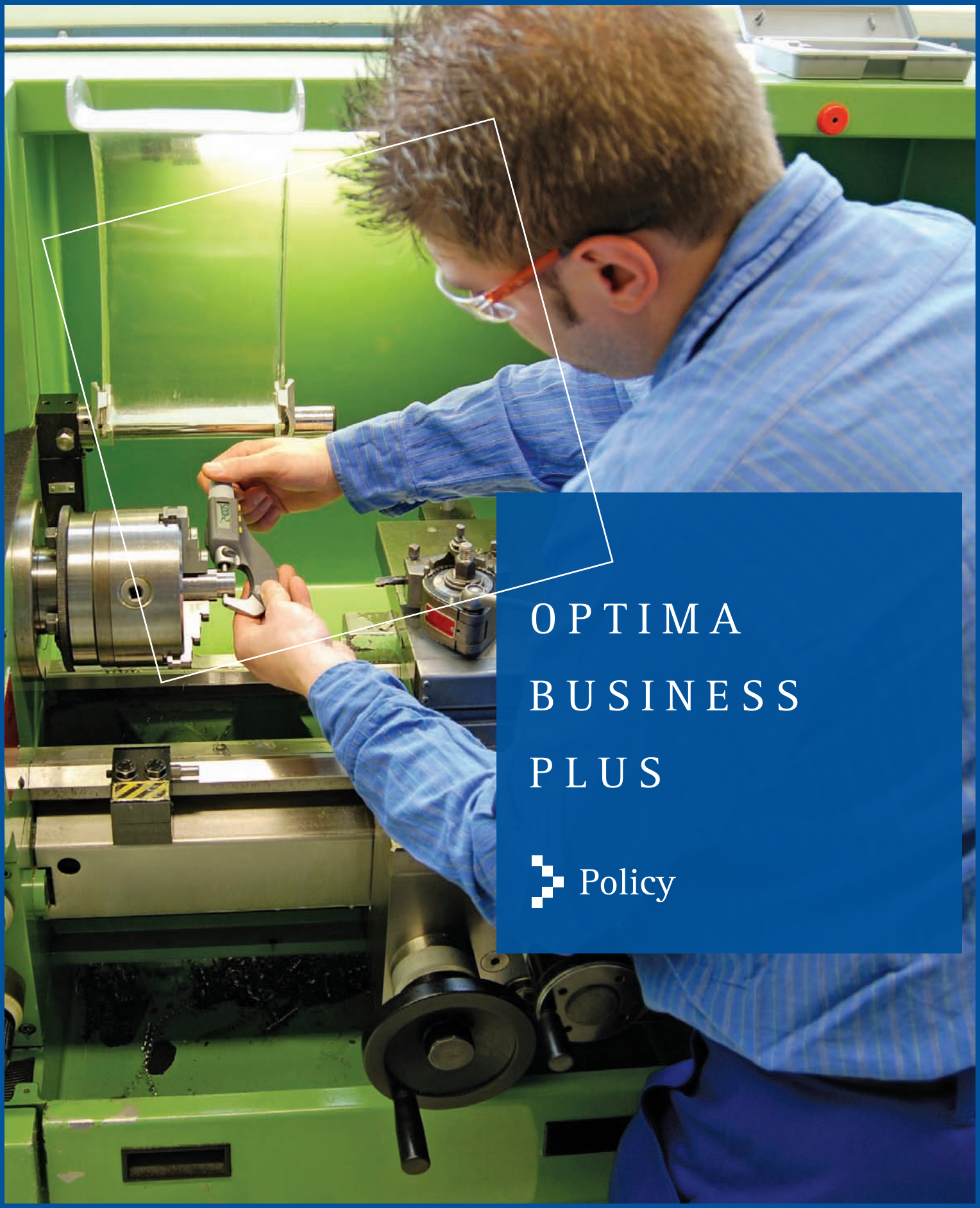


OPTIMA BUSINESS PLUS

Policy

Groupama

Insurances

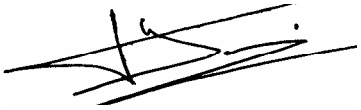
OPTIMA BUSINESS PLUS

The **INSURED** has applied for this insurance to Groupama Insurance Company Limited (the **COMPANY**) by a **PROPOSAL** which is the basis of this contract and is deemed to be incorporated herein and in consideration will pay the premium and any taxes due

In return the **COMPANY** will provide the insurance as described in this Policy during the Period of Insurance subject to the terms Conditions and Exclusions of this Policy

This Policy the Schedule and Endorsements will be read together as one document

Signed for and on behalf of the **COMPANY**



Chief Executive Officer
Groupama Insurance Company Limited
6th Floor
One America Square
17 Crosswall
London
EC3N 2LB

Your policy and schedule should be read carefully to ensure that they meet your requirements. They contain details of the cover, exclusions and conditions that apply. Please contact your insurance advisor if they do not meet your needs in any respect or require amendment. Please keep your policy, schedule and other related documents in a safe place as you will need to refer to them if you make a claim.

OUR CUSTOMER CARE POLICY

We are committed to treating our customers fairly. However, we realise that there may be times when things go wrong. If this happens, please use the most suitable contact from the following list. Please tell us your name and your claim number or policy number and the reason for your complaint.

We may record phone calls.

For complaints about claims, contact the Claims Centre Manager at:

Groupama Insurances
1 Port Way
Port Solent
Portsmouth
Hants
PO6 4TY

Phone: **0870 600 2123**
Fax: **0870 600 2102**
E-mail: **claims.commercial@groupama.co.uk**

For complaints about policy administration and documents, contact the Operations Manager at:

Groupama Insurances
Groupama House
60 Spring Gardens
Manchester
M60 1HU

Phone: **0870 850 0123**
Fax: **0870 850 0885**
E-mail: **sme@groupama.co.uk**

If you are not happy with our response to your complaint, please write to our Chief Executive at:

Groupama Insurances
6th Floor
One America Square
17 Crosswall
London
EC3N 2LB

Phone: **0870 850 8510**
Fax: **020 7264 2860**

OUR CUSTOMER CARE POLICY (continued)

We promise to:

- acknowledge your complaint within five days of receiving it;
- have your complaint reviewed by a senior member of staff;
- tell you the name of the person managing your complaint; and
- respond in full to your complaint within 28 days. If this is not possible for any reason, we will write to you to explain why we have not been able to settle the matter quickly. We will also let you know when we will contact you again.

Calls to 0870 numbers will cost no more than calls to 01 or 02 numbers in the UK. Calls from mobile phones may cost more.

Financial Ombudsman Service

If you are still not happy with our final decision, you may be able to pass your complaint to the Financial Ombudsman Service (FOS). The FOS is an independent organisation and will review your case.

Their address is:

The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR
Phone: **0845 080 1800**

You can visit the Financial Ombudsman Service website at **www.fos.org.uk**

The ombudsman's service is available to personal policyholders. Their service is also open to charities, trustees and small businesses with income or assets within defined limits. You can get more information from us or the ombudsman.

If you take any of the action mentioned above, it will not affect your right to take legal action.

Financial Services Authority

Groupama Insurance Company Limited is authorised and regulated by the Financial Services Authority. You can check their website (www.fsa.gov.uk), which includes a register of all the firms they regulate, or you can phone them on **0845 606 1234**.

Financial Services Compensation Scheme

We, Groupama Insurance Company Limited, are covered by the Financial Services Compensation Scheme (FSCS).

If we fail to carry out our responsibilities under this policy, you may be entitled to compensation from the Financial Services Compensation Scheme. Information about the scheme is available at **www.fscs.org.uk** or by phone on **020 7892 7300**.

SPECIAL BENEFITS FOR GROUPAMA POLICYHOLDERS

1 Advice Helpline

The **INSURED** may use Amicus Legal Ltd's 24 hour helpline service to obtain advice on tax and employment matters in connection with the **BUSINESS**.
Any calls concerning tax and employment matters can be confirmed in writing.
Advice is given without charge and all calls are strictly confidential.
The helpline telephone number is 01206 731959.

2 Replacement Glazing

The **INSURED** may arrange for the replacement of broken windows at the insured premises by telephoning the following number: 01204 877177.

This facility is available 24 hours every day and where necessary premises will be made safe by boarding up.

The **COMPANY** will settle accounts direct with the supplier except where the replacement is not within the scope of the cover provided by this Policy.

3 Business Assistance

DAS provide this Property Repair Helpline on behalf of the **COMPANY**.

In the event of an unforeseen emergency affecting the **INSUREDS** business premises which causes damage or potential danger DAS will contact a suitable repairer or contractor and arrange assistance on behalf of the **INSURED**.

All costs of assistance provided are the responsibility of the **INSURED** but they may be recoverable if the loss or damage is covered by the Policy.

To contact this service please phone 0117 934 2111 at any time.

4 Claims Reporting

Claims may be notified to the **COMPANY** at any time day or night on the following number:
Tel: 0870 241 0145.

Please see the General Terms and Conditions for details of the **INSUREDS** responsibilities in the event of a claim or an occurrence that may result in a claim.

The Special Benefits above have been arranged for the convenience of Policyholders and do not create a contractual relationship with Groupama Insurance Company Limited or form any part of the Policy.

DEFINITIONS

The words defined below will have the same meaning wherever they appear in bold capital letters within the Policy the Schedule the Clauses the Endorsements and Extensions

BUILDINGS

the buildings at the **PREMISES** which unless otherwise stated in the Schedule are

- occupied solely by the **INSURED** for the **BUSINESS**
- constructed solely of brick stone concrete or other non-combustible materials and roofed with slates tiles concrete or metal
- lit by electricity
- heated solely by low pressure hot water apparatus oil or gas fired space heaters fed from fuel tanks in the open or from a public supply or electrical appliances

Unless otherwise stated any item for the insurance of **BUILDINGS** includes

(1) landlords fixtures and fittings in and on the **BUILDINGS**
(2) small outside buildings and fixed storage tanks septic tanks annexes and gangways
(3) walls gates fences yards and private roads
(4) the public service telephone gas water and electricity pipes cables and accessories (including meters and covers) extending from the **BUILDINGS** to the public mains

the property of the **INSURED** or for which the **INSURED** is responsible

BUSINESS

the **BUSINESS** as stated in the Schedule and for the purpose of the Employers Liability Section and the Public and Products Liability Section includes

(1) the provision and management for the benefit of the **INSURED DIRECTORS PARTNERS** or **EMPLOYEES** of canteen social sports educational or welfare activities and first aid fire security and ambulance services
(2) the ownership and routine maintenance and repair of the **PREMISES** from which the **BUSINESS** is conducted
(3) the performance of private duties by **EMPLOYEES** at the request of the **INSURED** or any **DIRECTOR PARTNER** or senior executive of the **INSURED**

BUSINESS HOURS

hours during which the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE** is on the **PREMISES** for the purposes of the **BUSINESS**

COMPANY

Groupama Insurance Company Limited

COMPUTER EQUIPMENT

electronic data processing and/or word processing equipment including but not limited to all processing units screens keyboards printers scanners disk and tape drives telecommunication and networking equipment and spare components for such equipment and data carrying materials used in connection with such equipment but excluding programmes and software not being proprietary branded data or telephone systems

CONTRACTORS

any person persons company firm or organisation which is or are on the **PREMISES** specified in the Schedule for the purpose of carrying out construction alteration extension or repairs to **BUILDINGS** or **GENERAL CONTENTS**

DEFINITIONS (Continued)

DAMAGE

accidental loss damage or destruction

DANGEROUS GOODS

those dangerous substances listed by the Health and Safety Commission in Part 1 of the Authorised and Approved List of Dangerous Substances explosives radioactive substances and any other substances presenting a similar hazard

DEFINED PERILS

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

DIRECTOR

a director of the **INSURED**

EMPLOYEE

any

(1) person under a contract of service or apprenticeship with the **INSURED**
(2) self-employed person labour only sub-contractor labour master or person supplied by any of them
(3) person seconded to acquire work experience under a scheme or otherwise
(4) person hired to or borrowed by the **INSURED**
(5) voluntary worker

whilst working for the **INSURED** in the course of the **BUSINESS**
This Definition will not apply to the Fidelity Guarantee Section and its Extensions which have Special Definitions

EXCESS

the amount that will be deducted by the **COMPANY** from the total agreed amount of any claim (only one **EXCESS** will be deducted from the total amount for claims arising out of one event) after the application of any General Provision of Underinsurance

This Definition will not apply to the Public and Products Liability Section and its Extensions which have Special Definitions

GENERAL CONTENTS

(1) machinery plant trade utensils tools implements fixtures and fittings excluding **COMPUTER EQUIPMENT**
(2) office equipment and machinery excluding **COMPUTER EQUIPMENT**
(3) patterns models moulds plans and designs
(4) computer records documents manuscripts and business books for an amount not exceeding £25,000 in respect of any one loss
(5) **TENANTS IMPROVEMENTS**
(6) wines spirits cigarettes and tobacco other than **STOCK** for an amount not exceeding £500 in respect of any one loss
(7) **COMPUTER EQUIPMENT** and computer records for an amount not exceeding £25,000 in respect of any one loss

the property of the **INSURED** or for which the **INSURED** is responsible and if not otherwise insured

(8) **DIRECTORS PARTNERS** and **EMPLOYEES** personal effects clothing pedal cycles tools and instruments for an amount not exceeding £500 per person

DEFINITIONS (Continued)

HACKING

unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether the property of the **INSURED** or not

INSURED

the person persons or corporate body named in the Schedule including

(1) the subsidiary companies of the **INSURED** notified to and accepted in writing by the **COMPANY**

(2) the legal personal representatives in the event of the **INSUREDS** death in respect of legal liability incurred by the **INSURED**

MONEY

coins bank and currency notes bankers drafts postal and money orders cheques Giro cheques bills of exchange crossed warrants travellers cheques unused current postage stamps holiday with pay stamps National Insurance Stamps stamped holiday with pay cards stamped National Insurance cards National Savings Certificates Premium Bonds War Bonds luncheon vouchers credit and debit card sales vouchers gift tokens consumer redemption vouchers trading stamps revenue stamps telephone top-up cards mobile phone vouchers travel cards lottery and other prize scratch cards unexpired units in franking machines utility vouchers securities for money and VAT purchases invoices

belonging to the **INSURED** or for which they are responsible and pertaining to the **BUSINESS**

OFFICEFRONT

windows doors frames signs and walling including security fittings and fixed associated electrical equipment all forming part of the front of the **PREMISES**

PARTNER

a partner of the **INSURED**

PREMISES

the **BUILDINGS** and land used for the **BUSINESS** and situate as stated in the Schedule

This Definition will not apply to the Employers Liability Section and the Public and Products Liability Section and its Extensions which have Special Definitions

PRINCIPAL

any public authority government body company firm organisation or person for whom the **INSURED** is undertaking a contract

PROPOSAL

any signed proposal form and declaration or any Risk Statement of Facts and any other information in connection with this insurance supplied by or on behalf of the **INSURED**

SHOPFRONT

windows doors frames signs and walling including security fittings and fixed associated electrical equipment all forming part of the front of the **PREMISES**

STOCK

stock and materials in trade work in progress and finished goods the property of the **INSURED** or for which the **INSURED** is responsible

DEFINITIONS (Continued)

TENANTS IMPROVEMENTS

decorations and improvements to the **BUILDINGS** including landlords fixtures and fittings for which the **INSURED** is responsible as tenant and not as owner

TERRITORIAL LIMITS

England Scotland Wales Northern Ireland the Channel Islands and the Isle of Man or as stated in the Schedule

This Definition will not apply to the Employers Liability Section and the Public and Products Liability Section and their Extensions which have Special Definitions

TRANSIT

a journey for the conveyance of property including but not limited to **MONEY** to a destination

UNIT

a single self contained portion of the **BUILDING**

UNOCCUPIED

empty or not in use

VIRUS OR SIMILAR MECHANISM

program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not

This Definition includes but is not limited to trojan horses worms and logic bombs

WORKMEN

any person persons company firm or organisation which is or are on the **PREMISES** specified in the Schedule for the purpose of carrying out repairs decoration general maintenance and minor alterations to **BUILDINGS** or **GENERAL CONTENTS**

FINANCIAL DEFINITIONS

The words defined below will have the same meaning wherever they appear in bold capital letters within the Policy the Schedule the Clauses the Endorsements and Extensions

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 exceeds the sum of the amounts of the opening stock and work in progress and the amount of the **UNINSURED WORKING EXPENSES**

ESTIMATED GROSS PROFIT

the amount declared by the **INSURED** to the **COMPANY** as representing not less than the **GROSS PROFIT** which it is anticipated will be earned by the **BUSINESS** during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum **INDEMNITY PERIOD** exceeds twelve months)

GROSS REVENUE

the gross receipts of the **BUSINESS** from all sources less the cost of consumable goods

ESTIMATED GROSS REVENUE

the amount declared by the **INSURED** to the **COMPANY** as representing not less than the **GROSS REVENUE** which it is anticipated will be earned by the **BUSINESS** during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum **INDEMNITY PERIOD** exceeds twelve months)

TURNOVER

the money paid or payable to the **INSURED** for goods sold and delivered and for services rendered in course of the **BUSINESS** at the **PREMISES**

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

UNINSURED WORKING EXPENSES

purchases (less discounts received)
bad debts
carriage packing and freight

FINANCIAL DEFINITIONS (Continued)

ANNUAL TURNOVER

the **TURNOVER** during the twelve months immediately before the date of the **DAMAGE**

STANDARD GROSS REVENUE

the **GROSS REVENUE** during that period in the twelve months immediately before the date of the **DAMAGE** which corresponds with the **INDEMNITY PERIOD**

STANDARD TURNOVER

the **TURNOVER** during that period in the twelve months immediately before the date of the **DAMAGE** which corresponds with the **INDEMNITY PERIOD**

RATE OF GROSS PROFIT

the rate of **GROSS PROFIT** earned on the **TURNOVER** during the financial year immediately before the date of the **DAMAGE**

ANNUAL REVENUE

the **GROSS REVENUE** during the twelve months immediately before the date of the **DAMAGE**

after account has been taken of the trend 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

NOTES TO THE FINANCIAL DEFINITIONS

The following notes refer to the Financial Definitions stated above

1 To the extent that the **INSURED** is accountable to the tax authorities for Value Added Tax all terms in this insurance will be exclusive of such tax

2 For the purpose of these Definitions any adjustment implemented in current cost accounting will be disregarded

3 The amounts of the opening and closing stocks and work in progress will be arrived at in accordance with the **INSUREDS** normal accountancy methods due provision being made for depreciation

4 The **UNINSURED WORKING EXPENSES** have the meaning usually attached to them in the **INSUREDS** accounts

GENERAL EXCLUSIONS

These apply to all Sections of the Policy and all Clauses Endorsements and Extensions unless otherwise stated

*The **COMPANY** will not be liable for any claim in respect of*

1. Nuclear Risks

(a) loss damage or destruction to any material property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any direct or indirect consequential loss
(b) any legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from

(i) ionising radiation or contamination by radioactivity from any nuclear fuel or fuel from nuclear waste from the combustion of nuclear fuel
(ii) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

This General Exclusion does not apply to the Employers Liability Section

2. War Risks

any contingency occasioned by or happening through or in consequence of war invasion acts of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war rebellion revolution insurrection civil commotion assuming the proportions of or amounting to an uprising military or usurped power martial law confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any Government or public or local authority

This General Exclusion does not apply to the Employers Liability Section

3. Pressure Waves

loss damage or destruction occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speed

4. Excluded Property and Contingencies

loss damage or destruction to property or liability or contingencies more specifically insured by any other policy or security

5. Fines or Penalties

the cost of fines penalties punitive exemplary aggravated liquidated and multiple damages

6. Fraud

(a) loss damage or destruction by fraud forgery or deception
*(b) theft or any attempt thereat in which any **DIRECTOR PARTNER EMPLOYEE** or any member of the **INSUREDS** family is concerned as principal or accessory*

7. Northern Ireland

loss damage or destruction to any property in Northern Ireland or loss resulting therefrom or any direct or indirect consequential loss caused by or happening through or in consequence of riot civil commotion strikers persons taking part in labour disturbances or malicious persons

8. Pollution or Contamination

*loss damage or destruction from pollution or contamination unless arising in consequence of **DAMAGE** caused by or resulting in a **DEFINED PERIL***

This General Exclusion does not apply to the Public and Products Liability Section and its Extensions and the Goods in Transit Section and its Extensions

GENERAL EXCLUSIONS (Continued)

9. Change in Water Table Level

loss damage or destruction attributable solely to change in the water table level

10. Consequential Loss or Damage

direct or indirect consequential loss or damage of any kind or description except where specifically included

11. Terrorism

liability death injury loss damage or destruction or any cost or expense of whatsoever nature or wheresoever arising (including consequential loss and damage) directly or indirectly caused by resulting from or in connection with

(a) any act of TERRORISM regardless of any other cause or event contributing concurrently or in any other sequence to the loss

(b) any action taken in controlling preventing suppressing or in any way relating to any act of TERRORISM

except to the extent that it is necessary to comply with the minimum requirements of the law in the United Kingdom of Great Britain and Northern Ireland including the Channel Islands and the Isle of Man relating to compulsory insurance of liability to employees

For the purpose of the Exclusion an act of TERRORISM means an act including but not limited to the use of force or violence and/or the threat (or perceived threat) thereof of any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government (de jure or de facto) committed for political religious ideological or similar purposes including the intention to influence any government (de jure or de facto) and/or to put the public or any section of the public in fear

*In any action suit or other proceedings where the **COMPANY** alleges that by reason of this Exclusion any liability death injury loss damage destruction cost or expense is not covered by this Policy (or is covered only up to a specified Limit of Liability) the burden of proving that such liability death injury loss damage destruction cost or expense is covered (or is covered beyond the Limit of Liability) shall be upon the **INSURED***

In the event any portion of this Exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect

GENERAL EXCLUSIONS (Continued)

12. VIRUS OR SIMILAR MECHANISM or HACKING

*(1) loss damage or destruction to **COMPUTER EQUIPMENT** auxiliary equipment or computer media directly or indirectly occasioned by or arising from **VIRUS OR SIMILAR MECHANISM** or **HACKING***

*(2) additional Costs of Working in consequence directly or indirectly of **VIRUS OR SIMILAR MECHANISM or HACKING***

*(3) loss destruction or damage to the **COMPUTER EQUIPMENT** auxiliary equipment or any computer media directly or indirectly caused by or consisting of or additional costs and expenses arising directly or indirectly from the failure of any computer or other equipment or system for recognising capturing saving retaining storing manipulating interpreting calculating or retrieving data whether the property of the **INSURED** or not and whether occurring before during or after the Year 2000*

(a) correctly to recognise any date as its true calendar date or

(b) correctly to recognise capture save retain store restore retrieve and/or correctly to manipulate interpret calculate or process any data or information or command or instruction as a result of

(i) treating any date otherwise than as its true calendar date or

(ii) the operation of any command or instruction which has been programmed into any computer software being a command or instruction which causes loss of data or information or command or instruction or the inability correctly to capture save retain store restore retrieve and/or correctly to manipulate interpret calculate or process such data or information or command or instruction on or after any date or

(c) otherwise to function correctly

This General Exclusion does not apply to the Public and Products Liability Insurance Section or the Employers Liability Insurance Section

All other terms Conditions and Exclusions shall continue to apply but this Exclusion shall take precedence over any provision to the contrary

GENERAL TERMS AND CONDITIONS

These apply to all Sections of the Policy and all Clauses Endorsements and Extensions unless otherwise stated

Conditions Number 1 to 8 inclusive are all conditions precedent to any liability of the COMPANY under this Policy

1. The PROPOSAL

The answers and statements in the **PROPOSAL** are true and complete

2. Reasonable Precautions

The **INSURED DIRECTORS** and **PARTNERS** will

(a) take all reasonable precautions to select and supervise staff

(b) take all reasonable precautions to prevent accidents injury or **DAMAGE**

(c) take all reasonable measures to observe and fulfil the requirements of all statutory obligations and regulations

(d) maintain the **PREMISES** plant machinery and fire extinguishing appliances in sound condition

3. Payment of Premium and Relevant Taxes

(a) The Premium under this Policy is deemed to be the total gross premium paid by the **INSURED**

(b) the **INSURED** will pay the Premium and any relevant taxes when due otherwise the Policy will be cancelled from the date when the Premium and Taxes were due

(c) In the event that the Premium and Tax for this Policy is paid through the **COMPANYS** credit scheme

(i) each credit payment is to be made on the due date as required by the repayment schedule of the credit scheme and in the event of a default through non-compliance with the Terms and Conditions of the credit scheme then the Policy will cease to be operative from the date of the first default

