



**INSURANCE POLICY**

# Commercial Combined

Please read this document carefully.  
Should you have any questions, please contact your insurance agent.

## Policy Information

This Policy has been prepared in accordance with Your instructions. Please read it carefully to ensure that it meets Your requirements.

This Policy consists of

1. the introduction which explains the basis on which cover is provided
2. the Schedule which shows details of the Policyholder, Period of Insurance, the Business being covered, the Property or Events insured, Limits of Liability and certain amounts You will be responsible for and details of which Sections are operative
3. the Statement of Fact which is a record of the information that You provided to Your insurance agent and any assumptions made about You and Your Business upon which Your insurance quotation is based
4. Policy Definitions and Conditions
5. the Sections of the Policy which give details of the cover provided
6. General Exceptions to cover applying to the whole Policy
7. Any Endorsements or Warranties which might apply to the Policy or individual Sections and which incorporate cover amendments, extensions, limitations and the like

Immediate notice should be given to Us of any changes which may affect the insurance by this Policy.

Alterations in the cover required after the issue of the Policy will be confirmed by a separate Endorsement and/or Schedule and/or Statement of Fact which You should file with Your Policy. You should refer to the Schedule and Statement of Fact and Endorsement(s) and the Policy to ascertain precise details of cover currently in force.

## Our Promise to You

Our goal is to provide excellent customer service to all Our customers but we recognise that sometimes things may go wrong. We take complaints seriously and aim to resolve all of Our customers problems promptly.

If this cover does not meet with Your requirements please return all of Your documents and any Employers Liability Certificate(s) to Your insurance agent who has arranged the cover within 14 days of receipt. We will return any premium paid in full.

If You wish to terminate the cover at any other time please contact Your insurance agent who arranged it and any return premium will be at the discretion of Arista Insurance.

## Making a Claim

To make a claim follow the instructions provided in the General Conditions – Claims Procedure.

To register a claim You should contact **Robins Claims Solution on 0844 770 5150** who provide Our claims service and are authorised to handle and settle claims on Our behalf. If You have a need to seek additional assistance please contact Your insurance agent.

## The Contract of Insurance and the Underwriters

This Policy is issued in accordance with the authorisation granted to Arista Insurance Limited as representatives of certain underwriters at Lloyd's under a binding authority agreement to administer the business

In consideration of payment of the premium the Underwriters set out above are bound severally and not jointly to indemnify You within the limits terms conditions and exceptions of this Policy against the events set out in the sections operative and occurring in connection with the Business during the Period of Insurance and any subsequent period for which You pay and the Underwriters agree to accept premium

You have provided information to Us which includes but not limited to the information detailed in the Statement of Fact You agree that all information provided to Us is true and is incorporated in and forms the basis of this Policy



Signed for an behalf of the underwriters

**Charles Earle**

**Chief Executive Arista Insurance Limited**

**This Policy is a legal contract You must tell Us about any facts or changes which affect Your insurance which have occurred either since Your Policy started or since the last renewal date**

**If You are not sure whether certain facts are relevant please ask Your insurance agent or the local Arista Insurance branch If You do not tell Us of relevant changes Your Policy may not be valid or the Policy may not cover You fully**

**You should keep a written record (including copies of letters) of any information You give Us or Your insurance agent when You renew this Policy**

## How to Complain

If You have any enquiry or complaint arising from Your Policy please contact Your insurance agent who arranged the Policy for You or the local Arista Insurance office quoting the Policy number in all cases

If You are not satisfied with the way in which a complaint has been dealt with please write to

The Chief Executive  
Arista Insurance Limited  
68 Lombard Street  
London EC3V 9LJ

After this action if You are still not satisfied with the way a complaint has been dealt with you may ask the Complaints Department at Lloyd's to review Your case (This would not affect Your rights to take legal action if necessary) The address is

Complaints Department  
Lloyd's  
One Lime Street  
London EC3M 7HA

If You are still not satisfied it may be possible for You to refer your complaint to

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

The Underwriters are members of the Financial Services Compensation Scheme (FSCS) and you may be entitled to compensation from the scheme if we are unable to meet our liabilities under this insurance. This depends on the type of business and the circumstances of the claim. The first £2,000 of a claim is protected in full and 90% of the remainder of the claim will be met. For compulsory classes of insurance the claim will be met in full. Further information about the compensation scheme arrangements is available from the FSCS. Information can be obtained on request or by visiting the FSCS website at [www.fscs.org.uk](http://www.fscs.org.uk)

The Underwriters are authorised and regulated by the Financial Services Authority. The Financial Services Authority website which includes a register of all regulated firms can be visited at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or the Financial Services Authority can be contacted on 0845 606 1234

## Important Information

The Employers Liability (Compulsory Insurance) Regulations 1998 lay down certain obligations for employers and in particular You should be aware of the following

### **Display of Certificates**

We will provide You with a Certificate of Employers Liability Insurance and this will state clearly the companies covered by it. You must display an original copy of the Certificate of Employers Liability Insurance at each Business Premises where Your Employees can see it easily.

### **Retention of Certificates**

You must retain copies of Certificates of Employers Liability Insurance that have expired for at least 40 years. This is because certain claims eg disease could be made many years after the disease is caused. This requirement applies only to policies that were in force on 31<sup>st</sup> December 1998 or later.

### **Data Protection**

We may use the details You have given to provide You with a quotation deal with Your Policy to search credit reference agencies who may keep a record of the search to support the development of Our business by including Your details in customer surveys and for market research and compliance business reviews.

We share Your details with those companies who are underwriting Your Policy with approved organisations for fraud prevention purposes and with companies where We are legally obliged to do so.

We may also share Your details with third parties so that we may tell You of products and services which we think may interest You by telephone email or post. If You do not want to know about these products or services please write to Arista Insurance Limited 68 Lombard Street London EC3V 9LJ.

Under the Data Protection Act We can only discuss the details given with You. If You would like anyone else to act on Your behalf please let Us know. Your details will not be kept longer than is necessary.

Under the terms of the Data Protection Act 1998 You are entitled to a copy of all information Arista Insurance holds about You.

Your personal details may be transferred to countries outside the EEA. They will at all times be held securely and handled with the utmost care in accordance with all principles of UK law.

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# General Definitions

Each time We use one of the words or phrases listed below it will have the same meaning wherever it appears in Your Policy unless We state otherwise. A defined word or phrase will start with a capital letter each time it appears in the Policy except for headings and titles.

Each Section of the Policy contains definitions which apply to that particular Section and they must be read in conjunction with the following General Definitions.

## **We/Us/Our**

The Underwriters as set out in the section of the Policy headed The Contract of Insurance and the Underwriters.

## **You/Your/Policyholder**

The person(s) or Company shown in the Schedule as the Policyholder.

## **Business**

Activities directly connected with the Business described in the Statement of Fact and specified in the Schedule.

## **Policy**

This Policy Schedule Statement of Fact Employers Liability Certificate and any Endorsements or Warranties attached or issued.

## **Damage**

Accidental loss, destruction or damage.

## **Employee**

Any person working under Your control in connection with the Business who is

1. under a contract of service or apprenticeship with You;
2. a person under a contract of service or apprenticeship with some other employer and who is hired to or borrowed by You;
3. a labour master or person supplied by him;
4. a person engaged by a labour only sub-contractor;
5. a self-employed person working on a labour only basis under Your control or supervision;
6. a driver or operator of hired-in plant;
7. a trainee or person undergoing work experience;
8. a voluntary helper;
9. persons working under the Community Offenders Act 1978, the Community Offenders (Scotland) Act 1978 or similar legislation;
10. at Your request, outworkers or home workers employed under contracts to execute personally any work in connection with the Business.

## **Excess**

The first amount of each and every claim for which you shall be responsible as shown in the Schedule and where applicable as more particularly defined in the relevant sub-section of this Policy.

## **Injury**

Bodily injury including death, illness or disease.

**Limit of Liability**

The Limit of Liability stated in the Schedule

**Money**

Current coin bank and currency notes postal and money orders bankers' drafts cheques and giro cheques crossed warrants bills of exchange and securities for money postage revenue national insurance and holiday with pay stamps national insurance and holiday with pay cards national savings certificates war bonds premium savings bonds and franking machine impressions credit company sales vouchers luncheon vouchers trading stamps and VAT invoices

**Period of Insurance**

The period shown in the Schedule for which We accept Your Premium

**Premises**

The part of the Premises at the address or addresses specified in the Statement of Fact and described in the Schedule occupied by You for the purpose of the Business

**Property**

Material property

**Schedule**

The Schedule for the time being in force

**Statement of Fact**

This is a record of the information that You provided to Your insurance agent and any assumptions made about You and Your Business upon which Your insurance quotation is based

**Sum Insured**

The Sum Insured stated in the Schedule

**Vacant or Disused**

The Premises or any part thereof that have become unoccupied untenanted or which have not been actively used for a period of more than 30 consecutive days

# General Conditions

Each Section of the Policy contains conditions and must be read in conjunction with the following General Conditions which apply to all Sections unless otherwise stated

## Average

Where a Sum Insured is subject to average if at the time of the Damage the Sum Insured is less than the actual value of the property You will be considered as Your own insurer for the difference and bear a proportionate share of the loss

## Cancellation

We may cancel the Policy by sending You 30 days written notice to Your last known address We will refund a proportionate part of the premium paid for the unexpired period

If the premium has not been paid or if there has been a default under an instalment or linked credit agreement this insurance will cease immediately and We will not refund any instalment paid

## Choice of Law and Jurisdiction

In the absence of agreement to the contrary this Policy shall be governed by and construed in accordance with the laws of England and Wales Any dispute relating to limits terms conditions and exceptions or validity of this Policy shall be subject to the jurisdiction of the courts of England and Wales

