irrespective of the number of sources or original causes of such claims and irrespective of the number of **Persons Entitled to Indemnity** having claims under this **Policy** in respect of those sources or original causes shall not exceed the **Limit of Indemnity** shown under Section 2 (Public Liability/Products Liability) in **Your Schedule**.

For the purposes of the **Limit of Liability** all the **Persons Entitled to Indemnity** under **Your Policy** shall be treated as one party or legal entity so that there will be only two parties to the contract of insurance namely **Us** and **You**.

## THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE

### Section 3 Legal Defence Costs

#### What is covered

##### Part A

Criminal Proceedings relating to Health and Safety at Work etc. Act 1974 in respect of duties to **Your Employees**.

We will pay

- 1 legal costs and expenses incurred with **Our** written consent
- 2 costs awarded against **You** or any director, partner or **Person Employed**

in respect of criminal proceedings or an appeal against a conviction for an offence which is alleged to have been committed during the **Period of Insurance** in the course of the **Business**.

The proceedings must relate to

- A) the health, safety and welfare of a director, partner or **Person Employed**

and

- B) a breach of the Health and Safety at Work Act etc. 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.

#### What is not covered

- 1 Fines or penalties of any kind.
- 2 Compensation awarded by a Criminal Court.
- 3 Where **Injury** to any person or **Damage** to **Property** has occurred.
- 4 Where cover is provided by any other insurance policy.
- 5 Any proceedings or conviction which arise out of any deliberate act or omission by **You** or any director or partner of **Yours**, or by any **Employee** with specific responsibility for compliance with the legislation.
- 6 Any costs or expenses incurred arising out of or in connection with criminal proceedings relating in any way to **Asbestos, Asbestos Dust** or **Asbestos Containing Materials**.

## What is covered

### Part B

Criminal Proceedings relating to Health and Safety at Work etc. Act 1974 or the Consumer Protection Act 1987 in respect of duties to members of the public.

#### We will pay

- 1 legal costs and expenses incurred with **Our** written consent
- 2 costs awarded against **You** or any director, partner or **Person Employed**

in respect of criminal proceedings or an appeal against a conviction for an offence which is alleged to have been committed during the **Period of Insurance** in the course of the **Business**.

The proceedings must relate to

- A) the health, safety and welfare of any person other than a director, partner or **Person Employed**

and

- B) a breach of the Health and Safety at Work Act etc. 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or Part II of the Consumer Protection Act 1987.

## What is not covered

- 1 Fines or penalties of any kind.
- 2 Compensation awarded by a Criminal Court.
- 3 Where **Injury** to any person or **Damage** to **Property** has occurred.
- 4 Where cover is provided by any other insurance policy.
- 5 Any proceedings or conviction which arise out of any deliberate act or omission by **You**, or any director or partner of **Yours**, or by any **Employee** with specific responsibility for compliance with the legislation.
- 6 Any costs or expenses incurred arising out of or in connection with criminal proceedings relating in any way to **Asbestos, Asbestos Dust** or **Asbestos Containing Materials**.

## Legal Defence Costs - how We settle claims

### How We settle claims for Your legal defence costs

As long as the legal defence costs are covered under **Your Policy** **We** will pay the costs that **You** have incurred with **Our** written consent and the costs awarded against **You** and at **Your** request any of **Your** directors, partners or any **Person Employed**.

**We** shall pass notification to an independent third party service provider with whom **We** have an agreement and which shall administer the claim on **Our** behalf.

### The most We will pay

Irrespective of the number of **Persons Entitled to Indemnity** the most **We** will pay in any one **Period of Insurance** for legal defence costs is the **Limit of Indemnity** shown under Section 3 (Legal Defence Costs) in **Your Schedule**.

### Our right to pay the full limit at any time

**We** may pay the **Limit of Indemnity** shown under Section 3 (Legal Defence Costs) in **Your Schedule** (less any sums already paid or incurred) or any lesser amount for which any claims **You** have notified to **Us** can be settled. **We** will then relinquish control of such claims and be under no further liability in respect of legal defence costs. **We** shall pass notification of any claim for legal defence costs to the third party provider approved by **Us**.

### Parties to the contract of insurance

If **We** have to provide cover for more than one person **Our** liability will not be more than the **Limit of Indemnity** shown under Section 3 (Legal Defence Costs) in **Your Schedule**.

For the purposes of the **Limit of Liability** all the **Persons Entitled To Indemnity** under **Your Policy** shall be treated as one party or legal entity so that there will be only two parties to the contract of insurance namely **Us** and **You**.

## THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE

# Terrorism Insurance

### What is covered

- 1 Notwithstanding any provisions to the contrary within this **Policy** the cover in respect of all items insured by the Property Damage, All Risks, Transit and Business Interruption Insurances (where operative) is extended to include Terrorism Insurance as specified below.

This **Policy** includes **Damage** or loss resulting from **Damage** to the **Property Insured** and consequential loss resulting therefrom insofar and to the extent that it is insured by this **Policy** whilst situate within the applicable Territory stated below caused by or resulting from an Act of Terrorism (as defined below)

provided always that Terrorism Insurance is

- A) subject to the excluded causes detailed under 'What is not covered'
- B) not subject to any other excluded causes stated in this **Policy**

provided also that **Our** liability in any one **Period of Insurance** shall not exceed

- A) in the whole the total sum insured
- B) in respect of any item its sum insured or any other stated **Limit of Liability** specified in the **Schedule** or elsewhere in the **Policy**

whichever is the lower subject always to the **Limit of Liability** in respect of the Territory stated below after the application of all the provisions of the insurance including **Your Contribution**.

### What is not covered

- 1 **Riot, Civil Commotion, War and Allied Risks**

Any loss whatsoever or any consequential loss directly or indirectly occasioned by or happening through or in consequence of riot, civil commotion, war; invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war; rebellion, revolution, insurrection or military or usurped power.

- 2 **Electronic Risks**

Any loss whatsoever or any expenditure resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from **Damage** to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether **Your** property or not where such **Damage** is caused by **Virus or Similar Mechanism** or **Hacking** or **Denial of Service Attack**.

- 3 **Nuclear Installation or Nuclear Reactor**

Any loss whatsoever or any consequential loss resulting or arising from **Damage** to any **Nuclear Installation** or **Nuclear Reactor** and all fixtures and fittings situated thereon and attached thereto and all pipes, wires, cables, drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **Nuclear Installation** or **Nuclear Reactor**.

## What is covered

Act of Terrorism means the 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.

Territory	Limit of Liability
1 Great Britain	As otherwise specified in this Policy
2 Elsewhere in the world	Not insured

## What is not covered

### 4 Nuclear Risks and Chemical, Biological and Radiological Contamination

In respect of **Residential Property** insured in the name of a **Private Individual**

any loss whatsoever or any expenditure resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from

- A) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- B) ionising radiation or contamination by radioactivity or from the combustion of any radioactive material
- C) chemical and/or biological and/or radiological irritants, contaminants or pollutants.

## Special Conditions

- 1 In any action, suit or other proceedings where **We** allege that any **Damage** or loss resulting from **Damage** is not covered by this **Policy** the burden of proving that such **Damage** or loss is covered shall be upon **You**.
- 2 Any terms in this **Policy** which provide for adjustments of premium based upon declarations on expiry or during the **Period of Insurance** do not apply to Terrorism Insurance.
- 3 If this **Policy** is subject to any Long Term Agreement/Undertaking it does not apply to Terrorism Insurance.

All the terms, definitions, provisions, conditions and extensions of the **Policy** apply except insofar as they are hereby expressly varied.

## THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE

# Fidelity Insurance

## Special Condition

### Automatic cancellation of previous policies

From the effective date of this **Policy** all liability **We** may have under any previous policies **We** have issued to **You** in respect of cover now provided under this Fidelity Insurance, including that arising from any discovery period provided by the previous policy, is cancelled.

## Definitions specific to this Fidelity Insurance

The words shown below shall carry the same meaning throughout this Fidelity Insurance whenever used and shown in **bold type**.

In addition, any words defined in the "Definitions – Words with Special Meanings" section of this **Policy** shall carry that same meaning throughout this Fidelity Insurance whenever used and shown in **bold type** unless expressly varied below, where for the purposes of this Fidelity Insurance they will carry only the meaning shown below. For clarity, if a word is defined both below and in the "Definitions – Words with Special Meanings" section, only the definition shown below will be used in respect of this Fidelity Insurance.

### Any One Claim

All losses covered under this Fidelity Insurance which result from a **Fraudulent Act** or number of **Fraudulent Acts**

- 1 of one person
- or
- 2 of two or more persons acting **In Collusion**.

### Auditors Fees

Independent professional auditors fees necessarily and reasonably incurred by **You** to prove the amount of loss claimed under this Insurance.

### Benefit Plan

Any pension or benefit plan which **You** have established for the benefit of current and former **Employees**.

### Discovered or Discovery

The point when a director; partner; equity partner; member; departmental director or senior manager employed by **You**

- 1 first becomes aware of facts which would cause a reasonable person to believe that a loss has been incurred or is likely to be incurred
- 2 first receives an allegation of facts that if true would cause a loss to be incurred

under this Fidelity Insurance regardless of

- 1 when the act or acts causing or contributing to the loss occurred
- 2 whether the exact amount or details of the loss are known.

### Employee(s)

Any person

- 1 employed under a contract of service or apprenticeship with **You** in the normal course of **Your Business** other than members of **Your** Board of Directors or equivalent management board
- 2 who is
  - A) undertaking study, work experience, training placement or secondment

- B) working exclusively for **You** and for no other party under a contract for services as a consultant having previously been employed by **You**
  - C) provided to **You** by an agency
  - D) engaged by **You** to develop a **System** under **Your** control and direction
- 3 who is a member of **Your** Board of Directors or equivalent management board other than any equity partner, member or partner in **You**
- 4 who falls into any of the above categories 1 to 3 who **You** are unable to identify by name but whose **Fraudulent Acts** have caused a loss and **You** are able to prove that the loss was due to those **Fraudulent Acts**
- 5 who falls into any of the above categories 1 to 3 shall remain an employee for the purposes of this Fidelity Insurance for the first sixty days following any termination of any contract of service or contract for services.

In the event that there is more than one Policyholder shown in the **Schedule**, for the purposes of this Fidelity Insurance an **Employee** of any one Policyholder shown in the **Schedule** is considered to be an **Employee** of all Policyholders shown in the **Schedule**.

### **Fraudulent Act(s)**

An act or acts of fraud or dishonesty committed by an **Employee** or **Employees** which is intended to obtain an improper financial gain for themselves or any other person or organisation.

### **In Collusion**

Two or more **Employees** who materially assist each other or who are both involved, connected, implicated or assist in carrying out any **Fraudulent Act**.

### **Information**

Information contained in a manuscript record, account, microfilm, tape or other record whether or not contained in a **System**.

### **Minimum Standards of Control**

The minimum standards of supervision and accounting procedures that are set out in this Fidelity Insurance under the heading "Requirements which **You** must comply with to prevent loss under this Insurance", which **We** require **You** to have in force to protect against the loss of **Money**, **Securities** or **Property**.

### **Money**

- 1 Currency, coins and bank notes in current use and bullion.
- 2 Travellers cheques, postage stamps, luncheon vouchers, consumer redemption vouchers, gift tokens, trading stamps, phone cards, VAT stamps and petrol cards all in current use and unused credits in franking machines.
- 3 Monetary balances held at a financial institution to **Your** credit.

### **Property**

Tangible property other than **Money**, **Securities**, **Information** or **Data**.

### **Responsible Official**

- 1 Any of **Your** directors or executive officers or accounting or audit managers.
- 2 Any internal auditor, inspector, accountant or other person responsible for overseeing compliance with standards of supervision, accounting or security.