(ii) in the event of a default in the repayment schedule occurring through circumstances other than a breach of the Terms and Conditions of the credit scheme then the Policy will be suspended for 21 days in order for the default to be remedied but if the default remains unremedied within that time the Policy will cease to be operative at the end of that 21 day period

4. Alteration of Risk

The **COMPANY** will not be liable for any **DAMAGE** or legal liability following

(a) alteration of the **PREMISES** or occupation thereof or to the **BUSINESS** whereby the risk of **DAMAGE** or legal liability is increased

(b) cessation of the **INSUREDS** interest except by will or operation of law

(c) alteration of **PARTNERS** having operational control of the **INSURED**

unless such alteration is agreed in writing by the **COMPANY**

5. Claims – INSUREDS Action

Whenever anything occurs which might give rise to a claim under this Policy the **INSURED** will

(a) notify the **COMPANY** immediately but no later than seven days after the date of loss for any claim in respect of riot civil commotion strikers locked out workers

(b) notify the Police immediately of any loss of **MONEY** or **DAMAGE** by theft or malicious persons

(c) do and permit to be done all things reasonably practicable to minimise the **DAMAGE** or to minimise or check any interruption of or interference with the **BUSINESS** or to avoid or diminish the loss

(d) not admit liability to any party

(e) send to the **COMPANY** immediately on receipt and unacknowledged every letter claim writ summons or process relating to a claim

(f) in the event of a claim being made under the Business Interruption Section of the Policy not later than thirty days after the expiry of the **INDEMNITY PERIOD** or within such further time as the **COMPANY** may in writing allow at his own expense deliver to the **COMPANY** in writing a statement setting forth particulars of his claim together with details of all other insurances covering the **DAMAGE** or any part of it or consequential loss of any kind resulting therefrom

(g) at his own expense produce and furnish to the **COMPANY** such books of account and other documents proofs information explanation and other evidence as may reasonably be required by the **COMPANY** for the purpose of investigating or verifying the claim together with if required a statutory declaration of the truth of the claim and of any matters connected therewith

6. Claims – Co-operation

The **INSURED** will provide all help and assistance and co-operation required by the **COMPANY** in connection with any claim

7. Risk Improvement Requirements

All Risk Improvement Requirements notified to and agreed by or on behalf of the **INSURED** shall be complied with and continue to be complied with during the whole currency of the Policy

8. Intruder Alarms

This Condition applies if an intruder alarm is required by the **COMPANY** in respect of any **PREMISES** covered by any of the following sections
Property All Risks Business Interruption Money Computer Breakdown or Specified All Risks

The words defined below will have the same meaning whenever they appear in Capital letters in this Condition

SYSTEM

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

ALARMED PREMISES

The **PREMISES** or those portions of the **PREMISES** protected by the SYSTEM

RESPONSIBLE PERSON

The **INSURED** or any person authorised by the **INSURED** to be responsible for the security of the **PREMISES**
Any Third Party shall not be deemed to be a RESPONSIBLE PERSON unless agreed by the **COMPANY** in writing

KEYHOLDER

The **INSURED** or any person or key holding company authorised by the **INSURED** who is available at all times to accept notification of faults or alarm signals relating to the SYSTEM attend and allow access to the **PREMISES**

CONFIRMED ALARM ACTIVATION

An alarm signal emanating from two or more independent sensors and/or detectors and/or processors
This shall include loss of both means of communication used to transmit signals or loss of one means of communication used to transmit signals and an alarm signal emanating from one sensor or detector or processor

Confirmation can also be achieved by human intelligence at an Alarm Receiving Centre interpreting visual images or audio signals transmitted from the **PREMISES** and making a decision that there is a high probability that intrusion or attempted intrusion has occurred

UNCONFIRMED ALARM ACTIVATION

An alarm signal emanation from sensor(s) and/or detector(s) and/or processor(s) and/or means of communication used to transmit signals other than as described in CONFIRMED ALARM ACTIVATION above

PERIMETER DETECTION DEVICE

An intruder detection device designed to detect intrusion to the **BUILDINGS** by any person(s) through the external fabric of the **BUILDINGS**

INTERNAL DETECTION DEVICE

An intruder detection device designed to detect intrusion to the **BUILDINGS** by unauthorised persons within the **BUILDINGS**

TAMPER SIGNAL

An alarm signal arising from the attempted disconnection of or tampering with control panel or audible warning equipment at the **PREMISES**

It is a condition precedent to the liability of the **COMPANY** that in respect of any SYSTEM at the **PREMISES**

(1) the SYSTEM is installed in accordance with any specification which has been agreed by the **COMPANY**

(2) the SYSTEM shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or such other company as agreed in writing by the **COMPANY**

(3) no alteration to or substitution of
   (i) any part of the SYSTEM
   (ii) the procedures agreed by the **INSURED** and the **COMPANY** for Police or any other response to any activation of the SYSTEM
   (iii) the maintenance contract
   shall be made without the written agreement of the **COMPANY**

(4) the ALARMED PREMISES shall not be left without at least one RESPONSIBLE PERSON therein without the agreement of the **COMPANY**
   (i) unless the SYSTEM is set in its entirety with the means of communication used to transmit signals in full operation except as provided in the table in paragraph (9) below
   (ii) if the Police Authority have withdrawn their response to alarm calls

(5) all keys to the SYSTEM are removed from the **PREMISES** when the **PREMISES** are left unattended

(6) the **INSURED** maintains secrecy of codes for the operation of the SYSTEM and no details are left on the **PREMISES**

(7) the **INSURED** shall appoint at least two KEYHOLDERS and lodge written details (which must be kept up to date) with the alarm company and the Police Authority

(8) in the event of notification of any activation of the SYSTEM or interruption in the means of communication during any period that the SYSTEM is set a KEYHOLDER shall attend the **PREMISES** within twenty minutes of being notified of any such activation or interruption and shall not leave the **PREMISES** without at least one RESPONSIBLE PERSON remaining therein until the provisions of paragraph (4) above have been complied with unless specifically agreed in writing by the **COMPANY**
This paragraph shall not apply where the appropriate response to alarm activation is made in accordance with paragraph (9) below

(9) where the Police only respond to confirmed alarm activation(s) under the ACPO Security System Policy the appropriate "Key holder Response" is made by a KEYHOLDER in respect of any "Incident" in accordance with the table below upon notification of any fault or alarm signal
This paragraph shall not apply where the appropriate response to alarm activation is made in accordance with paragraph (8) above

INCIDENT – WHILST SYSTEM IS SET IN ITS ENTIRETY WITH THE MEANS OF COMMUNICATION TO TRANSMIT SIGNALS IN FULL OPERATION	**KEYHOLDER RESPONSE**
CONFIRMED ALARM ACTIVATION	KEYHOLDER to attend and remain until the **BUILDINGS** are secure and the SYSTEM is reset in its entirety with the means of communication to transmit signals in full operation
UNCONFIRMED ALARM ACTIVATION from a PERIMETER DETECTION DEVICE	KEYHOLDER to attend and remain until the **BUILDINGS** are secure and the SYSTEM is reset in its entirety with the means of communication to transmit signals in full operation
UNCONFIRMED ALARM ACTIVATION from an INTERNAL DETECTION DEVICE where the SYSTEM has since been re-set in its entirety with the means of communication to transmit signals in full operation	Attendance at KEYHOLDERS option
UNCONFIRMED ALARM ACTIVATION from an INTERNAL DETECTION DEVICE where the SYSTEM is unable to be re-set in its entirety	KEYHOLDER to attend and remain until the **BUILDINGS** are secure and the SYSTEM is reset in its entirety with the means of communication to transmit signals in full operation
Loss of the sole means of communication to transmit signals without detector activation	KEYHOLDER to attend and remain until the means of communication to transmit signals is in full operation
Loss of one or two means of communication to transmit signals without detector activation	KEYHOLDER to instigate remedial action Attendance at KEYHOLDERS option
Single TAMPER SIGNAL	KEYHOLDER to attend and remain until the SYSTEM is set in its entirety with the means of communication to transmit signals in full operation

INCIDENT – WHILST INTRUDER ALARM SYSTEM IS NOT SET IN ITS ENTIRETY	KEY HOLDER RESPONSE
Loss of the sole means of communication to transmit signals	KEY HOLDER to remain until the SYSTEM is set in its entirety with the means of communication to transmit signals in full operation
Loss of one of two means of communication to transmit signals	KEYHOLDER to remain until the means of communication to transmit signals is in full operation
Single TAMPER SIGNAL	KEYHOLDER to remain until the SYSTEM is set in its entirety with the means of communication to transmit signals in full operation

(10) in the event of the **INSURED** receiving any notification from
- (i) the Police Authority that Police attendance in response to alarm signals or calls from the SYSTEM may be withdrawn or the level of response reduced
- (ii) a Local Authority or Magistrate imposing any requirement for abatement of nuisance
- (iii) the installing company or other such company as agreed by the **COMPANY** that the SYSTEM cannot be returned to or maintained in full working order (except as provided for in paragraphs (8) and (9) above)

the **INSURED** shall advise the **COMPANY** as soon as possible and in any event not later than 10am on the **COMPANYS** next working day and comply with any subsequent requirements stipulated by the **COMPANY**

9. Claims – COMPANYS Rights

The **COMPANY** having been advised of a claim or of an occurrence which might give rise to a claim under this Policy will be entitled

(a) to enter the premises where the loss has occurred without incurring any liability and without diminishing the right of the **COMPANY** to rely on the terms or Conditions of this Policy and may take and keep possession of any of the property insured for all reasonable purposes and deal with the salvage in any reasonable manner

(b) to undertake in the name of the **INSURED** the defence control or settlement of any claim and for its own benefit take proceedings in the **INSUREDS** name for the purpose of mitigating the loss or of enforcing any rights or remedies or of obtaining relief or indemnity from other parties whether prior to or after payment of any claim has been made

(c) at its sole option to indemnify the **INSURED** by payment reinstatement replacement or repair in respect of any property lost damaged or destroyed or any part thereof

The **COMPANY** will not be bound to reinstate exactly or completely but only as circumstances permit in a reasonably sufficient manner and will not in any case expend in respect of any one Item insured more than the Sum Insured thereon

GENERAL TERMS AND CONDITIONS (Continued)

10. Payment of Claims

In the event of a claim being made under the Policy the Premium and Tax for which is paid through the **COMPANYS** credit scheme the **COMPANY** may avail itself of the Terms and Conditions of the credit scheme and deduct any sum outstanding from the **INSURED** to the **COMPANY** in respect of the credit facility from any settlement due to the **INSURED** of a claim made under this Policy

11. Claims – Repayment of Excess

The **INSURED** will repay to the **COMPANY** the amount of any **EXCESS** for which the **COMPANY** has made payment

12. Dishonesty

If any claim under this Policy is in any respect dishonest or if any dishonest means or devices are used by the **INSURED** or any **DIRECTOR** or **PARTNER** or anyone acting on the **INSUREDS** behalf to obtain any benefit under this Policy or if any loss damage or destruction is occasioned by the wilful act or with the connivance of the **INSURED** or any **DIRECTOR** or **PARTNER** then all benefits under this Policy will be forfeited

13. Arbitration

If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted) such difference will be referred to an arbitrator in England who is to decide the matter in dispute according to English law and is to be appointed by the parties in accordance with the English statutory provisions in that behalf for the time being in force

Where any difference is by this Condition to be referred to arbitration the making of an award will be a condition precedent to any right of action against the **COMPANY**

14. Premium and Tax Adjustment

At the request of the **COMPANY** if the premium and tax have been calculated on estimates provided by the **INSURED** within one month of the end of each Period of Insurance the **INSURED** will provide all information for the adjustment of premium subject to the retention by the **COMPANY** of any minimum premium required

15. Other Insurances or Compensation

If at the time of any **DAMAGE** or injury there is any other insurance other than a more specific insurance covering the same property or liability or contingency the **COMPANY** will not be liable for more than its rateable proportion thereof and the **INSURED** will declare to the **COMPANY** the existence and terms of any other such insurance and will do all things necessary to secure payment of the relevant proportion of the claim by the other insurance

16. Voidance

This Policy is voidable in the event of misrepresentation misdescription or non-disclosure in any material fact

17. Cancellation

The **COMPANY** may cancel this Policy at any time giving fourteen days notice by recorded delivery letter to the **INSUREDS** address last known to the **COMPANY** and in such event the **COMPANY** will return the pro-rata portion of the premium and tax for the unexpired Period of Insurance

18. Conditions Precedent and Warranties

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

Non compliance with any such condition precedent or warranty in so far as it increases the risk of **DAMAGE** will be a bar to any claim in respect of such **DAMAGE**

19. COMPANYS Liability

Unless stated otherwise the **COMPANYS** liability in any one Period of Insurance under this Policy shall not exceed

(i) in the whole the Total Sum Insured or in respect of any Item its Sum Insured or any other Limit of Liability or Limit of Indemnity stated in the Policy at the time of the **DAMAGE**

(ii) the Sum Insured or Limit of Liability or Limit of Indemnity remaining after deduction for any other **DAMAGE** or interruption or interference consequent upon **DAMAGE** occurring during the same Period of Insurance unless the provisions within any relevant clause relating to Automatic Reinstatement of Sum(s) Insured have been complied with

All the Limits of Indemnity stated in the Schedule and all limits on the **COMPANYS** liability stated elsewhere in this Policy shall be the maximum amount payable by the **COMPANY** in the circumstances stated in the Schedule or elsewhere in this Policy irrespective of the number of persons claiming indemnity under this Policy in respect of any insured event or during any Period of Insurance

For the purposes of the Limits of Indemnity and all other limits on the **COMPANYS** liability all of the persons claiming indemnity under this Policy shall be treated as one party or legal entity so that there will be only a single contract of insurance between the **COMPANY** as one party and all the persons claiming indemnity as the other party

20. 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

21. Law Governing the Policy

Where the **INSURED** is a sole trader the **INSURED** has the right to choose the law which shall apply to this contract

However the Law of England shall apply unless otherwise agreed in writing by the **COMPANY**

Otherwise any dispute or difference concerning liability under or interpretation of this Policy will be governed by and construed in accordance with English law and the **INSURED** will submit any such dispute or difference to the exclusive jurisdiction of the English Courts

22. Inflation Provision

The Sums Insured (and Declared Values where Day One cover applies) on the following items of Property Insured under the Property All Risks Computer Breakdown and Specified All Risks Sections of this Policy (where applicable) are increased at each Renewal Date by the annual percentage movement of the indices shown below (or alternative indices as specified by the **COMPANY**)

PROPERTY INSURED	INDEX
Buildings	Royal Institution of Chartered Surveyors BCIS Building Cost Index
Contents	General Index of Retail Prices

Sums Insured and Declared Values to which Day One cover applies will be increased annually and other Sums Insured will be adjusted monthly (by adding one twelfth of the annual increase each month throughout the Period of Insurance)

However if an asterisk appears against the Sum Insured on the Policy Schedule this Condition will not apply to that Sum Insured

Sums Insured will not be reduced when an index figure reduces however such Sums Insured will not be subsequently increased due to an increase in the index until the index rises above the point at which it originally reduced

The **COMPANY** will not charge additional premiums for increases in the Sums Insured that occur monthly but the next renewal premium will be calculated on the adjusted Sums Insured

Contrary to Paragraph (ii) of Provision (4) of the Basis of Settlement in the Property All Risks Section the Sums Insured and Declared Values (where Day One cover applies) will be increased as specified above unless the **COMPANY** is advised otherwise

Despite the increases in Sums Insured as described above it is the **INSUREDS** responsibility to ensure that all Sums Insured are adequate throughout the currency of this Policy

PROPERTY ALL RISKS SECTION

THE INSURANCE	*EXCLUSIONS* *These apply in addition to the Section Exclusions and the General Exclusions* *The **COMPANY** will not be liable for*
If **DAMAGE** occurs during the Period of Insurance within the **TERRITORIAL LIMITS** to	
1. Property Insured	
described in the Schedule at the **PREMISES**	*(i) the **EXCESS** specified in the Schedule*
2. Property not at the PREMISES being	
A. computer records documents manuscripts and business books	*A. (i) the **EXCESS** specified in the Schedule* *(ii) theft unless from a locked building* *(iii) any amount in excess of £25,000* *(iv) loss damage or destruction unless **GENERAL CONTENTS** at the **PREMISES** are insured by this Section* *(v) loss damage or destruction to computer records not included under the Definition of **GENERAL CONTENTS***
B. **STOCK** at any storage location	*B. (i) the **EXCESS** specified in the Schedule* *(ii) theft unless from a locked building* *(iii) any amount in excess of £20,000 in total or £10,000 at any one location unless otherwise stated in the Schedule* *(iv) **DAMAGE** unless **STOCK** at the **PREMISES** is insured by this Section*
C. **GENERAL CONTENTS** temporarily removed from the **PREMISES** for cleaning renovation or repair	*C. (i) the **EXCESS** specified in the Schedule* *(ii) any amount in excess of 15% of the Sum Insured for **GENERAL CONTENTS** at the **PREMISES** or £25,000 whichever is the less*
D. **STOCK** and **GENERAL CONTENTS** in any building at exhibition premises in which the **INSURED** is participating as an exhibitor	*D. (i) the **EXCESS** specified in the Schedule* *(ii) any amount in excess of £10,000* *(iii) loss damage or destruction to **STOCK** or **GENERAL CONTENTS** unless such Property at the **PREMISES** is insured by this Section* *(iv) theft from any stand or display whilst left unattended unless the exhibition premises are closed and secure*
the **COMPANY** will pay to the **INSURED** the amount of loss as stated in the Basis of Settlement	

PROPERTY ALL RISKS SECTION – EXTENSIONS

Each of these Extensions is subject otherwise to the terms of this Section and the Policy	*EXCLUSIONS* *These apply in addition to the Section Exclusions and the General Exclusions*
This Section also insures	*The **COMPANY** will not be liable*
1. Glass	
(A) **DAMAGE** to	*(i) for the **EXCESS** specified in the Schedule*
1 internal and external plain plate and sheet glass	*(ii) for **DAMAGE** caused by scratching installation removal or repair*
2 ornamental or bent glass	*(iii) for **DAMAGE** unless **BUILDINGS** or **GENERAL CONTENTS** at the **PREMISES** are insured by this Section*
3 **SHOPFRONT**	
4 **OFFICEFRONT**	
5 lettering on glass	*(iv) for **DAMAGE** whilst the **PREMISES** are **UNOCCUPIED***
6 neon signs	
7 external signs	*(v) for **DAMAGE** arising out of any reconstruction or alteration to or repair of the **PREMISES** glass or neon signs*
	*(vi) for **DAMAGE** existing prior to the commencement of this insurance*
	*(vii) for **DAMAGE** consequent upon settlement expansion or contraction of frames or fittings in any new **BUILDING** completed during the twelve months prior to breakage*
	*(viii) for **DAMAGE** to any glass which is not fixed*
	(ix) for wear tear gradual deterioration electrical or mechanical breakdown
	*(x) for breakage of bulbs or tubes unless consequent upon **DAMAGE** to neon or illuminated signs*
	(xi) for breakage of any glass which does not extend through its entire thickness
(B) Accidental breakage of sanitary earthenware	*(i) the **EXCESS** being the first £100 of any claim*
(C) The cost of temporary boarding up following accidental breakage	
(D) **DAMAGE** by falling glass to the framework fittings or goods on display in windows	*(i) any amount in excess of £500*
(E) **DAMAGE** to alarm foil for which the **INSURED** is responsible	*(i) any amount in excess of £250*

PROPERTY ALL RISKS SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy	*EXCLUSIONS* *These apply in addition to the Section Exclusions and the General Exclusions*
This Section also insures	*The **COMPANY** will not be liable*
2. Replacement of Locks	
the cost incurred in replacement of locks to the **BUILDINGS** or any **UNIT** or to any safe or strongroom within **BUILDINGS** following loss of keys	*(i) for the replacement of locks arising from theft of keys from the **BUILDINGS** or any **UNIT** out of **BUSINESS HOURS** or when the **BUILDINGS** or **UNIT** are **UNOCCUPIED*** *(ii) for any amount in excess of* *(a) £500 for keys to safes or strongrooms* *(b) £1,000 in total for any one loss*
3. Septic Tanks and Underground Services	
the cost for which the **INSURED** is responsible for repair of **DAMAGE** to (a) septic tanks (b) underground services (including covers) extending from the **PREMISES** to the public mains	*(i) for the **EXCESS** specified in the Schedule* *(ii) for any amount in excess of £25,000*
4. Rented Buildings	
against legal liability for **DAMAGE** occurring during the Period of Insurance to the **BUILDINGS** hired or rented to the **INSURED** for the purpose of the **BUSINESS**	*(i) for the **EXCESS** specified in the Schedule* *(ii) for liability assumed under a tenancy or other agreement which would not have attached in the absence of such agreement* *(iii) if the Public and Products Liability Section of this Policy is in force* *(iv) for loss damage or destruction by theft or attempted theft when the **BUILDINGS** or **UNIT** are **UNOCCUPIED*** *(v) for any amount in excess of £5,000* *(vi) for loss damage or destruction unless **GENERAL CONTENTS** at the **PREMISES** are insured by this Section*
5. Extinguishment Expenses	
the reasonable costs incurred by the **INSURED** for refilling fire extinguishment appliances and replacing used sprinkler heads	*(i) for costs other than as a direct result of insured **DAMAGE*** *(ii) for any amount in excess of £25,000*
6. Metered Water	
the cost incurred by the **INSURED** as determined by the Water Supply Undertakings Meter for charges demanded by the Water Supply Undertaking Company following insured **DAMAGE** to water apparatus after the point of the service feed to the **PREMISES**	*(i) for the **EXCESS** specified in the Schedule* *(ii) for any loss damage or destruction not discovered within 180 days of its occurrence* *(iii) for any loss occurring when the **BUILDINGS** or **UNIT** in which the loss occurs are **UNOCCUPIED*** *(iv) for any amount in excess of £2,500*

PROPERTY ALL RISKS SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The insurance by this Section is extended as described below

EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

7. Clearing of Drains

This Section also insures the reasonable costs incurred by the **INSURED** for clearing cleaning or repairing drains gutters sewers and the like for which the **INSURED** is responsible

*(i) for the **EXCESS** specified in the Schedule*
*(ii) for costs other than as a direct result of loss damage or destruction caused by a **DEFINED PERIL***
(iii) for any amount in excess of £10,000

8. Designation

Where necessary the Item heading under which any property is insured will be determined by the designation under which such property appears in the **INSUREDS** books

9. Automatic Reinstatement of Sum(s) Insured

Unless the **COMPANY** gives written notice to the contrary the Sum(s) Insured will be automatically reinstated by the amount of any claim provided that

(a) the **INSURED** pays the appropriate additional premium and tax
(b) in respect of **DAMAGE** by theft (if insured) the automatic reinstatement will apply on the first occasion only in each Period of Insurance

10. Purchasers Interest

If the **INSURED** has contracted to sell the **PREMISES** and the purchaser has not insured the **PREMISES** before completion the purchaser will have the benefit of this Section insofar as it relates to the **PREMISES** up to the date of completion

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The Insurance by this Section is extended as described below

EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

11. Workmen

WORKMEN may be employed to effect repairs decoration general maintenance and minor alterations without prejudice to the insurance hereby

The **COMPANY** shall not be liable for **DAMAGE** caused by **CONTRACTORS** on the **PREMISES** for the purpose of carrying out contract works structural or other substantial alterations or extensions (including any contract under JCT conditions) unless agreed by the **COMPANY** in advance

It is a condition precedent to any liability of the **COMPANY** that when any such work involves the application or generation of heat whether by **CONTRACTORS** or **WORKMEN** or otherwise the **INSURED** shall take all reasonable steps to ensure that the appropriate precautions are taken and measures imposed to ensure a safe working environment and minimise the risk of fire or other **DAMAGE**

PROPERTY ALL RISKS SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The Insurance by this Section is extended as described below

EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

12. Capital Additions

If during the Period of Insurance

- alterations or additions are made to any **BUILDINGS** insured or
- **BUILDINGS** or **GENERAL CONTENTS** are acquired or constructed

at any **PREMISES** or elsewhere within the **TERRITORIAL LIMITS** and such additional property is not otherwise insured it will be held covered under the relevant Items of this insurance from the time from which the **INSURED** became responsible for it until the next renewal of this insurance at which date specific insurance will be effected

The Sum Insured (and Declared Value) by each Item will 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 the **COMPANYS** liability not exceeding £250,000 in respect of additional property at any one location

The **INSURED** will pay the appropriate additional premium and tax

All the terms and Conditions of this Section and the Policy apply to this Extension except as expressly varied

