



Optima Property Policy

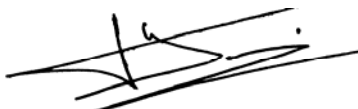
OPTIMA PROPERTY POLICY – COMMERCIAL

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

The Policy the Schedule the Appendices the Clauses the Endorsements and Exclusions will be read together as one document

Signed for and on behalf of the COMPANY



François-Xavier Boisseau
Chief Executive Officer
Groupama Insurance Company Limited
Groupama House
24-26 Minories
London
EC3N 1DE

PLEASE READ THIS POLICY CAREFULLY TO ENSURE THAT IT MEETS YOUR REQUIREMENTS

IF YOU HAVE ANY QUERIES PLEASE CONTACT YOUR BROKER OR INTERMEDIARY WHO WILL BE PLEASED TO HELP

THIS POLICY SHOULD BE KEPT IN A SAFE PLACE – YOU MAY NEED TO REFER TO IT IF YOU HAVE TO MAKE A CLAIM

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OUR CUSTOMER CARE POLICY

Groupama Insurances is committed to delivering the highest standards of customer care. However we realise that there may be times when things go wrong. In such circumstances please contact the Department where the issue arose by using the numbers and addresses detailed. Please quote your name, claim or policy number and the reason for your complaint.

Telephone calls may be recorded.

Claims

Commercial Insurances Claims Centre Manager
Commercial Claims Centre
Third Floor Building One
Imperial Place
Elstree Way
Borehamwood
Hertfordshire
WD6 1JN

Telephone 0870 600 2123
Fax 0870 600 2102

E-mail smeclaims@groupama.co.uk

Policy Administration and Documentation

Operations Manager
Groupama House
60 Spring Gardens
Manchester
M60 1HU

Telephone 0870 850 0123
Fax 0870 850 0885

E-mail sme@groupama.co.uk

Our Commitment to You

- We will make sure all the information we give you will be clear fair and accurate
- We will always try to be fair and reasonable whenever you need the protection of this policy
- We will also act promptly to provide that protection

If things go wrong

Whilst we will make every effort to maintain the highest standards we recognise that there may be some occasions when we fail to satisfy the particular requirements of our customers. We therefore have in place procedures to investigate and remedy any area of concern. In such circumstances we promise

- To acknowledge any formal complaint in 5 days or less
- To have the issues reviewed by a person of appropriate seniority and authority
- To identify the person managing your complaint in our original letter of response
- To respond fully to your concern or complaint within a maximum of 28 days. If for any reason this is not possible we will write to you promptly to explain why we have been unable to finalise the matter quickly. We will also let you know when we will contact you again.

If you still feel that we have been unable to resolve the matter to your satisfaction then please write to our Chairman & Chief Executive at

Groupama Insurances
Groupama House
24-26 Minories
London
EC3N 1DE

Telephone 0870 850 8510
Fax 020 7264 2860

Financial Ombudsman Service

If you are still unhappy following receipt of our final response you can refer the dispute to the Financial Ombudsman Service who will review your case on an independent basis. The address is

The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR

Tel 0845 080 1800

(Please note that the Financial Ombudsman is only able to intervene in respect of personal policyholders or small businesses with a turnover less than £1m)

Financial Services Compensation Scheme

Groupama Insurance Company Limited is covered by the Financial Services Compensation Scheme (FSCS). This means that you may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim and would provide cover for 100% of the first £2000 and 90% of the remainder of the claim without any upper limit. Further information about compensation is available from the FSCS at www.fscs.org.uk or telephone 020 7892 7300.

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

SPECIAL BENEFITS FOR GROUPAMA POLICYHOLDERS

1. Helplines

The INSURED may use Amicus Legal Ltd's 24 hour helpline service. The INSURED can obtain advice on tax and employment matters in connection with the BUSINESS.

Advice is given without charge.

Any calls concerning tax and employment matters can be confirmed in writing.

All calls are strictly confidential.

The helpline telephone number is 01206 731959.

2. Solaglas Replacement Glazing

The INSURED may arrange for the replacement of broken windows at the insured PREMISES by telephoning SOLAGLAS on FREEPHONE 0800 474747.

This facility is available around the clock every day of the year and where necessary PREMISES will be made safe by boarding up.

The COMPANY will settle accounts direct with SOLAGLAS except where the replacement is not within the scope of the cover provided by this Policy when a special discount will be allowed to the INSURED.

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

DEFINITIONS

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

BUILDINGS

the buildings at the PREMISES and unless otherwise stated in the Property Section Appendix are solely

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

and 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
- (5)
 - (i) internal and external plain plate and sheet glass
 - (ii) ornamental or bent glass
 - (iii) shop fronts
 - (iv) lettering on glass
 - (v) external and neon signsexcluding that insured more specifically by the tenant

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

CONTENTS OF FURNISHED ACCOMMODATION

household contents belonging to or the responsibility of the INSURED in furnished accommodation other than common parts excluding television and audio and computer equipment

BUSINESS

the BUSINESS as stated in the Schedule and for the purpose of the Employers Liability Section and the Property Owners Liability Section and its Extension 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 DIRECTOR PARTNER or senior executive of the INSURED

BUSINESS HOURS

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

COMPANY

Groupama Insurance Company Limited

DEFINITIONS (Continued)