### **Securities**

Means negotiable and non-negotiable instruments which represent **Money** or **Property** but does not include the actual **Money** or **Property** represented.

## What is covered

### Events

#### 1 Employee Fraud

Loss of **Money, Securities, or Property** owned or leased by **You** which directly results from a **Fraudulent Act** by an **Employee or Employees**.

## What is not covered

#### 1 Your Contribution as shown in the Schedule.

2 Salary, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other earnings or benefits earned in the normal course of employment.

3 Profits, dividends or other income or interest.

4 Taxes, penalties, fines or damages except for direct compensatory damages if specifically covered by this Fidelity Insurance.

5 Loss of any nature which is not directly attributable or linked to the **Fraudulent Act** other than as specifically covered by this Fidelity Insurance.

6 Any **Damage** to proprietary information, confidential processing methods, trade secrets, intellectual property or other confidential information of any kind.

7 Any loss arising from private work undertaken by any **Employee** for any of **Your** directors, partners, equity partners, members or **Employees**.

8 Any loss first **Discovered**

A) prior to the start of the **Period of Insurance**

B) after the expiry of the **Period of Insurance** unless cover is provided by the Discovery Period Extension.

9 Loss which is alleged solely on the basis of

A) a profit and loss comparison

or

## What is covered

## What is not covered

- B) a comparison of inventory records with an actual physical count

but this shall not prevent **You** from providing this information in support of a claim for loss where **You** have established wholly independently from this information that a loss arising from a **Fraudulent Act** has occurred.

### 10 Loss arising from a **Fraudulent Act** committed by

- A) an **Employee** who controls more than five percent of **Your** voting share capital at the time of committing the **Fraudulent Act**
- B) any of **Your** equity partners, partners or members whether acting alone or **In Collusion** with another **Employee** or with other persons.

### 11 Loss arising from any **Fraudulent Act** committed by an **Employee** or **Employees** normally resident outside **Great Britain**, Northern Ireland, the Isle of Man or the Channel Islands.

### 12 Loss arising from a **Fraudulent Act** by any **Employee** which occurs after the time when one of **Your** directors, partners, equity partners, members, departmental directors or senior managers, who is not acting **In Collusion** with the **Employee**, first becomes aware of facts which indicate that an act of fraud or dishonesty has been or is likely to be committed by the **Employee**, regardless of whether the act occurred before or after the commencement of employment with **You**.

# Extensions to Cover

## THIS INSURANCE ALSO COVERS

### What is covered

#### 1 Care Custody and Control

Loss of **Money, Securities** or **Property** which

A) is in **Your** care, custody or control

B) **You** are legally liable for

directly arising from a **Fraudulent Act** by an **Employee** or **Employees**.

The maximum amount **We** will pay in respect of any loss covered by **Event 1** and this extension is the **Limit of Indemnity** shown in the **Schedule**.

#### 2 Auditors Fees

**Auditors Fees** incurred with **Our** prior written consent.

The maximum amount **We** will pay in respect of any loss covered by **Event 1** and this extension is the **Limit of Indemnity** shown in the **Schedule**.

#### 3 Discovery Period

Following the expiry date or earlier termination of this **Policy** **You** may continue to notify **Us** of any loss or losses which are first **Discovered** during the first 24 months after the expiry date of this **Policy** or the date of earlier termination, whichever is the earliest.

**We** will deem any loss **Discovered** during this 24 month period to have been **Discovered** during the **Period of Insurance** in force immediately prior to the expiry date or earlier termination date.

### What is not covered

1 Any cover excluded under the heading "What is not covered" in respect of **Event 1** above.

1 Any cover excluded under the heading "What is not covered" in respect of **Event 1** above.

1 Any cover excluded under the heading "What is not covered" in respect of **Event 1** above.

2 Any loss or that part of a loss which occurs after the expiry date or earlier termination date of the **Policy**, whichever is the earliest.

3 Any loss **Discovered** during this 24 month period if **You** have arranged cover under a similar policy with **Us** or any other insurer regardless of whether the other policy provides cover for **Fraudulent Acts** occurring prior to its effective date.

## What is covered

### 4 Previous Insurance

If a loss is **Discovered** which occurred prior to the effective date of this Fidelity Insurance **We** will provide cover in respect of that loss provided that

A) **You** or the previous owner of the **Business** have purchased one or more policies that provided cover in respect of the loss but which has been cancelled or has expired and for which this **Policy** has been issued in substitution

and

B) cover under the previous policy was in force for a continuous period from the date of the loss until the effective date of this **Policy**

and

C) the loss was **Discovered** after the discovery period of loss under the previous policy had expired

and

D) the loss is first **Discovered** during the **Period of Insurance** or any applicable discovery period provided by this Fidelity Insurance

and

E) the loss would have been covered by this **Policy** had it been in effect when the **Fraudulent Acts** causing the loss were committed.

The maximum amount **We** will pay in respect of any loss covered by **Event 1** and this extension is the **Limit of Indemnity** shown in the **Schedule**.

## What is not covered

1 Any cover excluded under the heading "What is not covered" in respect of **Event 1** above.

2 Any amount which exceeds the limit of indemnity provided by the previous policy had it remained in force.

## What is covered

### 5 Benefit Fund Trustees

We will indemnify the Trustees of any **Benefit Fund** in respect of loss which the Trust may incur as a result of a **Fraudulent Act** insured by this Fidelity Guarantee Insurance which is committed by any of **Your Employees**.

For the purposes of this extension **We** agree that all persons nominated as Trustees are treated as **Employees**.

### 6 Index Linking

We will adjust the estimate of wages provided by **You** and on which the premium for this Insurance is based in line with suitable indices of costs and the premium at renewal will be based on the adjusted amount of wages. **We** will not reduce **Your** estimate of wages if the index moves down unless **You** ask **Us** to.

## What is not covered

- 1 Any cover excluded under the heading "What is not covered" in respect of **Event** 1 above.

## THIS INSURANCE ALSO DOES NOT COVER

### 1 War and Allied Risks

Loss caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or riot or civil commotion in Northern Ireland or the Republic of Ireland.

### 2 Radioactive Contamination

Loss to any **Money, Securities** or **Property** whatsoever or any expense whatsoever resulting or arising therefrom or any loss directly or indirectly caused by or contributed to by or arising from

## What is covered

## What is not covered

- A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- B) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of it.

### 3 Terrorism

Any loss caused by or happening through or in consequence directly or indirectly of

- A) Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss and
- B) in Northern Ireland civil commotion.

This Insurance also excludes loss directly or indirectly caused by resulting from or in connection with any action aimed at controlling, preventing, suppressing or in any way relating to an act of Terrorism.

In **Great Britain** and Northern Ireland Terrorism means

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 so far that this Insurance is extended to include any situation elsewhere than in **Great Britain** and Northern Ireland Terrorism means

## What is covered

## What is not covered

any act including but not limited to the use of force or violence or the threat of any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government committed for political, religious, ideological or similar purposes including the intention to

- A) influence any government or any international governmental organisation or
- B) put the public or any section of the public in fear.

In any action, suit or other proceedings where **We** allege that by reason of this exclusion any loss is not covered by this Insurance the burden of proving that such loss is covered shall be upon **You**.

## Fidelity Insurance - how We settle claims

If **You** incur loss of **Money, Securities** or **Property** covered by any of the **Events** insured in this Fidelity Insurance **We** will pay **You** the amount of the loss.

### The most We will pay

In respect of **Any One Claim** the most **We** will pay is the **Limit of Indemnity** stated in the **Schedule**.

In respect of all loss **Discovered** during the **Period of Insurance** and any applicable **Discovery** period the most **We** will pay is the **Limit of Indemnity**.

### Your Contribution

**Your Contribution** shown in the **Schedule** does not form part of the **Limit of Indemnity** and is payable by **You** before the **Limit of Indemnity** is applied to any loss.

### Single Insured

- 1 **Discovery** made by one Policyholder shown in the **Schedule** is deemed to be **Discovery** by every Policyholder shown in the **Schedule**.
- 2 The **Limit of Indemnity** shown in the **Schedule** shall apply once and not individually to each Policyholder shown in the **Schedule**.
- 3 **We** will not pay for any loss incurred by one Policyholder shown in the **Schedule** to the advantage of any other Policyholder shown in the **Schedule**.
- 4 **Our** liability in respect of loss incurred by any or all Policyholders shown in the **Schedule** shall not exceed the amount for which **We** would be liable if all loss had been incurred by one Policyholder shown in the **Schedule** alone.

- 5 If a loss from the same source is incurred by more than one Policyholder shown in the **Schedule** **We** will pay the agreed amount of loss in a single sum. **We** will not be responsible for the distribution of the loss paid between Policyholders shown in the **Schedule** and payment of the single sum shall release **Us** from all liability to all Policyholders shown in the **Schedule** in relation to the loss.

### Contribution by other Insurances

If a loss covered under this **Policy** is also partly covered under a policy issued by another insurer; provided that payment for the loss has been agreed by the other insurer; any **Contribution** applicable to the loss under this **Policy** will be reduced by the contribution applied under the other insurer's policy.

## Other considerations when settling claims under this Insurance

### Recoveries

If any recovery of **Money, Securities** or **Property** lost following a **Fraudulent Act** is made by **You** or **Us** the recovery will be held for **Our** benefit. The amount recovered less the reasonable costs of recovery will be allocated in the following order

- 1 to **You** in respect of any amount in excess of the total amount of the **Limit of Indemnity** plus **Your Contribution** where applicable
- 2 to **Us** in respect of all sums paid in settlement of loss made under this **Policy**
- 3 to **You** in respect of the amount of **Your Contribution**.

## Valuation

We will not be liable for more than

- 1 A) the actual market value of **Securities** at the close of business on the business day immediately preceding the day on which the loss was **Discovered**  
or  
B) the actual cost of replacing the **Securities** whichever is the less
- 2 A) the cost of blank materials as stationery  
B) the cost of clerical labour and computer time spent in reproducing **Information**
- 3 the value of foreign currency calculated in pounds sterling at the rate of exchange published in the Financial Times as the closing mid-point rate on the day of **Discovery**
- 4 the value of **Property** at the time of the loss or at **Our** option the cost of repairing, re-instating or replacing the **Property** whichever is the less.

# Requirements which You must comply with to prevent loss under this Insurance

## References Condition

It is a requirement of this Insurance that **You** shall obtain satisfactory references to confirm the honesty of each **Employee** who will be responsible for duties in respect of money, goods, accounts, computer operations or computer programming employed after the effective date of this **Policy**.

These references shall be obtained directly from the **Employee's** former employers for the three years immediately prior to the start date of the employment and before the **Employee** is allowed to work without supervision.

References need not be obtained in respect of **Employees** who have satisfactorily and continuously served **You** for at least one year in another capacity before being entrusted with the duties referred to above.

In respect of **Employees** joining directly from school or government sponsored youth training schemes one character reference shall be obtained.

A written record of any verbal reference shall be made at the time it is obtained.

The original copy of each written reference and the record of any verbal reference shall be retained by **You** and shall be made available for inspection by **Us** on request.

**Failure to comply with any of these requirements may result in Us not paying Your claim.**

## Minimum Standards of Control

It is a requirement of this Insurance that **You** must ensure that the **Minimum Standards of Control** shown below are in force and operated by **You** and are not altered by **You** unless **We** agree to the change in writing.

If **You** do not operate the **Minimum Standards of Control** **We** may refuse to pay **Your** claim.

### I Auditors

**Your** accounts shall be examined by external auditors every twelve months.

All recommendations or alternatives acceptable to the auditors shall be implemented without delay.