## Claims Procedure

It is a condition precedent to Our liability under this Policy that you will

1. provide written notice to Us immediately You have knowledge of any event occurrence prosecution inquest or inquiry which may result in a claim regardless of Excess and pass to Us immediately on receipt every letter claim writ summons and process in connection with any claim
2. notify the police immediately of Damage caused by malicious persons or thieves
3. at Your expense provide Us with a written claim containing as much information as possible of the accident Damage or Injury including the amount of the claim within
  - a. 30 days of Your becoming aware of the event or occurrence
  - b. 7 days in the case of Damage caused by riot civil commotion strikers locked out workers persons taking part in labour disturbances or malicious personsor such further time that We may allow
4. provide Us with all information and help We require in respect of the claim
5. pass to Us unanswered immediately all communications from third parties in relation to any event which may result in a claim under this Policy
6. not admit or repudiate liability nor offer to settle compromise make payment which may result in a claim or pay any claim under this Policy without Our written agreement
7. carry out or permit to be taken any action which may be reasonably practicable to prevent or minimise loss and/or interruption of the Business and to prevent further accident Damage or Injury
8. We will be entitled at any time and at Our discretion if Damage occurs which may lead to a claim to
  - a. enter or take possession of the Premises
  - b. take possession of or require to be delivered to Us Property Insured which We will deal with in a reasonable manner
  - c. take over and conduct in Your name the defence or settlement of any claim or to prosecute any claim in Your name for Your benefit and have full discretion in the conduct of any proceedings and in the settlement of any claimwithout incurring liability or reducing Our rights
9. We will not pay for loss destruction or damage or provide cover under the Legal Liabilities Section if You or anyone acting on Your behalf
  - a. do not comply with Our requirements

- b. hinder or obstruct Us

You are not entitled to abandon Property to Us

### **Change of Risk**

We shall not indemnify You under this Policy if

1. there has been any material change to the risk after the commencement of this insurance whereby the risk of Damage or Injury is increased or
2. Your interest ceases (unless the cessation is brought about by will or operation of law)
3. the Business does any of the following
  - a. making a composition or arrangement with creditors
  - b. have a proposal for a voluntary arrangement for a composition of debts or scheme of arrangement approved in accordance with the Insolvency Act 1986
  - c. have an application made under the Insolvency Act 1986 to the court for the appointment of an administrator
  - d. have a winding up order made or (except for the purposes of amalgamation or reconstruction) a resolution for voluntary winding up passed or have a provisional liquidator receiver or receiver and manager of the business or undertaking duly appointed
  - e. have an administrative receiver as defined in the Insolvency Act 1986 appointed or having possession taken by or on behalf of the holders of any debentures secured by floating charge or of any property comprised in or subject to the floating chargeunless agreed by Us in writing

### **Contribution**

Applicable to the Legal Liabilities Section

1. If the insurance provided by these sections is also covered by another policy (or would but for the existence of these sections) We will only indemnify You in respect of any excess beyond the amount which would be payable under such other insurance had these sections not been effected

Applicable to all other Sections insured by this Policy

2. Where any Damage or liability covered by the Policy is also covered by another policy (or would be but for the existence of this Policy) We will only pay a rateable share of the loss
3. If the other insurance is subject to a condition of average and this Policy is not this Policy will become subject to the same condition of average
4. If the Property covered by the other insurance is subject to a provision excluding proportional payment in whole or part the payment We make will be limited to the proportion of Damage as the Sum Insured bears to the value of the property

### **Contracts (Rights of Third Parties) Act 1999**

A person or company who was not a party to this Policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act

### **Discharge of Liability**

We may at any time pay

1. The Limit of Liability or the Limit of Indemnity or
2. The Sum Insured or
3. A smaller amount for which a claim can be settled after deduction of any sum already paid We will not make any further payments except for costs and expenses incurred prior to the payment of the claim

**Fraud**

If a claim made by You or anyone acting on Your behalf to obtain a benefit under this Policy is in any respect fraudulent or uses fraudulent means or devices or intentionally exaggerates or a false declaration or statement is made in support of a claim all benefit under this Policy shall be forfeited

**Interest Clause**

The interests of third parties in the Property which You are required to include on this Policy under the terms of any mortgage property lease or hiring leasing or hire purchase agreement are automatically noted subject to You advising Us as soon as is reasonably practicable

**Non Disclosure Misrepresentation or Misdescription**

This Policy shall be voidable if you or anyone acting for you fails to disclose misrepresents or misdescribes any material particular

**Reasonable Care**

It is a condition precedent to Our liability under this Policy that You

1. take all reasonable care to prevent or minimise any circumstances or to cease any activity which may cause Damage accident or Injury
2. maintain the business premises machinery equipment and furnishings in a good state of repair
3. exercise care in the selection and supervision of Employees
4. comply with all relevant statutory requirements manufacturers recommendations and other regulations relating to the use inspection and safety of property and the safety of persons
5. make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require

**Reinstatement**

When we decide or are required to reinstate or replace any Property You will at Your expense provide

1. plans
2. documents
3. books
4. information

which we require

**Statement of Fact**

This is a record of the information that You provided to Your insurance agent and any assumptions made about You and Your Business upon which Your insurance quotation is based

**Subrogation**

Anyone making a claim under this Policy must at Our request and expense do everything We reasonably require to enforce a right or remedy or obtain relief or indemnity from other parties to which We will become entitled or subrogated because of payment for or making good accident Damage or Injury

We may require You to carry out such actions before or after We make any admission of or payment of a claim

**Warranties**

Every warranty to which this Policy or any Section or item specified in the Schedule is or may be made subject to shall from the time the warranty attaches apply and continue to be in force during the duration of the Period of Insurance

Provided that if this Policy or Section or item specified in the Schedule is renewed a claim in respect of Damage occurring following renewal date shall not be barred by reason of a warranty not having been complied with at any time before the date of renewal

# General Exceptions

Each Section of the Policy contains exceptions and must be read in conjunction with the following General Policy Exceptions which apply to all Sections unless otherwise stated

This Policy does not cover

## **Nuclear Risks**

Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from

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

Subject to indemnity under the Employers Liability Sub-Section as far as concerns Injury caused to any of Your Employees if such Injury arises out of and in the course of employment or engagement of such person by You this General Exception shall only apply

- a. in respect of liability of any Principal
- b. liability assumed by You under agreement and which would not have attached in the absence of such agreement

## **War Government Action and Terrorism**

1. Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
  - a. War Government Action or Terrorism
  - b. civil commotion in Northern Ireland
2. legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from War Government Action or Terrorism except to the extent stated in the Liability Provisions

For the purpose of this General Exception and its Liability Provisions

War shall mean war invasion acts of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war mutiny civil commotion assuming the proportions of or amounting to popular rising military rising insurrection rebellion revolution or military or usurped power

Government Action shall mean martial law confiscation nationalisation requisition or destruction of property by or under the order of any government or public or local authority or any action taken in controlling preventing suppressing or in any way relating to War

Terrorism shall mean any act(s) of any person(s) or organisation(s) involving

1. the causing occasioning or threatening of harm of whatever nature and by whatever means
2. putting the public or any section of the public in fear

in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) are wholly or partly of a political religious ideological or similar nature

In any action suit or other proceedings where We allege that by reason of this Exception as far as it relates to Terrorism any Damage or resulting loss or expense or consequential loss is not covered by this insurance the burden of proving that such Damage loss expense or consequential loss is covered shall be upon You

## Liability Provisions

Subject otherwise to the terms definitions exceptions provisions and conditions of this Policy and its Legal Liabilities Section

1. We will indemnify You under the Employers' Liability Sub-Section provided that in respect of any one claim or series of claims arising out of any one original event Our liability in respect of all legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism shall not exceed £5,000,000
2. We will indemnify You under the Public Liability Sub-Section and Products Liability Sub-Section against legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism provided that Our liability for all damages (including interest thereon) shall not exceed
  - a. in respect of or arising out of any one claim or series of claims arising out of one Event £2,000,000 or the amount of the Public Liability and Products Liability indemnity limit stated in the Schedule whichever is the lower but in respect of Products Supplied this limitation shall apply to all insured events occurring in any one Period of Insurance
  - b. We will not indemnify You under the Public Liability and Products Liability Sub-Sections against legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism

### **Pollution and Contamination** (This Exception does not apply to Legal Liabilities Section)

Damage caused by or arising from pollution or contamination except (unless otherwise excluded) destruction of or damage to the Property insured caused by

1. pollution or contamination which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers malicious persons other than thieves earthquake storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes sprinkler leakage or impact by any road vehicle or animal
2. any of the Contingencies in (1) above which itself results from pollution or contamination

### **Date Recognition** (This Exception does not apply to Employers Liability Sub-Section)

Damage accident or liability directly or indirectly caused by or consisting of or arising from the failure of any computer data processing equipment or media microchip integrated circuit or similar device or other equipment or system for processing storing or receiving data or any computer software whether Your property or not and whether occurring before during or after the year 2000

1. correctly to recognise any date as its true calendar date
2. to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
3. to capture save retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture save retain or to correctly process such data on or after any date

In respect of Material Damage Business Interruption Loss of Money Business Machines All Risks (Specified Items) Sections this General Exception shall not exclude subsequent Damage not otherwise excluded which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons other than thieves earthquake storm flood escape of water from any tank apparatus or pipe theft or impact by any vehicle or animal

### **Computer Virus and Hacking**

1. Damage to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether Your Property or not where such Damage is caused by Virus or Similar Mechanism or Hacking
  2. financial loss directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking
- but this shall not exclude Damage or financial loss which is not otherwise excluded from this Policy and which results from Fire Lightning Explosion Earthquake Aircraft or other aerial devices or articles dropped from them Riot Civil

Commotion Strikes Labour Disturbances Malicious Persons (including the acts of thieves but excluding the acts of Malicious Persons which do not involve physical force or violence) Storm Flood Escape of Water or Oil from any tank apparatus or pipe Impact by any vehicle or animal

For the purpose of this Exception

Virus or Similar Mechanism shall mean program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not The definition of Virus or Similar Mechanism includes but is not limited to trojan horses worms and logic bombs

Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data whether Your Property or not

**Date Recognition Computer Equipment**

the expected cost which would have been incurred in modifying any computer data processing equipment or media microchip integrated circuit or similar devise or other equipment or system for processing storing or receiving data or any computer software so as to be able correctly to recognise save retain manipulate interpret or process any date after December 31<sup>st</sup> 1999 where such computer or other property is unable to do so at the time of any Damage insured by this Policy

**Marine Policies**

Damage to property which at the time of the happening of the Damage is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this Policy not been affected

**Sonic Bangs**

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

# Material Damage Section

## Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in this Section they should also be read in conjunction with the General Definitions at the start of the Policy

**Excess/Excesses** shall mean

The amount or amounts shown in Your Policy or the Schedule which We will deduct from each and every claim at each separate location and will be deducted after the application of Average

You will repay any such amount paid by Us

## Property Insured

**Buildings** shall mean

1. Structures at the Premises
2. Landlords fixtures and fittings in and on the structures
3. Internal and external fixed glass sanitary ware and signs
4. Central heating systems
5. Concrete paved or asphalt forecourts yards terraces drives and footpaths
6. Wall gates and fences