CONTRACTORS

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

DAMAGE

accidental loss damage or destruction

DEFINED PERILS

fire lightning explosion theft earthquake aircraft or other aerial devices or articles dropped therefrom not 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

whilst working for the INSURED in the course of the BUSINESS

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 Property Owners Liability Section and its Extension which has special definitions

INSURED

the person persons or corporate body named in the Schedule and includes

- (1) 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

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 Employees Liability Section and the Property Owners Liability Section and its Extensions which have Special Definitions

DEFINITIONS (Continued)

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

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

This definition will not apply to the Employers Liability Section and the Property Owners Liability Section and its Extensions which have Special Definitions

UNIT

a single self contained portion of the BUILDINGS

UNOCCUPIED

empty or not in use

WORKMEN

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

FINANCIAL DEFINITIONS

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

GROSS RENT

the money paid or payable to the INSURED in respect of accommodation and services provided in the course of the BUSINESS

ESTIMATED GROSS RENT

the amount declared by the INSURED to the COMPANY as representing not less than the GROSS RENT 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)

INDEMNITY PERIOD ~ (GROSS RENT)

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 agreed by the COMPANY

STANDARD GROSS RENT

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

ANNUAL GROSS RENT

the GROSS RENT during the twelve months immediately before the date of the DAMAGE

NOTES TO THE FINANCIAL DEFINITIONS

The following notes refer to the Financial Definitions stated

- 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

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

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 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**

The 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 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

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

- i) loss damage or destruction by fraud forgery or deception*
- ii) 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 Property Owners Liability 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

- i) any act of TERRORISM regardless of any other cause or event contributing concurrently or in any other sequence to the loss*
- ii) 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 proceeding where the COMPANY alleges that by reason of the 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. *Date Recognition/Discontinuity Exclusion*

loss damage or destruction or consequential loss directly or indirectly caused by or consisting of or arising from the failure or 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*
 - (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 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*
- but should such loss damage or destruction or consequential loss result in additional DAMAGE or consequential loss (which is not otherwise excluded) caused by*

- (i) a DEFINED PERIL other than theft or*
- (ii) theft*

where insured and not otherwise excluded then this Exclusion shall not apply to such additional DAMAGE or consequential loss

This General Exclusion does not apply to the Employers Liability Section or Property Owners Liability Section

All other terms conditions and exclusions shall continue to apply but this Exclusion shall take precedence over any provisions to the contrary

GENERAL TERMS AND CONDITIONS

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

Conditions Number 1 and 3 to 7 and 21 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. 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

3. Reasonable Precautions

The INSURED DIRECTORS or 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 and machinery in sound condition

4. 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

GENERAL TERMS AND CONDITIONS (Continued)

5. 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

6. Claims ~ Insureds Action

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

- (a) immediately notify the COMPANY but no later than seven days after the date of loss for any claim in respect of riot civil commotion strikers locked out workers and 30 days for any other loss
- (b) immediately notify the Police 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 even of a claim being made under the Business Interruption Section of the Policy no 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) the INSURED shall at his own expense also produce and furnish to the COMPANY such books of account and other document 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

7. Claims ~ Co-Operation

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

8. Cooling Off Period

If the INSURED decides not to proceed with this insurance within fourteen days of receipt of the Policy documents the COMPANY will refund any premium and tax the INSURED has paid subject to

- 1 the INSURED notifying the broker or organisation that sold the Policy and returning the original Policy schedule and certificates to them within fourteen days of receipt
- 2 no claims having been made and no incidents having arisen that could result in a claim under the policy

GENERAL TERMS AND CONDITIONS (Continued)

9. Claims ~ Company 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 for 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 however the COMPANY agrees to waive any rights remedy relief or indemnity to which it might become entitled to against
INSURED
 - (i) any tenant or lessee of the PREMISES where the DAMAGE has occurred except where such DAMAGE follows a criminal fraudulent or malicious act by the tenant or lessee
 - (ii) any company standing in the relation of parent to subsidiary or subsidiary to parent of the
 - (iii) any company which is a subsidiary of a parent company of which the INSURED is a subsidiary in each case within the meaning of the Companies Act 1985
- (c) at its sole option to indemnify the INSURED by payment reinstatement replacement or repair in respect of any property lost damaged or destroyed of 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
- (d) to pay to the INSURED in settlement of its liability under the Property Owners Liability Section and its Extensions for all claims arising out of any one occurrence or series of occurrences attributable to one original cause either
 - (i) the Limit of Indemnity or
 - (ii) such other amount for which the claim or claims may be settledThe COMPANY will only provide indemnity for legal costs and expenses as referred to in the Property Owners Liability Section incurred up to the date of such payment and any amount already paid will be deducted from this payment

10. Payment of Claims

In the event of a claim being made under the Policy the Premium 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

GENERAL TERMS AND CONDITIONS (Continued)

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 Adjustments

If premium and tax has been calculated on estimates furnished by the INSURED then unless otherwise stated 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

The INSURED may cancel this Policy at any time by giving the COMPANY written notice and in such event the COMPANY will return a percentage of the premium and tax paid for the current Period of Insurance in accordance with the table below subject to

- 1 no claims having been made and no incidents having arisen that could result in a claim under this Policy
- 2 a minimum premium of £25 plus Insurance Premium Tax being retained by the COMPANY