13. Other Interests

The interest of

- any freeholder mortgagee or lessor is noted in the insurance provided by this Section on **BUILDINGS**
- other parties supplying property to the **INSURED** under a hiring leasing or similar agreement or lending money for its purchase are noted in the insurance provided by this Section on **GENERAL CONTENTS** and/or **COMPUTER EQUIPMENT** respectively

and in the event of any claim hereunder the nature and extent of any such interest will be disclosed to the **COMPANY**

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The insurance by this Section is extended as described below

EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

14. Non Invalidation

The insurance provided by this Section shall not be invalidated by reason of any act omission or alteration unknown to or beyond the control of the **INSURED** whereby the risk of **DAMAGE** is increased provided that immediately they become aware thereof they shall inform the **COMPANY** in writing and pay an additional premium and tax if required

15. Contractors

Where the **COMPANY** agrees in advance in writing that contract works structural or other substantial alterations or extensions may be carried out by **CONTRACTORS** on the **PREMISES** Section Exclusion 1.F shall not apply provided that all precautions conditions and Risk Improvement Requirements imposed by the **COMPANY** are complied with

PROPERTY ALL RISKS SECTION – SECTION EXCLUSIONS

These apply in addition to any other Exclusions in the Section and the General Exclusions

*The **COMPANY** will not be liable for*

1. DAMAGE caused by or consisting of

A. (i) faulty or defective designs or materials
(ii) inherent vice latent defect gradual deterioration wear and tear or frost
*(iii) faulty or defective workmanship operational error or omission or lack of maintenance on the part of the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE***
(iv) the bursting of
(a) any boiler not used for domestic purposes only
(b) any economiser or other vessel machine or apparatus
*belonging to or under the control of the **INSURED** in which internal pressure is due to steam only*
*but this will not exclude subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

B. (i) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness mould or toxic mould marring scratching vermin or insects
(ii) change in temperature colour flavour texture or finish
(iii) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping
(iv) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates
but this will not exclude
*(a) such **DAMAGE** which itself results from other **DAMAGE** and is not otherwise excluded*
*(b) subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

C. theft or attempted theft
*(i) (a) from the **BUILDINGS***
*(b) from any building not at the **PREMISES***
which does not involve entry to or exit from them by forcible and violent means or by actual or threatened assault or violence
*(ii) from any part of the **BUILDINGS** not occupied by the **INSURED** for the purpose of the **BUSINESS***
(iii) from the open or from any outbuilding
(iv) from any vehicle or trailer
*(v) from any **BUILDING** or **UNIT** which is **UNOCCUPIED***
but this will not exclude
*(a) such **DAMAGE** which itself results from other **DAMAGE** and is not otherwise excluded*
*(b) subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

*D. (i) subsidence ground heave or landslip unless it results from a **DEFINED PERIL** other than storm or flood and which is not otherwise excluded*
(ii) normal settlement or bedding down of new structures

E. disappearance unexplained or inventory shortage misfiling or misplacing of information

*F. **CONTRACTORS** on the **PREMISES** for the purpose of carrying out contract works structural or other substantial alterations or extensions to **BUILDINGS** (including any contract under JCT conditions)*

2. DAMAGE

A. by wind rain hail sleet snow flood or dust to

(i) any moveable property in the open

(ii) fences and gates

B. to any building or structure resulting in its own collapse or cracking unless it results from a ***DEFINED PERIL*** *and is not otherwise excluded*

C. to the Property Insured

(i) by fire caused by its undergoing any process involving the application of heat

(ii) resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair but this will not apply to any ***DAMAGE*** *caused by a* ***DEFINED PERIL*** *and not otherwise excluded*

D. caused by

(i) freezing

(ii) escape of water from any tank apparatus or pipe

(iii) malicious persons not acting on behalf of or in connection with any political organisation but this will not apply to any ***DAMAGE*** *by fire or explosion which is not otherwise excluded*

in any ***BUILDING*** *or* ***UNIT*** *which is* ***UNOCCUPIED***

3. DAMAGE to

(i) vehicles licensed for road use (including accessories) caravans trailers railway locomotives rolling stock watercraft or aircraft

(ii) property or structures in the course of construction or erection and materials or supplies in connection with all such property

(iii) land pavements piers jetties bridges culverts or excavations

(iv) livestock growing crops or trees

(v) jewellery precious stones precious metals bullion furs curiosities works of art or rare books

4. CONSEQUENTIAL LOSS OR DAMAGE

direct or indirect consequential loss or damage of any kind or description except loss of rent where such an Item appears in the Schedule

PROPERTY ALL RISKS SECTION – BASIS OF SETTLEMENT

1. In respect of BUILDINGS GENERAL CONTENTS and COMPUTER EQUIPMENT the COMPANY will pay

A the cost of reinstatement being

(i) where the property is lost or destroyed in the case of

- **BUILDINGS** the cost of rebuilding
- **GENERAL CONTENTS** or **COMPUTER EQUIPMENT** the cost of its replacement by similar property

(ii) where the property is damaged the cost of repairing or restoring the damaged portions

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

B the cost of complying with European Union legislation or Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye Laws of any Public Authority (hereinafter called The Stipulations) being such additional cost of reinstatement of the property as may be incurred with the **COMPANYS** consent solely by reason of the necessity to comply with The Stipulations first imposed upon the **INSURED** following **DAMAGE** provided that the reinstatement is completed within twelve months of the occurrence of the **DAMAGE** or within such further time as the **COMPANY** may in writing allow

C the cost of removing debris being the cost incurred with the **COMPANYS** consent in removing debris dismantling demolishing shoring up and propping portions of the property but excluding any costs or expenses

(i) incurred in removing debris from outside the site of the **PREMISES** at which the **DAMAGE** has occurred other than from the area immediately adjacent to that site

(ii) arising from pollution or contamination of property not insured by this Section

D the cost of professional fees being those necessarily incurred in the reinstatement of the property but not for preparing any claim

The undernoted provisions apply

(1) European Union Legislation or Public Authority requirements

The **COMPANY** will not be liable for

(i) requirements relating to undamaged property or undamaged portions of property other than foundations (unless foundations are excluded from the insurance provided by this Section)

(ii) 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 Stipulations

(iii) any amount in excess of 15% of the Sum Insured of the relevant Item or where the Sum Insured of the relevant Item applies to property at more than one **PREMISES** 15% of the total amount for which the **COMPANY** would have been liable had the property insured by the Item at the **PREMISES** where the **DAMAGE** occurred been wholly destroyed

(iv) the cost incurred in complying with The Stipulations for which there is an existing requirement which has to be implemented within a given period

(2) Partial Damage

Where **DAMAGE** occurs to only part of the property the **COMPANYS** liability will not exceed the amount which the **COMPANY** would have been liable to pay had the property been wholly destroyed

(3) Reinstatement on Another Site

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

(4) Day One (non adjustable) – Applicable only to items of Property Insured in the Schedule against which a Declared Value is shown

(i) Declared Value means the **INSUREDS** assessment of the value of the Property Insured arrived at in accordance with Bases of Settlement 1A B C and D at the level of costs applying at the commencement of the Period of Insurance (ignoring inflationary factors which may operate subsequently)

(ii) At the commencement of each Period of Insurance the **INSURED** will notify the **COMPANY** of the Declared Value of Property Insured by each Item shown in the Schedule and in the absence of such declaration the last amount declared by the **INSURED** will be taken as the Declared Value for the ensuing Period of Insurance

(iii) The Declared Value for each Item is the amount shown in brackets in the Schedule excluding the provision for inflation

(iv) In the event of loss the liability of the **COMPANY** in respect of property to which this provision applies will not exceed the Sum Insured shown in the Schedule for each Item

(v) If at the time of the **DAMAGE** the Declared Value of the Property Insured by each Item is less that the value of the Property Insured as defined in Bases of Settlement 1A B C and D at the inception of the Period of Insurance then the amount otherwise payable by the **COMPANY** will be proportionately reduced

(5) Alternative Basis of Settlement

The **COMPANYS** liability will be limited to the Alternative Basis of Settlement (as defined below)

(i) until the cost of reinstatement has actually been incurred

(ii) if the work of reinstatement is not carried out as quickly as is reasonably practicable

(iii) if at the time of its **DAMAGE** the property is covered by any other insurance effected by or on behalf of the **INSURED** and such other insurance is not on the identical basis of reinstatement defined in Basis of Settlement 1A

(iv) if it is provided in the Schedule that the Alternative Basis of Settlement applies

Under the Alternative Basis of Settlement the **COMPANY** will pay the value of the property at the time of its loss or destruction or the amount of the damage including the costs of

- complying with The Stipulations
- removing debris
- professional fees

as defined in Bases of Settlement 1B C and D above subject to the provisions and exclusions applying to those Bases of Settlement

For the purpose of the Underinsurance Provision the Insurable Amount will be the total of the value at the time of the **DAMAGE** of the Property Insured by the Item and the additional costs 1B C and D above

2. In respect of computer records documents manuscripts and business books the COMPANY will pay

(i) the value of the materials as stationery

(ii) for the clerical labour and computer time expended in reproducing such computer records or writing up such documents

(iii) the costs necessarily and reasonably incurred in connection with the reproduction of any information to be recorded

but excluding the value to the **INSURED** of the information on or in such computer records documents manuscripts and business books and subject to the **COMPANYS** liability not exceeding the limit stated in the Definition of **GENERAL CONTENTS** or the Sum Insured whichever is the less

3. In respect of STOCK and other insured property not specifically provided for the COMPANY will pay

the value of the property at the time of its loss or destruction or the amount of the damage including the cost of removing debris as defined in the Basis of Settlement 1.C

The undernoted provisions apply

(i) Contract Price

In respect only of goods sold but not delivered for which the **INSURED** is responsible and with regard to which under the conditions of the sale the sale contract is cancelled by reason of any **DAMAGE** insured either wholly or to the extent of the **DAMAGE** the **COMPANYS** liability will be based on the contract price

(ii) Insurable Amount

For the purpose of the Underinsurance Provision the Insurable Amount is the contract price of those goods to which provision 3 (i) applies and the value at the time of **DAMAGE** to all other property

4. In respect of Rent of BUILDINGS which suffer DAMAGE the COMPANY will pay

(i) if the loss relates to rent receivable by the **INSURED**

- the actual reduction in rent received solely in consequence of the **DAMAGE**

(ii) if the loss relates to rent payable by the **INSURED**

- the amount of rent which continues to be payable by the **INSURED** in respect of the **BUILDINGS** or portions of the **BUILDING** which are unfit for occupation in consequence of the **DAMAGE**

but the **COMPANYS** liability will be limited to the loss suffered within the period of rent insured (as specified in the Schedule) which commences from the date of the **DAMAGE**

The undernoted provision applies

Insurable Amount

For the purpose of the Underinsurance Provision the Insurable Amount is the annual rent receivable or the annual rent payable 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

PROPERTY ALL RISKS SECTION – BASIS OF SETTLEMENT (Continued)

General Provision applicable to all terms

Underinsurance

Under Basis of Settlement 1 (except where Day One applies) 2 3 or 4 above if at the time of **DAMAGE** the Sum Insured by the relevant Item on property or interest is less then 85% of the Insurable Amount the amount otherwise payable by the **COMPANY** will be proportionately reduced

PROPERTY ALL RISKS SECTION – CONDITIONS

These apply in addition to the General Terms and Conditions

1. Risk Protections

A Automatic Sprinkler and Fire Alarm Installations

(1) In respect of **DAMAGE** by Fire it is a condition precedent to the liability of the **COMPANY** that in respect of automatic sprinkler and fire alarm installations at the **PREMISES** the **INSURED** will

(a) take all reasonable steps to prevent freezing of and other **DAMAGE** to the installations and in so far as it is the **INSUREDS** responsibility

(i) maintain the installations (including the automatic external alarm signal) in efficient and effective working order

(ii) maintain ready access to the water supply control facilities

(b) in the event that changes repairs or alterations to the installations are proposed notify the **COMPANY** in writing and obtain its prior agreement in writing

(c) allow the **COMPANY** access to the **PREMISES** at all reasonable times for the purpose of inspecting the installations

(d) carry out routine tests as agreed by the **COMPANY** and remedy promptly any defect revealed by a test

(2) In the event that alterations or repairs become necessary to the automatic sprinkler installation the **COMPANY** may at its option suspend any cover which is granted against **DAMAGE** by the accidental escape of water from the installation until the alteration or repairs have been carried out and approved by the **COMPANY**

B Fire Extinguishing Appliances

In respect of **DAMAGE** by Fire it is a condition precedent to the liability of the **COMPANY** that the **INSURED** will maintain all fire extinguishing appliances at the **PREMISES** in efficient and effective working order

2. Other Protective Devices

It is a condition precedent to the liability of the **COMPANY** that whenever the **PREMISES** are left unattended

A in addition to any existing security the following protective devices are

1 installed at the **PREMISES** and are maintained in full and effective working order

2 put into actual operation when the **PREMISES** are left unattended

unless agreed in writing by the **COMPANY**

(a) Fire Exit doors must be secured

(i) by a panic bar with a mechanism to engage a vertical bolt securely at the top and bottom of the door and

(ii) by security bolts at the top and bottom of the door

(b) Single leaf timber doors (other than Fire Exit doors) must be secured by

(i) a mortice deadlock that confirms to British Standard 3621 or equivalent and a 7 inch box striking plate or

(ii) a pad bar (with concealed fixings) and a 5 lever closed shackle padlock

(c) The first closing leaf of any double leaf timber doors (other than Fire Exit doors) must be secured by internal security bolts top and bottom and the pair must be secured together by

(i) a pad bar (with concealed fixings) and a 5 lever closed shackle padlock or

(ii) a mortice deadlock that conforms to British Standard 3621 or equivalent and a 7 inch box striking plate

(d) Outward opening single or double leaf timber doors must also be protected by hinge bolts top and bottom

(e) Roller shutter doors must be protected by either of the following methods

(i) the operating chain must be attached by a 5 lever closed shackle padlock to a securely fixed wall or door frame mounted metal pin or ring

(ii) a hasp that is welded or bolted to the bottom of the door must be secured by a 5 lever closed shackle padlock to a steel ring or staple that is concreted into or securely bolted to the floor

(f) Aluminium framed sliding doors must be fitted with hook bolts

(g) Opening sections in windows on the ground floor and in other windows that are accessible from roofs fire escapes or down pipes must be fitted with key operated window locks unless already protected by integral locks bars or grilles

(h) Louvres in windows on the ground floor and in other windows that are accessible from roofs fire escapes and down pipes must be permanently fixed in place unless already protected by bars or grilles

B all keys including those relating to safes or strongrooms and notes of combination lock numbers to safes or strongrooms are removed from the **PREMISES**

3. Unattended Accumulator/Battery Charging

It is a condition precedent to the liability of the **COMPANY** that whenever accumulator or battery charging takes place at the **PREMISES** the accumulator/batteries will stand in a well ventilated situation and on a non-conducting non-absorbent and non-combustible base and will not be within one metre of combustible materials

4. No Smoking

Smoking is not allowed within the **BUILDINGS** and prominent No Smoking signs are displayed to this effect

If smoking is permitted outside the **BUILDINGS** it is a condition precedent to the liability of the **COMPANY** that it only takes place in areas

(a) more than ten metres from any combustible goods

(b) where ash trays or sand filled trays are provided to extinguish cigarettes or other smoking materials

(c) in accordance with the relevant legislation

5. Waste

It is a condition precedent to the liability of the **COMPANY** in respect of **DAMAGE** by Fire or Explosion that where waste materials are generated by the **BUSINESS**

(a) all sawdust shavings and other combustible waste will be swept up deposited in sacks or bags and removed from the **BUILDINGS** at the end of each working day and from the **PREMISES** at intervals not exceeding one week

(b) all oily and greasy waste and cloths will be kept in metal receptacles with metal lids and removed from the **BUILDINGS** at the end of each working day and from the **PREMISES** at intervals not exceeding one week and

(c) all other waste will be swept up deposited in sacks or bags and removed from the **BUILDINGS** at the end of each working day and from the **PREMISES** at intervals not exceeding one week

PERSONAL ACCIDENT (ASSAULT) SECTION

THE INSURANCE

If the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE** sustains accidental bodily injury as a direct result of robbery or attempted robbery during the Period of Insurance in the course of his or her employment in the **BUSINESS** which independently of any other cause results in death or disablement occurring within 12 months of such injury then the **COMPANY** will pay to the **INSURED DIRECTOR PARTNER** or **EMPLOYEE** the Benefit specified below

Benefits

1	Death	£15,000
2	Amputation or paralysis at or above the wrist or ankle of one or more hands or feet	£15,000
3	Total irrecoverable loss of all sight in one or both eyes	£15,000
4	Permanent total disablement caused other than by loss of limb or sight which has lasted for at least twelve months and will in all probability entirely prevent the Insured Person from engaging in their usual occupation	£15,000
5	Temporary total disablement preventing the Insured Person from engaging in their usual occupation	£100 per week (payable monthly)

SECTION EXCLUSIONS
These apply in addition to the General Exclusions

*The **COMPANY** will not be liable for*

(a) injury to any person who at the time of sustaining injury is under 16 or over 70 years of age

*(b) injury which is in any way brought about by or with the collusion of the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE***

*(c) injury which is in any way brought about by any drugs or intoxication or by any existing physical defect or infirmity unless this has been notified to the **COMPANY** and accepted in writing*

(d) any amount in excess of £15,000 under Benefits 1 to 4 in respect of any person

(e) any amount in excess of 104 weeks under Benefit 5 in respect of any person

PERSONAL ACCIDENT (ASSAULT) SECTION

These apply in addition to the General Terms and Conditions

1. Payment of Benefit

(a) No payment under Benefits 1 to 3 will be made until the total amount due in respect of any one injury has been ascertained

(b) Not more than one of the Benefits 1 to 3 will be payable and any amount paid or payable under Benefit 4 in respect of the same occurrence will be deducted from the amount payable under Benefits 1 2 or 3

(c) The receipt of the person entitled to Benefit or his or her legal personal representatives will in all cases be an effectual discharge to the **COMPANY**

(d) No Benefit payable will carry interest

2. Medical Examinations

The injured person will at his or her own expense furnish all certificates and information in such form and of such nature as the **COMPANY** may reasonably prescribe and as often as required by the **COMPANY** submit to medical examination on behalf of the **COMPANY** at its own expense in respect of any bodily injury sustained

The **COMPANY** will in the event of the death of such person be entitled to a post-mortem examination at its own expense

3. Sickness or Disease

For the purpose of this Section accidental bodily injury does not include sickness or disease or any naturally occurring condition or degenerative process or the result of a gradually operating cause

BUSINESS INTERRUPTION SECTION

THE INSURANCE

If the **BUSINESS** at the **PREMISES** is interrupted as a result of **DAMAGE** occurring during the Period of Insurance to property used by the **INSURED** in connection with the **BUSINESS** at the **PREMISES** the **COMPANY** will indemnify the **INSURED** for the amount of loss as stated in the Basis of Settlement but not exceeding the Sums Insured stated in the Schedule

Provided that

payment has been made or liability admitted for the **DAMAGE** under an insurance covering the interest of the **INSURED** in the property or

payment would have been made or liability admitted for the **DAMAGE** but for the operation of a proviso in such insurance excluding liability for losses below a specified amount

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

BUSINESS INTERRUPTION SECTION - BASIS OF SETTLEMENT

Gross Profit (Declaration Linked) Basis

Subject to the General Provisions and Special Provisions the **COMPANY** will pay as indemnity the loss of **GROSS PROFIT** being

A) In respect of the 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** in consequence of the **DAMAGE**

B) In respect of Increase in the Cost of Working

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **TURNOVER** which but for that expenditure would have taken place during the **INDEMNITY PERIOD** in consequence of the **DAMAGE** but not exceeding the total of the sum produced by applying the **RATE OF GROSS PROFIT** to the amount of the reduction thereby avoided

Special Provision

The **COMPANYS** liability will not exceed

a) in respect of **GROSS PROFIT** 133.33% of the **ESTIMATED GROSS PROFIT**

b) in the whole the sum of 133.33% of the **ESTIMATED GROSS PROFIT** and 100% of the Sum Insured by other Items

or any other stated Limit of Liability

BUSINESS INTERRUPTION SECTION – EXTENSIONS

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will also indemnify the **INSURED** as provided in The Insurance of this Section for such interruption as a result of

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

1. Defective Sanitation

closure of the **PREMISES** by order of a Public Authority consequent upon vermin pests defects in drains or defective sanitation at the **PREMISES**	*(i) for any amount in excess of £25,000*

2. Prevention of Access

DAMAGE to property in the vicinity of the **PREMISES** which prevents or hinders the use of or access to the **PREMISES**	*(i) for any amount in excess of £25,000* *(ii) for any interruption resulting from a cause not insured by this Section*

3. Damage to Public Utilities

DAMAGE at the undernoted situations Property at any (a) generating station or sub-station of the public electricity supply undertaking (b) land based premises of the public gas supply undertaking or of any natural gas provider linked directly therewith (c) water works or pumping station of the public water supply undertaking from which the **INSURED** obtains electricity gas or water services all in England Scotland Wales or Northern Ireland	*(i) for any interruption resulting from a cause not insured by this Section* *(ii) for any amount in excess of £25,000*

4. Suppliers

DAMAGE to property at the premises of any of the **INSUREDS** suppliers manufacturers or processors of components goods or materials	*(i) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(ii) for any loss as a result of **DAMAGE** at any premises of any supply undertaking from which the **INSURED** obtains electricity gas water or telecommunication services unless specifically stated in the Schedule* *(iii) for any amount in excess of £25,000* *(iv) for any interruption resulting from a cause not insured by this Section*

BUSINESS INTERRUPTION SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will also indemnify the **INSURED** as provided in The Insurance of this Section for such interruption as a result of

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

5. Property Stored Away from the PREMISES

DAMAGE to property of the **INSURED** whilst stored away from the **PREMISES**	*(i) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(ii) for any amount in excess of £25,000* *(iii) for any interruption resulting from a cause not insured by this Section*

6. Exhibition Expenses

DAMAGE to any premises at which the **INSURED** is contracted to participate as an exhibitor and to which such **DAMAGE** causes the cancellation of the **INSUREDS** participation in the exhibition	*(i) for any loss other than those costs for the sole purpose of participating in such exhibition incurred prior to the date of the **DAMAGE*** *(ii) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(iii) for any amount in excess of £25,000* *(iv) for any interruption resulting from a cause not insured by this Section*

7. Customers

DAMAGE to property at the premises of any of the **INSUREDS** customers	*(i) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(ii) for any loss as a result of **DAMAGE** at any premises of any supply undertaking from which the **INSURED** obtains electricity gas water or telecommunication services unless specifically stated in the Schedule* *(iii) for any amount in excess of £25,000* *(iv) for any interruption resulting from a cause not insured by this Section*

BUSINESS INTERRUPTION SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will also indemnify the **INSURED** as provided in The Insurance of this Section for such interruption as a result of

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

8. Goods in Transit

DAMAGE to **GENERAL CONTENTS** and **STOCK** in **TRANSIT** anywhere within the **TERRITORIAL LIMITS** by any conveyance operated by the **INSURED** or by post courier service

(i) for any amount in excess of £25,000

(ii) for any interruption resulting from a cause not insured by this Section

(iii) if the Goods in Transit Section is not operative

BUSINESS INTERRUPTION SECTION – EXCLUSIONS

These apply in addition to any other Exclusions in this Section and the General Exclusions

*The **COMPANY** will not be liable for loss resulting from*

1. DAMAGE caused by or consisting of

A. *(i) faulty or defective design or materials*

(ii) inherent vice latent defect gradual deterioration wear and tear or frost

*(iii) faulty or defective workmanship operational error or omission or lack of maintenance on the part of the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE***

(iv) the bursting of

(a) any boiler not used for domestic purposes only

*(b) any vessel machine or apparatus (not being a boiler or economiser on the **PREMISES**)*

*belonging to or under the control of the **INSURED** in which internal pressure is due to steam only*

*but this will not exclude subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

B. *(i) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness mould or toxic mould marring scratching vermin or insects*

(ii) change in temperature colour flavour texture or finish

(iii) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping

(iv) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates

but this will not exclude

*(a) such **DAMAGE** which itself results from other **DAMAGE** not otherwise excluded*

*(b) subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

C. *theft or attempted theft*

*(i) (a) from the **BUILDINGS***

*(b) from any building not at the **PREMISES***

which does not involve entry to or exit from them by forcible and violent means or by actual or threatened assault or violence

*(ii) from any part of the **BUILDINGS** not occupied by the **INSURED** for the purposes of the **BUSINESS***

(iii) from the open or from any outbuilding

(iv) from any vehicle or trailer

*(v) from any **BUILDING** or **UNIT** which is **UNOCCUPIED***

but this will not exclude

*(a) such **DAMAGE** which itself results from other **DAMAGE** and is not otherwise excluded*