## 2 Cash receipts

**Employees** receiving cash and cheques in the course of their duties are required to remit all monies received and/or bank in full on the day of receipt or next banking day.

## 3 Reconciliation

Independently of the **Employees** responsible bank statements, receipts, counterfoils and supporting documents are checked at least monthly against cash book entries and the balance reconciled against cash and unrepresented cheques.

## 4 Cheque signing and telephone and facsimile transfers

All cheques, transfer instructions or other bank instruments drawn for more than £25,000 shall require two manually applied signatures to be added after the amount has been inserted.

No cheque, transfer instruction or other instrument shall be signed until one signatory has examined the documentation supporting the request. **Your** bankers must be advised of the above requirements in respect of signatures.

In respect of telephone or facsimile instructions

- A) **Your** bank must be required to call back to an authorised **Employee** to verify instructions before the transaction is processed.
- B) Transfer instructions must be verified in all cases by a password or code.
- C) Each authorised **Employee** must use a password or code unique to them.
- D) **You** will confirm the transfer instruction in writing within 24 hours of the transaction commencing.

## 5 Cash and petty cash

Cash in hand and petty cash shall be checked independently of the **Employees** responsible at least monthly and additionally without warning every six months.

## 6 Payroll

In respect of **Employees** not paid by crossed cheque or credit transfer the payroll documentation will be subject to an independent check before payment to ensure that the total amount drawn is correct.

At least quarterly and independently of the **Employees** responsible the payroll will be checked to minimise the possibility that fictitious names and enhanced payments have been included.

## 7 Stocktaking

There will be a physical check on all stock held against verified stock records independently of the **Employees** responsible at intervals of not more than 12 months.

In respect of the following stock or goods a physical check shall be carried out against verified records independently of the **Employees** responsible at intervals of not more than 6 months

- A) Non Ferrous metals
- B) Wines and Spirits
- C) Cigarettes and Tobacco.

## 8 Ordering goods

The ordering of stock, the recording of receipts of stock and the authorisation of payment for stock will be separate actions and each action will be carried out by different **Employees** acting independently of each other.

## 9 Statements of account

Statements of account for all amounts due will be issued at least monthly and direct to customers independently of **Employees** receiving or collecting monies.

Action by management shall be taken if an account becomes three months overdue.

## 10 Computer security and Electronic Funds Transfer

Security checks will be built into all computer functions and reconciliations made as necessary.

Responsibility for the authorisation of transactions, processing of transactions and handling of output will be separate actions and each action will be carried out by different **Employees** acting independently of each other.

In respect of electronic funds transfer one **Employee** must not be permitted to release transfer authorities to the bank. A second **Employee** with higher authority must check and authorise the instructions before release. Entries by each **Employee** must be authorised by password and each **Employee** authorised to undertake these activities must be allocated a password unique to them.

The appropriate authority limits per **Employee** must be built in to the computer program.

**Failure to comply with any of these requirements may result in Us not paying Your claim.**

### 20/80 Extension

In the event that any claim results from or is contributed to by the failure of any **Employee** or **Employees** to observe any part of the **Minimum Standards of Control** provided that **You** can prove

A) that **You** have complied with the **Minimum Standards of Control** condition stated above

and

B) such failure was without **Your** knowledge or consent or that of any **Responsible Official**

then **We** will pay any claim resulting therefrom but subject to **You** agreeing to pay

i) in addition to the amount of **Your Contribution** 20% of the amount which **We** would otherwise have been liable for

or

ii) 2,500 in all

whichever is the greater.

If the **Minimum Standards of Control** are avoided by the actual **Employee** or **Employees** committing the **Fraudulent Act** without **Your** knowledge or that of a **Responsible Official** the claim will be payable without deduction subject otherwise to the terms of this **Policy**.

### Termination of Employment

It is a requirement of this Insurance that if the employment of an **Employee** is terminated **You** must take all reasonable precautions to prevent fraud or dishonesty by that **Employee**.

**Failure to comply with this requirement may result in Us not paying Your claim.**

## **THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE**

# Personal Accident Insurance

### **What is covered**

We will pay You the appropriate Benefit if during the **Operative Time** as shown in the **Schedule** an **Insured Person** sustains bodily injury following an **Accident** which within two years is the sole and independent cause of Death, **Disablement** or the incurring of **Medical Expenses** for which the Benefit is claimed.

The appropriate Benefit below is payable in line with the amounts per Unit of cover and number of Units per Employee Type detailed in the **Schedule**, subject to the **Aircraft Accumulation Limits** and **Maximum Incident Limit** shown.

### **Benefits**

- 1 Death
- 2 **Loss of Limb** or **Loss of Eye**
  - A) two or more limbs or both eyes or one of each
  - B) one limb or one eye
- 3
  - A) Permanent total loss of speech
  - B) Permanent total loss of hearing in both ears
  - C) Permanent total loss of hearing in one ear
- 4 Permanent Total Disablement from gainful employment of any and every kind
- 5 Temporary Total Disablement from the **Insured Person's** usual occupation in the **Business**

### **What is not covered**

We will not pay any Benefit where bodily injury following an **Accident** is the result of or is contributed to by

- I
  - A) the **Insured Person** engaging in or practicing for any of the following excluded activities
    - i) Flying other than as a passenger
    - ii) Motorcycling as a rider or passenger
    - iii) Parachuting
    - iv) Racing other than on foot or in dinghies
    - v) Winter Sports other than curling or skating
  - B) the **Insured Person** committing or attempting to commit suicide or as a result of self inflicted injury
  - C) post traumatic stress disorder or any psychological or psychiatric condition (not resulting from bodily injury following an **Accident**)
  - D) the **Insured Person** having a physical or mental defect of any sort which was known to them when the **Policy** was issued or at renewal unless the defect has been notified to and been accepted in writing by **Us**
  - E) any sickness or disease or any naturally occurring condition or degenerative process or the result of a gradually operating cause

## What is covered

- 6 Temporary Partial Disablement from at least 50% of the **Insured Person's** usual occupation in the **Business**
- 7 **Medical Expenses** necessarily incurred in the treatment of the **Insured Person** (regardless of the number of Units purchased).

## What is not covered

### 2 War and Allied Risks

war; invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power

### 3 Terrorism

any 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 to put the public or any section of the public in fear

### 4 Radioactive Contamination

radioactive contamination whether arising directly or indirectly.

# Extensions to Cover

## THIS INSURANCE ALSO COVERS

### What is covered

The following extensions are payable in addition to any Benefit paid under Benefits 1 - 7 of the Insurance subject to the **Maximum Incident Limit** shown in the **Schedule**.

### What is not covered

#### 1 Coma Benefit

If during the **Operative Time** the **Insured Person** sustains bodily injury following an **Accident** which within 90 days is the sole and independent cause of the **Insured Person** being in a continuous unconscious state **We** will pay £25 per full 24 hours regardless of the number of Units purchased up to a maximum of 52 weeks any one **Insured Person** while they remain in a continuous unconscious state.

#### 2 Commuting Expenses

If during the **Operative Time** the **Insured Person** sustains bodily injury following an **Accident** which within two years is the sole and independent cause of the **Insured Person** sustaining disablement from at least 50% of the **Insured Person's** usual occupation in the **Business We** will pay necessary expenses for additional commuting costs necessitated to aid the **Insured Person's** return to work at **Your** request up to £50 per week up to a maximum £250 any one **Insured Person** regardless of the number of Units purchased.

#### 3 Dependents Benefit

If during the **Operative Time** the **Insured Person** sustains bodily injury following an **Accident** which within two years is the sole and independent cause of Death for which Benefit 1 is paid **We** will pay an additional 2% per child provided they are

## What is covered

A) unmarried and dependent

and

B) under 18 years of age or under 25 years of age if in full-time education

subject to a maximum of £5,000 regardless of the number of Units purchased.

## What is not covered

### 4 Hospitalisation

If during the **Operative Time** the **Insured Person** sustains bodily injury following an **Accident** which within 2 years is the sole and independent cause of the **Insured Person** being admitted to **Hospital** on the recommendation of a **Medical Practitioner** **We** will pay £25 per full 24 hours regardless of the number of Units purchased up to a maximum of 52 weeks any one **Insured Person** while they are a **Hospital** in-patient.

### 5 Paralysis

If during the **Operative Time** the **Insured Person** sustains bodily injury following an **Accident** which within two years is the sole and independent cause of the **Insured Person** suffering paralysis **We** will pay the following Benefit

A) total loss of use of all four limbs, bladder and rectum an additional 20% of the amount paid under Benefits 2 or 4

B) total loss of use of two legs, bladder and rectum an additional 10% of the amount paid under Benefit 2 or 4 regardless of the number of Units purchased.

## Personal Accident Insurance - how We settle claims

Benefit shall not be payable in respect of any one **Insured Person** under more than one of the Benefits 1 – 4 in connection with the same **Accident**.

Any **Disablement** under Benefits 2 – 4 must be proved to **Our** reasonable satisfaction to be permanent and without expectation of recovery before **We** will pay the Benefit.

**We** will pay any amount claimed for Benefits 5 or 6 in addition to any amount claimed under Benefits 1 – 4 in connection with the same **Accident**.

Any payment under Benefits 5 or 6 will cease as soon as any Benefit is paid under Benefits 1 – 4.

If an **Insured Person** suffers Death or **Disablement** as a result of exposure to the elements **We** will consider that as having been caused by bodily injury following an **Accident**.

In the event of disappearance of the **Insured Person** if after a suitable period of time it is reasonable to believe that death has occurred as a result of accidental bodily injury the Death Benefit shall become payable subject to a signed undertaking that if the belief is subsequently found to be wrong such Death Benefit shall be refunded to **Us**.

Benefits 5 and 6 are payable per week for a maximum of 104 weeks in all not necessarily consecutive.

### Minors

If the **Insured Person** is under the age of 16

- A) the maximum amount **We** will pay in respect of Benefit 1 will be limited to a maximum of £10,000
- B) no amount will be payable under Benefit 5 or 6 regardless of the number of Units purchased and shown in the **Schedule**.

## Other considerations when settling claims under this Insurance

### Assignment

**We** will not be bound to accept or be affected by any trust, charge, lien, assignment or other dealing with or relating to this Insurance.

### Interest

Interest will not be added to any amount paid under this Insurance.

### Other Interests

**Your** receipt shall discharge **Our** liability to pay any amount in respect of a claim. The **Insured Person** or the **Insured Person's** personal representatives shall have no right to claim from or sue **Us**. If there is more than one Policyholder specified in the **Schedule** having an interest in the **Insured Person** the settlement made by **Us** shall represent the total amount payable in respect of that **Insured Person** for all interests covered by this Insurance.

## THIS INSURANCE ONLY APPLIES WHERE SHOWN AS INCLUDED IN THE SCHEDULE

# Legal Expenses Insurance

## Section I - Employment

### What is covered

- 1 The defence of any **Legal Proceedings**, brought in an employment tribunal, arising from a dispute with an **Employee**, **ex-Employee** or prospective **Employee** relating to
  - A) the contract of employment with **You**
  - B) actual or alleged breaches of their statutory rights under employment legislation
- 2 The pursuit of any **Legal Proceedings** to recover possession of premises which are owned by **You** but occupied by **Your Employee** or **ex-Employee**

provided that

- i) **You** have sought and followed advice from **Our** Legal Advice service (details of which are contained in the Customer Care page) before materially changing or attempting to change the particulars of an **Employee's** contract of employment or dismissing an **Employee** (whether or not by reason of redundancy)
- ii) **You** agree to appoint **Our Administrator's** approved consultant as **Your Appointed Representative** in accordance with Requirement 4 A) i).