Date of notification of Cancellation	Percentage of the current Premium plus tax returned
Within 1 month of commencement of the Period of Insurance	80%
Within 2 months of commencement of the Period of Insurance	70%
Within 3 months of commencement of the Period of Insurance	60%
Within 4 months of commencement of the Period of Insurance	50%
Within 5 months of commencement of the Period of Insurance	40%
Within 6 months of commencement of the Period of Insurance	30%
Within 7 months of commencement of the Period of Insurance	20%
Within 8 months of commencement of the Period of Insurance	10%
After 8 or more months of commencement of the Period of Insurance	0%

GENERAL TERMS AND CONDITIONS (Continued)

18. Warranties

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

Non compliance with any such 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 with any relevant clause relating to Automatic Reinstatement of Sum(s) Insured have been complied with

20. Contracts (Rights of Third Parties) Act 1999

In the event of conflict between this condition and any other provision of the Policy this condition takes precedence

- 1 This Policy is a contract solely between the COMPANY (which term in this condition shall include Underwriter or Insurer) and the INSURED (which term in this condition shall include ASSURED) or INSUREDS specifically named in the Schedule
It is not intended to confer any contractual rights on any other person (which term in this condition shall include the plural bodies corporate and unincorporated associations) unless the COMPANY has agreed thereto in writing
The COMPANY may at its discretion and on such terms as it shall specify grant to the INSURED in writing the power to designate a person who shall then be entitled to such contractual rights under the Policy as may be specified and subject to the due observance of the terms and conditions of the Policy and of this condition
- 2 Where the COMPANY has granted rights to a person other than the INSURED named in the Schedule or where the COMPANY has granted to the INSURED named in the Schedule the power to designate any other person as being entitled to contractual rights under this Policy such contractual rights shall be subject to the following additional conditions each of which shall be a condition precedent to the liability of the COMPANY to grant any indemnity or make any payment to that person under this Policy
 - (i) At the time when such contractual rights were granted to such person the Policy shall have been in full force and no circumstances shall have occurred which whether known or unknown to the COMPANY would entitle the COMPANY to rescind cancel or avoid the Policy
 - (ii) The INSURED named in the Schedule shall not be or have been in breach of any term or condition of the Policy
 - (iii) The INSURED named in the Schedule shall have complied fully with any procedures which may be from time to time issued by the COMPANY for the recording and notification of particulars of persons granted such contractual rights under the Policy
 - (iv) Up to and at the time of the occurrence of any event which is the subject of any claim under this Policy the person claiming contractual rights under this Policy shall have observed fully all terms and conditions of this Policy in so far as they shall be reasonably capable of being applied to such person and thereafter shall comply with all the terms of the Policy relating to the management of claims as if they were named as the Insured in the Schedule

GENERAL TERMS AND CONDITIONS (Continued)

- 3 Any rights of the COMPANY to rescind cancel or vary this Policy shall not be subject to or diminished by the rights of any person who is granted contractual rights under the Policy
Notice of the exercise of such rights (namely to rescind avoid cancel or vary this Policy) by the COMPANY shall be effective if given in writing and sent to the last know address of the INSURED first named in the Schedule
Such notice shall be deemed to be notice to any person having contractual rights under the Policy
- 4 The maximum limit placed on any benefit Sum Insured or indemnity payable under this Policy shall not be increased by the number of persons entitled to exercise contractual rights under the Policy and the COMPANYS liability shall not thereby be increased above the amount that would have been payable if the INSURED first named in the Schedule was the only person entitled to the contractual rights under the Policy
- 5 The receipt of any person appearing to be entitled to claim under the Policy shall be effective as a receipt on behalf of all such persons who may be entitled to claim under the Policy
The COMPANY shall not be under any duty to inquire into the relative priorities of any persons claiming to be entitled to any benefit or indemnity under the Policy
- 6 All other terms conditions and exclusions of the Policy shall remain in full force and effect

21. 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

22. Inflation Provision

The sums insured (and Declared Values where Day One cover applies) on the following items of Property Insured under the Property section of this Policy 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

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

Contrary to Paragraph 2 of Provision (4) of the Basis of Settlement in the Property Section the Sums Insured and Declared Value (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

GENERAL TERMS AND CONDITIONS (Continued)

23. No Claims Discount

The first and renewal premiums for this Policy include a discount in accordance with the following scale provided no claims have been or will be made for losses occurring in the undernoted periods of insurance

<u>Period of Insurance</u>	<u>Discount</u>
Preceding year	5%
Preceding 2 years	10%
Preceding 3 years	15%

Should the COMPANY consent to a transfer of interest in this Policy any benefit accrued under this General Condition prior to the transfer of interest shall not be transferable

In the event of one or more losses occurring in any period of insurance for which indemnity is payable under this Policy no discount will apply to the next renewal premium

In the event of a claim not being taken into account in determining such discount due to:-

- 1 a delay in reporting the loss destruction damage death injury or disease
 - 2 the loss occurring towards the end of the period of insurance for which the discount was allowed
- and the discounted premium having been accepted by the INSURED an additional premium equal to the amount of the discount will be payable by the INSURED

PROPERTY SECTION

THE INSURANCE

If DAMAGE occurs within the TERRITORIAL LIMITS to Property Insured described in the Appendix at the PREMISES the COMPANY will pay to the INSURED the amount of loss as stated in the Basis of Settlement

EXCLUSIONS

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

The COMPANY will not be liable for
(i) the EXCESS of £250

PROPERTY SECTION - EXTENSIONS

EXCLUSIONS

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

This Section also insures

The COMPANY will not be liable

1. Replacement of Locks

the cost incurred in replacement of locks to the BUILDINGS or any UNIT following loss of keys or reasonable evidence that an unauthorised person has copied such 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 £500