*(b) subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

D. *(i) subsidence ground heave or landslip unless it results from a **DEFINED PERIL** other than storm or flood and which is not otherwise excluded*

(ii) normal settlement or bedding down of new structures

BUSINESS INTERRUPTION SECTION – EXCLUSIONS (Continued)

E. disappearance unexplained or inventory shortage misfiling or misplacing of information

*F. **CONTRACTORS** on the **PREMISES** for the purpose of carrying out contract works structural or other substantial alterations or extensions to **BUILDINGS** (including any contract under JCT conditions)*

2. DAMAGE

A. by wind rain hail sleet snow flood or dust to
- *(i) any moveable property in the open*
- *(ii) fences and gates*

*B. to any building or structure caused by its own collapse or cracking unless it results from a **DEFINED PERIL** and is not otherwise excluded*

C. to the Property Insured
- *(i) by fire caused by its undergoing any process involving the application of heat*
- *(ii) resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair but this will not apply to any **DAMAGE** caused by a **DEFINED PERIL** and not otherwise excluded*

*D. at any **BUILDING** or **UNIT** whilst it is **UNOCCUPIED** caused by*
- *(i) freezing*
- *(ii) escape of water from any tank apparatus or pipe*
- *(iii) malicious persons not acting on behalf of or in connection with any political organisation but this will not apply to any **DAMAGE** by fire or explosion which is not otherwise excluded*

3. DAMAGE to

(i) vehicles licensed for road use (including accessories) caravans trailers railway locomotives rolling stock watercraft or aircraft

(ii) property or structures in the course of construction or erection and materials or supplies in connection with all such property

(iii) land pavements piers jetties bridges culverts or excavations

(iv) livestock growing crops or trees

(v) jewellery precious stones precious metals bullion furs curiosities works of art or rare books

BUSINESS INTERRUPTION SECTION – CONDITIONS

These apply in addition to the General Terms and Conditions

1. Payment on Account

Payments on account may be made during the **INDEMNITY PERIOD**

2. Alteration

This Section will be cancelled and of no effect if

(a) the **BUSINESS** is wound up or carried on by a liquidator or receiver or permanently discontinued

(b) the **INSUREDS** interest ceases otherwise than by death

3. Automatic Reinstatement of Sum(s) Insured

Unless the **COMPANY** gives written notice to the contrary the Sum(s) Insured will be automatically reinstated by the amount of any claim provided that

- the **INSURED** pays the appropriate additional premium and tax
- in respect of **DAMAGE** by theft or attempted theft (if insured) the automatic reinstatement will apply on the first occasion only in each Period of Insurance

4. Alternative Trading

If during the **INDEMNITY PERIOD** goods are sold or services rendered elsewhere than at the **PREMISES** for the benefit of the **BUSINESS** either by the **INSURED** or by others on the **INSUREDS** behalf the money paid or payable in respect of such sales or services will be taken into account in arriving at the **TURNOVER** or **GROSS PROFIT** or **GROSS REVENUE** during the **INDEMNITY PERIOD**

5. Savings

If any of the charges or expenses of the **BUSINESS** payable out of **GROSS PROFIT** or **GROSS REVENUE** cease or reduce in consequence of the **DAMAGE** the amount of such savings during the **INDEMNITY PERIOD** will be deducted from the amount payable

6. Professional Accountants Charges

The **COMPANY** will pay the reasonable charges payable by the **INSURED** to their professional accountants for producing information required by the **COMPANY** in connection with any claim and for reporting that such information is in accordance with the **INSUREDS** accounts

7. New Business

For the purpose of any claim arising from **DAMAGE** occurring before the completion of the first years trading of the **BUSINESS** such loss will be ascertained by applying the **RATE OF GROSS PROFIT** to the amount of **TURNOVER** or the amount of **GROSS REVENUE** earned during the period between the commencement of the **BUSINESS** and the date of the **DAMAGE** to the amount by which the **TURNOVER** or **GROSS REVENUE** during the period of interruption or interference will have fallen short of the proportional equivalent for that period of the **TURNOVER** or **GROSS REVENUE** realised during the period between the commencement of the **BUSINESS** and the date of such **DAMAGE**

BUSINESS INTERRUPTION SECTION

THE INSURANCE

If the **BUSINESS** at the **PREMISES** is interrupted as a result of **DAMAGE** occurring during the Period of Insurance to property used by the **INSURED** in connection with the **BUSINESS** at the **PREMISES** the **COMPANY** will indemnify the **INSURED** for the amount of loss as stated in the Basis of Settlement but not exceeding the Sums Insured stated in the Schedule

Provided that

payment has been made or liability admitted for the **DAMAGE** under an insurance covering the interest of the **INSURED** in the property or

payment would have been made or liability admitted for the **DAMAGE** but for the operation of a proviso in such insurance excluding liability for losses below a specified amount

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

BUSINESS INTERRUPTION SECTION - BASIS OF SETTLEMENT

Gross Revenue (Declaration Linked) Basis

Subject to the General Provisions and Special Provisions the **COMPANY** will pay as indemnity

A) in respect of loss of **GROSS REVENUE**
the amount by which the **GROSS REVENUE** during the **INDEMNITY PERIOD** will in consequence of the **DAMAGE** fall short of the **STANDARD GROSS REVENUE**

B) In respect of Increase in Cost of Working
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing loss of **GROSS REVENUE** which but for that expenditure would have taken place during the **INDEMNITY PERIOD** in consequence of the **DAMAGE** but not exceeding the total of the amount of the reduction in **GROSS REVENUE** thereby avoided

Special Provision

The **COMPANYS** liability will not exceed

a) In respect of **GROSS REVENUE** 133.33% of the **ESTIMATED GROSS REVENUE**

b) In the whole the sum of 133.33% of the **ESTIMATED GROSS REVENUE** and 100% of the Sum Insured by other Items

or any other stated Limit of Liability

BUSINESS INTERRUPTION SECTION – EXTENSIONS

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will also indemnify the **INSURED** as provided in The Insurance of this Section for such interruption as a result of

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

1. Defective Sanitation

closure of the **PREMISES** by order of a Public Authority consequent upon vermin pests defects in drains or defective sanitation at the **PREMISES**	*(i) for any amount in excess of £25,000*

2. Prevention of Access

DAMAGE to property in the vicinity of the **PREMISES** which prevents or hinders the use of or access to the **PREMISES**	*(i) for any amount in excess of £25,000* *(ii) for any interruption resulting from a cause not insured by this Section*

3. Damage to Public Utilities

DAMAGE at the undernoted situations Property at any (a) generating station or sub-station of the public electricity supply undertaking (b) land based premises of the public gas supply undertaking or of any natural gas provider linked directly therewith (c) water works or pumping station of the public water supply undertaking from which the **INSURED** obtains electricity gas or water services all in England Scotland Wales or Northern Ireland	*(i) for any interruption resulting from a cause not insured by this Section* *(ii) for any amount in excess of £25,000*

4. Suppliers

DAMAGE to property at the premises of any of the **INSUREDS** suppliers manufacturers or processors of components goods or materials	*(i) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(ii) for any loss as a result of **DAMAGE** at any premises of any supply undertaking from which the **INSURED** obtains electricity gas water or telecommunication services unless specifically stated in the Schedule* *(iii) for any amount in excess of £25,000* *(iv) for any interruption resulting from a cause not insured by this Section*

BUSINESS INTERRUPTION SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will also indemnify the **INSURED** as provided in The Insurance of this Section for such interruption as a result of

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

5. Property Stored Away from the PREMISES

DAMAGE to property of the **INSURED** whilst stored away from the **PREMISES**	*(i) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(ii) for any amount in excess of £25,000* *(iii) for any interruption resulting from a cause not insured by this Section*

6. Exhibition Expenses

DAMAGE to any premises at which the **INSURED** is contracted to participate as an exhibitor and to which such **DAMAGE** causes the cancellation of the **INSUREDS** participation in the exhibition	*(i) for any loss other than those costs for the sole purpose of participating in such exhibition incurred prior to the date of the **DAMAGE*** *(ii) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(iii) for any amount in excess of £25,000* *(iv) for any interruption resulting from a cause not insured by this Section*

7. Customers

DAMAGE to property at the premises of any of the **INSUREDS** customers	*(i) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(ii) for any loss as a result of **DAMAGE** at any premises of any supply undertaking from which the **INSURED** obtains electricity gas water or telecommunication services unless specifically stated in the Schedule* *(iii) for any amount in excess of £25,000* *(iv) for any interruption resulting from a cause not insured by this Section*

BUSINESS INTERRUPTION SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will also indemnify the **INSURED** as provided in The Insurance of this Section for such interruption as a result of

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

8. Goods in Transit

DAMAGE to **GENERAL CONTENTS** and **STOCK** in **TRANSIT** anywhere within the **TERRITORIAL LIMITS** by any conveyance operated by the **INSURED** or by post courier service

(i) for any amount in excess of £25,000

(ii) for any interruption resulting from a cause not insured by this Section

(iii) if the Goods in Transit Section is not operative

BUSINESS INTERRUPTION SECTION – EXCLUSIONS

These apply in addition to any other Exclusions in this Section and the General Exclusions

*The **COMPANY** will not be liable for loss resulting from*

1. DAMAGE caused by or consisting of

A. *(i) faulty or defective design or materials*

(ii) inherent vice latent defect gradual deterioration wear and tear or frost

*(iii) faulty or defective workmanship operational error or omission or lack of maintenance on the part of the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE***

(iv) the bursting of

(a) any boiler not used for domestic purposes only

*(b) any vessel machine or apparatus (not being a boiler or economiser on the **PREMISES**)*

*belonging to or under the control of the **INSURED** in which internal pressure is due to steam only*

*but this will not exclude subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

B. *(i) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness mould or toxic mould marring scratching vermin or insects*

(ii) change in temperature colour flavour texture or finish

(iii) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping

(iv) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates

but this will not exclude

*(a) such **DAMAGE** which itself results from other **DAMAGE** not otherwise excluded*

*(b) subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

C. *theft or attempted theft*

*(i) (a) from the **BUILDINGS***

*(b) from any building not at the **PREMISES***

which does not involve entry to or exit from them by forcible and violent means or by actual or threatened assault or violence

*(ii) from any part of the **BUILDINGS** not occupied by the **INSURED** for the purposes of the **BUSINESS***

(iii) from the open or from any outbuilding

(iv) from any vehicle or trailer

*(v) from any **BUILDING** or **UNIT** which is **UNOCCUPIED***

but this will not exclude

*(a) such **DAMAGE** which itself results from other **DAMAGE** and is not otherwise excluded*

*(b) subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

D. *(i) subsidence ground heave or landslip unless it results from a **DEFINED PERIL** other than storm or flood and which is not otherwise excluded*

(ii) normal settlement or bedding down of new structures

BUSINESS INTERRUPTION SECTION – EXCLUSIONS (Continued)

E. disappearance unexplained or inventory shortage misfiling or misplacing of information

*F. **CONTRACTORS** on the **PREMISES** for the purpose of carrying out contract works structural or other substantial alterations or extensions to **BUILDINGS** (including any contract under JCT conditions)*

2. DAMAGE

A. by wind rain hail sleet snow flood or dust to
- *(i) any moveable property in the open*
- *(ii) fences and gates*

*B. to any building or structure caused by its own collapse or cracking unless it results from a **DEFINED PERIL** and is not otherwise excluded*

C. to the Property Insured
- *(i) by fire caused by its undergoing any process involving the application of heat*
- *(ii) resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair but this will not apply to any **DAMAGE** caused by a **DEFINED PERIL** and not otherwise excluded*

*D. at any **BUILDING** or **UNIT** whilst it is **UNOCCUPIED** caused by*
- *(i) freezing*
- *(ii) escape of water from any tank apparatus or pipe*
- *(iii) malicious persons not acting on behalf of or in connection with any political organisation but this will not apply to any **DAMAGE** by fire or explosion which is not otherwise excluded*

3. DAMAGE to

(i) vehicles licensed for road use (including accessories) caravans trailers railway locomotives rolling stock watercraft or aircraft

(ii) property or structures in the course of construction or erection and materials or supplies in connection with all such property

(iii) land pavements piers jetties bridges culverts or excavations

(iv) livestock growing crops or trees

(v) jewellery precious stones precious metals bullion furs curiosities works of art or rare books

BUSINESS INTERRUPTION SECTION – CONDITIONS

These apply in addition to the General Terms and Conditions

1. Payment on Account

Payments on account may be made during the **INDEMNITY PERIOD**

2. Alteration

This Section will be cancelled and of no effect if

(a) the **BUSINESS** is wound up or carried on by a liquidator or receiver or permanently discontinued

(b) the **INSUREDS** interest ceases otherwise than by death

3. Automatic Reinstatement of Sum(s) Insured

Unless the **COMPANY** gives written notice to the contrary the Sum(s) Insured will be automatically reinstated by the amount of any claim provided that

- the **INSURED** pays the appropriate additional premium and tax
- in respect of **DAMAGE** by theft or attempted theft (if insured) the automatic reinstatement will apply on the first occasion only in each Period of Insurance

4. Alternative Trading

If during the **INDEMNITY PERIOD** goods are sold or services rendered elsewhere than at the **PREMISES** for the benefit of the **BUSINESS** either by the **INSURED** or by others on the **INSUREDS** behalf the money paid or payable in respect of such sales or services will be taken into account in arriving at the **TURNOVER** or **GROSS PROFIT** or **GROSS REVENUE** during the **INDEMNITY PERIOD**

5. Savings

If any of the charges or expenses of the **BUSINESS** payable out of **GROSS PROFIT** or **GROSS REVENUE** cease or reduce in consequence of the **DAMAGE** the amount of such savings during the **INDEMNITY PERIOD** will be deducted from the amount payable

6. Professional Accountants Charges

The **COMPANY** will pay the reasonable charges payable by the **INSURED** to their professional accountants for producing information required by the **COMPANY** in connection with any claim and for reporting that such information is in accordance with the **INSUREDS** accounts

7. New Business

For the purpose of any claim arising from **DAMAGE** occurring before the completion of the first years trading of the **BUSINESS** such loss will be ascertained by applying the **RATE OF GROSS PROFIT** to the amount of **TURNOVER** or the amount of **GROSS REVENUE** earned during the period between the commencement of the **BUSINESS** and the date of the **DAMAGE** to the amount by which the **TURNOVER** or **GROSS REVENUE** during the period of interruption or interference will have fallen short of the proportional equivalent for that period of the **TURNOVER** or **GROSS REVENUE** realised during the period between the commencement of the **BUSINESS** and the date of such **DAMAGE**

BUSINESS INTERRUPTION SECTION

THE INSURANCE

If the **BUSINESS** at the **PREMISES** is interrupted as a result of **DAMAGE** occurring during the Period of Insurance to property used by the **INSURED** in connection with the **BUSINESS** at the **PREMISES** the **COMPANY** will indemnify the **INSURED** for the amount of loss as stated in the Basis of Settlement but not exceeding the Sums Insured stated in the Schedule

Provided that

payment has been made or liability admitted for the **DAMAGE** under an insurance covering the interest of the **INSURED** in the property or

payment would have been made or liability admitted for the **DAMAGE** but for the operation of a proviso in such insurance excluding liability for losses below a specified amount

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

BUSINESS INTERRUPTION SECTION - BASIS OF SETTLEMENT

Increase in Cost of Working

Subject to the General Provisions and Special Provisions the **COMPANY** will pay as indemnity the Increase in Cost of Working being

the increase in expenditure (including the cost of moving to and from temporary premises additional rent rates taxes and expenses incurred in equipping these premises to make them suitable for the **INSUREDS BUSINESS** cost of additional staff payments for overtime advertising recompiling business documents belonging to the **INSURED** or held by them in trust and for which they are responsible) reasonably incurred in order to minimise any interruption of or interference with the **BUSINESS** during the **INDEMNITY PERIOD** in consequence of the **DAMAGE**

Special Provision

Business Documents

In respect of any one business document (being book of account deed manuscript plan drawing cost sheet record or like document) the **COMPANYS** liability shall not exceed 5% of the Sum Insured by this Item

BUSINESS INTERRUPTION SECTION – EXTENSIONS

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will also indemnify the **INSURED** as provided in The Insurance of this Section for such interruption as a result of

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

1. Defective Sanitation

closure of the **PREMISES** by order of a Public Authority consequent upon vermin pests defects in drains or defective sanitation at the **PREMISES**	*(i) for any amount in excess of £25,000*

2. Prevention of Access

DAMAGE to property in the vicinity of the **PREMISES** which prevents or hinders the use of or access to the **PREMISES**	*(i) for any amount in excess of £25,000* *(ii) for any interruption resulting from a cause not insured by this Section*

3. Damage to Public Utilities

DAMAGE at the undernoted situations Property at any (a) generating station or sub-station of the public electricity supply undertaking (b) land based premises of the public gas supply undertaking or of any natural gas provider linked directly therewith (c) water works or pumping station of the public water supply undertaking from which the **INSURED** obtains electricity gas or water services all in England Scotland Wales or Northern Ireland	*(i) for any interruption resulting from a cause not insured by this Section* *(ii) for any amount in excess of £25,000*

4. Suppliers

DAMAGE to property at the premises of any of the **INSUREDS** suppliers manufacturers or processors of components goods or materials	*(i) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(ii) for any loss as a result of **DAMAGE** at any premises of any supply undertaking from which the **INSURED** obtains electricity gas water or telecommunication services unless specifically stated in the Schedule* *(iii) for any amount in excess of £25,000* *(iv) for any interruption resulting from a cause not insured by this Section*

BUSINESS INTERRUPTION SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will also indemnify the **INSURED** as provided in The Insurance of this Section for such interruption as a result of

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

5. Property Stored Away from the PREMISES

DAMAGE to property of the **INSURED** whilst stored away from the **PREMISES**	*(i) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(ii) for any amount in excess of £25,000* *(iii) for any interruption resulting from a cause not insured by this Section*

6. Exhibition Expenses

DAMAGE to any premises at which the **INSURED** is contracted to participate as an exhibitor and to which such **DAMAGE** causes the cancellation of the **INSUREDS** participation in the exhibition	*(i) for any loss other than those costs for the sole purpose of participating in such exhibition incurred prior to the date of the **DAMAGE*** *(ii) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(iii) for any amount in excess of £25,000* *(iv) for any interruption resulting from a cause not insured by this Section*

7. Customers

DAMAGE to property at the premises of any of the **INSUREDS** customers	*(i) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(ii) for any loss as a result of **DAMAGE** at any premises of any supply undertaking from which the **INSURED** obtains electricity gas water or telecommunication services unless specifically stated in the Schedule* *(iii) for any amount in excess of £25,000* *(iv) for any interruption resulting from a cause not insured by this Section*

BUSINESS INTERRUPTION SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will also indemnify the **INSURED** as provided in The Insurance of this Section for such interruption as a result of

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

8. Goods in Transit

DAMAGE to **GENERAL CONTENTS** and **STOCK** in **TRANSIT** anywhere within the **TERRITORIAL LIMITS** by any conveyance operated by the **INSURED** or by post courier service

(i) for any amount in excess of £25,000

(ii) for any interruption resulting from a cause not insured by this Section

(iii) if the Goods in Transit Section is not operative

BUSINESS INTERRUPTION SECTION – EXCLUSIONS

These apply in addition to any other Exclusions in this Section and the General Exclusions

*The **COMPANY** will not be liable for loss resulting from*

1. DAMAGE caused by or consisting of

A. *(i) faulty or defective design or materials*

(ii) inherent vice latent defect gradual deterioration wear and tear or frost

*(iii) faulty or defective workmanship operational error or omission or lack of maintenance on the part of the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE***

(iv) the bursting of

(a) any boiler not used for domestic purposes only

*(b) any vessel machine or apparatus (not being a boiler or economiser on the **PREMISES**)*

*belonging to or under the control of the **INSURED** in which internal pressure is due to steam only*

*but this will not exclude subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

B. *(i) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness mould or toxic mould marring scratching vermin or insects*

(ii) change in temperature colour flavour texture or finish

(iii) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping

(iv) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates

but this will not exclude

*(a) such **DAMAGE** which itself results from other **DAMAGE** not otherwise excluded*

*(b) subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

C. *theft or attempted theft*

*(i) (a) from the **BUILDINGS***

*(b) from any building not at the **PREMISES***

which does not involve entry to or exit from them by forcible and violent means or by actual or threatened assault or violence

*(ii) from any part of the **BUILDINGS** not occupied by the **INSURED** for the purposes of the **BUSINESS***

(iii) from the open or from any outbuilding

(iv) from any vehicle or trailer

*(v) from any **BUILDING** or **UNIT** which is **UNOCCUPIED***

but this will not exclude

*(a) such **DAMAGE** which itself results from other **DAMAGE** and is not otherwise excluded*

*(b) subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

D. *(i) subsidence ground heave or landslip unless it results from a **DEFINED PERIL** other than storm or flood and which is not otherwise excluded*

(ii) normal settlement or bedding down of new structures

BUSINESS INTERRUPTION SECTION – EXCLUSIONS (Continued)

E. disappearance unexplained or inventory shortage misfiling or misplacing of information

*F. **CONTRACTORS** on the **PREMISES** for the purpose of carrying out contract works structural or other substantial alterations or extensions to **BUILDINGS** (including any contract under JCT conditions)*

2. DAMAGE

A. by wind rain hail sleet snow flood or dust to
- *(i) any moveable property in the open*
- *(ii) fences and gates*

*B. to any building or structure caused by its own collapse or cracking unless it results from a **DEFINED PERIL** and is not otherwise excluded*

C. to the Property Insured
- *(i) by fire caused by its undergoing any process involving the application of heat*
- *(ii) resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair but this will not apply to any **DAMAGE** caused by a **DEFINED PERIL** and not otherwise excluded*

*D. at any **BUILDING** or **UNIT** whilst it is **UNOCCUPIED** caused by*
- *(i) freezing*
- *(ii) escape of water from any tank apparatus or pipe*
- *(iii) malicious persons not acting on behalf of or in connection with any political organisation but this will not apply to any **DAMAGE** by fire or explosion which is not otherwise excluded*

3. DAMAGE to

(i) vehicles licensed for road use (including accessories) caravans trailers railway locomotives rolling stock watercraft or aircraft

(ii) property or structures in the course of construction or erection and materials or supplies in connection with all such property

(iii) land pavements piers jetties bridges culverts or excavations

(iv) livestock growing crops or trees

(v) jewellery precious stones precious metals bullion furs curiosities works of art or rare books

BUSINESS INTERRUPTION SECTION – CONDITIONS

These apply in addition to the General Terms and Conditions

1. Payment on Account

Payments on account may be made during the **INDEMNITY PERIOD**

2. Alteration

This Section will be cancelled and of no effect if

(a) the **BUSINESS** is wound up or carried on by a liquidator or receiver or permanently discontinued

(b) the **INSUREDS** interest ceases otherwise than by death

3. Automatic Reinstatement of Sum(s) Insured

Unless the **COMPANY** gives written notice to the contrary the Sum(s) Insured will be automatically reinstated by the amount of any claim provided that

- the **INSURED** pays the appropriate additional premium and tax
- in respect of **DAMAGE** by theft or attempted theft (if insured) the automatic reinstatement will apply on the first occasion only in each Period of Insurance

4. Alternative Trading

If during the **INDEMNITY PERIOD** goods are sold or services rendered elsewhere than at the **PREMISES** for the benefit of the **BUSINESS** either by the **INSURED** or by others on the **INSUREDS** behalf the money paid or payable in respect of such sales or services will be taken into account in arriving at the **TURNOVER** or **GROSS PROFIT** or **GROSS REVENUE** during the **INDEMNITY PERIOD**

5. Savings

If any of the charges or expenses of the **BUSINESS** payable out of **GROSS PROFIT** or **GROSS REVENUE** cease or reduce in consequence of the **DAMAGE** the amount of such savings during the **INDEMNITY PERIOD** will be deducted from the amount payable

6. Professional Accountants Charges

The **COMPANY** will pay the reasonable charges payable by the **INSURED** to their professional accountants for producing information required by the **COMPANY** in connection with any claim and for reporting that such information is in accordance with the **INSUREDS** accounts

7. New Business

For the purpose of any claim arising from **DAMAGE** occurring before the completion of the first years trading of the **BUSINESS** such loss will be ascertained by applying the **RATE OF GROSS PROFIT** to the amount of **TURNOVER** or the amount of **GROSS REVENUE** earned during the period between the commencement of the **BUSINESS** and the date of the **DAMAGE** to the amount by which the **TURNOVER** or **GROSS REVENUE** during the period of interruption or interference will have fallen short of the proportional equivalent for that period of the **TURNOVER** or **GROSS REVENUE** realised during the period between the commencement of the **BUSINESS** and the date of such **DAMAGE**