**Plant Machinery Trade Fixtures** shall mean

1. Machinery plant fixtures fittings and other trade equipment
2. All office equipment and other contents
3. Money and stamps including National Insurance Stamps (excluding Damage by theft or any attempt thereat) for an amount not exceeding £2,000
4. Documents manuscripts and business books but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up and not for the value to You of the information contained
5. Computer systems records but only for the cost of the materials and clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value to You of the information contained therein up to an amount not exceeding £25,000
6. Patterns models moulds plans and designs for an amount not exceeding the cost of the labour and materials expended in reinstatement
7. Directors partners customers employees and visitors personal effects of every description (other than motor vehicles) for an amount not exceeding £500 any one person in so far as they are not otherwise insured but any cover granted under this Section for Damage by theft shall not apply to personal effects partly or wholly of precious metal jewellery watches furs contact lenses portable electronic entertainment equipment mobile telephones cameras money and securities of any description
8. Wines spirits cigarettes and tobacco held for entertainment purposes for an amount not exceeding £250 in total in respect of Damage by theft or attempt thereat (if insured)
9. To the extent that they are not otherwise insured motor vehicle chassis and their contents

all belonging to You or held by You in trust for which You are responsible but excluding any property which is more specifically insured

**Stock in Trade** shall mean

Stock and materials in trade work in progress and finished goods owned by You or held by You in trust for which You are responsible

**Tenants Improvements** shall mean

Structural fixtures and fittings and decorations of Yours as occupier of the Premises

## Cover

We will indemnify You in respect of Damage to Property Insured occurring during the Period of Insurance at the Premises and caused by each of the following Contingencies as they appear in the Schedule subject to the Excess

The Sum Insured under each item other than for items solely applying to fees removal of debris rent private dwelling houses churches or buildings in course of erection is separately subject to Average

### Limit of Liability

The maximum We will pay under this Section in any one Period of Insurance will not exceed

1. the Sum Insured on each item or
2. the total Sum Insured or
3. any other maximum amount payable or limit of liability specified in the Schedule

## Standard Contingencies

### Fire

But we will not indemnify You for Damage

1. caused by explosion resulting from fire
2. caused by earthquake or subterranean fire
3. to that portion of any item caused by its own self ignition leakage of electricity short circuiting or over running
4. caused by
  - a. its own spontaneous fermentation or heating
  - b. its undergoing any heating process or involving the application of heat

### Lightning

### Explosion

But we will not indemnify You for Damage

1. caused by the bursting of any boiler economiser or other vessel machine or apparatus belonging to You or under Your control in which internal pressure is due to steam only
2. to any vessel machine or apparatus or its contents resulting from the explosion thereof but this shall not exclude Damage caused by explosion of any boiler or gas appliance used for domestic purposes only

**Aircraft** and /or other aerial devices and/or articles dropped therefrom

**Riot Civil Commotion** strikers locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation

We will not indemnify You in respect of Damage

1. arising from the cessation of work
2. arising from confiscation or destruction or requisition by order of the Government or any public authority
3. by fire caused by strikers locked-out workers or persons taking part in labour disturbances or malicious persons

**Malicious Persons** not acting on behalf of or in connection with any political organisation but only where Standard Contingency Riot and Civil Commotion is also insured by this Section

But we will not indemnify You in respect of Damage (other than by Fire or Explosion)

1. by theft
2. in respect of any Vacant or Disused Buildings

## **Earthquake and or Subterranean Fire**

### **Theft** or attempted theft involving

1. entry to or exit from the Buildings at the Premises by forcible and violent means excluding any loss from any structure which is incapable of being locked
2. violence or threat of violence to You or any director partner or Employee or their families

But we will not indemnify You for

- a. theft from any garden yard or open space or any outbuilding detached from any Building unless listed in the Schedule
- b. Property Insured in any portion of the Premises which is Vacant or Disused
- c. dishonest or fraudulent action by You Your partners directors or Employees or any person lawfully on the Premises
- d. jewellery precious metals stones or articles composed from them money works of art curiosities rare books bullion or furs except where specifically mentioned in the Schedule as being insured

## **Storm Tempest and Falling Trees**

But we will not indemnify You for Damage

1. attributable solely to change in the water table level
2. caused by
  - a. subsidence ground heave or landslip
  - b. inundation from the sea whether resulting from Storm Tempest or otherwise
  - c. frost
  - d. escape of water from the normal confines or any natural or artificial water course lake reservoir canal or dam
  - e. felling lopping pruning of trees
3. to fences gates and moveable Property in the open or in open sided Buildings

## **Flood**

We will not indemnify You in respect of Damage

1. caused by
  - a. storm or tempest
  - b. subsidence ground heave or landslip
  - c. frost
  - d. by escape of water from any tank apparatus or pipe
  - e. felling lopping or pruning of trees
2. attributable solely to change in the water table level
3. to fences gates and moveable Property in the open or in open sided Buildings

## **Escape of Water** from any tank apparatus pipe or escape of fuel from any fixed oil heating installation

We will not indemnify You for Damage

1. caused by water discharged or leaking from an automatic sprinkler installation
2. whilst the Premises are Vacant or Disused
3. gradual emission or seepage from any fixed oil heating installation

**Impact** by any animal or road vehicle or by goods falling therefrom or collapse or breakage of television or radio receiving aerials or satellite dishes

We will not indemnify You

1. in respect of the Excess stated in the Schedule if the vehicle or animal is owned by or under the control of
  - a. You or any member of Your family
  - b. any of Your Employees
2. in respect of Damage to goods being carried

**Accidental Escape of Water from any Automatic Sprinkler Installation** fitted in the Premises

But we will not indemnify You in respect of Damage caused by

1. freezing whilst the Premises insofar as they are in Your ownership or tenancy is Vacant or Disused
2. explosion earthquake subterranean fire or heat caused by fire
3. repairs alterations or extensions to the buildings and/or sprinkler installations

## Additional Contingencies

**Accidental Damage**

But we will not indemnify You for

1. Damage caused by or resulting from
  - a. any of the Standard Contingencies in this Section
  - b. inherent vice latent defect gradual deterioration the action of light or atmosphere change in water table level frost wear and tear faulty or defective design or materials
  - c. faulty or defective workmanship operational error or omission by You Your partners directors or Employees or contracted consultants
  - d. corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
  - e. change in temperature colour flavour texture or finish
  - f. joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
  - g. mechanical or electrical breakdown derangement or overloading in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates but this shall not exclude Damage to surrounding Property not forming part of the same machine apparatus or equipment
  - h. electrical or magnetic disturbance or erasure of electronic recordings
  - i. pollution or contamination of any kind
  - j. settling shrinkage or expansion of foundations walls floors ceilings or roof settlement or bedding down of new structures or extensions subsidence ground heave or landslip
  - k. acts of fraud or dishonesty
  - l. unexplained disappearance unexplained shortage inventory shortage misfiling or misplacing of information
  - m. You voluntarily parting with the title or possession of any Property or rights to Property
  - n. confiscation requisition seizure or destruction by order of the Government or any public authority
  - o. cessation of work
  - p. the solidification of molten material unless such Damage is directly caused by any other Standard Contingency that is insured by this Section
2. Damage to
  - a. Buildings or structures caused by their own collapse or cracking unless resulting from any Standard Contingency not otherwise excluded
  - b. Buildings or structures in course of construction or erection and materials or supplies in connection with all such construction or erection
  - c. Property Insured stored in the open or in transit by air or sea or inland waterway or road
  - d. vehicles licensed or intended to be licensed for road use including accessories thereon attached or unattached caravans trailers watercraft or aircraft
  - e. livestock growing crops or trees
  - f. jewellery precious stones or precious metals or articles composed of them bullion furs curiosities rare books or works of art
  - g. money cheques stamps bonds credit cards or securities of any description
  - h. fixed glass and sanitary ware other than as defined in Buildings

3. Damage to Property Insured resulting from its undergoing
  - a. any process of production
  - b. any process of packaging treatment testing commissioning cleaning servicing repair or any other similar process

But we will not indemnify You for Damage to surrounding Property not forming part of

- i. the same machine
- ii. the same process of production
- iii. the same process of packaging treatment testing commissioning cleaning servicing repair or any other similar process

#### **Subsidence Ground Heave or Landslip**

But we will not indemnify You for Damage

1. arising from the settlement or movement of made-up ground or by coastal or river erosion
2. occurring as a result of the construction demolition alteration or structural repair of any Buildings/structures at the Premises
3. arising from the normal settlement or bedding down of new structures
4. that has been provided for or would have been but for the existence of this insurance under any contract or a guarantee or by law
5. commencing prior to the issue of cover under this Policy

## **Section Exceptions**

The following exceptions apply to this Section

We will not indemnify You for

1. delay loss of market loss of use or consequential loss of any kind unless cover is specified in the Schedule and the Damage is not otherwise excluded
2. any Property more specifically insured by or on behalf of You
3. Damage to working dynamos motors wires main or electrical apparatus through short circuiting overrunning or excessive pressure

## **Section Conditions**

The following conditions apply to this Section and should be read in-conjunction with the General Conditions applying to the whole Policy

#### **Automatic Reinstatement**

We shall in the event of Damage under this Section automatically reinstate the Sum Insured unless there is written notice by Us to the contrary provided that

1. You undertake to pay the appropriate additional premium
2. You shall take immediate steps to carry out any alterations to the protections of the Premises which We may require

#### **Basis of Claims Settlement**

Unless stated otherwise in the Schedule the basis of settlement under this Section shall be

1. **Reinstatement** – the amount payable in respect of Buildings Plant Machinery or Tenants Improvements shall be the cost of the reinstatement of the Damage  
For this purpose “reinstatement” means
  - a. the rebuilding or replacement of Property Insured lost or destroyed which provided Our liability is not increased may be carried out
    - i. in any manner suitable to Your requirements
    - ii. upon another site
  - b. the repair or restoration of Property Insured damaged

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

Provided that

1. Our liability for the repair or restoration of Property Insured damaged in part only shall not exceed the amount which would have been payable had such Property been wholly lost or destroyed
2. If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the Property covered by any item subject to this Basis of Claims Settlement exceeds its Sum Insured at the commencement of any Damage Our liability shall not exceed that proportion of the amount of the Damage which the Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such Property at that time
3. No payment beyond the amount which would have been payable in the absence of this Basis of Claims Settlement shall be made
  - a. unless reinstatement commences and proceeds without unreasonable delay
  - b. until the cost of reinstatement shall have been actually incurred
  - c. if the Property Insured at the time of the Damage shall be insured by any other insurance effected by You or on Your behalf which is not upon the same basis of reinstatement
4. All the terms and Conditions of this Policy shall apply
  - a. in respect of any claim payable under the provisions of this Basis of Claims Settlement except insofar as they are varied hereby
  - b. where claims are payable as if this Basis of Claims Settlement had not been incorporated
5.
  - a. When We decide or are required to reinstate or replace any Property Insured You will at Your own expense provide all such plans documents books and information as may be reasonably required
  - b. We will not be obliged to reinstate Property Insured exactly but only in a satisfactory manner as circumstances allow