### What is not covered

- 1 Any amount in excess of the **Limit of Indemnity** for **Any One Claim** shown in the **Schedule**.
- 2 **Legal Expenses** arising from or relating to
  - A) any benefit due under a contract of employment
  - B) any payment made in respect of redundancy
  - C) the Transfer of Undertakings (Protection of Employment) Regulations 1981 or the Equal Pay Act 1970
  - D) any claim where **You** do not appoint **Our Administrator's** approved consultant as the **Appointed Representative**
  - E) any dispute that arises within three months of the inception of the Insurance
  - F) a dispute within the first six months of the Insurance where a warning was given to an **Employee** six months prior to the inception of the Insurance
  - G) any compensatory award made against **You** relating to
    - i) trade union activities including membership or non-membership
    - ii) pregnancy, maternity or paternity rights

### **What is covered**

### **What is not covered**

- H) any award made because of **Your** failure to provide written reasons for dismissal
- I) any compensatory award specified in a reinstatement or re-engagement order or made because of **Your** failure to provide written reasons for a dismissal
- J) any awards to the extent that they relate to contractual rights accruing to the **Employee**, ex-**Employee** or prospective **Employee** prior to the actual or alleged breach of the actual or alleged contract of employment
- K) a matter which is more specifically covered by another Insurance section of this **Policy** or would have been had it not been for an exclusion or proviso applying to that Insurance.

## Section 2 - Prosecution

### What is covered

The defence of any **Legal Proceedings** arising from

- 1 any actual or alleged act or omission by **You** relating to an appeal against the service of an improvement, prohibition or suspension notice under the
  - A) Health and Safety at Work etc. Act 1974 or the Health and Safety (Northern Ireland) Order 1978
  - B) Food Safety Act 1990
  - C) Consumer Protection Act 1987
- 2 civil action taken against **You** for
  - A) wrongful arrest in respect of an accusation of theft
  - B) any activities as a trustee of a pension fund set up for the benefit of **Your Employees**
- 3 **Your** prosecution in a **Court** of criminal jurisdiction.

The cover provided under 1, 2 and 3 above will apply to any other **Insured Person** in like manner to **You** at **Your** request.

### What is not covered

- 1 Any amount in excess of the **Limit of Indemnity** for **Any One Claim** shown in the **Schedule**.
- 2 **Legal Expenses** arising from or relating to any **Legal Proceedings**
  - A) involving the ownership, possession, hiring or use of a motor vehicle, aircraft or water craft
  - B) relating to any alleged deliberate or intentional act unless charges are dismissed or **You** are acquitted
  - C) a matter which is more specifically covered by another Insurance section of this **Policy** or would have been had it not been for an exclusion or proviso applying to that Insurance.

## Section 3 - Property

### What is covered

The pursuit or defence of **Legal Proceedings** relating to

- 1 the possession of freehold or leasehold **Property** owned or occupied by **You**
- 2 any negligent act, omission or nuisance caused by a third party relating to **Property** owned by **You** or for which **You** are legally responsible other than motor vehicles, aircraft or watercraft

provided that

- A) **You** have suffered or could suffer a financial loss if **Legal Proceedings** are not pursued or defended
- B) **You** agree to use alternative dispute resolution to attempt to settle any dispute if **Our Administrator** considers it to be appropriate
- C) the **Property** has been disclosed to **Us** in writing.

### What is not covered

- 1 Any amount in excess of the **Limit of Indemnity** for **Any One Claim** shown in the **Schedule**.
- 2 **Legal Expenses** arising from or relating to
  - A) any review of the **Rent** payable for leasehold **Property**
  - B) the recovery of **Rent** payable
  - C) freehold title, lease, tenancy or licence disputes
  - D) mining or other subsidence or heave
  - E) a matter which is more specifically covered by another Insurance section of this **Policy** or would have been had it not been for an exclusion or proviso applying to that Insurance
  - F) a contract entered into by **You**
  - G) any dispute
    - i) arising from the compulsory purchase, confiscation, nationalisation, requisition or **Damage** to any freehold or leasehold **Property**
    - ii) over restrictions or controls placed on any freehold or leasehold **Property**
    - iii) arising from actual, planned, or proposed construction, closure, adaptation or repair of roads, buildings, housing or other works

by or on behalf of any government, public or local authority, except in so far as the claim relates to **Damage** arising from such activities

### **What is covered**

### **What is not covered**

- H) any dispute relating to
  - i) goods in transit
  - ii) goods lent or hired to third parties
  - iii) goods at premises other than those occupied by **You** unless they are at such premises for the purpose of installation or use in work to be carried out by **You**.

## Section 4 - Taxation

### What is covered

- 1 Entering a response to an in-depth accounts investigation or a full enquiry by HM Revenue & Customs into a self-assessment return. This includes responding at any appeal or tribunal hearing which shall include a HM Revenue & Customs Commissioners' Hearing.
- 2 Entering a response to an examination by HM Revenue & Customs following an Employer Compliance visit which arose from and related to an expression of dissatisfaction with **Your** PAYE or National Insurance Contribution affairs.
- 3 An appeal against a written VAT decision or assessment issued by HM Revenue & Customs. This includes the local review procedure and any VAT Tribunal.

### What is not covered

- 1 Any amount in excess of £25,000 for **Any One Claim**.
- 2 **Legal Expenses** arising from or relating to
  - A) any tax avoidance scheme undertaken by **You**
  - B) an enquiry undertaken under Section 60 or 61 of the VAT Act 1994 or any investigation or enquiry by the Investigations Division of HM Revenue & Customs, the HM Revenue & Customs Internal Governance or Criminal Investigations
  - C) any investigation or inspection by HM Revenue & Customs that commenced prior to the inception of this Insurance
  - D) any work in connection with the normal reconciliation of annual accounts and VAT returns where such reconciliation has not been undertaken prior to the dispute or investigation arising
  - E) **Your** actual or alleged misstatement with intent to deceive contained in any relevant business books, records or returns. If such intent to deceive is shown **We** shall be entitled to recover any claim settlement made in this respect
  - F) any issue of law practice, or procedure not directly connected with the particular investigation, dispute or **Legal Proceedings** which are otherwise covered under this Insurance

## What is covered

## What is not covered

- G) any investigation or enquiry where the accounts submitted are being investigated solely because earlier books, records or returns have been investigated or are already under investigation
- H) disputes where any returns have been submitted in a penalty position except where a return is rendered within six months of the last filing date and HM Revenue & Customs have accepted that there was a reasonable excuse for the delay
- I) any criminal prosecution
- J) a matter which is more specifically covered by another Insurance section of this **Policy** or would have been had it not been for an exclusion or proviso applying to that Insurance.

## Section 5 - Data Protection

### What is covered

- 1 The defence of any **Legal Proceedings** brought against **You** for compensation under Section 13 of the Data Protection Act 1998 provided that **You** are already registered with the Data Protection Commissioner.
- 2 An appeal by **You** against
  - A) the refusal of **Your** application for registration by the Data Protection Commissioner
  - B) the refusal of an application for alteration of registered particulars by the Data Protection Commissioner
  - C) an enforcement notice
  - D) a de-registration notice
  - E) a transfer prohibition notice.

### What is not covered

- 1 Any amount in excess of the **Limit of Indemnity** for **Any One Claim** shown in the **Schedule**.
- 2 **Legal Expenses** arising from or relating to
  - A) any criminal prosecution
  - B) any legal action concerning the grant and/or execution of a warrant of entry
  - C) a matter which is more specifically covered by another Insurance section of this **Policy** or would have been had it not been for an exclusion or proviso applying to that Insurance.

## Section 6 - Bodily Injury

### What is covered

The pursuit of compensation following an **Event** which causes death of or bodily injury to any **Insured Person** if requested by **You**.

This cover also extends to include members of the **Insured Person's** family who suffer bodily injury following an **Event** that also causes bodily injury to the **Insured Person**.

### What is not covered

- 1 Any amount in excess of the **Limit of Indemnity** for **Any One Claim** shown in the **Schedule**.
- 2 **Legal Expenses** arising from or relating to
  - A) any illness or bodily injury which develops gradually or is not caused by a specific or sudden accident
  - B) the defence of any claim for bodily injury
  - C) a matter which is more specifically covered by another Insurance section of this **Policy** or would have been had it not been for an exclusion or proviso applying to that Insurance.

## Section 7 - Contract

### What is covered

The pursuit or defence of **Legal Proceedings** arising from a dispute with a customer or supplier in respect of a contract with that customer or supplier for the sale, purchase, hire or supply of goods or services

provided that

- 1 the amount in dispute exceeds £1,000
- 2 **You** entered into the contract or alleged contract during the **Period of Insurance**.

### What is not covered

- 1 Any amount in excess of £5,000 for **Any One Claim**.
- 2 **Legal Expenses** arising from or relating to
  - A) an undisputed debt owed to **You**
  - B) any licence or franchise agreements
  - C) a dispute about either the amount an insurance company should pay to settle an insurance claim or the way a claim should be settled
  - D) the letting or tenancy of **Property**
  - E) any computer software or hardware that has been tailored by or on behalf of a supplier or **You**
  - F) the construction, extension, alteration, demolition, repair, renovation or refurbishment of any **Property**
  - G) the ownership, possession, hiring or use of a motor vehicle, aircraft or water craft.

# Extensions to Cover

## THIS INSURANCE ALSO COVERS

### What is covered

#### 1 Jury Service Allowance

The loss of income, salary or wages of any **Insured Person** in respect of that person's obligation to attend **Court** for jury service insofar as it is not recoverable from the relevant **Court**

provided that such attendance commences during the **Period of Insurance** and within **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

**Limit of Indemnity** - £150 per person per day.

#### 2 Witness Attendance Allowance

The actual loss of earnings incurred when any **Insured Person** is absent from work attending **Court** as

A) a witness for **You** at the request of the **Appointed Representative**

or

B) a defendant

provided that a claim has been admitted under "What is covered".

**Limit of Indemnity** - £150 per person per day.

### What is not covered

I Any amount in excess of £10,000 in any one **Period of Insurance**.

## What is covered

## What is not covered

### **THIS INSURANCE ALSO DOES NOT COVER (IN RESPECT OF ALL SECTIONS AND EXTENSIONS)**

Legal Expenses in respect of

- 1 any matter to which **Our Administrator** has not given their written consent
- 2 the defence of any civil **Legal Proceedings** made or brought against **You** arising from any actual or alleged
  - A) death, bodily injury, disease or illness of any person
  - B) **Damage** to any **Property** including loss of use of such **Property**
  - C) breach of any professional duty
  - D) breach of any duty owed as a director or officer of any company. This does not apply where the breach or alleged breach relates to taxation disputes covered under Section 4 - Taxation
- 3 any non-contentious matters
- 4 any fees that are in excess of the **Standard Legal Expenses** where **You** have nominated **Your** own representative to act as the **Appointed Representative**
- 5 any **Legal Proceedings** brought or transferred outside **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man or **Legal Expenses** incurred outside such territories
- 6 any **Legal Proceedings** where a reasonable estimate of the likely irrecoverable element of any **Legal Expenses** to be paid would exceed a realistic financial valuation of **Your** claim

## What is covered

## What is not covered

- 7 any **Legal Proceedings** for which **You** are covered or entitled to be covered under any other insurance policy or any policy which **You** are required to hold by law
- 8 any actual or alleged act, omission or dispute occurring prior to, or existing at inception or renewal of this **Policy** and which **You** knew (or ought reasonably to have known) was likely to give rise to **Legal Proceedings**
- 9 any **Legal Proceedings** arising from
  - A) **Your** intentional wrongdoing
  - B) an act or omission with reckless disregard as to its consequences
- 10 any dispute between **You** and any subsidiary, parent, associated or sister company or between shareholders, directors, partners or any other person who is or would be entitled to cover at **Your** request
- 11 damages, fines or penalties of any nature incurred by **You** in **Legal Proceedings**
- 12 the defence of any **Legal Proceedings** arising from or relating to **Your** actual or alleged dishonesty, fraud or malicious conduct unless such proceedings are successfully defended
- 13 the pursuit or defence of any action alleging defamation or malicious falsehood
- 14 the pursuit or defence of any **Legal Proceedings** relating to patents, copyrights, design rights, moral rights, trade or service marks, registered designs, passing off, trade secrets or confidential information

## What is covered

## What is not covered

- 15 the pursuit or defence of **Legal Proceedings** between **You** and a central or local government authority concerning the imposition of statutory charges except where an appeal is allowed at law
- 16 an application for judicial review
- 17 the defence of any **Legal Proceedings** arising from or relating to seepage, pollution or contamination of any kind
- 18 any **Legal Proceedings** arising directly or indirectly from
  - A) the transmission or impact of any **Virus**
  - B) **Failure of a System**but this does not apply to any claim relating to compensation for bodily injury
- 19 any **Legal Proceedings** directly or indirectly caused by or contributed to or arising from
  - A) ionising radiations or contamination by radioactivity from an irradiated nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - B) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

## Legal Expenses Insurance - how We settle claims

We will pay the amount of **Legal Expenses** arising from any **Legal Proceedings** covered by this Insurance that

- A) are notified to **Us** during the **Period of Insurance**

and

- B) arise from the conduct of **Your Business**

and

- C) are made by or brought against **You** or any other **Insured Person**, within the jurisdiction of a **Court** within **Great Britain**, Northern Ireland, the Isle of Man and the Channel Islands.