BUSINESS INTERRUPTION SECTION

THE INSURANCE

If the **BUSINESS** at the **PREMISES** is interrupted as a result of **DAMAGE** occurring during the Period of Insurance to property used by the **INSURED** in connection with the **BUSINESS** at the **PREMISES** the **COMPANY** will indemnify the **INSURED** for the amount of loss as stated in the Basis of Settlement but not exceeding the Sums Insured stated in the Schedule

Provided that

payment has been made or liability admitted for the **DAMAGE** under an insurance covering the interest of the **INSURED** in the property or

payment would have been made or liability admitted for the **DAMAGE** but for the operation of a proviso in such insurance excluding liability for losses below a specified amount

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

BUSINESS INTERRUPTION SECTION - BASIS OF SETTLEMENT

Loss of Rent

The Insurance in respect of Loss of Rent is restricted to the loss of Gross Rent (being the money paid or payable to the **INSURED** in respect of business accommodation and related services provided in the course of the **BUSINESS**) of **BUILDINGS** or **UNITS** owned by the **INSURED** in connection with the **BUSINESS** at the **PREMISES** which become unfit for occupation as a result of **DAMAGE**

Subject to the General Provisions and Special provisions the **COMPANY** will pay as indemnity
In respect of the Loss of Gross Rent of **BUILDINGS** or **UNITS** occupied at the time of the **DAMAGE** the amount by which the Gross Rent during the **INDEMNITY PERIOD** will in consequence of the **DAMAGE** fall short of the Gross Rent during the period in the twelve months immediately before the date of the **DAMAGE** which corresponds with the **INDEMNITY PERIOD** after account has been taken of the trend 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

Special Provision

Underinsurance

If at the time of **DAMAGE** the Sum Insured on Gross Rent is less than the Gross Rent during the twelve months immediately before the date of the **DAMAGE** after account has been taken of the trend 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 (or a proportionately increased multiple thereof where the Maximum **INDEMNITY PERIOD** exceeds twelve months) the amount otherwise payable by the **COMPANY** will be proportionately reduced

BUSINESS INTERRUPTION SECTION – EXTENSIONS

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will also indemnify the **INSURED** as provided in The Insurance of this Section for such interruption as a result of

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

1. Defective Sanitation

closure of the **PREMISES** by order of a Public Authority consequent upon vermin pests defects in drains or defective sanitation at the **PREMISES**	*(i) for any amount in excess of £25,000*

2. Prevention of Access

DAMAGE to property in the vicinity of the **PREMISES** which prevents or hinders the use of or access to the **PREMISES**	*(i) for any amount in excess of £25,000* *(ii) for any interruption resulting from a cause not insured by this Section*

3. Damage to Public Utilities

DAMAGE at the undernoted situations Property at any (a) generating station or sub-station of the public electricity supply undertaking (b) land based premises of the public gas supply undertaking or of any natural gas provider linked directly therewith (c) water works or pumping station of the public water supply undertaking from which the **INSURED** obtains electricity gas or water services all in England Scotland Wales or Northern Ireland	*(i) for any interruption resulting from a cause not insured by this Section* *(ii) for any amount in excess of £25,000*

4. Suppliers

DAMAGE to property at the premises of any of the **INSUREDS** suppliers manufacturers or processors of components goods or materials	*(i) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(ii) for any loss as a result of **DAMAGE** at any premises of any supply undertaking from which the **INSURED** obtains electricity gas water or telecommunication services unless specifically stated in the Schedule* *(iii) for any amount in excess of £25,000* *(iv) for any interruption resulting from a cause not insured by this Section*

BUSINESS INTERRUPTION SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will also indemnify the **INSURED** as provided in The Insurance of this Section for such interruption as a result of

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

5. Property Stored Away from the PREMISES

DAMAGE to property of the **INSURED** whilst stored away from the **PREMISES**	*(i) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(ii) for any amount in excess of £25,000* *(iii) for any interruption resulting from a cause not insured by this Section*

6. Exhibition Expenses

DAMAGE to any premises at which the **INSURED** is contracted to participate as an exhibitor and to which such **DAMAGE** causes the cancellation of the **INSUREDS** participation in the exhibition	*(i) for any loss other than those costs for the sole purpose of participating in such exhibition incurred prior to the date of the **DAMAGE*** *(ii) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(iii) for any amount in excess of £25,000* *(iv) for any interruption resulting from a cause not insured by this Section*

7. Customers

DAMAGE to property at the premises of any of the **INSUREDS** customers	*(i) for any loss as a result of **DAMAGE** at any premises not within the **TERRITORIAL LIMITS** unless specifically stated in the Schedule* *(ii) for any loss as a result of **DAMAGE** at any premises of any supply undertaking from which the **INSURED** obtains electricity gas water or telecommunication services unless specifically stated in the Schedule* *(iii) for any amount in excess of £25,000* *(iv) for any interruption resulting from a cause not insured by this Section*

BUSINESS INTERRUPTION SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will also indemnify the **INSURED** as provided in The Insurance of this Section for such interruption as a result of

SECTION EXCLUSIONS

These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

8. Goods in Transit

DAMAGE to **GENERAL CONTENTS** and **STOCK** in **TRANSIT** anywhere within the **TERRITORIAL LIMITS** by any conveyance operated by the **INSURED** or by post courier service

(i) for any amount in excess of £25,000

(ii) for any interruption resulting from a cause not insured by this Section

(iii) if the Goods in Transit Section is not operative

BUSINESS INTERRUPTION SECTION – EXCLUSIONS

These apply in addition to any other Exclusions in this Section and the General Exclusions

*The **COMPANY** will not be liable for loss resulting from*

1. DAMAGE caused by or consisting of

A. *(i) faulty or defective design or materials*

(ii) inherent vice latent defect gradual deterioration wear and tear or frost

*(iii) faulty or defective workmanship operational error or omission or lack of maintenance on the part of the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE***

(iv) the bursting of

(a) any boiler not used for domestic purposes only

*(b) any vessel machine or apparatus (not being a boiler or economiser on the **PREMISES**)*

*belonging to or under the control of the **INSURED** in which internal pressure is due to steam only*

*but this will not exclude subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

B. *(i) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness mould or toxic mould marring scratching vermin or insects*

(ii) change in temperature colour flavour texture or finish

(iii) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping

(iv) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates

but this will not exclude

*(a) such **DAMAGE** which itself results from other **DAMAGE** not otherwise excluded*

*(b) subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

C. *theft or attempted theft*

*(i) (a) from the **BUILDINGS***

*(b) from any building not at the **PREMISES***

which does not involve entry to or exit from them by forcible and violent means or by actual or threatened assault or violence

*(ii) from any part of the **BUILDINGS** not occupied by the **INSURED** for the purposes of the **BUSINESS***

(iii) from the open or from any outbuilding

(iv) from any vehicle or trailer

*(v) from any **BUILDING** or **UNIT** which is **UNOCCUPIED***

but this will not exclude

*(a) such **DAMAGE** which itself results from other **DAMAGE** and is not otherwise excluded*

*(b) subsequent **DAMAGE** which itself results from a cause not otherwise excluded*

D. *(i) subsidence ground heave or landslip unless it results from a **DEFINED PERIL** other than storm or flood and which is not otherwise excluded*

(ii) normal settlement or bedding down of new structures

BUSINESS INTERRUPTION SECTION – EXCLUSIONS (Continued)

E. disappearance unexplained or inventory shortage misfiling or misplacing of information

*F. **CONTRACTORS** on the **PREMISES** for the purpose of carrying out contract works structural or other substantial alterations or extensions to **BUILDINGS** (including any contract under JCT conditions)*

2. DAMAGE

A. by wind rain hail sleet snow flood or dust to
- *(i) any moveable property in the open*
- *(ii) fences and gates*

*B. to any building or structure caused by its own collapse or cracking unless it results from a **DEFINED PERIL** and is not otherwise excluded*

C. to the Property Insured
- *(i) by fire caused by its undergoing any process involving the application of heat*
- *(ii) resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair but this will not apply to any **DAMAGE** caused by a **DEFINED PERIL** and not otherwise excluded*

*D. at any **BUILDING** or **UNIT** whilst it is **UNOCCUPIED** caused by*
- *(i) freezing*
- *(ii) escape of water from any tank apparatus or pipe*
- *(iii) malicious persons not acting on behalf of or in connection with any political organisation but this will not apply to any **DAMAGE** by fire or explosion which is not otherwise excluded*

3. DAMAGE to

(i) vehicles licensed for road use (including accessories) caravans trailers railway locomotives rolling stock watercraft or aircraft

(ii) property or structures in the course of construction or erection and materials or supplies in connection with all such property

(iii) land pavements piers jetties bridges culverts or excavations

(iv) livestock growing crops or trees

(v) jewellery precious stones precious metals bullion furs curiosities works of art or rare books

BUSINESS INTERRUPTION SECTION – CONDITIONS

These apply in addition to the General Terms and Conditions

1. Payment on Account

Payments on account may be made during the **INDEMNITY PERIOD**

2. Alteration

This Section will be cancelled and of no effect if

(a) the **BUSINESS** is wound up or carried on by a liquidator or receiver or permanently discontinued

(b) the **INSUREDS** interest ceases otherwise than by death

3. Automatic Reinstatement of Sum(s) Insured

Unless the **COMPANY** gives written notice to the contrary the Sum(s) Insured will be automatically reinstated by the amount of any claim provided that

- the **INSURED** pays the appropriate additional premium and tax
- in respect of **DAMAGE** by theft or attempted theft (if insured) the automatic reinstatement will apply on the first occasion only in each Period of Insurance

4. Alternative Trading

If during the **INDEMNITY PERIOD** goods are sold or services rendered elsewhere than at the **PREMISES** for the benefit of the **BUSINESS** either by the **INSURED** or by others on the **INSUREDS** behalf the money paid or payable in respect of such sales or services will be taken into account in arriving at the **TURNOVER** or **GROSS PROFIT** or **GROSS REVENUE** during the **INDEMNITY PERIOD**

5. Savings

If any of the charges or expenses of the **BUSINESS** payable out of **GROSS PROFIT** or **GROSS REVENUE** cease or reduce in consequence of the **DAMAGE** the amount of such savings during the **INDEMNITY PERIOD** will be deducted from the amount payable

6. Professional Accountants Charges

The **COMPANY** will pay the reasonable charges payable by the **INSURED** to their professional accountants for producing information required by the **COMPANY** in connection with any claim and for reporting that such information is in accordance with the **INSUREDS** accounts

7. New Business

For the purpose of any claim arising from **DAMAGE** occurring before the completion of the first years trading of the **BUSINESS** such loss will be ascertained by applying the **RATE OF GROSS PROFIT** to the amount of **TURNOVER** or the amount of **GROSS REVENUE** earned during the period between the commencement of the **BUSINESS** and the date of the **DAMAGE** to the amount by which the **TURNOVER** or **GROSS REVENUE** during the period of interruption or interference will have fallen short of the proportional equivalent for that period of the **TURNOVER** or **GROSS REVENUE** realised during the period between the commencement of the **BUSINESS** and the date of such **DAMAGE**

BOOK DEBTS SECTION

THE INSURANCE

In the event of **DAMAGE** to the **INSUREDS** business records caused by insured **DAMAGE** to property that occurs during the Period of Insurance

1. at the **PREMISES**
2. not at the **PREMISES** but within the **TERRITORIAL LIMITS** whilst
   - A) in **TRANSIT**
   - B) temporarily at premises occupied by persons acting on the **INSUREDS** behalf

preventing the **INSURED** from tracing or establishing customers debit balances the **COMPANY** will indemnify the **INSURED** for the amount of the loss as stated in the Schedule

SECTION EXCLUSIONS
These apply in addition to the General Exclusions

*The **COMPANY** will not be liable for*

(a) any loss due to

- *(i) alteration manipulation falsification or other act in order to conceal any dishonesty*
- *(ii) book keeping accounting or invoicing errors or omissions*
- *(iii) records being mislaid misfiled or other unexplained disappearances*

(b) any loss arising from erasure or distortion of information on computer systems or other records due to

- *(i) the presence of a magnetic flux*
- *(ii) the failure breakdown or malfunction of equipment*
- *(iii) error in the operation of equipment*
- *(iv) defects in records*

*(c) any loss due to **DAMAGE** to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of the **INSURED** or not*

*but this shall not exclude loss which arises from a **DEFINED PERIL** other than*

- *(a) the acts of thieves and malicious persons which do not involve physical force and violence*
- *(b) the deliberate acts of rioters strikers locked-out workers persons taking part in labour disturbances or civil commotions*

BOOK DEBTS SECTION – SPECIAL DEFINITION

The words defined below will have the same meaning wherever they appear in bold capital letters in this Section and the Schedule and the Clauses to the Section

OUTSTANDING DEBIT BALANCES

The total recorded debits adjusted for

A) bad debts

B) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the **DAMAGE**) to 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**

C) any abnormal condition of trade which had or could have had a material effect on the **BUSINESS**

so that the figures thus adjusted will represent as nearly as reasonably practicable those which would have been obtained at the date of the **DAMAGE** had the **DAMAGE** not occurred

BOOK DEBTS SECTION – BASIS OF SETTLEMENT

The **COMPANY** will pay as indemnity

A) the difference between

1) the **OUTSTANDING DEBIT BALANCES** and

2) the total of the amounts received or traced in connection with such balances

B) the additional expenditure incurred with the consent of the **COMPANY** in tracing and establishing customers debit balances after the **DAMAGE**

C) the reasonable charges payable by the **INSURED** to their professional accountants for producing information required by the **COMPANY** in investigating or verifying a claim under this Section

General Provision

Underinsurance

If at the time of the **DAMAGE** the Sum Insured is less than the **OUTSTANDING DEBIT BALANCES** the amount payable will be proportionately reduced

BOOK DEBTS SECTION – CONDITIONS

These apply in addition to the General Terms and Conditions

1. COMPANYS Liability

The **COMPANYS** liability in any one Period of Insurance will not exceed in the aggregate the Total Sum Insured or in respect of any Item its Sum Insured

2. Duplicate Records and Storage

It is a condition precedent to the **COMPANYS** liability that the **INSURED**

(a) maintains 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 week and in the event of **DAMAGE** resulting in a claim will supply that record to the **COMPANY** or

(b) will keep all business records in which credit accounts of the **BUSINESS** are shown stored in standard metal cabinets fire resisting cabinets safes or strongrooms when not in use

PUBLIC AND PRODUCTS LIABILITY SECTION

THE INSURANCE

The **COMPANY** will indemnify the **INSURED** against all sums which the **INSURED** becomes legally liable to pay as damages and claimants costs and expenses arising out of accidental

(a) **INJURY** to any person
(b) **PHYSICAL LOSS**
(c) obstruction trespass nuisance wrongful arrest or interference with any right of way light air or water

occurring within the **TERRITORIAL LIMITS** and resulting directly from the **BUSINESS** during the Period of Insurance

Limit of Indemnity

The maximum liability of the **COMPANY** in respect of all indemnity payable under this Section and Extensions of this Section in respect of or arising out of any one occurrence or all occurrences of a series consequent on or attributable to one original cause or source will not exceed the Limit of Indemnity stated in the Schedule

Provided that the liability of the **COMPANY** for all indemnity payable in respect of or arising out of **PRODUCTS** shall not exceed in the aggregate the Limit of Indemnity stated in the Schedule in any one Period of Insurance

Discharge of Liability

The **COMPANY** having been advised of a claim or an occurrence which might give rise to a claim under this Section will be entitled to pay to the **INSURED** in settlement of its liability for all claims arising out of one occurrence or series of occurrences attributable to one original cause or source either

(i) the Limit of Indemnity (less any amounts already paid as damages) or
(ii) such other amount for which the claim or claims may be settled

The **COMPANY** will then relinquish control of and be under no further liability in respect of such claim or claims except for costs and expenses incurred up to the date of such payment

SECTION EXCLUSIONS
These apply in addition to the other Exclusions in this Section and the General Exclusions

*The **COMPANY** will not be liable for*

*(a) liability for **INJURY** to any **DIRECTOR PARTNER** or **EMPLOYEE** where such **INJURY** arises out of and in the course of employment by the **INSURED***

(b) loss of or damage to material property
*(i) in the custody or control of or owned by the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE***
*(ii) being worked on by or on behalf of the **INSURED** if loss or damage is as a direct result of such work*
other than
*(a) personal effects of **DIRECTORS PARTNERS EMPLOYEES** or visitors*
*(b) buildings including their contents temporarily occupied by the **INSURED** for the purpose of carrying out work therein or thereon*

(c) liability arising out of the ownership possession or use of any
(i) mechanically propelled vehicle including anything attached to it
- used in circumstances where insurance or security is required by law
- where indemnity is provided by any other policy or security
(ii) craft intended to travel through air or space or other aerospatial device
(iii) hovercraft and watercraft other than non mechanically propelled craft less than 9 metres in length which are used on inland waters

*(d) liability arising out of advice design formula plan or specification given separately for a fee or other remuneration by or on behalf of the **INSURED***

*(e) liability arising out of any work **AIRSIDE** by the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE** or any other persons for whom the **INSURED** may be responsible*

*(f) the costs or expenses incurred in recalling repairing reconditioning replacing testing or remarketing any **PRODUCT** or in rectifying defective workmanship or the replacement cost of any **PRODUCT***

*(g) liability arising from **PRODUCTS** known to be for use in craft intended to travel through air or space or other aerospatial devices*

SECTION EXCLUSIONS
These apply in addition to the other Exclusions in this Section and the General Exclusions

*The **COMPANY** will not be liable for*

(h) liability assumed under any contract or agreement which would not have arisen in the absence of such contract or agreement other than as stated in Extension 2

*(i) liability in respect of **POLLUTION or CONTAMINATION** including the cost of removing nullifying or cleaning up **SEEPING or POLLUTING or CONTAMINATING SUBSTANCES** or **REMEDIATION** unless directly caused by a sudden identifiable unintended and unexpected occurrence which takes place in its entirety at a specific moment in time and place during the Period of Insurance Provided that*
*(a) all **POLLUTION or CONTAMINATION** which arises out of one occurrence will be deemed to have occurred at the time such occurrence takes place*
*(b) the liability of the **COMPANY** for all damages and claimants costs and expenses payable in respect of all **POLLUTION or CONTAMINATION** which is deemed to have occurred during the Period of Insurance shall not exceed in the aggregate the Limit of Indemnity stated in the Schedule*

*(j) liability arising out of any work undertaken or visit **OFFSHORE***

*(k) liability of whatsoever nature directly or indirectly caused by or contributed to by or consisting of or arising from the failure of any computer data processing equipment or media microchip integrated circuit or similar device or any computer software whether the property of the **INSURED** or not and whether occurring before during or after the Year 2000*
(a) correctly to recognise any date as its true calendar date or
(b) correctly to recognise capture save retain store restore retrieve and/or correctly to manipulate interpret calculate or process any data or information or command or instruction as a result of
(i) treating any date otherwise than as its true calendar date or

SECTION EXCLUSIONS
These apply in addition to the other Exclusions in this Section and the General Exclusions

*The **COMPANY** will not be liable for*

(ii) the operation of any command or instruction which has been programmed into any computer software being a command or instruction which causes loss of data or information or command or instruction or the inability correctly to capture save retain store restore retrieve and/or correctly to manipulate interpret calculate or process such data or information or command or instruction on or after any date or

(c) otherwise to function correctly

All other terms Conditions and Exclusions shall continue to apply but this Exclusion shall take precedence over any provision to the contrary

(l) any liability of whatsoever nature arising out of mining processing manufacturing removing disposing of distributing or storing of asbestos or products made entirely or mainly of asbestos

This Exclusion shall not apply in respect of such removal or disposal provided that

*1 such activity does not form part of the **INSUREDS** usual **BUSINESS** or contract and*

*2 discovery of asbestos by the **INSURED** is unintentional and accidental and*

3 upon discovery of asbestos or products made entirely or mainly of asbestos all work immediately stops and

4 an HSE licensed asbestos removal contractor is employed if legally required

(a) to make safe the area in which the discovery is made as soon as is practicable

(b) who has Employers Liability and Public Liability insurances in force

(i) that provide Limits of Indemnity no less than those stated in the Schedule and

(ii) that do not exclude the work to be carried out

(m) any liability of whatsoever nature arising out of mould or toxic mould

*(n) the **EXCESS** specified in the Schedule*

PUBLIC AND PRODUCTS LIABILITY SECTION – SPECIAL DEFINITIONS

The words defined below will have the same meaning wherever they appear in bold capital letters in this Section

AIRSIDE

on or in those parts of airport and airfield premises to which the public do not have free or authorised access

EXCESS

the amount that will be deducted by the **COMPANY** from the total amount of each and every claim other than claims relating to **INJURY** for which there is no **EXCESS**

INJURY

bodily injury death illness disease or shock causing bodily injury

NORTH AMERICA

(1) the United States of America and Canada

(2) any territory
   (i) within their jurisdiction
   (ii) having a reciprocal enforcement arrangement with them

OFFSHORE

as from the time when the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE** or any other person or persons for whom the **INSURED** may be responsible embark onto a conveyance at the point of final departure to an offshore rig offshore platform or offshore installation until such time as they disembark from the conveyance onto land upon their return from an offshore rig or an offshore platform or an offshore installation

PHYSICAL LOSS

physical loss of or physical damage to material property

POLLUTION or CONTAMINATION

(1) all pollution or contamination of buildings or other structures or of water or land or the atmosphere and

(2) all **INJURY** or **PHYSICAL LOSS** directly or indirectly caused by such pollution or contamination

arising from **SEEPING or POLLUTING or CONTAMINATING SUBSTANCES**

PREMISES

the buildings and land used for the **BUSINESS**

PRODUCT

goods or other material property sold supplied delivered installed erected processed repaired altered treated or tested by or on behalf of the **INSURED** in the course of the **BUSINESS** and not within the custody of the **INSURED**

REMEDIATION

includes “remediation” under the Environment Act 1995

PUBLIC AND PRODUCTS LIABILITY SECTION – SPECIAL DEFINITIONS (Continued)

SEEPING or POLLUTING or CONTAMINATING SUBSTANCES

any solid liquid gaseous or thermal irritant or contaminant including but not limited to smoke vapour fumes acid alkalis chemicals dust micro-organisms and waste including material to be recycled reconditioned or reclaimed

TERRITORIAL LIMITS

(1) England Scotland Wales Northern Ireland the Channel Islands and the Isle of Man

(2) any other member country of the European Union

(3) elsewhere in the world other than **NORTH AMERICA** in respect of **INJURY** or **PHYSICAL LOSS** caused by or arising from

(i) clerical administrative and other non manual activities of the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE** normally employed within the territories specified in (1) of this Special Definition and occurring during any temporary visit made in connection with the **BUSINESS**

(ii) any **PRODUCT**

PUBLIC AND PRODUCTS LIABILITY SECTION – EXTENSIONS

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will indemnify the **INSURED** against legal liability

SECTION EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

1. Contingent Motor Liability

arising out of the use by any **EMPLOYEE** for the purposes of the **BUSINESS** of any motor vehicle not belonging to or provided by the **INSURED**

(i) for loss of or damage to such motor vehicle or property conveyed therein or thereon

*(ii) for **INJURY** or **PHYSICAL LOSS** arising while such vehicle is being driven by the **INSURED** or any **PARTNER** or **DIRECTOR***

*(iii) for **INJURY** to any **EMPLOYEE***

*(iv) for **INJURY** or **PHYSICAL LOSS** occurring outside England Scotland Wales Northern Ireland the Channel Islands and the Isle of Man*

(v) if indemnity is provided under any other insurance or security

2. Contractual Liability

assumed under contract or agreement provided that full conduct and control of all claims is vested in the **COMPANY**

(i) for physical loss or physical damage to *contract works in respect of which* the ***INSURED** is required to effect insurance under the terms of any contract or agreement*

*(ii) for liability arising out of any contract work executed by or on behalf of the **INSURED***

*(iii) for liability arising from **PRODUCTS***

3. Defective Premises Act 1972

arising solely by reason of Section 3 of the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with premises previously owned or leased by the **INSURED** for purposes pertaining to the **BUSINESS** and since disposed of by the **INSURED**

*(i) for **INJURY** or **PHYSICAL LOSS** happening prior to the disposal of the premises*

(ii) for the costs of remedying any defect or alleged defect in the premises disposed of

*(iii) if the **INSURED** is entitled to indemnity from any other source*

PUBLIC AND PRODUCTS LIABILITY SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will indemnify

SECTION EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable for*

4. Indemnity to Principal

any **PRINCIPAL** in respect of the legal liability of such **PRINCIPAL** arising out of work carried out by the **INSURED** under a contract or agreement provided that