2. Septic Tanks and Underground Services

the cost for which the INSURED is responsible for repair of DAMAGE to

(i) for the EXCESS of £250

(ii) for any amount in excess of £10,000

(a) septic tanks

(b) underground services (including covers) extending from the PREMISES to the public mains

3. Alarm Resetting and Extinguishment Expenses

the reasonable costs incurred by the INSURED for

(i) for costs other than as a direct result of insured DAMAGE

(a) refilling fire extinguishment appliances

(ii) for any amount in excess of £10,000

(b) replacing used sprinkler heads

(c) resetting fire and intruder alarm and close circuit television systems

(d) recharging automatic extinguishment systems in line with manufacturers recommendations

4. Metered Water and Gas Charges

the cost incurred by the INSURED as determined by the respective Supply Undertaking Company's Meter for metered water and gas charges demanded by the Supply of Undertaking Company following insured DAMAGE to the apparatus after the point of the service feed to the PREMISES

(i) for the EXCESS of £250

(ii) for any DAMAGE not discovered within 180 days

(iii) for any loss occurring when the BUILDINGS or the UNIT in which the loss occurs are UNOCCUPIED

(iv) for any amount in excess of £5,000 any one loss and any one Period of Insurance

5. Clearing of Drains

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 of £250

(ii) for the costs other than as a direct result of DAMAGE caused by a DEFINED PERIL

(iii) for any amount in excess of £10,000

PROPERTY SECTION - EXTENSIONS (Continued)

EXCLUSIONS

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

The COMPANY will not be liable

This Section also insures

6. Landscaping Expenses

the reasonable costs incurred by the INSURED for the restoration of gardens at the PREMISES following DAMAGE caused by the Emergency Services following DAMAGE to the PREMISES to a condition substantially the same as but not better or more extensive than that immediately before the DAMAGE

- (i) *for the EXCESS of £250*
- (ii) *for any amount in excess of £10,000*

7. Trace and Access

the reasonable costs incurred by the INSURED with the consent of the COMPANY in locating the source of any escape of water from any fixed water tank apparatus or pipe at the PREMISES including subsequent repairs to walls floors or ceilings within the BUILDINGS

- (i) *for any amount in excess of £5,000 any one loss and £10,000 any one Period of Insurance*
- (ii) *for the cost of repairs to the fixed water tank apparatus or pipe*

8. Contents of Common Parts

furniture furnishings and carpets whilst situated in the common parts of the PREMISES or whilst temporarily removed from the premises for cleaning alteration or repair the property of the INSURED or for which the INSURED is responsible

- (i) *for the EXCESS of £250*
- (ii) *for any amount in excess of 5% of the BUILDINGS Sum Insured or £10,000 whichever is the lesser*
- (iii) *for any amount in excess of £2,500 in respect of property temporarily removed*

9. Unauthorised use of Water Gas and Electricity

the cost incurred by the INSURED as determined by the respective Supply Undertaking Companys Meter for electricity or gas or water for which the INSURED is legally responsible arising from unauthorised use by persons taking possession or keeping possession or occupying the PREMISES without the INSUREDS authority provided that all practical steps are taken to terminate such unauthorised use as soon as it is discovered

- (i) *for the EXCESS of £250*
- (ii) *for any amount in excess of £10,000*

10. Reletting Costs

any costs necessarily and reasonably incurred by the INSURED in reletting the BUILDINGS following insured DAMAGE

- (i) *for the EXCESS of £250*
- (ii) *for any amount in excess of £5,000*
- (iii) *if the Business Interruption section of this policy is operative*

PROPERTY SECTION - EXTENSIONS (Continued)

EXCLUSIONS

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

The COMPANY will not be liable

This Section also insures

11. Cost of Alternative Accommodation

for any portion of the BUILDINGS occupied solely for residential purposes

(a) the reasonable additional expense incurred by the owner or lessee with the consent of the COMPANY for suitable alternative accommodation during the period necessary to restore the flat or BUILDINGS to a habitable condition following DAMAGE to the BUILDINGS

or

(b) if the PREMISES are rented

(i) the difference between the GROSS RENT received during the period of repair or rebuilding and the GROSS RENT which would have been received had the DAMAGE not occurred

(ii) the additional expense necessarily and reasonably incurred during the period of repair or rebuilding in avoiding or reducing the amount of any loss of GROSS RENT but not exceeding the amount thereby avoided or reduced

less any savings in charges and expenses consequent of the DAMAGE

(i) *for any amount in excess of 20% of the sum insured apportioned to the flat or portion of the BUILDINGS occupied solely for residential purposes or if the sum insured is not apportioned the sum insured produced by dividing the sum insured by the total area of the BUILDINGS and multiplying the result by the area of the flat or residential portion*

(ii) *if the Business Interruption section of this policy is operative*

PROPERTY SECTION - ADDITIONAL BENEFITS

1. 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

2. 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 (if insured) the automatic reinstatement will apply on the first occasion only in each Period of Insurance

3. 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

4. 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

5. Capital Additions

If during the Period of Insurance

- alterations or additions are made to any BUILDINGS insured or
- BUILDINGS 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% of the Sum Insured (and Declared Value) by each Item 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 and provisions of this Insurance apply to this Additional Benefit except as expressly varied