We may elect to pay **You** a reasonable sum not exceeding the realistic estimated value of any claim instead of paying the **Legal Expenses**. Such a decision will be entirely at **Our Administrator's** discretion and will be in full and final settlement of **Your** claim.

In circumstances where **Our Administrator** has chosen a representative to act on **Your** behalf as detailed in Requirement 4 A) **We** will pay **Legal Expenses** incurred for providing the initial assessment of the claim irrespective of the prospects of success or whether the claim is covered under this Insurance.

Where **You** have chosen **Your** own **Appointed Representative**

- i) any **Legal Expenses** incurred in providing initial assessment will only be covered where there are reasonable prospects of successfully pursuing or defending the **Legal Proceedings** and the claim is covered under all other terms and conditions of this Insurance
- ii) **We** will not pay more than **Standard Legal Expenses**.

### Acts of Parliament

All Acts of Parliament referred to in this Insurance include any subsequent amendments or re-enactments of those Acts and any equivalent legislation which is enforceable within **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

## Requirements which You must comply with to benefit from cover under this Insurance

### I Notification of Claims

It is a requirement of this Insurance that **You** must notify **Us** in writing immediately **You** are aware of any actual or alleged act, omission or dispute which has given or may give rise to any **Legal Proceedings** involving **You**. **We** will pass notification to **Our Administrator** who will then administer claims settlement.

Where such notification has been given **We** agree to treat any subsequent **Legal Proceedings** in respect of the circumstances notified as though the **Legal Proceedings** had been made or brought during the **Period of Insurance**.

**If You fail to notify Us of any actual or alleged act, omission or dispute during the Period of Insurance any claim arising from such actual or alleged act, omission or dispute will not be admitted.**

## SPECIAL PROCEDURE

If a form ET1 (Originating Application) is received from an employment tribunal **You** must immediately forward it to **Our Administrator** with form ET3 (Notice of Appearance By Respondent) which should be left blank.

In view of the 21 days statutory time limit this must be done immediately.

**Failure to comply with this Special Procedure may result in Us not paying Your claim.**

## 2 Consent

**Our Administrator's** consent to pay **Legal Expenses** must be obtained in writing. **Legal Expenses** incurred before such consent is given will not be covered.

Consent will be given if **You** can satisfy **Our Administrator** that

- A) there are reasonable prospects of successfully pursuing or defending the **Legal Proceedings**

and

- B) it is reasonable in all the specific circumstances of the case for **Legal Expenses** to be provided.

The decision to grant consent will take into account the advice of **Your Appointed Representative** as well as that of **Our Administrator's** own advisers. **Our Administrator** may require, at **Your** expense, an opinion of Counsel on the merits of the **Legal Proceedings**. If the claim is subsequently admitted **Your** costs in obtaining such an opinion and providing such advice will be covered under this Insurance.

If during the course of **Legal Proceedings** **You** no longer satisfy requirements 2 A) and B) above **We** may discontinue cover in respect of this claim.

If **You** decide to commence or continue **Legal Proceedings** for which **Our Administrator** has denied support under 2 A) above and **You** are successful, **We** will pay **Legal Expenses** as if **Our Administrator** had given their consent in the first instance.

## 3 Minimising Claims or Legal Proceedings

It is a requirement of this Insurance that **You** must take all reasonable measures to minimise the risk or likelihood of claims and the cost of **Legal Proceedings**. This includes, but is not limited to, **You** and **Your** agent or **Appointed Representative** complying with any pre-action protocol, costs protocol or other protocol that applies to any **Legal Proceedings** which form the basis of a claim under this Insurance.

**Failure to comply with this requirement may result in Us not paying Your claim.**

## 4 Conduct of Legal Proceedings

### A) Nomination of the Appointed Representative

- i) In respect of any claim where **We** may be liable to pay an award of compensation under Section 1-Employment **Our Administrator** has the right to choose the **Appointed Representative**.
- ii) In respect of all other claims covered by this Insurance

At the point where **Court** papers need to be issued or have been received or where there is a conflict of interest **You** are free to choose a suitably qualified **Appointed Representative**.

Where **You** have selected an **Appointed Representative** of **Your** own choice **We** will only pay **Standard Legal Expenses**. Any amount in excess of **Standard Legal Expenses** will be **Your** own responsibility.

In selecting the **Appointed Representative** **You** have a duty to minimise the cost of **Legal Proceedings**.

If **Your** choice of representative has to undertake work to familiarise themselves with the work already undertaken on the case **We** will not pay for this work to be done.

If there is any disagreement as to whether **Legal Proceedings** are necessary **You** can take the matter to an independent arbitrator as detailed in Requirement 4 J).

- iii) In the period before **Our Administrator** agrees that **Legal Proceedings** are necessary **Our Administrator** reserves the right to seek to obtain a settlement on **Your** behalf. The settlement will be subject to **Your** agreement which **You** will not unreasonably refuse.

Any representative is appointed in **Your** name to act for **You**.

- B) **All information to be given to the Appointed Representative**

The **Appointed Representative** must be given all information and assistance required. This must include a complete and truthful account of the facts of the case and all relevant documentary or other evidence in **Your** possession. **You** must

obtain or execute all documents as may be necessary and attend any meetings or conferences when requested. **You** owe the same obligations to **Our Administrator** as to the **Appointed Representative**.

- C) **Access to the Appointed Representative**

**Our Administrator** is entitled to obtain from **Your Appointed Representative** any information, document or advice relating to a claim under this Insurance whether or not privileged. On request **You** will give any instructions necessary to ensure such access.

- D) **Instruction of counsel or appointment of expert witnesses**

If the **Appointed Representative** wishes to instruct counsel or appoint expert witnesses **Our Administrator** will not unreasonably withhold their consent. The names of counsel or the expert witnesses must be submitted to them together with an explanation of the necessity for such action.

- E) **Claims below the small claims track limit**

Where a claim for **Legal Expenses** is unlikely to exceed the small claims track limit **Our Administrator** may carry out their own investigation and may attempt to negotiate a settlement. **You** will not unreasonably withhold agreement to any such settlement.

- F) **Offer of settlement**

**You** must inform **Our Administrator** in writing as soon as an offer to settle **Legal Proceedings** is received or a payment into **Court** is made. **You** will not unreasonably withhold consent to the **Appointed Representative** making an offer to settle the **Legal Proceedings**.

**You** must not enter or offer to enter into any agreement to settle without **Our Administrator's** prior written consent. Any such agreement must take into account **Our** interest in the recovery of costs.

If **You** unreasonably withhold agreement to a settlement **Our Administrator** reserves the right to withdraw **Our** support.

G) **Withdrawal by You**

Where **We** have provided cover for **Legal Expenses** and **You** withdraw from the **Legal Proceedings** without **Our Administrator's** agreement **We** shall be entitled to reimbursement for all **Legal Expenses** paid.

H) **Payment of legal expenses**

All bills relating to any **Legal Proceedings** which **You** receive from the **Appointed Representative** should be forwarded to **Our Administrator** without undue delay.

Bills must be certified by **You** to the effect that the charges have been properly incurred and that **Our Administrator** is authorised to settle on **Your** behalf. Gross sum bills must be accompanied by a breakdown setting out the work done and rates applied.

If requested **You** must ask the **Appointed Representative** to submit the bill of costs for assessment or certification by the appropriate Law Society or **Court** in accordance with the provisions of the Solicitors Act 1974 and/or the Solicitors Remuneration Order 1994.

The provision of cover for any **Legal Expenses** does not imply that all **Legal Expenses** will be paid. If **You** are in doubt **Our Administrator** should be consulted.

**You** must not, without **Our Administrator's** written consent, enter into any agreement with the **Appointed Representative** as to the payment of **Legal Expenses**.

I) **Recovery of costs and expenses**

**You**, through the **Appointed Representative**, will be responsible for the repayment to **Us** of any

i) awards of costs in favour of **You**

or

ii) costs agreed to be paid to **You** as part of any settlement.

When the total amount of **Legal Expenses** incurred is within the **Limit of Indemnity You** and **We** will share any **Legal Expenses** that are recovered according to the proportion paid.

Where the total cost of the legal action exceeds the **Limit of Indemnity You** and **We** will have priority over any other parties with an interest in any costs recovery. **You** and **We** shall share such recovery according to the proportion paid, subject to **Our** right of recovery being restricted to the **Limit of Indemnity**.

## J) Arbitration

Any dispute between **You** and **Us** in respect of this Insurance may be referred to a single arbitrator who shall be a solicitor or barrister agreed upon by both parties. Failing agreement the arbitrator will be nominated by the President of the appropriate Law Society, Bar Council or professional body within **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man.

The party against whom the decision is made shall meet all the costs of the arbitration in full.

If the decision is not clearly made against either party the arbitrator shall have the power to apportion costs.

If the decision is made in **Our** favour **Your** costs shall not be recoverable under this Insurance.

## 5 Appeal Procedure

**Our Administrator's** consent must be obtained if **You** wish to appeal against the judgment of a **Court**. A written application must be submitted to them by recorded delivery at least ten working days before the final date for lodging the appeal and the application must state the reasons for bringing the appeal. **Our Administrator** will inform **You** of their decision.

**You** must co-operate in an appeal against the judgment of a **Court** at **Our Administrator's** request.

## 6 Record Keeping

It is a requirement of this Insurance that **You** must take all reasonable care in keeping business books, records and accounts. Tax returns are to be submitted without undue delay and accounts and related taxation computations are to be submitted to the proper government department within the statutory period laid down at the end of the relevant period of account.