The maximum amount We will pay in respect of any one item is the Sum Insured

2. **Indemnity** – the amount payable in respect of Stock and or all other Property Insured shall be the value at the time of Damage or at Our option the cost of reinstatement or replacement of such Property Insured or any part of it

Provided that

If at the time of Damage the Sum Insured for the item is less than 85% of the value of the item insured then Our liability shall be limited to that proportion of the Damage which the Sum Insured bears to the value of the Property Insured

### **Change of Occupancy**

You must tell Us immediately if

1. any Building becomes Vacant or Disused
2. any Building stated in the Schedule to be Vacant or Disused or any part of it becomes occupied

### **Construction Heating and Occupation of the Buildings**

Unless otherwise stated in the Schedule the Buildings are occupied by You for the sole purpose of the Business and otherwise only as a private dwelling and are

1. constructed of brick stone or concrete
2. roofed with slates tiles concrete metal or asbestos
3. heated by
  - a. low pressure hot water or steam
  - b. oil fired space heaters fed from a fuel tank in the open
  - c. overhead gas or electrical appliance
  - d. gas or electric fires in offices only

## **Designation**

For the purpose of determining where necessary the item heading under which any property is insured We agree to accept the designation under which such property has been entered in Your books or business records

## **Fire Alarms and Fire Doors**

The following are conditions precedent to Our liability to indemnify You in relation to any claim for Damage by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons If You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

You shall

1. carry out the testing and checking requirements in relation to the automatic fire alarm installation(s) referred to on any completion certificate and remedy promptly any defect disclosed and
2. carry out the maintenance procedures in relation to the automatic fire alarm installation(s) specified by the manufacturers of the equipment and
3. notify to Us immediately of any disconnection or failure of the automatic fire alarm installation likely to leave any area unprotected for more than 12 hours or more record details of all events such as alarm faults tests maintenance and disconnections and keep such details available for examination by Us or Our representatives
4. keep all fire break doors and shutters closed except during working hours and in efficient working order

## **Fire Extinguishment – Automatic Sprinkler Installations**

This Condition will only apply if detailed in the Schedule

The following are conditions precedent to Our liability to indemnify You in relation to any claim for Damage caused by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

When a discount has been allowed in consideration of an automatic sprinkler installation if You have failed to fulfil any of the following conditions the discount may be removed and an additional premium charged to You

You must

1. give Us advance notice in writing if any part of the system is to be altered repaired or rendered inoperative
2. tell Us immediately by telephone or facsimile in the event of any emergency and take precautions as advised by Us
3. allow Us to have access to the Premises at all times to inspect or witness the testing of the system

You must carry out the following tests checks or inspections at weekly intervals and promptly rectify any defects faults or shortcomings revealed by such tests checks and inspections and ensure that any such automatic sprinkler installation(s) are in full and proper operation at all times

1. a test of each installation alarm gong recording the time taken for the alarm to sound
2. an inspection to ensure that all of the following are fully opened and secured by means of a suitable strap and padlock
  - a. installation main stop valves
  - b. incoming water supply stop valves
  - c. subsidiary stop valves
3. a test to establish the condition of
  - a. the circuit between the alarm switch and the control unit
  - b. the connection with the public fire station or alarm receiving centre or public fire brigade control

Where the circuit is not continuously monitored these tests must be carried out each working day

c. the batteries

A maintenance contract and a half yearly inspection of this signalling system must be kept in force with approved engineers

4. a check of any alternate or dry installation valves for correct air pressure and settings including accelerator exhausters air compressors ancillary valves
5. a test of the automatic and where provision has been made the manual starting of the sprinkler water supply pump(s) ensuring that any diesel driven pump(s) is allowed to run for a period of not less than 30 minutes
6. a check of the electrically driven pump(s) to ensure that all
  - a. isolators are correctly set
  - b. circuit breakers are correctly set
  - c. electrical supply phase indicators are illuminated
7. a check of all the diesel driven pump(s) engine oil level fuel tank content internal coolant circuits battery electrolyte level battery charger oil hoses water hoses oil coolers exhaust systems turbo chargers drive belt tensions and where replenishment or rectification is required this shall be carried out immediately on conclusion of the tests
8.
  - a. a check of the
    - i. air pressure tank water level
    - ii. air pressure
  - b. a test of the air and water charging equipment
9. a check of the water storage tank(s) water level the automatic refilling mechanism that incoming supply valves are correctly set that incoming supply valves are functional and that any frost precautions are in operation

You must display prominently at each storage area covered by an automatic sprinkler installation a notice of the terms agreed with Us which specifies

1. the description of goods which may be stored
2. the type of storage
3. the maximum height of storage
4. the minimum permitted clearance between goods stored and the sprinkler deflectors

You must also comply with the terms of the notice and ensure compliance by Your partners directors or Employees

### **Fire Extinguishing Appliances**

The following are conditions precedent to Our liability to indemnify You in relation to any claim for Damage by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons If You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

You must maintain all fire extinguishing appliances on the Premises in proper working order and under a contract of maintenance during the Period of Insurance Subject to the observance of this Condition this Section shall not be invalidated by any defect in any of the said appliances due to any circumstances unknown to You or beyond Your control

### **Intruder Alarm System**

This Condition will only apply if it is specified in the Schedule

For the purpose of this Condition only the following definitions apply

**Damage**

loss or destruction of or damage to the Property caused by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons and theft

**Intruder Alarm System**

an electrical installation to detect and indicate the presence of entry or attempted entry of an intruder into Protected Premises

**Protected Premises**

the Premises or those portions of the Premises protected by the Intruder Alarm System as required by Us

**Responsible Person**

You or any person authorised by You to be responsible for the security of the Premises

**Keyholder**

You or any person or key holding company authorised by You who must be available at all times to accept notification of faults or alarm signals relating to the Intruder Alarm System attend and allow access to the Premises

The following are conditions precedent to Our liability to indemnify You in relation to any claim for Damage by this Condition If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

1. the Premises are protected by an Intruder Alarm System and means of communication used to transmit signals from such Intruder Alarm System designed installed and maintained as agreed by Us
2. the Protected Premises must not be left without at least one Responsible Person in attendance
  - a. unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation
  - b. if the police have withdrawn their response to alarm calls unless We agree otherwise in writing
3. in the event of notification of any activation of the Intruder Alarm System or interruption of any of the means of communication used to transmit signals during any period that the Intruder Alarm System is set a Keyholder shall attend the Premises as soon as reasonably possible in order to confirm the security of the Premises and reset the Intruder Alarm System in its entirety If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to transmit signals are not in full operation a Keyholder must remain at the Premises unless We agree otherwise in writing
4. You shall advise Us as soon as possible and in any event not later than 10.00am on Our next working day
  - a. that police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
  - b. of notice from a local authority or Magistrate imposing any requirement for abatement of nuisance
  - c. that the Intruder Alarm System and the means of communication used to transmit signals from such installation cannot be returned to or maintained in full working order and You must comply with any of Our subsequent requirements
5. You shall not conduct or authorise any alteration or substitution of
  - a. any part of the Intruder Alarm System
  - b. the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System
  - c. the means of communication used to transmit signals from the Intruder Alarm System
  - d. the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System
  - e. the maintenance contract without Our written agreement
6. You and each Keyholder must maintain secrecy of codes and security of keys and setting/ unsetting devices for the operation of the Intruder Alarm System All keys and other setting/ unsetting devices for the Intruder Alarm System must be removed from the Premises when they are left unattended
7. The Intruder Alarm System shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or other such company as agreed by Us
8. You will appoint at least two Keyholders and lodge written details (which must be kept up to date) with the

alarm company contracted to maintain the Intruder Alarm System and with the police if they so require

### **Requirements**

The following is a condition precedent to Our liability to indemnify You in relation to any claim

If You have failed to implement the requirements set out in the Schedule within the timescales specified You will lose Your right to indemnity or payment for that claim

### **Minimum Standard of Security**

The following are conditions precedent to Our liability to indemnify You in relation to any claim for fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons theft or attempted theft covered by this Section If You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

Unless agreed otherwise by Us in writing within 30 days of inception of this Policy the following protections shall be fitted to the under-mentioned doors windows and other openings (where these are under Your control) and put into full and effective operation whenever the Premises are closed for business or left unattended

1. on timber final exit doors on other external timber doors and on internal doors giving access to any part of the Premises not occupied solely by You or to any adjoining premises (excluding sliding doors and fire exit doors)
  - a. if single leaf a mortice deadlock conforming to BS3621 with matching boxed steel striking plate
  - b. if double leaf
    - i. on the first closing leaf flush or barrel bolts the latter at least 200mm (8") long or key operated locks or bolts fitted top and bottom in every case
    - ii. on the second closing leaf a mortice deadlock conforming to BS3621 with matching boxed steel striking plate or a substantial padlocking bar and good quality close shackle padlock
  - c. if single or double leaf and also outward opening hinge bolts fitted top and bottom
2. on external aluminium or UPVC doors (excluding sliding and fire exit doors)  
cylinder operated mortice deadlock and if double leaf flush bolts on the first closing leaf
3. on steel final exit doors and all sliding final exit doors  
substantial padlocking bar and good quality close shackle padlock
  - a. on all other steel doors and all other sliding doors (excluding sliding patio doors)  
substantial padlocking bar and good quality close shackle padlock fitted externally or substantial padlocking bar and good quality open shackle padlock fitted internally
  - b. on sliding patio doors
    - i. a manufacturer's patent key-operated locking system which engages boltwork into the doorframe either at the top and bottom of the opening section of each door or into the side frame in at least three points (in the latter case all hook or shoot bolts must be mushroom headed)  
or
    - ii. two key-operated patio door locks fitted internally one at the top and one at the bottom of each opening section
4. on all fire exit doors  
panic bar and hinge bolts fitted top and bottom subject to agreement from the Fire Officer
5. on opening basement and ground floor windows and fanlights and on other opening windows fanlights and skylights which are accessible from roofs balconies canopies fire escapes or downpipes  
key-operated window locks with the keys removed when in operation  
or  
solid steel bars not less than 16mm (5/8") diameter and not more than 125mm (5") apart securely fixed to the brickwork or masonry surrounding the window