6. Other Interests

The interest of any freeholder mortgagee lessor or tenant is noted in the Insurance provided by this Section on BUILDINGS and in the event of any claim hereunder the nature and extent of any such interest will be disclosed to the COMPANY

PROPERTY SECTION - ADDITIONAL BENEFITS (Continued)

7. 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

8. 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 SECTION - BASIS OF SETTLEMENT

1. In respect of BUILDINGS and other Property 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
 - in the case of other Property 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 Community 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 improving the Sprinkler Installation at the PREMISES to the standard required by the COMPANY provided that the improvements are required by the COMPANY solely as a result of DAMAGE
- D the cost of removing debris including that belonging to Tenants being the cost incurred with the COMPANYS consent in removing such 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
 - (iii) in excess of £25,000 in respect of Tenants property
- E the cost of professional fees being those necessarily incurred in the reinstatement of the property but not for preparing any claim
- F in respect of glass shop fronts and signs the additional costs for
- (i) the cost of temporary boarding up following breakage
 - (ii) repairing DAMAGE by falling glass to the framework and fittings of the window
 - (iii) alarm foil for which the INSURED is responsible

The undernoted provisions apply

- (1) European Community Legislation or Public Authority requirements
The COMPANY will not be liable for
- (i) requirements relating to undamaged property or portions of property other than foundations
 - (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

PROPERTY SECTION - BASIS OF SETTLEMENT (Continued)

- (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)
1. 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)
 2. 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 Appendix 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
 3. The Declared Value for each Item is the amount shown in brackets in the Appendix excluding the provision for inflation
 4. 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 Appendix
 5. If at the time of the DAMAGE the Declared Value of the Property Insured by each item is less than the value of the property insured as defined in Basis 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 or Appendix 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

- complying with The Stipulations
- removing debris
- professional fees

as defined in Bases of Settlement 1 B D and E above and subject to the provisions and exceptions 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 B D and E above

General Provision applicable to all items

Underinsurance

Under the above (except where Day One applies) if at the time of DAMAGE the Sum Insured by the relative Item on property or interest is less than 85% of the Insurable Amount the amount otherwise payable by the COMPANY will be proportionately reduced

PROPERTY 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 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 DIRECTOR PARTNER or EMPLOYEES*
(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) *from the open or from any outbuilding*
(ii) *of CONTENTS OF FURNISHED ACCOMMODATION unless involving violent and forcible entry into the BUILDINGS*
(iii) *from any vehicle or trailer*
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 or structural or other substantial alterations or extensions to BUILDINGS (including any contract under JCT conditions)*

PROPERTY SECTION - SECTION EXCLUSIONS (Continued)

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. *to glass shop fronts or signs*
 - (i) *arising out of any reconstruction or alteration to or repair of the PREMISES glass shop fronts or signs*
 - (ii) *existing prior to the commencement of this insurance*
 - (iii) *consequent upon settlement expansion or contraction of frames or fittings in any new BUILDING completed during the twelve months prior to breakage*
 - (iv) *which is not fixed to the BUILDINGS*
 - (v) *breakage of bulbs or tubes unless consequent upon DAMAGE to neon or illuminated signs*
 - (vi) *breakage of any glass which does not extend through its entire thickness*
 - (vii) *glass in any glasshouse conservatory or cold-frame*

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 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) *growing crops or trees or livestock*
- (v) *jewellery precious stones precious metals bullion furs curiosities works of art or rare books*

4. DAMAGE to UNOCCUPIED BUILDINGS or UNIT caused by or consisting of

- (i) *malicious damage*
- (ii) *escape of water or oil from any pipe tank or apparatus*
- (iii) *theft or attempted theft*
- (iv) *breakage of glass or sanitary ware*

5. 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 DAMAGE which results from a DEFINED PERIL (other than the acts of thieves and malicious persons which do not involve physical force and violence)

PROPERTY SECTION - SECTION EXCLUSIONS (Continued)

6. 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 Appendix

PROPERTY SECTION - TERMS

1 UNOCCUPIED BUILDINGS

It is a condition precedent to the liability of the COMPANY that whenever the BUILDINGS or UNIT become UNOCCUPIED for a period of more than 21 consecutive days

- (1) the BUILDINGS or UNIT are made secure against unauthorised access
- (2) all electrical and gas supplies are turned off from the mains
- (3) all letterboxes are sealed shut
- (4) a responsible and authorised person inspects the BUILDINGS or UNIT at least once per week
- (5) waste and combustible materials shall be removed from the inside of the BUILDINGS or UNIT and shall be kept at least 5 metres away from the exterior walls of the BUILDING
- (6) the INSURED shall notify the COMPANY in writing no later than 21 days after the BUILDINGS or UNIT first become UNOCCUPIED and shall comply with any other terms conditions or requirements notified by the COMPANY

BUSINESS INTERRUPTION SECTION

THE INSURANCE

If as a result of DAMAGE to the BUILDINGS owned by the INSURED in connection with the BUSINESS at the PREMISES the BUSINESS is interrupted as a result of the BUILDINGS or any UNIT being unfit for occupation the COMPANY will indemnify the INSURED for the amount of loss as stated in the Basis of Settlement but not exceeding the Sums Insured and Limits of Liability stated in the Appendix

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 provision in such insurance excluding liability for losses below a specified amount