**Failure to comply with this requirement may result in Us not paying Your claim.**

# Claims Conditions

## I Making a Claim

Where an **Event** which could give rise to a claim under this **Policy** happens **You** will

- A) tell **Us** as soon as reasonably practicable and no later than
  - i) 30 days of **Your** becoming aware of the **Event** or occurrence
  - or
  - ii) 7 days in the case of **Damage** caused by riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons

provide **Us** with all information and help **We** reasonably require in respect of the claim and where requested by **Us** and at **Your** expense, written details containing as much information as possible on the **Event, Damage, accident or Injury** including (to the extent possible) the amount of the claim

- B) notify the police within 24 hours of **Damage** caused by malicious persons or thieves
- C) take all reasonable action to minimise or eliminate any interruption of or interference with the **Business**
- D) not admit or deny liability nor make any offer, compromise, promise or payment, enter into any agreement or give any undertaking in respect of the claim without **Our** written consent

- E) pass to **Us** immediately, unanswered, all communications from third parties in relation to any **Event** which may result in a claim under this **Policy**
- F) tell **Us** immediately of any impending prosecution, inquest or fatal inquiry or civil proceedings and send to **Us** immediately every relevant document **You** receive in relation to any such matter
- G) provide **Us** with such books of account or other business books or documents or such proofs as may reasonably be required by **Us** for investigating or verifying the claim
- H) provide to **Us** (if required) a statutory declaration of the truth of the claims and any related matter
- I) in respect of Personal Injury (Robbery) under Money Insurance and Personal Accident Insurance provide **Us** at **Your** expense with all detailed particulars, certificates and evidence required by **Us**. Any **Insured Person** covered under these Insurances, shall, as often as required by **Us**, submit to medical examination at **Our** expense in connection with any claim.

## 2 Our Control Of Claims

**We** will be entitled

- A) on the happening of any **Damage** to the property insured to enter, take and keep possession of the building where **Damage** has happened, to take and keep possession of the property insured, to deal with the salvage in a reasonable manner without thereby incurring any liability, without diminishing **Our** right to rely on any conditions of this **Policy**. This **Policy** will be proof of leave and license for such purpose

- B) at **Our** discretion to take over and conduct in **Your** name the defence or settlement of any claim and to take proceedings at **Our** own expense and for **Our** own benefit but in **Your** name to recover compensation or secure indemnity from any third party in respect of any **Event** insured by this **Policy**. **You** will give all information and assistance reasonably required
- C) to any property for the loss of which a claim is paid hereunder and **You** will execute all such assignments and assurances of such property as may be reasonably practicable but **You** will not be entitled to abandon any property to **Us**
- D) at **Our** option to repair or replace the property or any part of the property for which **We** may be liable under this **Policy**, provided that **We** will not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner. **We** shall not in any case be bound to expend in respect of any one of the items insured more than the sum insured.

### 3 Conditions

No claim under this **Policy** shall be payable unless the terms of Claims Condition 1 have been complied with.

### 4 Fraud

If a claim is fraudulent in any respect or if fraudulent means are used by **You**, any director, partner, principal or **Employee** of **Yours** or any person acting on **Your** or their behalf to obtain any benefit under this **Policy** or if any **Damage** is deliberately caused by **You** or with **Your** knowledge then all benefit under this **Policy** shall be forfeited.

### 5 Other Insurance

If **You** claim under this **Policy** for something which is also covered by another policy, **We** will only pay **Our** proportionate share of the claim. **You** should give **Us** full details of the other policy.

This condition does not apply to Money Insurance, the Contingent Motor Liability cover under Liabilities Insurance - Section 2 Public Liability/Product Liability or to Personal Accident Insurance.

### 6 Arbitration (Not applicable to Liabilities Insurance, Personal Injury (Robbery) cover under Money Insurance or Legal Expenses Insurance)

If there is any disagreement between **You** and **Us** as to the amount to be paid under this **Policy**, liability being otherwise admitted, the disagreement shall be referred to an arbitrator; in accordance with the Arbitration Act 1996 or any subsequent legislation replacing that Act.

The party against whom the decision is made shall meet all costs of the arbitration in full.

If the decision is not clearly made against either party the arbitrator shall have the power to apportion costs.

If the decision is made in **Our** favour **Your** costs shall not be recoverable under this **Policy**. This procedure does not prejudice any right of recourse **You** have to any other complaints procedure to which **We** subscribe or to the courts.

# Policy Conditions

## 1 Alteration of Risk

This **Policy** shall be avoided by **Us** if and when

A) the **Business** is wound up or carried on by a liquidator or receiver or permanently discontinued

or

B) **You** cease to have an interest that is insurable for example; the **Premises** have been sold to a third party. However this right to avoid the **Policy** does not apply in the event of **Your** death

or

C) there are any significant alterations to the **Business**; or the **Premises**; or

**Property** within the **Premises**; or

the occupation of the **Premises** by **You** or **Your Employees**; or

any other change in circumstances which increases the risks insured against under this **Policy**

unless such alteration is notified to **Us** and **We** confirm that **We** are happy to accept the change.

## 2 Cancelling the Policy

**You** may cancel this **Policy** by informing **Us** in writing, and cancellation will be effective from the date of receipt of **Your** instructions. If a Certificate of Insurance has been issued as a statutory requirement to provide evidence of cover, the cancellation will only be effective from the date of return of the Certificate(s) to **Us**.

**We** may cancel this **Policy** by sending 30 days written notice to **Your** last known address.

In the event of cancellation, **We** will refund the premium **You** paid for the rest of the insurance period. **We** will do this only if **You** have not made a claim during the **Period of Insurance**.

## 3 Cancelling the Monthly Premium Instalment Agreement

**Your Policy** has an insurance period of twelve months and **Your** legal contract with **Us** is for this period. **We** may have agreed to **You** paying **Your** premium by monthly instalments.

If **You** miss a monthly premium **We**, or **Your** third party credit provider; will send **You** a notice to **Your** last known address asking **You** to pay the premium **You** have missed. If **You** do not pay the premium **You** have missed by the date given in the notice, **We** will cancel all cover under **Your Policy**.

If **You** want to cancel the monthly premium instalment agreement, **You** should notify **Your** credit provider and also tell **Your** bank, building society or Girobank to cancel **Your** direct debit arrangement.

## 4 Consumer Credit Termination

**We** reserve the right to terminate the **Policy** in the event that there is a default in instalment payments due under any linked loan agreement.

**You** must return **Your** current Certificate of Employers' Liability Insurance to **Us** if **We** cancel **Your Policy**.

## 5 Contracts (Rights of Third Parties) Act 1999

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

## 6 Law Applicable

Under the laws of the United Kingdom (England, Scotland, Wales and Northern Ireland) both **You** and **We** may choose the law which applies to this contract, to the extent permitted by those laws. Unless **You** and **We** agree otherwise in writing, **We** have agreed with **You** that the law which applies to this contract is the law which applies to the part of the United Kingdom in which **You** are based, or, if **You** are based in the Channel Islands or the Isle of Man, the law of whichever of those two places in which **You** are based.

**We** and **You** have agreed that any legal proceedings between **You** and **Us** in connection with this contract will only take place in the courts of the part of the United Kingdom in which **You** are based, or, if **You** are based in either the Channel Islands or the Isle of Man, the courts of whichever of those two places in which **You** are based.

## 7 Non-disclosure or Misrepresentation

This insurance **Policy** shall be voidable in the event of misrepresentation, misdescription or non-disclosure in any material particular.

## 8 Observance of Terms

It is a condition of **Our** liability that **You** observe the terms of this **Policy** relating to anything to be done or complied with by **You** except in so far as is necessary to comply with the requirements of any legislation enacted in **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man relating to compulsory insurance of legal liability to **Employees**. Failure to comply may result in a claim not being paid or payment reduced.

## 9 Our Liability

All the sums insured, **Limits of Indemnity** and any other restrictions on the amount of **Our** liability stated in this **Policy**, will apply as maximum limits to **Our** liability irrespective of the number of persons entitled to indemnity under this **Policy**.

For all purposes, including, but not limited to the application of sums insured, **Limits of Indemnity** and any other restrictions on the amount of **Our** liability stated in the **Policy**, the definition of **You** shall constitute one insured party, and there shall only be one contract of insurance between that insured party and **Us**.

## 10 Reasonable Precautions

**You** must at **Your** own expense take all reasonable steps to prevent or minimise any **Damage** or any **Injury** to **Employees** or the public.

**You** must keep all of **Your Buildings**, furnishings, ways, works, machinery and plant and vehicles in good condition and in good repair.

If **You** discover any defect or danger, **You** must make it good as soon as reasonably practicable and in the meantime take such additional precautions as circumstances reasonably require.

**You** must exercise care in the selection and supervision of **Employees**.

## Definitions - Words with special meanings

### Accident

A sudden unexpected unforeseen and identifiable **Incident**.

### Administrator

A third party provider appointed by **Us** to administer claims in respect of Legal Expenses Insurance on **Our** behalf.

### Aircraft Accumulation

All **Insured Persons** travelling in any aircraft or airship.

### Ancillary Equipment

Equipment which is solely for use with the **Computer Equipment** including fire extinguishing gas bottles and pipework, computer room partitioning, air conditioning, generating, voltage regulating, temperature or humidity recording, electronic access and heat or smoke detecting equipment owned by or leased, hired or rented to **You**.

### Any One Claim

All **Legal Proceedings** (including any appeal against judgment) arising from or relating to the same **Event**.

### Appointed Representative

A solicitor, consultant or any other appropriately qualified person nominated to act in a professional capacity for **You** in accordance with the terms and conditions of Legal Expenses Insurance.

### Asbestos

Crocidolite, amosite, chrysotile, fibrous actinolite, fibrous anthophyllite or fibrous tremolite or any mixture containing any of those minerals.

### Asbestos Containing Materials

Any material containing **Asbestos** or **Asbestos Dust**.

### Asbestos Dust

Fibres or particles of **Asbestos**.

### Building(s)

Buildings (being built mainly of brick, stone, concrete or other non-combustible materials unless stated differently in the **Schedule** or **Statement of Fact**) and including

- landlord's fixtures and fittings in and on the buildings
- outside buildings, extensions, annexes and gangways
- walls, gates and fences
- services which shall mean telephone, gas and water mains, electrical instruments, meters, piping, cabling and the like and any accessories extending from the **Buildings** to the perimeter of the **Premises** or to the public mains (including those underground).

### Business

That shown in the **Schedule** and conducted solely from premises in **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man and shall include

- l ownership, repair and maintenance of **Your** own property

- 2 provision and management of canteen, social, sports and welfare organisations and first aid, ambulance and medical services for the benefit of any **Person Employed**
- 3 fire and security services maintained solely for the protection of premises which **You** own or occupy
- 4 private work undertaken by any **Person Employed** for any of **Your** directors, partners or **Employees** with **Your** prior consent
- 5 attendance at or participation in **Exhibitions** by any **Employee** or director in connection with their employment

but in respect of Section 1 of Liabilities Insurance shall not include any work undertaken **Offshore**.

### **Business Premises**

That part of the **Premises** solely occupied by **You** for the purpose of the **Business** described in the **Schedule**.

### **Commuting**

While in the course of daily travel directly between residence (normal or temporary) and place of **Business** (normal or temporary).

### **Computer Equipment**

All Computer Equipment including interconnecting wiring, fixed disks and telecommunications equipment owned by or leased, hired or rented to **You** all used for the storage and communication of **Data**.

### **Computer Systems Records**

All current and backup computer records (excluding fixed disks and paper records of any kind) incorporating stored **Data**.

### **Consignment**

All **Goods** whether contained in one or any number of parcels, packages or containers or in bulk sent at one time in one load from one address to one address.

### **Contribution**

The first part of each and every claim as shown in the **Schedule** which **You** and **We** have agreed will be paid by **You**.

If cover is provided in respect of an **Event** under more than one item under the "What is covered" heading within an Insurance or under more than one Insurance section and if a **Contribution** as defined above applies under more than one such item or Insurance then only the **Contribution** which is the highest of those which would have applied separately will be deducted from the total claim payment.

### **Court**

A Court or other competent authority.

### **Damage**

Accidental loss, destruction or damage.

### **Data**

Information represented or stored electronically including but not limited to code or series of instructions, operating systems, software programs and firmware.