## Security

It is a condition precedent to Our liability under this Section that

1. whenever the Premises are closed for business or left unattended all locks bolts and other security devices including any intruder alarm system(s) are put into full and effective operation
2. any keys for the Premises and/or intruder alarm system are removed from the Premises whenever the Premises are closed for business or are left unattended for any reason whatsoever
3. You maintain the secrecy codes for the operation of the Intruder Alarm System to authorised persons and no details of same are left on the Premises

## Stock Declaration

Where 'SDC' appears against the Sum Insured under Stock in Trade in the Schedule the following shall apply the premium for the item(s) is provisional and subject to adjustment as hereinafter provided

1. the separate value of the Property Insured under each such item shall be declared in writing by You to Us either monthly or quarterly as previously agreed and if You fail to give such a declaration then You shall be deemed to have declared the original Sum Insured by the item(s) on the declaration date
2. unless otherwise stated in the Schedule to the contrary the dates on which values are to be calculated shall be
  - a. monthly declarations - the last day of each month or
  - b. quarterly declarations – the last day of every 3 month period commencing from the beginning of the Period of Insurancethe declared values to reach Us within 30 days of the declaration date
3. if You declare a value greater than the Sum Insured We will take the Sum Insured stated in the Schedule to be the value declared.
4. at the end of each Period of Insurance We will calculate the actual premium by applying the rate to the average amount declared
5. if the actual premium is more than the provisional premium paid You will pay the difference
6. if the actual premium is less than the provisional premium paid We will refund the difference but this will not exceed 33 1/3% of the first or annual premium respectively
7. the Sum Insured for each item will not be reduced by the amount of any claim however You must pay the additional premium required to reinstate the Sum Insured
8. every insurance on Stock in Trade must be similar in wording with this insurance

## Section Extensions

All the following extensions shall apply subject to all other terms conditions limits exceptions of this Policy

### Annexes

The Property Insured of

1. annexes conveniences and external hoists gangways and staircases
2. extensions communicating with any of the buildings within described
3. sub-stations

are insured under the respective items applying to the Property Insured to which such Property is attached or belongs

### Architects Surveyors Legal and Other Professional Fees

The Sum Insured under each item of Building and Machinery in the Schedule includes an amount in respect of architects' surveyors' legal and other professional fees necessarily incurred in the reinstatement of the Property Insured consequent upon Damage thereto but not for preparing any claim it being understood that the amount payable for such fees shall not exceed those authorised under the scale of charges of the respective professional bodies at the time of such Damage and that the liability for such Damage and fees shall not exceed in the aggregate the Sum Insured by each such item

### **Capital Additions**

We will indemnify You in respect of Damage to

1. alterations additions and or improvements to the buildings and /or machinery but no appreciation in value thereof
2. newly acquired and/or newly occupied premises provided they are not otherwise insured anywhere in Great Britain Northern Ireland the Isle of Man or the Channel Islands

Provided that

- a. at any one Premises this extension shall not exceed 10 per cent of the Sum Insured under the relevant item or £250,000 in the aggregate whichever is the less
- b. You shall advise Us
  - i. every six months in respect of any such alterations additions and improvements
  - ii. as soon as practicable of any newly acquired and or newly occupied premises

You will pay the appropriate additional premium required from inception of such additional cover and amounts declared shall be added by endorsement to the Sum Insured by the relative item whereupon these provisions shall be fully reinstated

### **Contract Sale Price**

In the event that a contract for the sale of goods (not yet delivered) is cancelled following Damage to goods by reason of conditions attaching to the contract then We will pay the contract price for the goods which have suffered Damage

Any calculation for the purpose of Average will be on the basis of the contract price for all goods sold but not delivered whether suffering Damage of not

### **Damage to Framework**

Any cover granted under this Section in respect of Damage to fixed glass includes the reasonable costs of any necessary boarding up or temporary glazing pending the replacement of broken glass and of removing and re-fixing window fittings and other obstacles to replacement

The maximum we will pay in respect of any one claim under this Extension is £5,000

### **Day One Basis**

Applicable only to those items showing a Declared Value (DV) as stated in the Schedule

1. You having stated in writing the Declared Value incorporated in each item to which this Extension applies the premium has been calculated accordingly  
For the purposes of this Extension Declared Value shall mean  
Your assessment of the cost of reinstatement of Buildings Plant Machinery and Tenants Improvements arrived at in accordance with paragraph (1) of the Basis of Claims Settlement Condition at the level of costs applying at the start of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with an allowance for
  - a. the additional cost of reinstatement to comply with
    - i. European Union Legislation
    - ii. Act of Parliament
    - iii. Bye-Laws of any public authority
  - b. professional fees
  - c. debris removal costs
2. You must notify Us of the Declared Value at the start of each Period of Insurance  
If You fail to notify Us of the Declared Value at the start of any Period of Insurance We will use the last Declared Value notified to Us for the following Period of Insurance
3. Provisions (2) and (4) of the Basis of Claims Settlement Condition are restated as follows
4. If at the time of the Damage the Declared Value is less than the cost of reinstatement of the Property Insured

arrived at in accordance with paragraph (1) of this Condition at the start of the Period of Insurance Our liability for any Damage will be limited to that proportion which the Declared Value bears to the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (1) of this Condition

5. We will not pay under this Condition
  - a. until You have incurred the cost of replacing or repairing the Property Insured
  - b. if You or someone acting on Your behalf have insured the Property Insured under another policy which does not have the same basis of reinstatement
  - c. if You do not comply with any of the provisions of this Condition

However the Sums Insured will be limited to the percentage of the Declared Values stated in the Schedule

#### **Debris Removal**

The Sum Insured for each item of Property Insured under this Section includes costs and expenses necessarily incurred by You with Our consent in

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

the portion or portions of the Property Insured by the said items following Damage

But we will not indemnify You in respect of costs and expenses

- a. incurred in removing debris except from the Premises where Damage occurred and the area immediately adjacent thereto
- b. arising from pollution or contamination of Property not insured by this Section

The maximum We will pay for costs and expenses in respect of Stock in Trade is £10,000

#### **Drain Clearance**

The Sum Insured for each item under Buildings and/or Plant Machinery extends to include costs and expenses necessarily incurred by You and for which We agree to for clearing and /or cleaning drains sewers and gutters for which You are responsible and liable following Damage as insured by this Section

#### **European Union and Public Authorities Clause**

Following Damage as insured by this Section to each item under Buildings and Plant Machinery We will pay the additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with any

1. European Union legislation or
2. building or other regulations under or framed in pursuance of any Act of Parliament or by-laws of any public authority  
(both of which are hereinafter referred to as " Regulations" in respect of the destroyed or damaged Property Insured)

This Extension does not apply to

- a. the cost incurred in complying with the Regulations
  - i. in respect of Damage occurring prior to the granting of this Section Extension
  - ii. in respect of Damage not insured by this Section
  - iii. under which notice has been served upon You prior to the happening of the Damage
  - iv. for which there is an existing requirement which has to be implemented within a given period
  - v. in respect of undamaged Property Insured or undamaged portions of Property Insured other than foundations (unless specifically excluded) of that portion of the Property Insured destroyed or damaged
- b. the additional cost that would have been required to make good the Property Insured destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Regulations not arisen
- c. the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the Property Insured or by the owner thereof by reason of compliance with Regulations

Provided that

1. the work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the Damage or within such further time as We may allow (during the said 12 months) and may be carried out upon another site (if the regulations so necessitate) subject to the Our liability under this Section Extension not being thereby increased
2. if Our liability under any item of this Section apart from this Section Extension shall be reduced by the application of any of the terms conditions and Exceptions of this Section then Our liability under this Section Extension in respect of any such item shall be reduced in like proportion
3. the total amount recoverable under any item of this Section under this Section Extension shall not exceed
  - a. in respect of European Union Legislation
    - i. 15% of the Sum Insured
    - ii. where the Sum Insured by the item applies to Property Insured at more than one Premises 15% of the total amount for which We would have been liable had the Property Insured by the item at the Premises where Damage has occurred been wholly destroyed
  - b. in respect of Regulations the Sum Insured

### **Fire Brigade Damage**

We will indemnify You in respect of costs and expenses necessarily incurred in reinstating or repairing landscaped gardens and grounds following damage caused by fire brigade equipment or personnel in the course of combating fire

The maximum We will pay in respect of any one claim under this Extension is £10,000

### **Fire Extinguishing Expenses**

We will indemnify You in respect of costs and expenses incurred in refilling recharging or replacing any

1. portable fire extinguishing appliances
2. local fire suppression system
3. fixed fire suppression system
4. sprinkler installation
5. sprinkler heads

As a result of Damage as insured by this Section

We will not indemnify You in respect of any costs and expenses recoverable from the maintenance company or fire service

The following is a condition precedent to Our liability to indemnify You in relation to any claim for fire extinguishing expenses If You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

You must maintain all such equipment in accordance with the manufacturer's instruction which is acceptable to Us

The maximum We will pay in respect of any one claim under this extension is £10,000

### **Index Linking**

Each item of Property Insured is declared to be subject to Index Linking unless otherwise specified in the Schedule and it is adjusted at monthly intervals as follows

1. in respect of Buildings Landlords Fixtures and Fittings Tenants Improvements and internal decorations in accordance with the percentage change in the General Building Cost Information Service
2. in respect of Stock in Trade Gross Profit Gross Revenue Gross Rentals Outstanding Debit Balances in accordance with the percentage change in the Producer Price Index for Home Sales of Manufactured Products

3. in respect of all other Plant Machinery Trade Fixtures other than Stock in Trade in accordance with the Durable Goods Section of the Retail Prices Index

At each renewal the premium will be adjusted to apply to the Sum Insured which then pertains and We waive all rights to additional premium arising solely out of such index adjustments prior to renewal We reserve the right to use alternative suitable indices to those mentioned at any time without prior notice if either index becomes unavailable

#### **Loss of Metered Water**

We will pay for charges for which You are responsible if water is accidentally discharged from a metered water system providing service to the Premises

The maximum We will pay in respect of any one claim under this Extension is £10,000

#### **Mortgagors Freeholders and Lessors**

Mortgagors freeholders and lessors shall not be prejudiced by any increase in the risk of Damage resulting from any act of negligence of any mortgagee leaseholder lessee or occupier of any Buildings insured by this Section provided such increase in risk is without their prior knowledge or authority and We are notified immediately they become aware of such increase in risk