EXCLUSIONS

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

BUSINESS INTERRUPTION SECTION - GROSS RENT BASIS OF SETTLEMENT

Applicable only to any GROSS RENT item(s) in the schedule

Subject to the Special Provisions the COMPANY will pay as indemnity

- A) In respect of Loss of Rent of BUILDINGS or UNITS the amount by which the GROSS RENT during the INDEMNITY PERIOD - (GROSS RENT) will in consequence of the DAMAGE fall short of the STANDARD GROSS RENT
- B) In respect of Increase in Cost of Working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Loss of Rent which but for that expenditure would have taken place during the INDEMNITY PERIOD in consequence of the DAMAGE but not exceeding the amount of the reduction in Loss of Rent thereby avoided

Special Provision

1. Full Value

The Sum Insured stated in the Appendix must represent the full amount of the GROSS RENT receivable including allowance for any increase in GROSS RENT expected during the Period of Insurance as a result of imminent rent reviews and proportionately increased where the Maximum INDEMNITY PERIOD exceeds 12 months

2. Underinsurance

If at the time of DAMAGE the Sum Insured on GROSS RENT is less than the Full Value the amount otherwise payable by the COMPANY will be limited to the proportion of the loss that the Sum Insured bears to the Full Value

3. Rent Review

The Sum Insured is automatically increased in respect of any rent reviews which may occur within the INDEMNITY PERIOD - (GROSS RENT) under the terms of a lease or rental agreement but such increase is limited to 100% of the Sum Insured on each Item at the time of DAMAGE

BUSINESS INTERRUPTION SECTION - EXTENSIONS

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

EXCLUSIONS

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

The COMPANY will not be liable

1.	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
2.	Failure of Public Services	
	accidental failure of public water gas or electricity services at the terminal point of the service feed to the PREMISES	(i) where such failure is for a period of less than twenty four hours
		(ii) where the service supplier exercises the right to restrict or withhold service including but not limited to withdrawal of service due to industrial action
		(iii) as a result of any fault in any part of the INSUREDS installation at the PREMISES
		(iv) for any amount in excess of £25,000
3.	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
4.	Managing Agents	
	DAMAGE to property at the premises of the INSUREDS managing agents	(i) for any loss as a result of DAMAGE at any premises not within the TERRITORIAL LIMITS
		(ii) for any amount in excess of £25,000

BUSINESS INTERRUPTION SECTION – 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 DIRECTOR PARTNER or EMPLOYEES*
(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 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) *from the open or from any outbuilding*
(ii) *of CONTENTS OF FURNISHED ACCOMMODATION unless involving violent and forcible entry into the BUILDINGS*
(iii) *from any vehicle or trailer*
but this will not exclude
(a) *such DAMAGE which 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 or structural or other substantial alterations or extensions to BUILDINGS (including any contract under JCT conditions)*

BUSINESS INTERRUPTION SECTION – SECTION EXCLUSIONS (Continued)

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 buildings 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*

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 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) *growing crops or trees or livestock*
- (v) *jewellery precious stones precious metals bullion furs curiosities works of art or rare books*

4 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*

5 DAMAGE to UNOCCUPIED BUILDINGS or UNIT caused by or consisting of

- (i) *malicious damage*
- (ii) *escape of water or oil from any pipe tank or apparatus*
- (iii) *theft or attempted theft*
- (iv) *Breakage of glass or sanitary ware*

BUSINESS INTERRUPTION SECTION – TERMS

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 Premium Adjustment

When the Basis of Settlement is Declaration Linked the premium and tax paid at the commencement of each Period of Insurance is provisional and the INSURED will declare to the COMPANY the GROSS RENT earned during the financial year most nearly concurrent with the Period of Insurance as confirmed by the INSUREDS auditors

If any DAMAGE shall have occurred giving rise to a claim for loss of GROSS RENT the above mentioned declaration shall be increased by the COMPANY for the purpose of premium and tax adjustment by the amount by which the GROSS RENT was reduced during the financial year solely in consequence of the DAMAGE if the declaration (adjusted as provided above and proportionately increased where the Maximum INDEMNITY PERIOD exceeds 12 months)

(a) is less than the ESTIMATED GROSS RENT for the relevant Period of Insurance the COMPANY will allow a pro rata return of the premium and tax paid on the ESTIMATED GROSS RENT but not exceeding fifty percent of such premium

(b) is greater than the ESTIMATED GROSS RENT for the relevant Period of Insurance the INSURED shall pay a pro rata addition to the premium and tax paid on the ESTIMATED GROSS RENT

Unless otherwise stated the INSURED will provide all information for the adjustment of the premium and tax within six months of the end of the Period of Insurance

3 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

4 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

5 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 GROSS RENT during the INDEMNITY PERIOD

6 Savings

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

BUSINESS INTERRUPTION SECTION – TERMS (Continued)

7 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

8 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 amount of GROSS RENT earned during the period between the commencement of the BUSINESS and the date of the DAMAGE to the amount by which GROSS RENT during the period of interruption or interference will have fallen short of the proportional equivalent for that period of the GROSS RENT realised during the period between the commencement of the BUSINESS and the date of such DAMAGE

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 DIRECTORS PARTNERS or EMPLOYEES 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 a 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 Isle of Man the Channel Islands 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

THE INSURANCE

The COMPANY will indemnify the INSURED against all sums which the INSURED becomes legally liable to pay as compensatory damages and claimants costs and expenses in respect of INJURY sustained by a DIRECTOR or EMPLOYEE arising out of and in the course of employment by the INSURED within the TERRITORIAL LIMITS in connection with 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 LIABILITY