(a) an indemnity would have been provided under this Section had the claim been made against the **INSURED**

(b) the **PRINCIPAL** complies with and is subject to the terms Conditions and Exclusions of this Policy in so far as they can apply

(c) the conduct and control of all claims is vested in the **COMPANY**

5. Leased Hired or Rented Premises

the **INSURED** against legal liability for physical loss of or physical damage to premises leased hired or rented to the **INSURED** for the purpose of the **BUSINESS** within the **TERRITORIAL LIMITS**

*(i) the **EXCESS** of £250 of such physical loss or physical damage caused otherwise than by fire or explosion*

*(ii) liability assumed by the **INSURED** under a tenancy or other agreement which would not have attached in the absence of such agreement*

PUBLIC AND PRODUCTS LIABILITY SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will indemnify the **INSURED** against legal liability

SECTION EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable for*

6. North America

for **INJURY** or **PHYSICAL LOSS** occurring within **NORTH AMERICA** caused by or arising from

(a) clerical administrative or other non-manual activities of any **DIRECTOR PARTNER** or **EMPLOYEE** normally employed within England Scotland Wales Northern Ireland the Channel Islands or the Isle of Man
(b) any **PRODUCT** not known by the **INSURED** to be for use in or supply to **NORTH AMERICA**

Provided that

the liability of the **COMPANY** in respect of all damages payable together with
(i) costs and expenses recoverable from the **INSURED** by any claimant
(ii) all costs and expenses incurred with the **COMPANYS** written consent
will not exceed the Limit of Indemnity stated in the Schedule

*any **POLLUTION or CONTAMINATION** or any cost or expense arising out of any governmental demand or request that an **INSURED** test for access monitor clean-up remove contain treat detoxify or neutralise any **SEEPING or POLLUTING or CONTAMINATING SUBSTANCES** or **REMEDIATION** and the **COMPANY** will not have the duty to defend any claim or suit seeking to impose such costs expenses or liability for damages relating to **POLLUTION or CONTAMINATION** or any other relief*

PUBLIC AND PRODUCTS LIABILITY SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The **COMPANY** will indemnify

SECTION EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

7. Overseas Personal Liability

the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE** or any family member accompanying them

against legal liability incurred in a personal capacity arising out of accidental

(a) **INJURY** to any person
(b) **PHYSICAL LOSS**

occurring during the Period of Insurance within the territories stated in (2) and (3) of the **TERRITORIAL LIMITS** during temporary visits in connection with the **BUSINESS**

Provided that

(i) the conduct and control of all claims is vested in the **COMPANY**
(ii) any person entitled to indemnity under this Extension complies with and is subject to the terms Conditions and Exclusions of this Policy in so far as they can apply
(iii) the liability of the **COMPANY** will not exceed the Limit of Indemnity stated in the Schedule

(i) for liability arising from
(a) any business profession or trade
(b) ownership or occupation of land or buildings
(c) ownership possession or use of
- firearms (other than sporting guns)
- mechanically propelled vehicles and anything attached to them
- craft intended to travel through air or space
- hovercraft and watercraft (other than non mechanically propelled craft less than 9 metres in length used on inland waters)
- animals (other than pet domestic animals)
(d) property held in trust
*(e) **INJURY** to the **INSURED** or such* **DIRECTOR PARTNER** or **EMPLOYEE** or family member accompanying them

(ii) for liability more specifically insured

(iii) for liability arising under contract or agreement unless the liability would have arisen in the absence of such contract or agreement

8. Tool of Trade

the **INSURED** in respect of liability arising out of the ownership or use of mechanically propelled plant whilst such plant is being used as a tool of trade within the **TERRITORIAL LIMITS**

for liability
(a) in connection with any watercraft hovercraft or aircraft
(b) if indemnity is provided under any other insurance or security
(c) which is required to be insured under any road traffic legislation or is the subject of other security

PUBLIC AND PRODUCTS LIABILITY SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The insurance provided by this Section is extended as described below

SECTION EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable for*

9. Cross Liabilities

If more than one person is named in the Schedule as the **INSURED** the **COMPANY** will indemnify each person as though a separate Policy had been issued to each person and the **COMPANY** agrees to waive all rights of subrogation against any such person

Provided that the total liability of the **COMPANY** in respect of any occurrence or series of occurrences attributable to one original cause or source shall not exceed the Limit of Indemnity stated in the Schedule

10. Legal Costs and Expenses

The **COMPANY** will pay in addition to the Limit of Indemnity legal costs and expenses incurred with its prior written consent for

(a) representation at any coroners inquest or inquiry in respect of any death
(b) defending in any court of summary jurisdiction of any proceedings in respect of any act or omission relating to any event

which may be the subject of indemnity under this Section

11. Legal Defence Costs

The **COMPANY** will be liable for all costs and expenses incurred with its prior written consent in respect of the defence of

(a) the **INSURED**
(b) at the **INSUREDS** request any **DIRECTOR PARTNER** or **EMPLOYEE**

against prosecution or incurred in connection with appeal against conviction arising from such prosecution under the provisions of

1 the Health and Safety at Work etc. Act 1974
2 the Health and Safety at Work (Northern Ireland) order 1978
3 Part II of the Consumer Protection Act 1987
4 Sections 7 & 8 of the Food Safety Act 1990

Provided that the offence under such legislation

(a) is alleged to have been committed during the Period of Insurance in connection with the **BUSINESS** within the **TERRITORIAL LIMITS**
(b) relates to the health safety and welfare of any person other than a **DIRECTOR** or **EMPLOYEE**

(i) the cost of any fine or penalty

*(ii) legal costs and expenses arising out of any deliberate act or omission by the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE***

(iii) legal costs and expenses where indemnity is provided by any other insurance

PUBLIC AND PRODUCTS LIABILITY SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The insurance provided by this Section is extended as described below

SECTION EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable for*

12. Court Attendance Compensation

In the event of any of the undermentioned persons attending court as a witness at the request of the **COMPANY** in connection with a claim in respect of which the **INSURED** is entitled to indemnity under this Section the **COMPANY** will provide compensation to the **INSURED** at the following rates per day for each day on which attendance is required

(a) any **DIRECTOR** or **PARTNER** £500

(b) any **EMPLOYEE** £250

13. Data Protection Act 1998

The **COMPANY** will indemnify the **INSURED** against legal liability to pay damages for damage or distress under the provisions of Section 13 of the Data Protection Act 1998

Provided that

(a) the act or omission from which liability arises is committed during the Period of Insurance in connection with the **BUSINESS**

(b) the **INSURED** is correctly registered in accordance with the requirements of the Data Protection Act 1998 or has applied for such registration which has not been refused or withdrawn

(i) liability arising from
- *(a) the processing of data for reward*
- *(b) the determining of the financial status of a person*
- *(c) a deliberate act or omission by the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE** from which liability could reasonably be expected by the **INSURED** or such **DIRECTOR PARTNER** or **EMPLOYEE** having regard to the nature and circumstances of such act or omission*
- *(d) any agreement which would not have attached in the absence of such agreement*
- *(e) indemnity provided under any other insurance*

(ii) any fine or penalty

(iii) any costs of replacing reinstating rectifying destroying or erasing any data

(iv) any amount in excess of the Limit of Indemnity stated in the Schedule

PUBLIC AND PRODUCTS LIABILITY SECTION – EXTENSIONS (Continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The insurance provided by this Section is extended as described below

SECTION EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable*

14. Indemnity to Others

At the request of the **INSURED** the **COMPANY** will indemnify

(a) any **DIRECTOR PARTNER** or **EMPLOYEE**
(b) any officer member or **EMPLOYEE** of the **INSUREDS** social sports or welfare organisation or first aid fire or ambulance services in their respective capacities as such
(c) the owner of plant hired to the **INSURED** under Construction Plant-hire Association conditions only so far as may be required by those conditions but not in respect of any liability which is required to be insured under any road traffic legislation

Provided that

(i) the **INSURED** would have been entitled to indemnity under this Section if the claim had been made against the **INSURED**
(ii) the full conduct and control of all claims is vested in the **COMPANY**
(iii) such person is not entitled to indemnity under any other insurance

EMPLOYERS LIABILITY SECTION

THE INSURANCE

The **COMPANY** will indemnify the **INSURED** against all sums which the **INSURED** becomes legally liable to pay as damages and claimants costs and expenses in respect of **INJURY** sustained by any **DIRECTOR** or **EMPLOYEE** arising out of and in the course of employment by the **INSURED** within the **TERRITORIAL LIMITS** and resulting directly from the **BUSINESS** during the Period of Insurance

The **COMPANY** will also pay for legal costs and expenses incurred with its prior written consent

(a) in defence of any claims
(b) for representation at any coroners inquest or inquiry in respect of any death

which may be the subject of indemnity under this Section

LIMIT OF INDEMNITY

The maximum liability of the **COMPANY** inclusive of all costs and expenses payable under this Section and Extensions of this Section shall be the Limit of Indemnity stated in the Schedule in respect of any one occurrence or all occurrences of a series consequent on or attributable to one original cause or source

DISCHARGE OF LIABILITY

The **COMPANY** having been advised of a claim or an occurrence which might give rise to a claim under this Section will be entitled to pay to the **INSURED** in settlement of its liability for all claims arising out of one occurrence or series of occurrences attributable to one original cause or source either

(i) the Limit of Indemnity (less any amounts already paid or incurred) or
(ii) such other amount for which the claim or claims may be settled

The **COMPANY** will then relinquish control of and be under no further liability in respect of such claim or claims

SECTION EXCLUSIONS
These apply in addition to the other Exclusions in this Section and the General Exclusions

*The **COMPANY** will not be liable for*

*(a) **INJURY** sustained by any **DIRECTOR** or **EMPLOYEE** while being carried in or on a vehicle or entering or getting onto or alighting from a vehicle in circumstances where compulsory insurance or security covering this risk is required under any road traffic legislation within the **TERRITORIAL LIMITS***
*(b) liability arising out of any work undertaken or visit **OFFSHORE***
(c) any liability of whatsoever nature arising out of mining processing manufacturing removing disposing of distributing or storing of asbestos or products made entirely or mainly of asbestos

This Exclusion shall not apply in respect of such removal or disposal provided that

*1 such activity does not form part of the **INSUREDS** usual **BUSINESS** or contract and*
*2 the discovery of asbestos by the **INSURED** is unintentional and accidental and*
3 upon discovery of asbestos or products made entirely or mainly of asbestos all work immediately stops and
4 an HSE licensed asbestos removal contractor is employed if legally required
(a) to make safe the area in which the discovery is made as soon as is practicable
(b) who has Employers Liability and Public Liability insurances in force
(i) that provide Limits of Indemnity no less than those stated in the Schedule and
(ii) that do not exclude the work to be carried out

EMPLOYERS LIABILITY SECTION – SPECIAL DEFINITIONS

The words defined below will have the same meaning wherever they appear in bold capital letters in this Section

INJURY

bodily injury death illness disease or shock causing bodily injury

OFFSHORE

as from the time when the **INSURED** or any **DIRECTOR PARTNER EMPLOYEE** or any other person or persons for whom the **INSURED** may be responsible embark onto a conveyance at the point of final departure to an offshore rig offshore platform or offshore installation until such time as they disembark from the conveyance onto land upon their return from an offshore rig or an offshore platform or an offshore installation

PREMISES

the buildings and land used for the **BUSINESS**

TERRITORIAL LIMITS

(1) England Scotland Wales Northern Ireland the Channel Islands and the Isle of Man

(2) elsewhere in the world in respect of **INJURY** arising out of and in the course of employment by the **INSURED** in connection with the **BUSINESS** sustained by any **DIRECTOR** or **EMPLOYEE** normally employed within the territories specified in (1) of this Special Definition whilst working temporarily outside such territories

EMPLOYERS LIABILITY SECTION – COMPULSORY INSURANCE CLAUSE

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to employees in Great Britain Northern Ireland the Channel Islands and the Isle of Man but the **INSURED** shall repay to the **COMPANY** all sums paid by the **COMPANY** which the **COMPANY** would not have been liable to pay but for the provisions of such law

EMPLOYERS LIABILITY SECTION – EXTENSIONS

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The insurance provided by this Section is extended as described below

1. Indemnity to Principal

The **COMPANY** will indemnify any **PRINCIPAL** in respect of the legal liability of such **PRINCIPAL** arising out of work carried out by the **INSURED** under a contract or agreement provided that

(a) an indemnity would have been provided under this Section had the claim been made against the **INSURED**
(b) the **PRINCIPAL** complies with and is subject to the terms Conditions and Exclusions of this Policy in so far as they can apply
(c) the conduct and control of all claims is vested in the **COMPANY**

2. Legal Defence Costs

The **COMPANY** will be liable for all costs and expenses incurred with its prior written consent in respect of the defence of

(a) the **INSURED**
(b) at the **INSUREDS** request any **DIRECTOR PARTNER** or **EMPLOYEE**

against prosecution or incurred in connection with appeal against conviction arising from such prosecution under the provisions of

(i) the Health and Safety at Work etc. Act 1974
(ii) the Health and Safety at Work (Northern Ireland) Order 1978

Provided that the offence under such legislation
(a) is alleged to have been committed during the Period of Insurance in connection with the **BUSINESS** within the **TERRITORIAL LIMITS**
(b) relates to the health safety and welfare of a **DIRECTOR** or **EMPLOYEE**

The **COMPANY** will not be liable under this Extension for
(i) the cost of any fine or penalty
(ii) legal costs and expenses where indemnity is provided by any other insurance
(iii) legal costs and expenses arising out of any deliberate act or omission by the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE**

3. EMPLOYEES Unsatisfied Damages

If a judgement for damages or costs in respect of **INJURY** sustained by an **EMPLOYEE** arising out of and in the course of employment or engagement by the **INSURED** in connection with the **BUSINESS** and arising from an accident occurring within the **TERRITORIAL LIMITS** during the Period of Insurance

(a) is obtained by such **EMPLOYEE** in any Court situate within Great Britain Northern Ireland the Channel Islands and the Isle of Man against any person or corporate body other than the **INSURED** domiciled or operating from premises within those territories and

(b) remains wholly or partly unsatisfied six months after the date of such judgement

at the request of the **INSURED** the **COMPANY** will pay to such **EMPLOYEE** the amount of the damages and costs remaining unsatisfied

Provided that
(i) there is no appeal outstanding
(ii) the **EMPLOYEE** has assigned the judgement to the **COMPANY**

EMPLOYERS LIABILITY SECTION – EXTENSIONS (continued)

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The insurance provided by this Section is extended as described below

4. Court Attendance Compensation

In the event of any of the undermentioned persons attending court as a witness at the request of the **COMPANY** in connection with a claim in respect of which the **INSURED** is entitled to indemnity under this Section the **COMPANY** will provide compensation to the **INSURED** at the following rates per day for each day on which attendance is required

(a)	any **DIRECTOR** or **PARTNER**	£500
(b)	any **EMPLOYEE**	£250

MONEY SECTION

THE INSURANCE

The **COMPANY** will indemnify the **INSURED** up to the Limits of Liability stated in the Schedule for **DAMAGE** that occurs during the Period of Insurance to

1 Crossed cheques crossed Giro cheques crossed money orders crossed bankers drafts crossed warrants National Savings Certificates Premium Bonds unexpired units in postal franking machines credit or debit card sale vouchers VAT invoices

2 Other **MONEY**
- A in the **PREMISES**
  - 1 during **BUSINESS HOURS**
  - 2 in locked safes or strongrooms detailed in the Schedule out of **BUSINESS HOURS**
  - 3 in all other locked safes or strongrooms out of **BUSINESS HOURS**
  - 4 not in locked safes or strongrooms out of **BUSINESS HOURS**
- B not in the **PREMISES** whilst
  - 1 in **TRANSIT** or at sites of contract
    - (a) in the custody of the **INSURED** or any **DIRECTOR PARTNER** or authorised **EMPLOYEE**
    - (b) in the custody of a specialist security carrier
  - 2 in a night bank safe
  - 3 at the residence of the **INSURED** or any **DIRECTOR PARTNER** or authorised **EMPLOYEE**
    - (a) in a locked safe
    - (b) otherwise

The Limits of Liability for Item Numbers 2A1 and 2B1 are doubled during the week immediately prior to any annual holiday shutdown

SECTION EXCLUSIONS
These apply in addition to the General Exclusions

*The **COMPANY** will not be liable for*

*(a) any **DAMAGE** not within the **TERRITORIAL LIMITS** except as stated in Extension 3 of this Section*

(b) depreciation shortages errors omissions or direct or indirect consequential loss of any kind

*(c) **DAMAGE** arising from theft fraud or dishonesty of any **DIRECTOR PARTNER** or **EMPLOYEE***
- *(i) not discovered within seven working days of the event*
- *(ii) insured by a fidelity guarantee insurance*

*(d) **DAMAGE** from any*
- *(i) unattended vehicle*
- *(ii) coin operated machine*

*(e) **DAMAGE** due to use of counterfeit **MONEY***

MONEY SECTION – EXTENSIONS

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

This Section also insures **DAMAGE** to

SECTION EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions
*The **COMPANY** will not be liable for*

1. Safes and Strongrooms

safes strongrooms or franking machines or containers used for the carriage or safety of **MONEY** arising from theft or attempted theft

2. Clothing and Personal Effects

clothing and personal effects of the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE** arising from robbery or attempted robbery

(i) any amount in excess of £500

3. Business Travel

MONEY in the custody of the **INSURED** or any **DIRECTOR PARTNER** or **EMPLOYEE** in connection with a business trip anywhere in the world

(i) any amount in excess of £500

MONEY SECTION – CONDITIONS

These apply in addition to the General Terms and Conditions

1. Aggregation

The aggregate liability of the **COMPANY** in respect of any one loss under this Section or other Policy or Policies issued by the **COMPANY** will not exceed the Limits of Liability shown in the Schedule or any other stated Limit of Liability

2. Protective Devices

It is a Condition precedent to the liability of the **COMPANY** that whenever

(1) the **PREMISES** are left unattended
- (i) all locks bolts and other protective devices are in full operation
- (ii) all keys including those relating to safes or strongrooms and notes of combination locks to safes or strongrooms are removed from the **PREMISES**

(2) any room containing **MONEY** is left unattended during **BUSINESS HOURS**
- (i) the room is fully locked
- (ii) all **MONEY** in excess of £250 is placed in a locked safe
- (iii) all keys including those relating to safes or strongrooms and notes of combination locks to safes or strongrooms are kept in the custody of the person responsible for the **MONEY**

3. Money in Safe

An accurate record of all **MONEY** in each safe or strongroom will be kept in a secure place away from the said safes or strongrooms

4. Personal Carrying Limit

Whenever the amount of **MONEY** (other than as described in Item 1) in transit exceeds £3,000 all notes will be carried on the person of able bodied adults and the **COMPANYS** liability will not exceed £3,000 in respect of any one person

5. Safe Installation

It is a condition precedent to the liability of the **COMPANY** that any safe installed at the **PREMISES** is fitted in accordance with the manufacturers instructions and to the manufacturers specification

GOODS IN TRANSIT SECTION

THE INSURANCE

The **COMPANY** will indemnify the **INSURED** for

DAMAGE to **STOCK** or **GENERAL CONTENTS**

that occurs during the Period of Insurance whilst in **TRANSIT** by

(a) any vehicle operated by the **INSURED**

(b) any vehicle operated by hauliers courier service rail post or other conveyance specified in the Schedule

up to the Sum(s) Insured specified for each category of **TRANSIT** stated in the Schedule

Limit of Liability

The liability of the **COMPANY**

(i) **Event**
for all indemnity payable in respect of any Event or series of claims arising from any one Event will not exceed the Event Limit

(ii) **Aggregate**
will not exceed in any one Period of Insurance the Aggregate Limit

as stated in the Schedule

SECTION EXCLUSIONS
These apply in addition to the General Exclusions

*The **COMPANY** will not be liable for*

*(a) the **EXCESS** specified in the Schedule*

*(b) **DAMAGE** to*

(i) livestock or explosives

*(ii) **MONEY** securities for money documents manuscripts computer system records or business books*

(iii) precious metals bullion precious stones jewellery watches furs curiosities works of art or rare books

*(c) **DAMAGE** caused by*

(i) defective or inadequate packaging or incorrect or insufficient address of any parcel or package or load

(ii) wear and tear latent defect or inherent vice moths insects vermin climatic conditions damp mildew rust

(iii) loss in weight evaporation taint leakage or spillage pollution or contamination deterioration depreciation electrical or mechanical breakdown or derangement

unless due to fire explosion collision or overturning of the conveyance

(d) delay loss of market or direct or indirect consequential loss or damage of any kind

(e) disappearance shortage or unexplained or inventory shortage

*(f) **DAMAGE** to or caused by **DANGEROUS GOODS***

*(g) **DAMAGE** to **STOCK** or **GENERAL CONTENTS** despatched on Free On Board terms unless declared to and accepted in writing by the **COMPANY***

*(h) any **DAMAGE** unless occurring within the territorial limits stated in the Schedule*

GOODS IN TRANSIT SECTION – EXTENSIONS

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

The insurance provided by this Section is extended as described below

SECTION EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable for*

1. Additional Expenses

This Section also insures the additional expenses of
(a) transferring to another conveyance
(b) reloading
(c) removal of debris
as a result of **DAMAGE** by fire explosion collision or overturning of the conveyance

(i) any amount in excess of £1,000

2. Employees Effects

This Section also insures **DAMAGE** to the personal property of any **EMPLOYEE** by fire explosion collision or overturning of the conveyance

(i) any amount in excess of £250

3. Sheets and Ropes

This Section also insures **DAMAGE** to sheets tarpaulins ropes chains toggles and trolleys arising as a result of **DAMAGE** to **GENERAL CONTENTS** or **STOCK** in **TRANSIT** for which the **COMPANY** has accepted liability under this Section

(i) any amount in excess of £1,000

4. Loading Unloading and Storage

For the purposes of this Section the Definition of **TRANSIT** includes loading unloading and temporary storage in the course of a journey

GOODS IN TRANSIT SECTION – BASIS OF SETTLEMENT

1. In respect of GENERAL CONTENTS

the **COMPANY** will pay

A the cost of reinstatement being
(i) where the property is lost or destroyed the cost of its replacement by similar property
(ii) where the property is damaged the cost of repairing or restoring the damaged portions
in either case to a condition substantially the same as but not better or more extensive than its condition when new

B the cost of removing debris being the cost incurred with the **COMPANYS** consent in removing debris dismantling demolishing shoring up and propping portions of the property but excluding any costs or expenses
(i) incurred in removing debris from other than the area immediately adjacent to the site at which the **DAMAGE** occurred
(ii) arising from pollution or contamination of property not insured by this Section

C the cost of professional fees being those necessarily incurred in the reinstatement of the property but not for preparing any claim

The undernoted provisions apply

(1) Partial Damage
Where **DAMAGE** occurs to only part of the property the **COMPANYS** liability will not exceed the amount which the **COMPANY** would have been liable to pay had the property been wholly destroyed

(2) Alternative Basis of Settlement
The **COMPANYS** liability will be limited to the Alternative Basis of Settlement (as defined below)
(i) until the cost of reinstatement has actually been incurred
(ii) if the work of reinstatement is not carried out as quickly as is reasonably practicable
(iii) if at the time of its **DAMAGE** the property is covered by any other insurance effected by or on behalf of the **INSURED** and such other insurance is not on the identical basis of reinstatement defined in Basis of Settlement 1A
(iv) if it is provided in the Schedule that the Alternative Basis of Settlement applies

Under the Alternative Basis of Settlement the **COMPANY** will pay the value of the property at the time of its loss or destruction or the amount of the damage including the cost of
- removing debris
- professional fees

as defined in Bases of Settlement 1B and C above and subject to the provisions and exclusions applying to those Bases of Settlement

GOODS IN TRANSIT SECTION – BASIS OF SETTLEMENT (Continued)

2. In respect of documents manuscripts and business books

the **COMPANY** will pay
(i) the value of the materials as stationery
(ii) for the clerical labour expended in writing up such documents
(iii) the costs necessarily and reasonably incurred in connection with the reproduction of any information to be recorded

but excluding the value to the **INSURED** of the information on or in such documents manuscripts and business books and subject to the **COMPANYS** liability not exceeding the limit stated in the Definition of **GENERAL CONTENTS** or the Event Limit whichever is less

3. In respect of STOCK and other insured property not specifically provided for

the **COMPANY** will pay the value of the property at the time of its loss or destruction or the amount of the damage including the cost of removing debris as defined in 1B above

The undernoted provision applies

Contract Price
In respect only of goods sold but not delivered for which the **INSURED** is responsible and with regard to which under the conditions of the sale the sale contract is cancelled by reason of any **DAMAGE** insured either wholly or to the extent of the **DAMAGE** the **COMPANYS** liability will be based on the contract price