#### **Non-invalidation**

The insurance by this Section shall not be invalidated by any act or omission or by any alteration whereby the risk of Damage is increased unknown to or beyond Your control provided that immediately You become aware thereof You shall give notice to Us and pay an additional premium if required

#### **Other Interests**

The interest of parties supplying Property to You under a hiring leasing or similar agreement is noted in this insurance the nature and extent of any such interest to be disclosed in the event of Damage

#### **Rent**

The insurance on rent applies only if any of the Buildings or any part thereof are unfit for occupation in consequence of Damage thereto but the amount payable shall not exceed such proportion of the Sum Insured on Rent as the period necessary for reinstatement bears to the term of Rent insured

#### **Subrogation Waiver**

In the event of a claim arising under this Section We agree to waive any rights remedies or relief to which We might become entitled by subrogation against

1. any Company standing in the relationship of Parent to Subsidiary (Subsidiary to Parent) to You as defined in the Companies Acts or Companies (NI) Order as appropriate current at the time of Damage
2. any Company which is a Subsidiary of a Parent Company of which You are a subsidiary in each case within the meaning of the Companies Acts or Companies (NI) Order as appropriate current at the time of Damage

#### **Theft Damage to Buildings**

We will indemnify You for the cost of repairing Damage by theft or any attempted theft to the buildings at the Premises (whether or not the buildings are insured hereunder) if You are responsible for the repairs and the Damage is not otherwise insured

#### **Temporary Removal (General)**

We will indemnify You in respect of Damage insured by this Section other than to Stock whilst temporarily removed from the Premises for cleaning renovation repair elsewhere and in transit thereto and therefrom in Great Britain Northern Ireland the Isle of Man or the Channel Islands

The maximum We will pay under this Extension is 10% of the Sum Insured for each item after the deduction of the value of any Building and Stock in Trade included within the item insured

But we will not indemnify You in respect of

1. motor vehicles and motor chassis licensed for normal road use when Damage occurs elsewhere than at the Premises
2. Property Insured elsewhere
3. Property Insured removed for more than 90 consecutive days unless We agree a longer period

#### **Temporary Removal – Documents and Computer Systems Records**

Where an item under this Section includes deeds and other documents (including stamps thereon) manuscripts plans and writings of every description and books (written and printed) and computer systems records We will indemnify You in respect of Damage insured by this Section to such item while temporarily removed to any premises not in Your occupation and whilst in transit thereto and therefrom all in Great Britain Northern Ireland the Isle of Man or the Channel Islands

The maximum We will pay under this Extension is 10% of the total value of the item

#### **Transfer of Interest**

If at the time of Damage You shall have contracted to sell Your interest in any Buildings and the purchase shall not have been but shall be thereafter completed the purchaser on completion of the purchase if and so far as the Building is not otherwise insured by or on behalf of the purchaser against such Damage shall be entitled to the benefit of this Section so far as it relates to such Damage without prejudice to Our or Your rights and liabilities under this Section up to the date of completion

#### **Trace and Access**

We will pay reasonable costs and expenses with Our consent in locating the source of any escape of water from any fixed domestic water services or heating installation or escape of fuel oil including subsequent repair to walls floors or ceilings

But we will not indemnify You

1. for the cost of repairs to any fixed domestic water services or heating installation
2. where Damage results solely from a change in the water table level

Our maximum liability shall under this Extension not exceed £5,000 in the aggregate during any one Period of Insurance

#### **Underground Services**

We will pay for Damage for which You are legally liable to underground pipes cables drains and their relevant inspection covers supplying services to and carrying waste from the Premises to the point of junction with public supply lines mains and sewers

The maximum We will pay under this Extension in respect of any claim is £10,000

#### **Workmen**

Workmen are allowed in or about any of the Premises for the purposes of carrying out minor alterations repairs decoration and or any maintenance without prejudice to this Policy

# Business Interruption Section

## Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

### **Damage**

loss of or damage to the Property used by You at the Premises for the purpose of the Business

### **Indemnity Period**

the period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence thereof

### **Turnover**

the money paid or payable to You for goods sold and delivered and for services rendered in the course of the Business at the Premises

### **Maximum Indemnity Period**

the period detailed in the Schedule

**Gross Profit** shall mean the amount by which

1. the sum of the amount of the Turnover and the amounts of the closing stock and work in progress shall exceed
2. the sum of the amount of the opening stock and work in progress and the amount of the Uninsured Working Expenses

The amounts of the opening and closing stocks (including work in progress) shall be arrived at in accordance with Your usual accounting methods due provision being made for depreciation and any discounts allowed

### **Uninsured Working Expenses**

any standing charges of the Business not insured by this Policy having been deducted in arriving at the Sum Insured by the item detailed in the Schedule applicable to this Section

### **Gross Rentals**

the money paid or payable to You for tenancies and other charges and for services rendered in the course of the Business at the Premises

### **Gross Revenue**

the money paid or payable to You for services rendered in the course of the Business less the amount of any Uninsured Working Expenses

### **Estimated Gross Profit**

the amount declared by You to Us as representing not less than the Gross Profit which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months)

### **Estimated Gross Revenue**

the amount declared by You to Us as representing not less than the Gross Revenue which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months)

**Estimated Gross Rentals**

the amount declared by You to Us as representing not less than the Gross Rentals 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)

**Outstanding Debit Balances**

The money owed to You by Your customers at the date of the Damage taking into account

1. bad debts
2. debit and credit amounts owed and not passed through the books during the period between the last record and the date of the Damage
3. abnormal trading conditions affecting the Business
4. Your last record of amounts owed by customers

**Rate of Gross Profit**

the rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage

**Annual Turnover**

the Turnover during the twelve months immediately before the date of the Damage

**Standard Turnover**

the Turnover during the period in the twelve months immediately before the date of the occurrence which corresponds with the Indemnity Period

**Annual Gross Revenue**

the Gross Revenue during the twelve months immediately before the date of the Damage

**Standard Gross Revenue**


the Gross Revenue during the period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period

**Annual Gross Rentals**

the Gross Rentals during the twelve months immediately before the date of the Damage

**Standard Gross Rentals**

the Gross Rentals during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period



to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for 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 so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage

## Cover

In respect of each item in the Schedule We will indemnify You in respect of loss resulting from interruption of or interference with the Business carried on by You at the Premises in consequence of Damage occurring during the Period of Insurance caused by the operation of a Contingency under the Material Damage Section of the Policy unless otherwise stated in the Schedule

Provided that

1. payment shall have been made or liability admitted for the Damage under an insurance covering Your interest in the property  
or
2. 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

### Limit of Liability

Our liability under this Section shall not exceed

1. 133 1/3% of the Estimated Gross Profit or Estimated Gross Revenue shown in the Schedule  
and
2. 100% of the total Sum Insured shown in the Schedule for each other item stated in the Schedule

### Basis of Settlement

The following terms of settlement apply only if the paragraph title appears in the Schedule as the Specification

#### Gross Profit/Estimated Gross Profit

The insurance under this item is limited to loss of Gross Profit due to (1) reduction in Turnover and (2) increase in cost of working and the amount payable as indemnity thereunder shall be

1. in respect of reduction in Turnover  
the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall fall short of the Standard Turnover in consequence of the Damage
2. in respect of increase in cost of working  
the additional expenditure (subject to the provisions of the Uninsured Working Expenses) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage

Provided that

if the sum insured by the item on Gross Profit be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced

#### Gross Revenue/Estimated Gross Revenue

The insurance under this item is limited to (1) loss of Gross Revenue and (2) increase in cost of working and the amount payable as indemnity thereunder shall be

1. in respect of loss of Gross Revenue  
the amount by which the Gross Revenue during the Indemnity Period shall fall short of the Standard Gross Revenue in consequence of the Damage
2. in respect of increase in cost of working  
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue 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 Gross Revenue thereby avoided

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Revenue as may cease or be reduced in consequence of the Damage

If the sum insured by the item on Gross Revenue be less than the Annual Gross Revenue (or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced

#### **Gross Rentals/Estimated Gross Rentals**

The insurance under this item is limited to (1) loss of Gross Rentals and (2) increase in cost of working and the amount payable as indemnity thereunder shall be

1. in respect of the loss of Gross Rentals  
the amount by which the Gross Rentals during the Indemnity Period shall fall short of the Standard Gross Rentals in consequence of the Damage
2. in respect of increase of cost of working  
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross Rentals which but for the expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Gross Rentals thereby avoided

less any sum saved during the Indemnity Period in respect of such of the expenses and charges payable out of Gross Rentals as may cease or be reduced in consequence of the Damage

If the sum insured by the item on Gross Rentals be less than the Annual Gross Rentals (or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced

#### **Book Debts**

If Your account books or other Business books or records whilst on Your Premises or temporarily removed to any premises in Great Britain Northern Ireland the Isle of Man or the Channel Islands or in transit between them sustain Damage as defined which results in Your inability to trace or establish the Outstanding Debit Balances We will pay You

1. the difference between the Outstanding Debit Balances and the total of the amounts received or traced in respect thereof
2. the additional expenditure incurred with Our consent in tracing and establishing customers' debit balances after the Damage
3. auditors' or accountants' charges reasonably incurred for producing and certifying details of a claim under this specification

provided that if the Sum Insured stated in the Schedule is less than the Outstanding Debit Balances the amount payable shall be proportionately reduced

We will not indemnify You as a result of

1. erasure or distortion of information on computer systems or other records
2. deliberate falsification of business records
3. mislaying or misfiling of tapes and records
4. the deliberate act of the public supply undertaking in restricting or withholding electricity supply
5. wear and tear and gradual deterioration vermin rust damp or mildew
6. dishonest or fraudulent acts by any of Your employees

#### **Special Condition**

You will record the total amount of Outstanding Debit Balances at least once every seven days and keep a copy

1. in a locked fire-resistant safe or cabinet at the Premises or

2. away from the Premises

The total amount payable in respect of any one claim shall not exceed the Sum Insured stated in the Schedule at the time of the Damage

#### **Additional Increased Cost of Working**

We will pay in respect of additional cost of working the additional expenditure incurred due to the Damage to maintain the Business during the Indemnity Period which exceeds the amount recoverable in respect of increase in the cost of working insured by the Specification of this Section

The maximum We will pay is the Sum Insured stated in the Schedule

## **Section Conditions**

The following conditions apply to this Section and should be read in-conjunction with the General Conditions applying to the whole Policy