The maximum liability of the COMPANY payable under The Insurance and Extensions of this Section inclusive of all costs and expenses shall be the limit of Liability stated in the Appendix to the Employers Liability Section in respect of any one claim against the INSURED or series of claims against the INSURED arising out of one occurrence

SECTION EXCLUSIONS

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

The COMPANY will not be liable

- (a) *to pay compensation to an EMPLOYEE or DIRECTOR for INJURY sustained when the EMPLOYEE or DIRECTOR is carried in or on a vehicle or entering or getting onto or alighting from a vehicle in circumstances where any road traffic legislation requires compulsory insurance or security covering that risk*
- (b) *for liability arising out of any work undertaken and/or visit OFFSHORE*
- (c) *for 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 INSURED'S 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 – ADDITIONAL BENEFITS

1 Health and Safety at Work etc. Act ~ Legal Defence Cost

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 provision 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 is alleged to have been committed during the Period of Insurance in connection with the BUSINESS and that the COMPANY shall not be liable for any fines or penalties imposed as a consequence of such prosecution or for any prosecution costs

2 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 of attendance

- (a) any DIRECTOR or PARTNER £500
- (b) any EMPLOYEE £250

3 Unsatisfied Court Judgements

In the event of a judgement for damages being obtained

- (a) by an EMPLOYEE or the representative of an EMPLOYEE in respect of INJURY to the EMPLOYEE sustained during the Period of Insurance in the course of his or her employment in the BUSINESS against any company or individual operating within the TERRITORIAL LIMITS in any court within the TERRITORIAL LIMITS
- (b) and remaining unsatisfied in whole or in part six months after the date of judgement

The COMPANY will pay at the request of the INSURED to the EMPLOYEE or the representative of the EMPLOYEE the amount of the damages and any awarded costs to the extent that they remain unsatisfied

Provided that

- (i) there is no appeal outstanding
- (ii) the EMPLOYEE or the representative of the EMPLOYEE assigns the judgement to the COMPANY

4 Indemnity to Principal

The COMPANY will also indemnify as provided in The Insurance of this Section any PRINCIPAL for such legal liability 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 all terms conditions and exclusions in this Policy in so far as they can apply
- (c) the full conduct and control of all claims is vested in the COMPANY

PROPERTY OWNERS LIABILITY SECTION – SPECIAL DEFINITIONS

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

EXCESS

the amount that will be deducted by the COMPANY from the total agreed amount of each 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 DIRECTORS PARTNERS or EMPLOYEES 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 bodily injury death illness disease physical loss or physical damage to material property 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

REMEDIATION

includes "remediation" under the Environment Act 1995

SEEPING or POLLUTION 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) or elsewhere in the world other than NORTH AMERICA in respect of temporary visits made in connection with the BUSINESS in a clerical administrative or other non-manual capacity by the INSURED DIRECTOR PARTNER or EMPLOYEE normally employed within the territories specified in (1) above

PROPERTY OWNERS LIABILITY SECTION

THE INSURANCE

The COMPANY will indemnify the INSURED against all sums which the INSURED becomes legally liable to pay as compensatory 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 in connection with the BUSINESS during the Period of Insurance at the PREMISES and elsewhere within the TERRITORIAL LIMITS

Limit of Indemnity

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

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 in the custody or control of or owned by the INSURED DIRECTOR PARTNER or any EMPLOYEE other than personal effects of DIRECTORS PARTNERS EMPLOYEES or visitors*
- (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 aerospace 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 specification or treatment or breach of professional duty*
- (e) *the cost or expenses incurred in rectifying defective workmanship*
- (f) *liability arising out of any site clearance excavation construction or structural alteration extension or demolition*
- (g) *liability assumed under contract or agreement where such liability would not have arisen in the absence of such contract or agreement*
- (h) *liability arising out of any BUILDING or part of a BUILDING UNOCCUPIED for more than 21 consecutive days*

PROPERTY OWNERS LIABILITY SECTION (Continued)

SECTION EXCLUSIONS

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

The COMPANY will not be liable for

- (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 caused by a sudden identifiable unintended and unexpected occurrence which takes place in its entirety at a specific 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 Appendix*
- (j) liability arising out of any work undertaken and/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*

PROPERTY OWNERS LIABILITY SECTION (Continued)

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 provisions 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 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*

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

PROPERTY OWNERS LIABILITY SECTION – EXTENSIONS

The COMPANY will also indemnify the INSURED as provided in The Insurance of this Section for such legal liability