GOODS IN TRANSIT SECTION – CONDITIONS

1. Precautions

In respect of **DAMAGE** arising out of theft or attempted theft from any conveyance operated by the **INSURED** it is a condition precedent to the liability of the **COMPANY** that

(i) when such conveyance is left unattended during the working day of the driver
- all doors windows and other openings are closed properly fastened and locked
- any immobiliser cut out steering lock or alarm is correctly set to operate
- all keys are removed from the conveyance

This Condition will not apply where an **EMPLOYEE** fails to secure a conveyance in accordance with the above provided that the **INSURED** had
- issued full written instructions regarding conveyance security incorporating the above requirements to the **EMPLOYEE** and
- received a signed and dated receipt of such instructions from the **EMPLOYEE**

(ii) after the last business **TRANSIT** of the day has ceased and until collected by a **DIRECTOR PARTNER** or **EMPLOYEE** at the commencement of the next working day or period the conveyance is housed in a securely locked building or guarded security compound

2. Maintenance

In respect of **DAMAGE** arising out of theft or attempted theft is a condition precedent to the liability of the **COMPANY** that any vehicle or conveyance operated by the **INSURED**

(i) is properly maintained in a roadworthy condition and is used only where the vehicle or conveyance is suitable for the carriage of the property to be conveyed

(ii) has all locks immobilisers and alarms properly maintained and not withdrawn or altered without the written consent of the **COMPANY**

SPECIFIED ALL RISKS SECTION

THE INSURANCE

In the event of **DAMAGE** that occurs during the Period of Insurance to the Property Insured described in the Schedule the **COMPANY** will pay to the **INSURED** the amount of loss as stated in the Basis of the Settlement

SECTION EXCLUSIONS
These apply in addition to the General Exclusions

*The **COMPANY** will not be liable for*

*(a) the **EXCESS** specified in the Schedule*

*(b) **DAMAGE** caused by*

- *(i) wear tear deterioration moths insects vermin rust or any other gradually operating cause*
- *(ii) any process of cleaning dyeing repairing or restoring*
- *(iii) overwinding or mechanical or electrical breakdown or failure*
- *(iv) use contrary to manufacturers instructions*

(c) loss from any unattended vehicle

*(d) any **DAMAGE** unless occurring within the Territorial Limits stated in the Schedule*

SPECIFIED ALL RISKS SECTION – BASIS OF SETTLEMENT

The **COMPANY** will pay the cost of reinstatement being

(i) where the property is lost or destroyed the cost of its replacement by similar property

(ii) where the property is damaged 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

The undernoted provisions apply

(1) **Partial Damage**
Where **DAMAGE** occurs to only part of the property the **COMPANYS** liability will not exceed the amount which the **COMPANY** would have been liable to pay had the property been wholly destroyed

(2) **Reinstatement on Another Site**
The work of reinstatement may be carried out wholly or partially upon another site and in any manner suitable to the requirements of the **INSURED** provided that it does not increase the **COMPANYS** liability

(3) The **COMPANYS** liability will be limited to the value of the property at the time of its loss or destruction or the amount of the damage

- (i) until the cost of reinstatement has actually been incurred
- (ii) if the work of reinstatement is not carried out as quickly as is reasonably practicable
- (iii) if at the time of its **DAMAGE** the property is covered by any other insurance effected by or on behalf of the **INSURED** and such other insurance is not on the identical basis of reinstatement

SPECIFIED ALL RISKS SECTION – BASIS OF SETTLEMENT (Continued)

General Provision

Underinsurance

If at the time of the **DAMAGE** the Sum Insured by the relevant Item is less than eighty-five per cent of the cost of the reinstatement of the Item the amount otherwise payable by the **COMPANY** will be proportionately reduced

SPECIFIED ALL RISKS SECTION – CONDITIONS

These apply in addition to the General Terms and Conditions

1. Limit of Liability

The **COMPANYS** liability in any one Period of Insurance will not exceed in the aggregate the Total Sum Insured or in respect of any Item its Sum Insured or any other stated Limit of Liability

COMPUTER BREAKDOWN SECTION

THE INSURANCE	*SECTION EXCLUSIONS* *These apply in addition to the Section Exclusions and the General Exclusions*
The **COMPANY** will pay to the **INSURED**	*The **COMPANY** will not be liable for*

A. COMPUTER EQUIPMENT

as described in the Basis of Settlement in the event of **BREAKDOWN** to **COMPUTER EQUIPMENT** that occurs during the Period of Insurance within the **TERRITORIAL LIMITS**	*(i) the **EXCESS** specified in the Schedule* *(ii) the cost of reinstating information on computer systems and software programmes and records* *(iii) additional costs and expenses of working*

B. Reinstatement of Data

the costs reasonably and necessarily incurred to reinstate onto (i) data carrying materials used in connection with the **COMPUTER EQUIPMENT** (ii) integral fixed disks within the **COMPUTER EQUIPMENT** any data programmes or software lost or corrupted as a result of (a) **BREAKDOWN** to **COMPUTER EQUIPMENT** for which the **INSURED** is indemnified or would be but for the application of the **EXCESS** or the existence of a **MAINTENANCE AGREEMENT** under **A. COMPUTER EQUIPMENT** (b) accidental or malicious erasure or distortion or destruction not accompanied by **BREAKDOWN** as described in (a) above	*(i) the **EXCESS** specified in the Schedule* *(ii) claims where the supplier of electricity or telecommunication exercises the right to restrict or withhold supply* *(iii) costs following any loss or corruption which has been caused by an inherent fault within or unsuitability of any data programmes or software But if any such inherent fault has been maliciously introduced the subsequent loss or corruption of otherwise uncorrupt data programmes or software contained on other data carrying materials which arises out of the fault shall not be excluded by this Exclusion* *(iv) costs following any loss or corruption which does not arise out of an identifiable event or series of events occurring during the Period of Insurance* *(v) the costs incurred in replacing any dongle or other software copyright device or any accompanying software programme or data unless express agreement has been given by the **COMPANY** that such costs are indemnified under this Section*

C. Additional Costs of Working

the additional costs and expenses of working necessarily and reasonably incurred by the **INSURED** consequent upon a) **BREAKDOWN** to **COMPUTER EQUIPMENT** for which the **COMPANY** has agreed liability or b) accidental or malicious erasure or distortion or destruction of data programmes or software for which the **INSURED** is indemnified by the **COMPANY** under **B Reinstatement of Data**	*(i) claims where the supplier of electricity or telecommunication exercises the right to restrict or withhold supply* *(ii) any costs or expenses incurred to reinstate onto data carrying materials or other storage facilities data programmes or software which have been lost destroyed or otherwise corrupted*

COMPUTER BREAKDOWN SECTION – SPECIAL DEFINITIONS

MAINTENANCE AGREEMENT

an agreement between the **INSURED** and the manufacturers and/or suppliers of the **COMPUTER EQUIPMENT** and/or a competent independent maintenance contractor providing for repairs to or replacement of such **COMPUTER EQUIPMENT** including all necessary parts associated labour and travel costs other than arising out of the negligence of or breach of duty by the **INSURED** or his **EMPLOYEES**

BREAKDOWN

the actual breaking distortion electrical mechanical or electronic burn out or failure of any part of the **COMPUTER EQUIPMENT** whilst in use causing sudden stoppage of the functions thereof and necessitating repair or replacement before it can resume normal working

COMPUTER BREAKDOWN SECTION – BASIS OF SETTLEMENT

1. In respect of COMPUTER EQUIPMENT the COMPANY will pay the cost of reinstatement being

(i) where the property is lost or destroyed the cost of its replacement by similar property
(ii) where the property is damaged 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

The undernoted provisions apply

(1) **Partial Damage**
Where **BREAKDOWN** occurs to only part of the property the **COMPANYS** liability will not exceed the amount which the **COMPANY** would have been liable to pay had the property been wholly destroyed

(2) **Reinstatement on Another Site**
The work of reinstatement may be carried out wholly or partially upon another site and in any manner suitable to the requirements of the **INSURED** provided that it does not increase the **COMPANYS** liability

(3) The **COMPANYS** liability will be limited to the value of the property at the time of its loss or destruction or the amount of the damage
   (i) until the cost of reinstatement has actually been incurred
   (ii) if the work of reinstatement is not carried out as quickly as is reasonably practicable
   (iii) if at the time of its **BREAKDOWN** the property is covered by any other insurance effected by or on behalf of the **INSURED** and such other insurance is not on the identical basis of reinstatement

General Provision

Underinsurance

If at the time of the **BREAKDOWN** the Sum Insured for **COMPUTER EQUIPMENT** is less that eighty-five per cent of the cost of reinstatement the amount otherwise payable by the **COMPANY** will be proportionately reduced

COMPUTER BREAKDOWN SECTION - EXTENSIONS

Each of these Extensions is subject otherwise to the terms of this Section and the Policy

This Section also insures

SECTION EXCLUSIONS
These apply in addition to the Section Exclusions and the General Exclusions

*The **COMPANY** will not be liable for*

1. Accidental Discharge

The cost of replenishing the contents of fixed gas filled automatic fire suppressant installations situated at the **PREMISES** to protect the **COMPUTER EQUIPMENT** where such gas has been accidentally discharged

(i) loss of gas resulting from seepage evaporation or normal wastage
(ii) loss of gas caused by the suppression of a fire or similar occurrence or during any testing or proving operations
(iii) any loss in excess of £10,000

2. Incompatible Software

Any cost necessarily incurred in redeveloping or adapting programmes/software not compatible with available replacement **COMPUTER EQUIPMENT** following **BREAKDOWN** where the **INSURED** is being indemnified by the **COMPANY** for the cost of the replacement equipment

Additionally should the Sum Insured in respect of **COMPUTER EQUIPMENT** be insufficient to meet the cost incurred for its replacement plus the necessary programme/software redevelopment or adaption then the **COMPANY** will indemnify the **INSURED** for any additional amount incurred with the agreement of the **COMPANY**

*(i) any amount in excess of 10% of the Sum Insured for **COMPUTER EQUIPMENT***

COMPUTER BREAKDOWN SECTION – EXCLUSIONS

These apply in addition to any other Exclusion in this Section and the General Exclusions

*The **COMPANY** will not be liable for*

1 direct or indirect consequential loss or damage of any kind or description

2 any amount otherwise recoverable under a guarantee or maintenance agreement

*3 any additional costs and expenses of working arising out of **BREAKDOWN** of **COMPUTER EQUIPMENT** which are incurred during the 8 hours immediately following **BREAKDOWN***

*4 loss damage destruction or **BREAKDOWN***

- *A to disks tapes or other data carrying material software programmes and records stored otherwise than in accordance with manufacturers instructions*
- *B when the **BUILDINGS** or the **UNIT** are **UNOCCUPIED***
- *C arising as a result of defects of design material maintenance or workmanship*
- *D arising as a result of wasting wearing away or wearing out of any part of the **COMPUTER EQUIPMENT** caused by or resulting from ordinary use or working rust or gradual deterioration due to atmospheric conditions or otherwise or scratching or painted or polished surfaces*
- *E caused by corrosion rust frost mould marring scratching vermin insects or change in temperature*
- *F caused by operational error or omission on the part of the **INSURED***
- *G caused by disappearance unexplained or inventory shortage misfiling or misplacing information*
- *H caused by or arising from **CONTRACTORS** on the **PREMISES** for the purpose of carrying out contract works structural or other substantial alterations or extensions to **BUILDINGS** (including any contract under JCT conditions)*
- *I caused by the bursting of any*
  - *(a) boiler not used for domestic purposes only*
  - *(b) economiser or other vessel machine or apparatus*

  *belonging to or under the control of the **INSURED** in which internal pressure is due to steam only*
- *J caused by wind rain hail sleet snow flood or dust to property in the open*
- *K to the Property Insured resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair*

*5 **BREAKDOWN** of **COMPUTER EQUIIPMENT** directly or indirectly occasioned by or arising from **VIRUS OR SIMILAR MECHANISM** or **HACKING***

*6 Additional Costs of Working in consequence directly or indirectly of **VIRUS OR SIMILAR MECHANISM** or **HACKING***

COMPUTER BREAKDOWN SECTION – CONDITIONS

These apply in addition to the General Terms and Conditions

1. Maintenance and Protection

It is a condition precedent to the liability of the **COMPANY** that there will be at all times during the currency of this insurance

(a) a valid **MAINTENANCE AGREEMENT** for repair of the **COMPUTER EQUIPMENT**

(b) protection of the **COMPUTER EQUIPMENT** against surges in power or voltage or from lightning

2. Duplicate records

It is a condition precedent to the liability of the **COMPANY** in respect of claims for Additional Costs of Working that a duplicate set of disks tapes and other data carrying material software programmes and records will be kept by the **INSURED** and updated at least weekly

3. Reinstatement of Sum Insured

Unless the **COMPANY** gives written notice to the contrary the Sums Insured on **COMPUTER EQUIPMENT** will not be reduced by the amount of any claim provided that the **INSURED** pays the appropriate additional premium and tax

DETERIORATION OF REFRIGERATED GOODS SECTION

THE INSURANCE

The **COMPANY** will indemnify the **INSURED** for **DAMAGE** to refrigerated goods contained in a refrigerated goods cabinet cold room or cold store at the **PREMISES** specified in the Schedule caused by

(i) breakdown of the refrigerated goods cabinet cold room or cold store
(ii) failure of the public electricity supply
(iii) accidental leakage of refrigerant

SECTION EXCLUSIONS
These apply in addition to the General Exclusions

*The **COMPANY** will not be liable for*

(i) loss damage or destruction where the refrigerated goods cabinet cold room or cold store is
  (a) over fifteen years old
  (b) over two years old and not annually inspected and maintained by a competent person
(ii) loss damage or destruction resulting from the deliberate act of any public supply authority to withhold or restrict supply including but not limited to withdrawal of supply due to industrial action
(iii) any amount in excess of the Sum Insured stated in the Schedule
*(iv) the **EXCESS** specified in the Schedule*

LEGAL EXPENSES SECTION

THE INSURANCE

The **COMPANY** hereby agrees to the extent and in the manner hereinafter provided to indemnify

(a) the **INSURED**
(b) the **INSURED EMPLOYEE**
(c) the **INSURED DIRECTOR**

up to the Limit of Indemnity specified in the Schedule but not exceeding £100,000 during any one Period of Insurance for the **PROFESSIONAL COSTS AND EXPENSES** of Proceedings within the **TERRITORIAL LIMITS** in respect of the Subject Matter of Insurance when the **INSURED EVENT** is within the Period of Insurance and within such Territories but subject always to any limit specified in the Sub-Section Exclusions

LEGAL EXPENSES SECTION – SPECIAL DEFINITIONS

The words defined below will have the same meaning wherever they appear in bold capital letters in the Schedule and the Clauses to the Section

AMICUS LEGAL

Amicus Legal Ltd who administer claims under this Section of cover on behalf of the **COMPANY**

ATTENDANCE EXPENSES

the salary or wages of any **EMPLOYEE** or **DIRECTOR** or other officer of the **INSURED** for a period he is absent from work to attend at any court or tribunal hearing either

(a) as a witness on behalf of the **INSURED** and at the request of the **PROFESSIONAL ADVISER** in respect of a matter involving a valid claim under this Section

(b) as a party to the **PROCEEDINGS** and at the request of the **PROFESSIONAL ADVISER** in respect of a matter involving a valid claim under this Section

(c) as a juror

for each half or full day of such attendance and shall be calculated on the basis that

(i) the period of absence from work shall include the time taken to travel to and from the hearing

(ii) the period of absence from work shall be calculated to the nearest half day taking an eight hour day to be a whole day for this purpose and the maximum period for which a claim can be made in respect of any one day

(iii) for full-time **EMPLOYEES** one whole days salary or wages equals 1/250th of the **EMPLOYEES** annual salary or wages at the times of such attendance

(iv) for part-time **EMPLOYEES** the salary or wages for the period of absence from work shall bear the same proportion of their weekly salary or wages as the period of absence from work bears to their normal working week for the **INSURED**

(v) the maximum payable in respect of one eight hour period shall be £100 per person

(vi) the maximum payable in respect of an **INSURED EVENT** is £2,000

AWARDS OF COMPENSATION

basic and compensatory awards made against the **INSURED** by Employment Tribunals or Employment Appeal Tribunals or settlements to which **AMICUS LEGALS** prior approval has been given

The term does not include awards made under Section 117 of the Employment Rights Act 1996 as amended nor does it include settlement of **PROCEEDINGS** thereunder **AWARDS OF PAY** redundancy payments notice entitlements or pay in lieu thereof or fines or penalties imposed by a court of criminal jurisdiction

AWARDS OF PAY

awards made under Section 93 of the Employment Rights Act 1996 when an Employment Tribunal or Employment Appeal Tribunal declares the written statement to have been inadequate or untrue but does not include awards made when the **INSURED** has unreasonably refused to supply the written statement

CONTRIBUTIONS AGENCY INVESTIGATION

an inspection of the **INSUREDS** PAYE and National Insurance records and returns by the Inland Revenue National Insurance Contributions Office

DISMISSAL

dismissal has the meaning given to it by Section 95 of the Employment Rights Act 1996 as amended

FIRST PERIOD OF INSURANCE

the first period of insurance provided that cover has remained continuously in force thereafter

INLAND REVENUE INQUIRY

a Full Enquiry into the tax affairs of the **INSURED** involving an examination by the Inland Revenue of the **INSUREDS** books and records and not an Aspect Enquiry into one or more aspects of the **INSUREDS** tax return

LEGAL EXPENSES SECTION – SPECIAL DEFINITIONS (Continued)

INSURED DIRECTOR

any **DIRECTOR** of the **INSURED** including executive officers of the **INSURED**

INSURED EMPLOYEE

any **EMPLOYEE** or the **INSURED**

INSURED EVENT

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

In employment disputes arising from a **DISMISSAL** the Insured Event shall be construed as the effective date of termination of employment in respect of unfair wrongful or constructive **DISMISSAL PROCEEDINGS**

In accountancy matters the Insured Event is defined in the appropriate section of cover

For purposes of the Limit of Indemnity only one Insured Event shall be deemed to have arisen from all causes or by action incidents or events which are related by cause or by time

LIMIT OF INDEMNITY

the amount specified in the Schedule being the maximum sum payable by the **COMPANY** after aggregation of all **PROFESSIONAL COSTS AND EXPENSES** in respect of an **INSURED EVENT**

PROCEEDINGS

civil or criminal tribunal legal proceedings or proceedings or appeals arising therefrom

PROFESSIONAL ADVISER

the solicitor or accountant or other appropriately qualified person firm or company chosen and appointed by **AMICUS LEGAL** pursuant to Condition 2 to act for the **INSURED** or **INSURED DIRECTOR** or **INSURED EMPLOYEE**

PROFESSIONAL COSTS AND EXPENSES

reasonable unrecovered fees and costs up to the hourly rate shown in the **AMICUS LEGAL** fee scale ruling at the time the **PROFESSIONAL ADVISER** is appointed and disbursements reasonably properly and necessarily incurred by the **PROFESSIONAL ADVISER** and the costs on the standard basis of any civil proceedings incurred by a third party for which the **INSURED** may be made liable by order of a court or by agreement

STATUTORY LICENCE

a licence issued under statute or statutory instrument or by government or local authority to the **INSURED** where such licence is necessary to engage in the **BUSINESS** specified in the Schedule and listed as current in the proposal

VAT DISPUTE

a disagreement with HM Customs & Excise regarding the amount of VAT payable by the **INSURED**

LEGAL EXPENSES SECTION

THE INSURANCE

SUB-SECTION 1 – **Property Protection Cover**

PROFESSIONAL COSTS AND EXPENSES and **ATTENDANCE EXPENSES** incurred by the **INSURED** in pursuit of **PROCEEDINGS** against a third party (other than an **EMPLOYEE** or former employee of the **INSURED**) following an act or omission relating to property owned by the **INSURED** which results in or is likely to result in

(ii) physical damage to that property and/or

(iii) pecuniary loss to the **INSURED**

SUB-SECTION 2 – **Prosecution Defence for Employers**

PROFESSIONAL COSTS AND EXPENSES and **ATTENDANCE EXPENSES** incurred by the **INSURED** in the defence of **PROCEEDINGS** arising from any act or omission or alleged act or omission which leads to the prosecution of the **INSURED** in a court of criminal jurisdiction and appeals by the **INSURED** against the service of Improvement and Prohibition Notices under the Health and Safety at Work etc Act 1974 before an Employment Tribunal

The following sub-sections are only operative if shown as insured in the Schedule

SUB-SECTION 3 – **Property**

A Tenancy Disputes

PROFESSIONAL COSTS AND EXPENSES and **ATTENDANCE EXPENSES** incurred by the **INSURED** in the pursuit or defence of **PROCEEDINGS** between the **INSURED** and his Landlord under the terms of the lease or tenancy agreement applying to the business premises of the **INSURED** specified under the Property All Risks Section in the Schedule

B STATUTORY LICENCE Protection

PROFESSIONAL COSTS AND EXPENSES and **ATTENDANCE EXPENSES** incurred by the **INSURED** in an appeal to the relevant statutory body court or tribunal where the relevant authority suspends revokes alters the terms of or refuses to renew the **INSUREDS** license(s) applying to the business premises of the **INSURED** specified under the Property All Risks Section in the Schedule

SUB-SECTION 4 – **Employment**

A Employment Disputes

PROFESSIONAL COSTS AND EXPENSES and **ATTENDANCE EXPENSES** incurred by the **INSURED** in defending **PROCEEDINGS** brought against the **INSURED** in an Employment Tribunal by an **EMPLOYEE** or former employee alleging a breach of his or her contract of employment or a breach of his or her statutory rights as an **EMPLOYEE**

AWARDS OF COMPENSATION REINSTATEMENT/RE-ENGAGEMENT AWARDS and **AWARDS OF PAY** made against the **INSURED** and arising from any matter described in this Sub-Section

B Data Protection Act

PROFESSIONAL COSTS AND EXPENSES and **ATTENDANCE EXPENSES** incurred by the **INSURED** in the defence of civil **PROCEEDINGS** arising under the Data Protection Act 1998 and appeals against:

(i) the refusal of the Data Protection Registrar to register the **INSURED** or to alter the **INSUREDS** registered particulars

(ii) any enforcement de-registration or transfer prohibition notice served upon the **INSURED**

LEGAL EXPENSES SECTION (Continued)

C Prosecution Defence for EMPLOYEES

PROFESSIONAL COSTS AND EXPENSES and **ATTENDANCE EXPENSES** incurred by an **INSURED EMPLOYEE** (including **DIRECTORS** and officers) in the defence of **PROCEEDINGS** arising from any act or omission or alleged act or omission which leads to the prosecution of the **INSURED EMPLOYEE** in a court of criminal jurisdiction in respect of any matter arising out of his duties as an **EMPLOYEE** of the **INSURED**

SUB-SECTION 5 – **Tax**

A Tax Disputes

PROFESSIONAL COSTS AND EXPENSES incurred by the **INSURED** and arising directly from a **VAT DISPUTE** with HM Customs & Excise
The **INSURED EVENT** in respect of **VAT DISPUTES** is the earliest of

(i) the date on which HM Customs & Excise request a meeting with the **INSURED** or enters the **INSUREDS** premises or expresses dissatisfaction with any VAT returns of the **INSURED** or
(ii) the time at which the **INSURED** or the **INSUREDS PROFESSIONAL ADVISER** was first aware or could reasonably have been aware that a **VAT DISPUTE** was likely to arise with HM Customs & Excise or
(ii) the date upon which the Notice of Assessment was served

B INLAND REVENUE ENQUIRIES

PROFESSIONAL COSTS AND EXPENSES incurred by the **INSURED** and arising directly from an **INLAND REVENUE ENQUIRY** into the **INSUREDS** accounts and records
The **INSURED EVENT** in respect of **INLAND REVENUE ENQUIRIES** is the **INSUREDS** receipt of a notice under Section 9A(I) or Section 12AC of the Taxes Management Act 1970 or Schedule 18 Paragraph 24(I) of the Finance Act 1988

C Contribution Agency Investigations

PROFESSIONAL COSTS AND EXPENSES and **ATTENDANCE EXPENSES** incurred by the **INSURED** and directly arising from a dispute with the Inland Revenue following a **CONTRIBUTIONS AGENCY INVESTIGATION**
For this sub-section of cover the **INSURED EVENT** is the earliest of the dates on which

(i) the National Contributions Office expresses dissatisfaction with the amounts of National Insurance paid or the returns made and indicates the intention of collecting additional contributions
or
(ii) the Inland Revenue expresses dissatisfaction with the amounts of income to be paid by the **INSURED** in respect of payments to subcontractors not in possession of C156 Certificate
or
(iii) the Inland Revenue commences an investigation into the accuracy of forms P9d or P11d or into the liability of **EMPLOYEES** or **DIRECTORS** to pay additional tax because of alleged inaccuracies in such forms and indicates that it intends to collect additional amounts of tax