### **Declared Value**

The base value shown against the item in the **Schedule** which **You** consider to represent the cost of reinstating the **Property** at the level of costs applying at the start of the **Period of Insurance** without any provision for inflation.

## Deeds and Documents

All written or printed deeds, books and other documents of any nature, microfilm and microfiche but this shall not include **Computer Systems Records**, stamps, **Money** or other negotiable securities.

## Denial of Service Attack (Terrorism Insurance)

Any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks or network services or network connectivity or information systems.

The Definition of Denial of Service Attack includes but is not limited to the generation of excess traffic into network addresses and the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

## Disablement

In respect of Personal Injury (Robbery) under Money Insurance

- as detailed in Benefits 2 to 4.

In respect of Personal Accident Insurance

- as detailed in Benefits 2 to 6.

## Employee(s)

Any individual under a contract of service or apprenticeship with **You**.

## Event(s)

One occurrence or all occurrences of a series consequent on or attributable to one source or original cause.

## Exhibition(s)

Includes demonstration, trade fair or show.

## Failure of a System

The complete or partial failure or inability whether in terms of availability, functionality and/or performance or otherwise of a **System** whether or not owned by **You** to operate at any time as desired as specified or as required in the circumstances of **Your Business** activities.

## General Contents

In so far as they are not otherwise insured

- machinery, plant, fixtures, fittings and other trade equipment
- all office equipment and other contents excluding **Computer Equipment, Ancillary Equipment, Computer Systems Records, Money, Deeds and Documents** and **Transparencies**
- patterns, models, moulds, plans and designs
- **Deeds and Documents** and **Transparencies** for an amount not exceeding £25,000 in respect of any one loss
- directors', partners' and **Employees'** personal effects including clothing, pedal cycles, tools, instruments and the like for an amount not exceeding £1,500 per person
  - but any cover granted under this Insurance for **Damage** by theft shall not apply to personal effects partly or wholly of precious metal, jewellery, watches, furs, contact lenses, portable electronic entertainment equipment, cameras, **Money** and securities of any description
- motor vehicles, motor chassis and their contents

- closed circuit television equipment, alarm system equipment, television or radio receiving aerials and satellite dishes for which **You** are responsible and which are securely fixed to the external structure of the **Building**
- **Glass**, sanitary ware, neon and illuminated signs and electric light fittings
- wines, spirits, tobacco and cigarettes held for entertainment purposes but not for more than £500 in total in respect of **Damage** by theft (if insured).

### Glass

- Normal flat annealed glass including lettering on it.
- Toughened and laminated glass including lettering on it.
- Mirrors.
- Bent, tinted, stained or fired glass.
- Decoration or protective film or alarm foil on glass.

### Goods

**Property** (not including **Unspecified Equipment** and **Specified Equipment**) which belongs to **You** or for which **You** are responsible and is incidental to the **Business**.

### Great Britain

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

### Gross Profit

The amount by which the sum of the amount of the **Turnover** and the amounts of the closing stock and work in progress shall exceed the sum of the amounts of the opening stock and work in progress and the amount of the **Uninsured Variable Costs**.

- Note**
- 1 Value Added Tax is excluded to the extent that **You** are accountable to the tax authorities.
  - 2 Any adjustment implemented in current cost accounting is disregarded.
  - 3 The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with **Your** normal accounting methods due provision being made for depreciation.

### Hacking (Terrorism Insurance)

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.

### Hospital

Any institution which meets fully every one of the following criteria

- 1 maintains permanent and full time facilities for the care of overnight resident patients and
- 2 has diagnostic and therapeutic facilities for surgical and medical diagnosis treatment and care of injured and sick persons by or under the supervision of a staff of **Medical Practitioners** and
- 3 continuously provides a 24 hours a day nursing service supervised by state registered nurses or by persons with equivalent qualifications and
- 4 is not other than incidentally an institution which provides full time facilities for
  - A) mentally ill or mentally handicapped persons
  - B) nursing or convalescing
  - C) aged persons of 70 years or more

- D) drug addicts
- E) alcoholics.

### **Incident**

All individual losses arising out of and directly occasioned by one sudden unexpected specific event occurring at an identifiable time and place.

### **Indemnity Period**

The period beginning when the **Damage** occurs and ending when the results of the **Business** cease to be affected by the **Damage** but not exceeding the Maximum Indemnity Period (as shown in the **Schedule**).

### **Injury (Liabilities Insurance)**

#### **In respect of Liabilities Insurance Sections 1 and 3 (Part A)**

- Bodily injury, death, disease or illness.

#### **In respect of Liabilities Insurance Sections 2 and 3 (Part B)**

- Bodily injury, mental injury, death, disease, illness, wrongful arrest or false imprisonment.

### **Insured Person (not applicable to Personal Accident Insurance)**

**You** or **Your** directors, partners or **Employees**.

### **Insured Person (Personal Accident Insurance)**

Any principal, partner, proprietor (PPP), director or **Employee** of the **Business** resident in **Great Britain**, Northern Ireland, the Channel Islands or the Isle of Man as shown in the **Schedule** with one of the following Employee Types

- PPP - Clerical
- PPP - Manual
- All Other Employees - Clerical
- All Other Employees - Manual

Cover applies until the expiry of the **Period of Insurance** in which the **Insured Person** attains the age of 75 years.

### **Intruder Alarm System(s)**

Includes all lines and equipment used to transmit the signals to and from the **Premises**.

### **Keyholder**

Any person or keyholding company authorised by **You** who is available at all times when the **Intruder Alarm System** is set to accept notification of faults or alarm signals or messages relating to the **Intruder Alarm System**.

### **Legal Expenses**

#### **1 Fees**

Any fees and disbursements reasonably and properly incurred by the **Appointed Representative** or by **Our Administrator** in connection with any **Legal Proceedings**.

Where **You** have chosen **Your** own **Appointed Representative** **We** will not pay more than **Standard Legal Expenses**.

#### **2 Costs**

Any costs payable by **You** following

A) an award of costs by any **Court**

or

B) an out-of-court settlement made in connection with any **Legal Proceedings**. **You** must have obtained **Our Administrator's** agreement to any such settlement in accordance with Requirement 4 F).

### 3 Basic and Compensatory Awards (in respect of Section 1 of Legal Expenses Insurance)

A) A basic or compensatory award of compensation which **You** must pay as a result of judgment in a dispute under employment legislation

or

B) an out-of-court settlement of a claim under 3 A) above to which **Our Administrator** has given their prior written consent.

### 4 Data Protection Awards (in respect of Section 5 of Legal Expenses Insurance)

A) An award of compensation made against **You** under Section 13 of the Data Protection Act 1998

or

B) an out-of-court settlement of a claim under 4 A) above to which **Our Administrator** has given their prior written consent.

## Legal Proceedings

The pursuit or defence of legal or taxation disputes.

## Limit of Indemnity

The maximum amount payable by **Us** in respect of the cover provided as shown in the **Schedule** or **Policy** wording.

## Limit of Liability

The maximum amount payable by **Us** in respect of the cover provided as shown in the **Schedule** or **Policy** wording.

## Loss of Eye

Permanent and total loss of sight which will be considered as having occurred

- 1 in both eyes if the **Insured Person's** name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist
- 2 in one eye if the degree of sight remaining after corrections is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the **Insured Person** should see at 60 feet).

## Loss of Limb

In the case of a leg loss by physical severance at or above the ankle or permanent total loss of use of a complete foot or leg and in the case of an arm loss by physical severance of the entire four fingers through or above the meta carpo phalangeal joints (where the fingers join the palm of the hand) or permanent total loss of use of a complete arm or hand.

## Maintenance Agreement

A maintenance, rental, hire or lease agreement which provides **You** at inclusive cost with a service of at least on-call remedial or corrective maintenance with free repair or replacement in the event of breakdown or derangement arising out of normal use of the **Computer Equipment** or **Ancillary Equipment**.

## Maximum Incident Limit

The maximum amount **We** will pay under this Insurance or any other policy of Personal Accident insurance issued by **Us** in **Your** name in respect of all losses and all **Insured Persons** arising out of the same **Incident**, inclusive of the **Aircraft Accumulation** Limits shown in the **Schedule**.

The duration and radius of any one **Incident** is limited to

- A) 72 consecutive hours
- B) 100 miles.

No loss which occurs outside this distance or period will be included in that **Incident**.

### **Medical Expenses**

The cost of medical surgical or other remedial attention treatment or appliances given or prescribed by a Registered **Medical Practitioner** and all hospital, nursing home and ambulance charges.

### **Medical Practitioner**

Any legally qualified medical practitioner other than

- 1 an **Insured Person**
- 2 a member of the immediate family of an **Insured Person**
- 3 **Your Employee**.

### **Microchip**

A unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly includes integrated circuits and microcontrollers.

### **Money**

Being both **Negotiable Money** and **Non-Negotiable Money**.

### **Negotiable Money**

Cash, bank notes, currency notes, uncrossed cheques (including travellers cheques but excluding pre-signed blank cheques), uncrossed bankers' drafts, uncrossed giro cheques and drafts, uncrossed postal orders, uncrossed money orders, current postage and revenue stamps, National Insurance stamps (not fixed to cards), National Savings stamps, bills of exchange, luncheon vouchers, consumer redemption vouchers, Holiday with Pay stamps, gift tokens and trading stamps.

### **Non-Negotiable Money**

Crossed cheques (other than pre-signed blank cheques), crossed banker's drafts, crossed giro cheques and drafts, crossed postal orders, crossed money orders, unused units in franking machines, National Savings certificates, Premium Bonds, credit company sales vouchers and VAT purchase invoices.

### **Nuclear Installation (Terrorism Insurance)**

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

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

### **Nuclear Reactor (Terrorism Insurance)**

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

### **Offshore**

Embarkation on to a vessel or aircraft for conveyance to an offshore rig or platform until disembarkation from the conveyance on to land upon return from such offshore rig or platform.

## Operative Time

### 1 24 hour

At any time.

### 2 Employment Only

A) While engaged on the **Insured Person's** occupation in **Your Business**

or

B) While the **Insured Person** is engaged upon duties incidental to the **Business** and as a direct result of assault other than by the explosion of any bomb or explosive device. Cover will also apply where the assault is a direct consequence of the **Insured Person's** employment with **You**

or

C) At any time while travelling on **Your Business**.

Insurance operates from the departure of the **Insured Person** from residence or normal place of **Business** (whichever occurs first) until arrival back at such residence or normal place of **Business** (whichever occurs last) at the end of the journey excluding **Commuting**.

### 3 Employment including Commuting

A) While engaged on the **Insured Person's** occupation in **Your Business**

or

B) While the **Insured Person** is engaged upon duties incidental to the **Business** and as a direct result of assault other than by the explosion of any bomb or explosive device. Cover will also apply where the assault is a direct consequence of the **Insured Person's** employment with **You**

or

C) At any time while travelling on **Your Business**.

Insurance operates from the departure of the **Insured Person** from residence or normal place of **Business** (whichever occurs first) until arrival back at such residence or normal place of **Business** (whichever occurs last) at the end of the journey including **Commuting**.

## Outstanding Debit Balances

The total recorded under Duplicate Records (as detailed in 'Requirements which **You** must comply with to minimise loss of Outstanding Debit Balances') adjusted for

- 1 bad debts
- 2 amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the **Damage**) to the credit accounts of the **Business** in the period between the date to which the last monthly record relates and the date of the **Damage**

and

- 3 any abnormal condition of trade which had or could have had a material effect on the **Business**

so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the **Damage** had the **Damage** not occurred.

- Note**
- 1 Value Added Tax is excluded to the extent that **You** are accountable to the tax authorities.
  - 2 Any adjustment implemented in current cost accounting is disregarded.