EXCLUSIONS

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

The COMPANY will not be liable

1	Contingent Motor Liability	<p>arising out of the use of any motor vehicle not belonging to or provided by the INSURED but being used by an EMPLOYEE in conjunction with the BUSINESS</p>	<p>(i) <i>for loss of or damage to such motor vehicle or property conveyed therein or thereon</i></p> <p>(ii) <i>for INJURY or PHYSICAL LOSS arising while such vehicle is being driven by the INSURED PARTNER or DIRECTOR</i></p> <p>(iii) <i>if indemnity is available under any other insurance or security</i></p> <p>(iv) <i>for INJURY or PHYSICAL LOSS occurring outside England Scotland Wales Northern Ireland the Channel Islands and the Isle of Man</i></p>
2	Defective Premises Act 1972	<p>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</p>	<p>(i) <i>for INJURY or PHYSICAL LOSS happening prior to the disposal of the PREMISES</i></p> <p>(ii) <i>for PHYSICAL LOSS to the PREMISES disposed of</i></p> <p>(iii) <i>for remedying any defect in the PREMISES disposed of</i></p>
3	Overseas Personal Liability	<p>(1) the INSURED or any DIRECTOR PARTNER or EMPLOYEE</p> <p>(2) any member of the INSURED DIRECTOR PARTNERS or EMPLOYEES family accompanying them</p> <p>against all sums which they become legally liable to pay as compensatory damages and claimants costs and expenses arising out of accidental</p> <p>(a) INJURY to any persons</p> <p>(b) PHYSICAL LOSS</p> <p>occurring during the Period of Insurance outside the TERRITORIAL LIMITS other than NORTH AMERICA during temporary visits in connection with the BUSINESS</p> <p>Provided that</p> <p>(i) the conduct and control of all claims is vested in the COMPANY</p>	<p>(i) <i>For liability arising from</i></p> <p>(a) <i>any business profession or trade</i></p> <p>(b) <i>the ownership or occupation of land or buildings</i></p> <p>(c) <i>the ownership possession or use of firearms (other than sporting guns) mechanically powered vehicles and anything attached to the craft intended to travel through air or space hovercraft watercraft (other than non mechanically powered craft less than 30 feet in length used on inland waters) or animals (other than domestic animals)</i></p> <p>(d) <i>property held in trust</i></p> <p>(e) <i>INJURY to the INSURED DIRECTOR PARTNER or EMPLOYEE or any member of the INSURED DIRECTORS PARTNERS or EMPLOYEES family</i></p> <p>(ii) <i>for liability more specifically insured</i></p>

PROPERTY OWNERS LIABILITY SECTION – EXTENSIONS (Continued)

EXCLUSIONS

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

The COMPANY will not be liable

- (ii) any person entitled to indemnity under this Extension complies with and is subject to all Terms Conditions and Exclusions in this Policy in so far as they can apply
- (iii) the liability of the COMPANY will not exceed the Limit of Indemnity as stated in the Appendix
- (iii) *for liability arising under any contract or agreement unless the liability would have arisen in the absence of such contract or agreement*

4 Including Unoccupied Buildings

Section Exclusion (h) is deleted

Provided that the BUILDINGS are secured to prevent unauthorised access and the COMPANY are notified within 21 days

PROPERTY OWNERS LIABILITY SECTION – ADDITIONAL BENEFITS

EXCLUSIONS

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

The COMPANY will not be liable

1 Cross Liabilities

If this Policy is issued in the joint names of more than one INSURED the COMPANY will indemnify each of them as though a separate policy has been issued to each of them

In the aggregate for any amount in excess of the Limit of Indemnity as stated in the Appendix

2 Legal Costs and Expenses

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

- (a) representation at any coroners inquests 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

3 Legal Defence Costs

The COMPANY will be liable for all legal costs and expenses incurred with its 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 Act 1974
- (ii) the Health and Safety at Work (Northern Ireland) order 1978

Provided that the offence under the legislation is alleged to have been committed during the Period of Insurance in connection with the BUSINESS

for legal costs and expenses

- (i) where indemnity is provided by any other insurance*
- (ii) arising out of any deliberate act or omission by the INSURED or any DIRECTOR PARTNER or EMPLOYEE*

PROPERTY OWNERS LIABILITY SECTION – ADDITIONAL BENEFITS (Continued)

EXCLUSIONS

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

The COMPANY will not be liable for

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

5 Data Protection Act 1998

The COMPANY will indemnify the INSURED against legal liability to pay compensation for damage or distress under the provisions of Section 13 of Part 11 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 and that registration has not been refused or withdrawn

- (i) *liability arising from*
 - (a) *the processing of sensitive data*
 - (b) *the processing of data for reward*
 - (c) *the determining of the financial status of a person*
 - (d) *a deliberate act or omission by the INSURED or a DIRECTOR or PARTNER or EMPLOYEE from which liability could reasonably be expected by the INSURED or a DIRECTOR or PARTNER or EMPLOYEE having regard to the nature and circumstances of such act or omission*
 - (e) *an agreement which would not have attached in the absence of such an agreement*
- (ii) *any amount in excess of the Limit of Indemnity stated in the Appendix*
- (iii) *any costs of replacing reinstating rectifying destroying or erasing any data*

6 Indemnity to Principal

The COMPANY will also indemnify as provided in The Insurance of this Section any PRINCIPAL for such legal liability 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 all terms conditions and exclusions in this Policy in so far as they can apply
- (c) the full conduct and control of all claims is vested in the COMPANY

PROPERTY OWNERS LIABILITY SECTION – ADDITIONAL BENEFITS (Continued)

EXCLUSIONS

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

The COMPANY will not be liable for

7 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

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

8 Movement of Obstructing Vehicles

Exclusion (c)(i) shall not apply to liability arising from the INSURED or an authorised EMPLOYEE acting on the INSUREDS behalf moving any obstructing motor vehicle that is not owned or hired by or lent to them to allow access to the PREMISES or the movement of another vehicle provided that

- (i) *DAMAGE to the moved vehicle or goods carried in or on it*
- (ii) *the movement of a vehicle in circumstances where compulsory insurance or security is required by law*

- (a) vehicle movements are made only by use of the owners ignition key
- (b) the person moving the vehicle is competent to do so