#### **Alternative Trading**

If during the Indemnity Period goods shall be sold accommodation provided or services shall be rendered elsewhere than at the Premises for the benefit of the Business either by You or by others on Your behalf the money paid or payable in respect of such sales accommodation or services shall be brought into account in arriving at the Turnover Gross Revenue Gross Profit or Gross Rentals during the Indemnity Period

#### **Automatic Reinstatement**

The Sums Insured stated in the Schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary

However You must pay the additional premium required to reinstate the Sum Insured

#### **Current Cost Accounting**

For the purpose of these Section Definitions any adjustment implemented in current cost accounting shall be disregarded

#### **Premium Adjustment**

The following provisions apply separately to each item on Gross Profit or Gross Revenue

1. Where the premium paid is not on a provisional basis it may be adjusted at the end of the Period of Insurance  
We will allow a pro rata return of premium not exceeding 50% of the premium paid if the premium calculated at the appropriate rate on the actual Gross Profit or actual Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance as reported by Your auditors is less than the premium paid  
If any Damage shall have occurred giving rise to a claim for loss of Gross Profit or Gross Revenue the above mentioned declaration shall be increased by Us for the purpose of premium adjustment by the amount by which the Gross Profit or Gross Revenue was reduced during the financial year solely in consequence of the Damage
2. Where a provisional premium is paid at the commencement of each Period of Insurance You shall declare to Us within six months of the expiry of each period the actual Gross Profit or actual Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance as reported by Your auditors  
The premium will be calculated at the appropriate rate on the declaration and the premium paid will be adjusted as stated below provided that

if any Damage shall have occurred giving rise to a claim for loss of Gross Profit or Gross Revenue the above mentioned declaration shall be increased by Us for the purpose of premium adjustment by the amount by which the Gross Profit or Gross Revenue was reduced during the financial year solely in consequence of the

#### Damage

- a. in respect of Limit of Liability (1) in this Section if the premium calculated is
  - i. less than the premium paid We will repay the difference to You
  - ii. greater than the premium paid You shall pay the difference
- b. in respect of Limit of Liability (2) in this Section if the premium calculated is
  - i. less than the premium paid We will repay the difference to You but not exceeding the difference between the premium paid and the premium payable on 50% of the Sum Insured
  - ii. greater than the premium paid You shall pay the difference not exceeding the difference between the premium paid and the premium payable on the full Sum Insured

In the event that no declaration is received within six months of the expiry of the Period of Insurance the Sum Insured will be deemed to be the declaration and the additional premium due will become payable

#### **Excess**

We will deduct the amount of the excess stated in the Schedule in respect of each and every claim as calculated after the application of all other terms of this Section

#### **Departmental Clause**

If you conduct the Business in departments and independent trading results are obtainable the Basis of Settlement of the Gross Profit Gross Revenue or Gross Rentals will apply separately to each department affected by the Damage

If the insurance is not on a declaration linked basis if the Sum Insured by such item is less than the total of all the sums produced by applying the Rate of Gross Profit for each department of the Business (affected by the Damage or not) to its relative Annual Turnover (proportionately increased where the Maximum Indemnity Period exceeds 12 months) You will be Your own insurer for the difference and bear a rateable share of the loss

#### **New Business**

For the purposes of any claims arising from Damage occurring before the completion of the first years trading of the Business such loss will be ascertained by applying the Gross Profit or Gross Revenue or Gross Rentals earned during the period between the commencement of the Business and the date of the Damage to the amount by which the Gross Profit or Gross Revenue or Gross Rentals during the period of interruption or interference will have fallen short of the proportional equivalent for that period of the Gross Profit or Gross Revenue or Gross Rentals realised during the period between the commencement of the Business and the date of such Damage

#### **Payments on Accounts**

Claims payments on account may be made to You during the Indemnity Period if required

#### **Professional Accountants**

We will pay Your auditors and professional accountants reasonable charges for

1. producing information We require for investigating any claim and
2. confirming the information is in accordance with Your business books

The maximum We will pay for any claim including auditors and professional accountants charges is the Sum Insured

#### **Subrogation Waiver Clause**

In the event of a claim arising under this Section We agree to waive any rights remedies or relief to which We may be entitled by subrogation against

1. any company whose relationship to You is either a parent to subsidiary or subsidiary to parent
2. any company which is a subsidiary of a parent company of which You are Yourself a subsidiary

as defined in or within the meaning of the relevant Companies Act or Companies (NI) Order current at the time of the Damage

**Value Added Tax**

To the extent that You are accountable to H.M. Customs and Excise for Value Added Tax all terms in this Section shall be exclusive of such tax

## Section Extensions

The following extensions shall apply subject to all other terms conditions limits exceptions of this Policy where specified in the Schedule

We will indemnify You in respect of interruption of or interference with the Business in consequence of Damage during the Period of Insurance caused by the operation of a Contingency under the Material Damage Section of the Policy unless otherwise stated in the Schedule to

1. the under noted premises or situations
- or
2. to the under noted property

Our liability under each extension for any one occurrence will not exceed

- a. the amount
  - or
  - b. the percentage of the Sum Insured (or 133 1/3% of the Estimated Amount)
- stated in the Schedule as the Limit

**Specified Suppliers**

to property at the premises of Your suppliers as named in the Schedule

**Unspecified Suppliers**

to property at the premises of any of Your suppliers within Great Britain Northern Ireland the Channel Islands or the Isle of Man but excluding the premises of any supply undertaking from which You obtain gas water electricity or telecommunications services

The maximum We will pay in respect of any claim shall be £10,000 unless detailed otherwise in the Schedule

**Supplier of Suppliers**

to property at the premises of Your supplier suppliers within Great Britain Northern Ireland the Channel Islands or the Isle of Man but excluding the premises of any supply undertaking from which You obtain gas water electricity or telecommunications services

**Specified Customers**

to property at the premises of Your customers as stated in the Schedule

**Unspecified Customers**

to property at the premises of any of Your customers with Great Britain Northern Ireland the Channel Islands or the Isle of Man

**Public Utilities – Electricity**

to property at the premises of any generating station or sub-station of Your electricity supplier in Great Britain Northern Ireland the Channel Islands or the Isle of Man

**Public Utilities - Water**

to property at the premises of Your gas supplier and any natural gas producer directly linked to Your gas supplier in Great Britain Northern Ireland the Channel Islands or the Isle of Man

**Public Utilities - Gas**

to property at the premises of any water works or pumping station of Your water supplier in Great Britain Northern Ireland the Channel Islands or the Isle of Man

**Public Utilities - Telecommunications**

to property at any land based premises of Your Telecommunications supplier in Great Britain Northern Ireland the Channel Islands or the Isle of Man

**Prevention of Access**

to property in the vicinity of the Premises which hinders or prevents access to the Premises

The maximum We will pay in respect of any one claim shall £10,000 unless otherwise stated in the Schedule

**Property Stored**

to Your property whilst stored in any premises within Great Britain Northern Ireland the Channel Islands or the Isle of Man

We will not indemnify You in respect of property stored in any premises You partially or fully occupy

**Patterns**

to Your patterns models jigs moulds ties tools templates drawings and designs including those for which You are responsible while at any premises in Great Britain Northern Ireland the Channel Islands or the Isle of Man of any machine makers engineers founders or other metal workers

We will not indemnify You in respect of Damage at any premises You partially or fully occupy

**Transit**

To Your property while in transit by road rail or inland waterway all in Great Britain Northern Ireland the Channel Islands or the Isle of Man

We will not indemnify You in respect of impact to or collision with the conveying vehicle

1. road or rail vehicles
2. waterborne craft

**Motor Vehicles**

to motor vehicles belonging to You anywhere in within Great Britain Northern Ireland the Channel Islands or the Isle of Man but not in any premises that You occupy

**Contract Sites**

to any situation within Great Britain Northern Ireland the Channel Islands or the Isle of Man where You are carrying out a contract

**Exhibition Sites**

to any situation within Great Britain Northern Ireland the Channel Islands or the Isle of Man where You are exhibiting goods

## Additional Contingencies

The following Additional Contingencies only apply to this Section if they are stated in the Schedule

### Action by the Police Authority

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of prevention of access to the Premises by the Police Authority due to a danger or disturbance in the vicinity of the Premises

However We will not indemnify You for any interruption or interference lasting less than 12 hours

The maximum We will pay under this Additional Contingency is £50,000 or 10% of the Sum Insured shown under the Specification in the Schedule whichever is the lower in respect of the total of all losses occurring during the Period of Insurance unless otherwise stated in the Schedule

The provisions of any Automatic Reinstatement Condition do not apply in respect of this Additional Contingency

### Full Failure of Utilities – Electricity

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of accidental failure of Your supply of electricity at the terminal ends of Your suppliers feed to the Premises

We will not indemnify You in respect of accidental failure

1. caused by the deliberate act of any supply authority
2. caused by the exercise of any supply authority's power to withdraw or restrict supply or services
3. caused by industrial action
4. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man
5. lasting less than 4 hours

The maximum We will pay for any one claim will not exceed the limit stated in the Schedule

### Full Failure of Utilities – Water

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of accidental failure of Your supply of water at the terminal ends of Your suppliers feed to the Premises

We will not indemnify You in respect of accidental failure

1. caused by the deliberate act of any supply authority
2. caused by the exercise of any supply authority's power to withdraw or restrict supply or services
3. caused by industrial action
4. caused by drought or other weather conditions unless equipment has been damaged
5. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man
6. lasting less than 4 hours

The maximum We will pay for any one claim will not exceed the limit stated in the Schedule

### Full Failure of Utilities - Gas

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of accidental failure of Your supply of gas at the terminal ends of Your suppliers feed to the Premises

We will not indemnify You in respect of accidental failure

1. caused by the deliberate act of any supply authority
2. caused by the exercise of any supply authority's power to withdraw or restrict supply or services
3. caused by industrial action

4. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man
5. lasting less than 4 consecutive hours

The maximum We will pay for any one claim will not exceed the limit stated in the Schedule

**Telecommunications**

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of accidental failure of the telecommunications services at the incoming line terminals or receivers at the Premises

We will not indemnify You in respect of accidental failure

1. caused by the deliberate act of any supply authority
2. caused by the exercise of any supply authority's power to withdraw or restrict supply or services
3. caused by industrial action
4. caused by atmospheric or weather conditions but this will not exclude accidental failure due to Damage caused by such conditions
5. caused by failure of any satellite
6. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man
7. lasting less than 24 hours

The maximum We will pay for any one claim will not exceed the limit stated in the Schedule

# Glass Section

## Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

### Glass

All fixed plain sheet or plain plate glass in windows doors fanlights skylights partitions furniture display and show cases counters or shelves owned by You or for which You are responsible