**Period of Insurance**

The period beginning with the "From" date and ending with the "To" date shown in the **Schedule** and any other period for which **We** accept **Your** Premium.

**Period of Rent**

The maximum period from the date of **Damage** for which **We** are liable to pay any loss of **Rent**.

**Person Employed**

- 1 Employee
  - 2 labour master and individuals supplied by him
  - 3 individual employed by labour only sub-contractors
  - 4 self-employed individual (not being in partnership with **You**)
  - 5 individual hired to or borrowed by **You**
  - 6 individual undertaking study or work experience while under **Your** supervision
- } while under **Your** direct control and supervision

**Person Entitled to Indemnity**

- 1 **You**
- 2 **Your** personal representatives in respect of legal liability incurred by **You**
- 3 at **Your** request
  - A) any principal
  - B) any of **Your** directors or partners
  - C) any **Person Employed**

against legal liability in respect of which **You** would have been entitled to indemnity under this **Policy** if the claim had been made against **You**

- D) the officers, committees and members of **Your** canteen, social, sports and welfare organisations and first aid, fire, ambulance, medical and security services in their respective capacities as such but this shall not include medical or dental practitioners in relation to medical services provided
- E) any of **Your** directors or partners or **Employees** in respect of private work undertaken by any **Person Employed** for such directors partners or **Employees** with **Your** prior consent

provided that such people shall keep to the terms, conditions and limitations of this **Policy** so far as they can apply.

**Policy**

The policy wording (along with the **Schedule** and **Statement of Fact**) which forms part of the legal contract between **You** and **Us**.

**Premises**

The address as shown in the **Schedule**.

**Private Individual (Terrorism Insurance)**

Any person other than

- 1 a Trustee or body of Trustees where insurance is arranged under the terms of a trust
- 2 a person who owns **Residential Property** for the purpose of their business as a sole trader.

The Definition of Private Individual includes two or more persons where insurance is arranged in their several names and/or **Your** title includes the name of a bank or building society or other financial institution for the purpose of noting their interest in the **Property Insured**.

**Property**

Material Property but shall not include **Data**.

## Property Insured

Buildings

General Contents

Stock

Other **Property** (excluding **Computer Equipment, Ancillary Equipment and Computer Systems Records**)

at the **Premises** including within the open yards forming part of the **Premises** (subject to any specific exclusions)

Computer Equipment

Ancillary Equipment

Computer Systems Records

at the **Premises** including within the open yards forming part of the **Premises** and anywhere in the world whilst temporarily away from the **Premises** unless otherwise stated in the **Schedule** (subject to any specific exclusions)

all as defined in the **Policy** or more fully described in the **Schedule** and all being **Your Property** or for which **You** are responsible but excluding

- **Property** which is more specifically insured
- unless specifically notified to and accepted by **Us** as insured
  - 1 land, roads, pavements, piers, jetties, bridges, culverts or excavations
  - 2 livestock, growing crops or trees.

## Rate of Gross Profit

The rate which **Gross Profit** would have borne to **Turnover** during the **Indemnity Period** had the **Damage** not occurred after account has been taken of the trends of the **Business** and of the variations in or other circumstances affecting the **Business**

either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred (subject to the proviso that the amount of **Gross Profit** shall be proportionately increased to correspond with the maximum **Indemnity Period** where it exceeds twelve months).

- Note**
- 1 Value Added Tax is excluded to the extent that **You** are accountable to the tax authorities.
  - 2 Any adjustment implemented in current cost accounting is disregarded.

## Rent

Any money in the nature of rent including service charges which **You** receive or pay.

## Residential Property (Terrorism Insurance)

Houses and blocks of flats and other dwellings (including household contents and personal effects of every description).

## Schedule

The document providing details of the various Insurances which are included in **Your Policy** together with the levels of cover applying under each.

## Specified Equipment

The individual items of **Business** equipment owned by **You** or for which **You** are legally responsible all as detailed in the **Schedule**.

## Standard Legal Expenses

The usual fees that would be incurred by **Us** in nominating **Our Administrator's** choice of **Appointed Representative**.

## Standard Turnover

The **Turnover** which would have been obtained during the **Indemnity Period** had the **Damage** not occurred after account has been taken of the trends of the **Business** and of the variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred (subject to the proviso that the amount of **Gross Profit** shall be proportionately increased to correspond with the maximum **Indemnity Period** where it exceeds twelve months).

- Note**
- 1 Value Added Tax is excluded to the extent that **You** are accountable to the tax authorities.
  - 2 Any adjustment implemented in current cost accounting is disregarded.

## Statement of Fact

The document setting out information provided by **You** or **Your** representative as being relevant to the cover that has been applied for. It also includes assumptions **We** have made about factual circumstances relevant to the cover and which are confirmed by **You** as true and correct.

## Stock

Stock and materials in trade, work in progress and finished goods (including telephone cards, lottery tickets, scratch cards and postage stamps intended for sale).

## Stock in the Cold Chamber

Stock in the Cold Chamber also includes **Stock** which at the time of the **Damage** giving rise to such deterioration or putrefaction would normally be placed in the cold chamber but is elsewhere on the **Premises**.

## System

Computers, other computing and electronic equipment linked to a computer hardware electronic **Data** processing equipment, **Microchips** and anything which relies on a **Microchip** for any part of its operation and includes for the avoidance of doubt any computer installation.

## Tenant's Improvements

All tenant's improvements, alterations, additions and decorations belonging to **You** or for which **You** are responsible.

## Territorial Limits

The territories covered by this **Policy** as shown in the **Schedule**.

## Transparencies/ Transparency

Transparencies, film negatives and video tapes.

## Turnover

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

## Uninsured Variable Costs

- Purchases and related discounts
- Bad debts

unless otherwise shown in the **Schedule**.

**Note** The meaning of these Costs will be that usually attached to them in **Your** accounts.

## Unspecified Equipment

Electronic and photographic **Business** equipment owned by **You** or for which **You** are legally responsible as shown in the **Schedule**.

### **Virus (not applicable to Terrorism Insurance)**

Programming code designed to achieve an unexpected, unauthorised and/or undesirable effect or operation when loaded onto a **System** transmitted between **Systems** by transfer between computer systems via networks, extranets and internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMS or otherwise and whether involving self-replication or not.

### **Virus or Similar Mechanism (Terrorism Insurance)**

Any program, code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations whether involving self-replication or not.

The Definition of Virus or Similar Mechanism includes but is not limited to trojan horses, worms and logic bombs.

### **Water Table Level**

The level below which the ground is completely saturated with water:

### **We/Us/Our**

Royal & Sun Alliance Insurance plc  
St Mark's Court  
Chart Way  
Horsham  
West Sussex  
RH12 1XL

### **Working Hours**

The period during which the **Premises** are actually occupied for **Business** purposes and during which **You** or **Your Employees** who are entrusted with **Money** are in the **Premises**.

### **You/Your/Yours/Yourself**

The Policyholder shown in the **Schedule**.

# Complaints Procedure

We aim to provide You with a first class service. If We have not delivered the service that You expect or You are concerned with the service provided, We would like the opportunity to put things right.

## Our complaints process

Initially please raise Your concerns with Your usual business contact. Once We have reviewed Your complaint We will issue Our business decision in writing. If upon receipt of this You remain dissatisfied, You can escalate Your complaint to Our Customer Relations Office who will conduct a separate investigation. This will be concluded with the issue of Our final decision in writing.

## Customer Relations Contact Details

Customer Relations Office  
Royal & Sun Alliance Insurance plc  
Bowling Mill  
Dean Clough Industrial Estate  
Halifax  
HX3 5WA

## What to do if you are still not satisfied

If You are still not satisfied, Royal & Sun Alliance Insurance plc is regulated by the Financial Services Authority whose arbitration service is the Financial Ombudsman Service and You may be able to refer Your complaint to them.

## Financial Ombudsman Service

Insurance Division  
The Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR

## Your rights

Your rights as a customer to take legal action remain unaffected by the existence or use of any complaints procedures referred to above. However the Financial Ombudsman Service will not adjudicate on any cases where litigation has commenced.

# How We Use Your Information

Please read the following carefully as it contains important information relating to the details that **You** have given **Us**. **You** should show this notice to any other party related to this insurance.

## **Who We are**

Business is underwritten by Royal & Sun Alliance Insurance plc.

**You** are giving **Your** information to Royal & Sun Alliance Insurance plc, which is a member of the RSA Group of companies (the Group). In this information statement '**We**' '**Us**' and '**Our**' refers to the Group unless otherwise stated.

## **How Your information will be used and who We share it with**

**Your** information comprises of all the details **We** hold about **You** and **Your** transactions and includes information obtained from third parties.

If **You** contact **Us** electronically, **We** may collect **Your** electronic information identifier e.g. Internet Protocol (IP) address or telephone number supplied by **Your** service provider.

**We** may use and share **Your** information with other members of the Group to help **Us** and them

- Assess financial and insurance risks
- Recover debt
- Prevent and detect crime
- Develop **Our** services, systems and relationships with **You**
- Understand **Our** customers' requirements
- Develop and test products and services.

**We** do not disclose **Your** information to anyone outside the Group except

- Where **We** have **Your** permission, or
- Where **We** are required or permitted to do so by law, or
- To credit reference and fraud prevention agencies and other companies that provide a service to **Us**, **Our** partners or **You**, or
- Where **We** may transfer rights and obligations under this agreement.

**We** may transfer **Your** information to other countries on the basis that anyone **We** pass it to provides an adequate level of protection. In such cases the Group will ensure it is kept securely and used only for the purpose for which **You** provided it. Details of the companies and countries involved can be provided on request.

From time to time **We** may change the way **We** use **Your** information. Where **We** believe **You** may not reasonably expect such a change **We** shall write to **You**. If **You** do not object, **You** will consent to that change.

**We** will not keep **Your** information for longer than is necessary.

## **Sensitive Information**

Some of the information **We** ask **You** for may be sensitive personal data, as defined by the Data Protection Act 1998 (such as information about health or criminal convictions). **We** will not use such sensitive personal data about **You** or others except for the specific purpose for which **You** provide it and to carry out the services described in **Your Policy** documents. Please ensure that **You** only provide **Us** with sensitive information about other people with their agreement.

## **How to contact Us**

On payment of a small fee **You** are entitled to receive a copy of the information **We** hold about **You**. If **You** have any questions or **You** would like to find out more about this notice **You** can write to

Data Protection Liaison Officer  
Customer Relations Office  
RSA  
Bowling Mill  
Dean Clough Industrial Estate  
Halifax HX3 5WA

## **Employers' Liability Tracing Office**

Certain information relating to **Your Policy** including, without limitation, the **Policy** number(s), employers' names and addresses (including subsidiaries and any relevant changes of name), coverage dates, employer's reference numbers provided by Her Majesty's Revenue and Customs and Companies House Reference Numbers (if relevant) will be provided to the Employers' Liability Tracing Office (the ELTO) and added to an electronic database (the Database).

This information will be made available in a specified and readily accessible form as required by the 'Employers' Liability Insurance: Disclosure By Insurers Instrument 2010'. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.

The Database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers carrying on, or who carried on, business in the UK and who are covered by the employers' liability insurance of their employers (the Claimants):

- to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and
- to identify the relevant employers' liability insurance policies.

The Database will be managed by the ELTO.

The Database and the data stored on it may be accessed and used by the Claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

By entering into this insurance **Policy** **You** will be deemed to specifically consent to the use of **Your Policy** data in this way and for these purposes.



Royal & Sun Alliance Insurance plc (No. 93792).  
Registered in England and Wales at St Mark's Court,  
Chart Way, Horsham, West Sussex RH12 1XL.  
Authorised and regulated by the Financial Services Authority.