SUB-SECTION 6 – **Contract**

PROFESSIONAL COSTS AND EXPENSES incurred by the **INSURED** in pursuit or defence of **PROCEEDINGS** arising from any dispute between the **INSURED** and a customer or supplier in respect of

(i) Products
a contract for the sale purchase hire or lease of goods entered into after the start of the **FIRST PERIOD OF INSURANCE**
(ii) Services
a contract for the supply or receipt of services entered into the start of the **FIRST PERIOD OF INSURANCE**

LEGAL EXPENSES SECTION – SUB-SECTION EXCLUSIONS

EXCLUSIONS

*The **COMPANY** will not be liable in respect of*

SUB-SECTION 1

- *(a) any claim arising from a contract made between the **INSURED** and a third party*
- *(b) any claim arising from a lease or licence to occupy land or property and disputes relating to the occupation of land or property owned by the **INSURED** by a party or parties whose licence to occupy such property has been determined or revoked or which was never granted by or on behalf of the **INSURED***
- *(c) any claim involving goods in transit or goods hired or lent to third parties or goods at premises other than those occupied by the **INSURED** unless they are at such premises for the purpose of installation or use in work carried out by the **INSURED***
- *(d) any claim involving a motor vehicle belonging to or in the possession of the **INSURED** except whilst on the business premises of the **INSURED***
- *(e) any claim arising from an appeal against refusal of planning permission*

SUB-SECTION 2

- *(a) any claim arising from deliberate discrimination by an **INSURED** amounting to an act of unlawful discrimination*
- *(b) fines or other penalties that the **INSURED** is ordered to pay by a court of criminal jurisdiction*
- *(c) any claim arising from a motor prosecution*
- *(d) any claim arising from a prosecution of the **INSURED** alleging*
  - *(i) intentional obstruction by an **INSURED** of a person in the execution of a warrant issued under the Data Protection Act 1998*
  - *(ii) failure by an **INSURED** to give a person executing such a warrant such assistance as he reasonably requires for its execution*
- *(e) any claim arising from an incident unconnected with the normal activities of the **INSUREDS** business*

SUB-SECTION 3A

- *(a) any claim arising from or relating to the amount payment or non-payment of rent*
- *(b) any claim arising from or relating to the renewal of the lease or tenancy agreement*
- *(c) any claim arising from injury or disease or death*

LEGAL EXPENSES SECTION – SUB-SECTION EXCLUSIONS (Continued)

SUB-SECTION 4A

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

(b) any claim under Article 119 of the Treaty of Rome or under the Equal Pay Act 1970 and amending legislation

(c) protective awards as defined in Section 189(3) of the Trade Union and Labour Relations (Consolidation) Act 1992 or settlements in respect of such awards

(d) redundancy payments

*(e) any claim arising from the dismissal of any **EMPLOYEE** unless such dismissal is handled in accordance with the advice provided and procedures laid down by **AMICUS LEGAL** as required by this Section*

*(f) any claim arising where the **INSURED EVENT** was within 30 days of the start of the **FIRST PERIOD OF INSURANCE** or within 180 days of the start of the **FIRST PERIOD OF INSURANCE** if the **EMPLOYEE** was at that time subject to disciplinary proceedings or any verbal or written warning*

(g) any claim alleging a breach of a restrictive covenant

SUB-SECTION 4B

*(a) claims arising where the **INSURED** is required to be registered pursuant to the Data Protection Act 1998 but has not applied for registration*

*(b) **PROCEEDINGS** alleging contempt of the Information Tribunal or Registrar by the **INSURED** or **INSURED DIRECTOR** or **INSURED EMPLOYEE***

(c) *claims arising from a failure to respond to any notice served upon the **INSURED** under the Data Protection Act 1998*

SUB-SECTION 4C

(a) *any claim arising from deliberate discrimination by an **INSURED EMPLOYEE** (including **DIRECTORS** and officers) amounting to an act of unlawful discrimination*

(b) *fines or other penalties that the **INSURED** or **INSURED DIRECTOR** or **INSURED EMPLOYEE** is ordered to pay by a court of criminal jurisdiction*

(c) *any claim arising from a motor prosecution*

(d) *any claim arising from a prosecution of the **INSURED** or **INSURED DIRECTOR** or **INSURED EMPLOYEE** alleging*

   *(i) intentional obstruction by an **INSURED** of a person in the execution of a warrant issued under the Data Protection Act 1998*

   *(ii) failure by an **INSURED** to give a person executing such a warrant such assistance as he reasonably requires for its execution*

(e) *any claim arising from an incident unconnected with the normal activities of the **INSUREDS BUSINESS***

SUB-SECTION 5A 5B AND 5C

(a) *any claim where the **INSURED** has made statements or representations which are false or misleading in any accounts documents or submissions to the relevant authorities*

(b) *any claim where the **INSURED** has failed to notify the relevant authorities of his business status within the statutory period*

(c) *any claim where the **INSURED** has failed to maintain full up to date and truthful records or observe and comply with the relevant time limits*

(d) *any claim where the **INSUREDS** income tax return or accounts have been submitted in a penalty position under S10 or S94 of the Taxes Management Act 1970*

LEGAL EXPENSES SECTION – SUB-SECTION EXCLUSIONS (Continued)

SUB-SECTION 5A

(a) *an **INSURED EVENT** that has occurred as a result of an earlier inspection into the affairs of the **INSUREDS BUSINESS** or earlier enforcement proceedings against the **INSUREDS BUSINESS***
(b) *any enquiry under S60 of the VAT Act 1994 or a matter handled by the National Investigation Service of HM Customs and Excise*
(c) ***PROFESSIONAL COSTS AND EXPENSES** incurred in dealing with routine VAT matters or VAT investigations*
(d) *any amount in excess of £25,000*

SUB-SECTION 5B

(a) *any claim for **PROFESSIONAL COSTS** and **EXPENSES** after the **INSURED** has received a notice informing him that an enquiry is concluded*
(b) *any claim in respect of an amendment under Section 9(4) of the Taxes Management Act 1970 (a repair) or otherwise than wholly in connection with the **INLAND REVENUE ENQUIRY** into the accounts of the **INSUREDS BUSINESS***
(c) *any enquiry by the Special Compliance Office of the Inland Revenue*
(d) *income or expenses that have not been recorded in the business accounts of the **INSUREDS BUSINESS***

SUB-SECTION 6

(a) *any claim arising from a lease or licence to occupy land or property including claims relating to the supply of services by or through the landlord*
(b) *the defence of any **PROCEEDINGS** relating to professional negligence or alleged professional negligence*
(c) *any claim arising from the sale purchase hire purchase lease service repair or test of a motor vehicle*
(d) *any claim where the **INSURED EVENT** occurs within 90 days of the start of the **FIRST PERIOD OF INSURANCE***
(e) *the recovery of undisputed debts*
(f) *any claim arising from disputes between the **INSUREDS PARTNERS** or **DIRECTORS** or **OFFICERS***
(g) *any claim where the amount in dispute is less than £1,000 excluding VAT*
(h) *any amount in excess of £25,000*

LEGAL EXPENSES SECTION – SUB-SECTION CONDITIONS

All Sub-Section Conditions are conditions precedent to any liability of the **COMPANY** under this Section

SUB-SECTION 5A

(a) the **INSURED** must have maintained and must continue to maintain accurate truthful and up to date records in accordance with statute and accounting conventions acceptable to HM Customs & Excise and have made all returns and payments except those that are disputed and provided information to HM Customs & Excise in due time
(b) the **INSURED** must contact **AMICUS LEGAL** (tel 01206 731959) as soon as possible after the **INSURED EVENT** and must comply with the advice given
(c) **AMICUS LEGAL** shall be notified in writing by the **INSURED** or the **PROFESSIONAL ADVISER** of any invitation by HM Customs & Excise to make an offer in settlement

SUB-SECTION 5B

(a) upon presentation of a claim the **INSUREDS PROFESSIONAL ADVISER** must confirm that the **INLAND REVENUE ENQUIRY** has commenced
(b) the **INSURED** must have maintained and must continue to maintain accurate truthful and up to date records and make returns in all accordance with statute and accounting conventions acceptable to Inland Revenue and have made all returns and payments except those that are disputed and provided information to Inland Revenue in due time
(c) **AMICUS LEGAL** shall be notified in writing by the **INSURED** or the **PROFESSIONAL ADVISER** of any invitation by the Inland Revenue to make an offer in settlement

SUB-SECTION 5C

(a) the **INSURED** must have maintained and continue to maintain accurate truthful and up to date records and make returns all in accordance with statute and accounting conventions acceptable to Inland Revenue and have made all returns and payments except those which are disputed and provided information to Inland Revenue in due time
(b) **AMICUS LEGAL** shall be notified in writing by the **INSURED** or the **PROFESSIONAL ADVISER** of any invitation by the Inland Revenue to make an offer in settlement

LEGAL EXPENSES SECTION – EXCLUSIONS

1 *The **COMPANY** will not be liable for any claim*

- *(a) where the **INSURED EVENT** had commenced or occurred before the **FIRST PERIOD OF INSURANCE***
- *(b) where at or prior to the start of the **FIRST PERIOD OF INSURANCE** the **INSURED** in the reasonable judgement of **AMICUS LEGAL** should have realised that a claim might occur*
- *(c) prior to written confirmation from **AMICUS LEGAL** that the claim has been accepted or **PROFESSIONAL COSTS AND EXPENSES** beyond those for which **AMICUS LEGAL** has given its prior approval are accepted in accordance with the terms and Conditions of this Section*
- *(d) where the **INSURED** fails to instruct or give proper instructions in due time to **AMICUS LEGAL** or to the **PROFESSIONAL ADVISER***
- *(e) where the **INSURED** is responsible for anything which in the reasonable opinion of **AMICUS LEGAL** prejudices his prospects of success in the prosecution defence or settlement of the **PROCEEDINGS***
- *(f) where the **INSURED** fails to provide evidence or information reasonably required by **AMICUS LEGAL** to establish whether support can be provided for an **INSURED** under this Section*
- *(g) where the **INSURED** is responsible for anything which in the reasonable opinion of **AMICUS LEGAL** prejudices the **COMPANYS** position in respect of the **PROCEEDINGS***
- *(h) arising from an deliberate criminal act or omission of the **INSURED** or **INSURED DIRECTOR** or **INSURED EMPLOYEE***
- *(i) which is false or fraudulent*
- *(j) involving prosecutions which allege dishonesty or intentional violence*
- *(k) notified to **AMICUS LEGAL** more than 180 days after the **INSURED EVENT***
- *(l) for an application for a judicial review*
- *(m) made by or against the **INSURED** against or by the **COMPANY** or **AMICUS LEGAL***
- *(n) arising from*
  - *(i) subsidence or mining or quarrying activities*
  - *(ii) patents copyrights trademarks merchandise marks service marks registered designs intellectual or artistic property secrecy or confidentiality agreements and passing off*
  - *(iii) computer software*
  - *(iv) actual planned or proposed works by or under the order of any government or public or local authority*
  - *(v) planning law including the Town and Country Planning Legislation*
  - *(vi) the construction of or structural alteration to buildings or parts of buildings*
  - *(vii) libel or slander or malicious falsehood*
- *(o) for any **EXCESS** or any Self Insured Proportion specified in the Schedule or this Section*
- *(p) where the **INSURED** or **INSURED DIRECTOR** or **INSURED EMPLOYEE** acts without the consent of **AMICUS LEGAL** or contrary to or in a manner different from the advice of **AMICUS LEGAL** or the **PROFESSIONAL ADVISER***
- *(q) made under this Section which does not arise from and relate to in the normal business activities of the **INSURED** as shown in the Schedule*
- *(r) for the prosecutions arising out of deliberate discrimination amounting to an act of unlawful discrimination*
- *(s) for **PROFESSIONAL COSTS AND EXPENSES** in adjudications and arbitrations*
- *(t) notified to **AMICUS LEGAL** after the **INSURED** has ceased to trade*

LEGAL EXPENSES SECTION – EXCLUSIONS (Continued)

2 *There is no cover for*

(a) costs incurred in avoidable correspondence
(b) costs which are recoverable from a court tribunal or elsewhere
(c) damages interest fines or other penalties which the ***INSURED*** *is ordered to pay unless otherwise provided for in this Section*
(d) any claim where the ***INSURED*** *is or but for the existence of this Section would be entitled to indemnity under any other policy or Section or would be so entitled but for a breach or alleged breach by the* ***INSURED*** *of the terms of such other policy or Certificate*

3 *The costs of any appeal are excluded unless* ***AMICUS LEGAL*** *have given their prior written consent to such costs being incurred*

LEGAL EXPENSES SECTION – CONDITIONS

Conditions Number 5 to 11 inclusive are all conditions precedent to any liability of the **COMPANY** under this Section

1. Notices and Communications

All notices and communications by or to the **COMPANY** will be considered to have been duly sent or received if sent or received by **AMICUS LEGAL**

2. Appointment of PROFESSIONAL ADVISER

(a) **AMICUS LEGAL** will choose and appoint a **PROFESSIONAL ADVISER** to act for the **INSURED** unless legal proceedings need to be issued or defended

If so or if a conflict of interest arises the **INSURED** may choose a **PROFESSIONAL ADVISER**

The **COMPANY** will not pay for any **PROFESSIONAL COSTS AND EXPENSES** until the chosen **PROFESSIONAL ADVISER** confirms in writing that he will co-operate with the **INSURED** to enable the **INSURED** to keep to the terms of this Section and provide that **AMICUS LEGAL** and the **PROFESSIONAL ADVISER** agree the hourly rate that will apply to his fees

The fee must be based on **AMICUS LEGALS** published scales and the hourly rate will depend upon the complexity of the case the financial amount at start and the **INSUREDS** location

If the **PROFESSIONAL ADVISER** reasonably refuses to continue acting for the **INSURED** or if the **INSURED** withdraws his instructions without **AMICUS LEGALS** prior consent then the **COMPANYS** liability will cease immediately unless in their absolute discretion **AMICUS LEGAL** agree to the appointment of another **PROFESSIONAL ADVISER**

(b) Any **EXCESS** shown in the Schedule or elsewhere in this Section shall be paid by the **INSURED** to the **PROFESSIONAL ADVISER** immediately upon his appointment

3. Conduct of the PROCEEDINGS

The **INSURED** shall instruct the **PROFESSIONAL ADVISER** nominated

1 to provide **AMICUS LEGAL** immediately with
   (a) his views on prospects of success of the **INSUREDS PROCEEDINGS** and
   (b) an estimate of the total costs likely to be incurred in the **PROCEEDINGS** with details of his charging rate

2 to keep **AMICUS LEGAL** advised fully and promptly on the progress of the case of any change in his view of prospects of success and/or his estimate of costs during the **PROCEEDINGS**

If the **PROFESSIONAL ADVISER** does not comply with these requirements all liability under this Section shall cease

The **COMPANY** will meet the **PROFESSIONAL ADVISERS** costs and Expenses of dealing with the **PROCEEDINGS**

(a) which have been agreed in advance by **AMICUS LEGAL** as to both amount and purpose and
(b) while prospects of success in the **PROCEEDINGS** remain reasonable

and not otherwise

If prospects of success are reasonable but **AMICUS LEGAL** and the **PROFESSIONAL ADVISER** cannot agree on estimates of costs or on incurred costs either at the start of the **PROCEEDINGS** or subsequently **AMICUS LEGAL** may transfer the conduct of the **PROCEEDINGS** to another **PROFESSIONAL ADVISER** of its choice

LEGAL EXPENSES SECTION – CONDITIONS (Continued)

4. Right to Information

(a) **AMICUS LEGAL** shall have direct access to the **PROFESSIONAL ADVISER** at all times and the **INSURED** shall co-operate fully with **AMICUS LEGAL** in all respects and shall keep **AMICUS LEGAL** fully and continually informed of all material developments in the matter

(b) **AMICUS LEGAL** shall be entitled to obtain from the **PROFESSIONAL ADVISER** any information form or report copy of document advice computation account or correspondence relating to the **PROCEEDINGS** whether or not privileged and the **INSURED** shall if so requested forthwith give any instructions to the **PROFESSIONAL ADVISER** which may be required for this purpose

(c) **AMICUS LEGAL** shall be notified immediately in writing by the **INSURED** or the **PROFESSIONAL ADVISER** of any offer or payment into court made with a view to settlement and if any offer or payment into court is not accepted by the **INSURED** but the outcome of the **PROCEEDINGS** is considered by **AMICUS LEGAL** to be equally or less favourable to the **INSURED** than the offer or payment into court the **COMPANY** shall have no liability in respect of any further **PROFESSIONAL COSTS** and **EXPENSES** unless after being notified of the offer or payment into court **AMICUS LEGAL** shall have given its agreement for **PROCEEDINGS** to continue

5. Co-operation Clause

The **INSURED** will co-operate with **AMICUS LEGAL** at all times and reply promptly to any correspondence connected to a claim

6. Information to be given to PROFESSIONAL ADVISER

The **INSURED** shall give promptly to the **PROFESSIONAL ADVISER** all information requested and will meet with him whenever requested

7. Taxation of Bills

The **INSURED** shall if so requested by **AMICUS LEGAL** instruct the **PROFESSIONAL ADVISER** to submit his bill for taxation or assessment or auditing

8. Disputes

In the event of any dispute arising hereunder between the **INSURED** and the **COMPANY** and/or **AMICUS LEGAL** for which provision is not otherwise made such dispute must be referred promptly by the **INSURED** to the arbitration of a single arbitrator who shall be either a solicitor or barrister nominated by the parties or failing agreement by the Law Society

Such arbitration shall be in accordance with the provisions of the Arbitration Acts then in force and shall be binding on the parties

9. Notification of Alteration in Risk

The **INSURED** shall notify the **COMPANY** immediately of any alteration in risk which materially affects this Section

The **INSURED** shall also declare information to the **COMPANY** in the form and at the intervals required by the **COMPANY** at its discretion and shall pay additional premium to or receive a refund of premium from the **COMPANY** as the case may be

10. Claims Procedure (All Sections except Sub-Section 4A – Employment Disputes)

(a) Potential claims must be notified to **AMICUS LEGAL** as soon as possible by telephone (01206 731959) and the **INSURED** must follow the advice given by **AMICUS LEGAL**
Should the **INSURED** incur **PROFESSIONAL COSTS AND EXPENSES** prior to **AMICUS LEGAL** accepting a claim then details of the action taken with details of costs to date must be produced to **AMICUS LEGAL** at the **INSUREDS** expense

(b) **AMICUS LEGAL** will send the **INSURED** a claim form which the **INSURED** must complete giving complete and truthful report of the facts of his claim indicating any potential witnesses and any documentary or other evidence of which he is aware and return it to **AMICUS LEGAL** at the earliest opportunity

LEGAL EXPENSES SECTION – CONDITIONS (Continued)

11. Claims Procedure for Sub-Section 4a – Employment Disputes

The **INSURED** shall give to **AMICUS LEGAL** immediate notice in writing of any **PROCEEDINGS** or suit made or brought against the **INSURED** or believed by the **INSURED** to be contemplated against him and of any summons or other process served or threatened to be served upon the **INSURED** and of any event that may give rise to **PROCEEDINGS** against the **INSURED**

Without prejudice to the generality of this Condition

(a) Immediately a **DISMISSAL** is contemplated the **INSURED** must contact **AMICUS LEGAL** (tel 01206 731959) and must comply with the advice given
NO **EMPLOYEE** IS TO BE DISMISSED WITHOUT THE PRIOR APPROVAL OF **AMICUS LEGAL**

(b) An **INSURED** who receives a form IT1 (Origination Application) from an Employment Tribunal and who wishes to obtain indemnity under this Section should immediately telephone (01206 731959) to notify receipt of the IT1
THIS MUST BE DONE IMMEDIATELY BECAUSE OF THE STATUTORY 21 DAYS TIME LIMIT FOR ENTERING A NOTICE OF APPEARANCE
The Notice of Appearance (IT3) should be left blank for completion by the **INSUREDS PROFESSIONAL ADVISER**
Upon request the **INSURED** must subsequently complete a claim form and forward it to **AMICUS LEGAL** at the appropriate address shown on the last page in this Section

(c) An **INSURED** who receives a notice of intended prosecution or summons and who wishes to claim indemnity must complete a claim form and forward it to **AMICUS LEGAL** by Recorded Delivery post together with a copy of the notice or summons

(d) If a former **EMPLOYEE** requests a written statement of reasons for **DISMISSAL** the **INSURED** must contact **AMICUS LEGAL** forthwith and in any event not later than seven days after such request and prior to such statement being given

(e) An **INSURED** who wishes to obtain indemnity against any other claims under this Section must immediately complete a claim form and forward it by Recorded Delivery post to **AMICUS LEGAL**

12. Investigation of the Claim

AMICUS LEGAL may itself or through its servants agents solicitors or accountants make its own investigations into the claim and may subject to the approval of the **INSURED** which shall not be unreasonably withheld attempt to reach a settlement of the **PROCEEDINGS**

13. Withdrawal and Discontinuance

If the **INSURED** withdraws from or discontinues the **PROCEEDINGS** without the prior agreement of **AMICUS LEGAL** then any **PROFESSIONAL COSTS AND EXPENSES** incurred and third party costs will become the responsibility of and payable by the **INSURED**
The **COMPANY** will be entitled to be reimbursed by the **INSURED** for any costs paid or incurred during the course of the **PROCEEDINGS** including any **PROFESSIONAL COSTS AND EXPENSES** which the **COMPANY** consider they are obliged to pay on the **INSURED** withdrawing or discontinuing

14. Recovery of Costs from Third Parties

The **INSURED** shall whenever reasonably possible attempt to recover costs from a third party and shall instruct the **PROFESSIONAL ADVISER** accordingly

15. Agreement

The **COMPANY** shall not be bound by any agreement to which the **COMPANY** or **AMICUS LEGAL** are not a party

16. Prospects of Success

If at any time **AMICUS LEGAL** consider that the **INSUREDS** prospects of success in the **PROCEEDINGS** are insufficient or that the interests of the **INSURED** can be better achieved by other means they shall provide the **INSURED** with a written explanation of their decision

In their assessment of prospects of success **AMICUS LEGAL** may take account of the likelihood of a judgement or decision or finding being obtained in the **INSUREDS** favour and of the **INSURED** obtaining compensation or other relief sought

The **COMPANY** shall then be under no further liability to indemnify the **INSURED** in respect of the case

If the **INSURED** disagrees with this decision the dispute must be resolved in accordance with Condition 8 of this Section

17. Confirmation of Wageroll and Turnover

The **COMPANY** shall be entitled to inspect the **INSUREDS** records to confirm the **INSUREDS** wageroll turnover and number of **EMPLOYEES**

LEGAL EXPENSES SECTION – CLAIMS AND ADVISORY SERVICE

CLAIMS NOTIFICATION

All claims under the Legal Expenses Section are handled on behalf of the **COMPANY** by **AMICUS LEGAL LTD** The Old Exchange 64 West Stockwell Street Colchester CO1 1HE

24 HOUR ADVISORY SERVICE

Telephone **AMICUS LEGAL** (tel01206 731959) at any time day or night

They will provide confidential advice on any business legal problem and they can follow up the advice in writing if necessary

AMICUS LEGAL are happy to talk over problems of all kinds and they really do try to help clients in any way they can

The address is – **AMICUS LEGAL LTD** The Old Exchange 64 West Stockwell Street Colchester CO1 1HE

It is particularly important that you contact **AMICUS LEGAL** as soon as you become aware of any problem which may give rise to a claim under the insurance because legal fees are only covered once **AMICUS LEGAL** have given support

How to make a Claim

If you think that your problem is covered by the insurance please either write to **AMICUS LEGAL** at the above address or telephone on the above number In either case please quote your Policy details and number

They will take details of your problem and check that if falls within the scope of the insurance

AMICUS LEGAL will monitor your case and at the end will pay your **PROFESSIONAL COSTS AND EXPENSES** for you

Make sure that you contact us as soon as you become aware of any problem which you think may be covered

These notes are for guidance only and are not a statement of the full terms of the insurance cover
For this please refer to your Policy

SPECIAL NOTE RELATING TO SUB-SECTION 4A – EMPLOYMENT DISPUTES

Please read carefully Condition 11 regarding Claims Procedure for Employment Cover
NO **EMPLOYEE** IS TO BE DISMISSED WITHOUT THE PRIOR APPROVAL OF **AMICUS LEGAL** otherwise you may not be able to claim for legal expenses

Insurances

Groupama Insurance Company Limited. Authorised and regulated by the Financial Services Authority.
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