### Sanitary ware

Fixed baths washbasins pedestals bidets shower trays sinks lavatory pans and cisterns shower trays and splash backs owned by You or for which You are responsible

### Breakage

Accidental fracture extending through the entire thickness of the Glass or Sanitary ware

## Cover

We will indemnify You in respect of Breakage of Glass or Sanitary ware situated at the Premises occurring during the Period of Insurance

We will replace such Glass or Sanitary ware or at Our option pay to You the costs of replacement

### Limit of Liability

Our liability under this Section shall not exceed £5,000 or the limit stated in the Schedule or limit specified in any Extension to this Section

## Section Extensions

The following Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

1. as a direct result of Breakage of Glass We will indemnify You for
  - a. the reasonable cost of
    - i. boarding up
    - ii. repair or replacement of window frames framework security fittings and or alarm foil for an amount not exceeding £1,000 any one occurrence
  - b. Damage to any lettering embossing beading silvering or ornamental work for an amount not exceeding £2,500 any one occurrence
  - c. Damage to goods displayed for an amount not exceeding £1,000 any one occurrence provided such Damage was not a direct result of theft or attempted theft
2. We will indemnify You as a result of Damage to any sign provided such cover is indicated in the Schedule and a Sum Insured is placed thereon The maximum We will pay in respect of signs shall not exceed the Sum Insured

## Section Exceptions

The following exceptions apply to this Section and should be read in conjunction with the General Exceptions

We will not indemnify You in respect of

1. Breakage and/or Damage caused by fire lightning explosion or storm
2. Breakage and/or Damage to glass in light fittings signs Stock in Trade or goods in trust vehicles vending machines greenhouses and conservatories unless specifically accepted by Us
3. defects in the frames and framework

4. caused by or arising from faulty or defective workmanship on the part of You or any of Your Employees
5. scratching wear tear gradual deterioration mechanical or electrical breakdown of neon and illuminated signs and electrical light fittings
6. the Excess stated in the Schedule
7. repair alteration or other fittings to the Premises
8. Breakage and/or Damage occurring in any Vacant or Disused building
9. any consequential loss

# Money and Personal Accident Assault Section

## Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

### **Bodily Injury**

Bodily Injury by violent and visible means

### **Business Hours**

Your normal working hours and any other period which You Your Employee director or partner entrusted with Money are on the Premises in connection with the Business

### **Loss of Limb**

Physical separation of one or more limbs at or above the wrist or ankle or permanent and total loss of use of one or more hands arms legs or feet

### **Non-Negotiable Money**

Crossed cheques crossed giro cheques stamped National Insurance Cards crossed money orders crossed postal orders crossed bankers' drafts crossed warrants national savings certificates premium savings bonds unexpired units in franking machines credit card sales vouchers debit card sales vouchers VAT purchase invoices

### **Person Insured**

You or any of Your partners directors or Employees and in respect of cover (b) Assault aged not less than 16 year old and not more than 75 years

## Cover (a) Money

We will indemnify You in respect of loss of Money by any cause occurring at the Premises in transit or at the private residences of any Person Insured anywhere within Great Britain Northern Ireland the Isle of Man or the Channel Islands during the Period of Insurance

### **Limit of Liability**

Our liability under this Section shall not exceed the limits stated in the Schedule or limit specified in any Extension to this Section

## Section Extensions applicable to Cover (a) Money Only

The following Section Extensions shall apply to Cover (a) Money subject to all other terms conditions limits and exceptions of this Policy

We will indemnify You for loss or destruction of or damage to

1. any cases bags containers belts or waistcoats owned by You or for which You are responsible being used for carrying Money resulting from theft or attempted theft of Money up to a limit of £1,000 any one occurrence
2. clothing and personal effects belonging to You or any Person Insured resulting from theft or attempted theft of Money up to a limit of £500 any one person

We will indemnify You in respect of the cost of changing locks or lock mechanisms on doors windows safes and strongrooms at the Premises to maintain security following theft of keys from the Premises or from Your home or the home of any Person Insured up to a limit of £1,000 any one occurrence

## Section Exceptions applicable to Cover (a) Money Only

We shall not indemnify You in respect of loss destruction or damage

1. arising from fraud or dishonesty of any director partner or Employee unless discovered and reported to the Police and Us in writing within 7 days after the event
2. resulting from use of any form of payment which proves to be counterfeit false invalid uncollectable irrecoverable for any reason
3. where a more specific insurance is in force except for any excess beyond the amount recoverable thereunder
4. due to errors or omissions
5. from unattended vehicles being any vehicle with no person in charge or keeping the vehicle under observation and able to observe or prevent any attempt by any person to interfere with the vehicle
6. outside Great Britain Northern Ireland the Channel Islands and the Isle of Man
7. resulting directly or indirectly from forgery fraudulent alteration or substitution fraudulent use of a computer or electronic transfer
8. from any gaming machine vending machine or automated teller machine or cash dispensing machine unless specifically stated in the Schedule
9. loss of Money in the custody of any security company

## Section Conditions applicable to Cover (a) Money Only

The following conditions apply to Cover (a) Money and should be read in conjunction with the General Conditions applying to the whole Policy

### Accompaniment Limits

The following are conditions precedent to Our liability to indemnify You in relation to any claim for Loss of Money in transit If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

Whenever Money (other than Non-Negotiable Money) is in transit it is to be accompanied by the following numbers of authorised persons between the ages of 18 and 65 unless varied in the Schedule

Amount of Money in transit at any one time	Accompaniment Requirement
Up to £3,000	1 person
Over £3,000 up to £6,000	2 persons
Over £6,000 up to £12,000	3 persons
Over £12,000	Approved security company

The maximum amount we will pay in respect of any item insured under this Section is the limit stated in the Schedule

### Records and Key Security

We will not indemnify You unless

1. a complete record of all Money held by You is kept in a secure place other than in any safe or other receptacle containing Money
2. safe keys are removed from the Premises outside Business Hours
3. all security devices to protect the Premises are properly fitted and put into full operation outside Business Hours

### Adjustment to Premium

The premium having been calculated in whole or in part on estimates provided by You and stated in Schedule

1. within one month after the expiry of each Period of Insurance You will provide Us with an accurate declaration so that the premium for that Period of Insurance can be calculated and the difference paid or allowed to You subject to any minimum premium We may require being retained by Us

2. should You fail to supply such a declaration as described in (1) above We will be entitled to charge an additional premium in respect of that Period of Insurance

### **Theft Protections**

The following are conditions precedent to Our liability to indemnify You in relation to any claim for loss of Money at the Premises outside Business Hours If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

all fastenings and protections on the Premises at the commencement of this Policy and all additional fastening and protections which have been stipulated by Us shall be maintained in full and effective working order during the Period of Insurance and put into full and effective operation outside Business Hours

## **Additional Section Conditions**

The following additional conditions apply to Cover (a) Money only if they are specified in the Schedule and should also be read in conjunction with the General Conditions applying to the whole Policy

### **Intruder Alarm System**

For the purpose of this Condition only the following definitions apply

#### **Intruder Alarm System**

an electrical installation to detect and indicate the presence entry or attempted entry of an intruder into Protected Premises

#### **Protected Premises**

the Premises or those portions of the Premises protected by the Intruder Alarm System as required by Us

#### **Responsible Person**

You or any person authorised by You to be responsible for the security of the Premises

#### **Keyholder**

You or any person or key holding company authorised by You who must be available at all times to accept notification of faults or alarm signals relating to the Intruder Alarm System attend and allow access to the Premises

The following are conditions precedent to Our liability to indemnify You in relation to any claim for loss of Money If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

1. the Premises are protected by an Intruder Alarm System and means of communication used to transmit signals from such Intruder Alarm System designed installed and maintained as agreed by Us
2. the Protected Premises must not be left without at least one Responsible Person in attendance
  - a. unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation
  - b. if the police have withdrawn their response to alarm calls unless We agree otherwise in writing
3. in the event of notification of any activation of the Intruder Alarm System or interruption of any of the means of communication used to transmit signals during any period that the Intruder Alarm System is set a Keyholder shall attend the Premises as soon as reasonably possible in order to confirm the security of the Premises and reset the Intruder Alarm System in its entirety If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to transmit signals are not in full operation a Keyholder must remain at the Premises unless We agree otherwise in writing
4. You shall advise Us as soon as possible and in any event not later than 10.00am on Our next working day
  - a. that police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed

- b. of notice from a local authority or magistrate imposing any requirement for abatement of nuisance that the Intruder Alarm System and the means of communication used to transmit signals from such installation cannot be returned to or maintained in full working order and You must comply with any of Our subsequent requirements
- 5. You shall not conduct or authorise any alteration or substitution of
  - a. any part of the Intruder Alarm System
  - b. the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System
  - c. the means of communication used to transmit signals from the Intruder Alarm System
  - d. the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System
  - e. the maintenance contract without Our written agreement
- 6. You and each Keyholder must maintain secrecy of codes and security of keys and setting/ unsetting devices for the operation of the Intruder Alarm System All keys and other setting/ unsetting devices for the Intruder Alarm System must be removed from the Premises when they are left unattended
- 7. The Intruder Alarm System shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or other such company as agreed by Us
- 8. You will appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company contracted to maintain the Intruder Alarm System and with the police if they so require

#### **Requirements**

If in relation to any claim You have failed to implement the Requirements as required by Us within the timescales specified You will lose Your right to indemnity or payment for that claim

#### **Contingent Security Company Cover**

We will indemnify You in respect of loss of Money in the custody of any security company You have an agreement with if You are unable to recover the Money from the security company

The following are conditions precedent to Our liability to indemnify You in relation to any claim in respect of loss of Money in the custody or control of any security company If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must

1. provide Us with a copy of the agreement between You and the security company
2. obtain Our written agreement before any changes are made to the agreement
3. comply with the terms of the agreement

## **Cover (b) Assault**

We will pay compensation as detailed in the Schedule in respect of any Bodily Injury sustained by any Person Insured in the course of the Business caused solely and directly by violence occurring during theft or attempted theft of Money and which directly and independently of any other cause results in any of the Contingencies detailed below

## **Contingencies**

1. death (which shall not be presumed by disappearance of the Person Insured) occurring within 24 months of Bodily Injury
2. disablement occurring within 24 months of Bodily Injury being
  - a. total and permanent loss of all sight in one or both eyes or
  - b. total Loss of Limb

3. permanent total disablement which after 24 months of Bodily Injury prevents the Person Insured from pursuing any occupation
4. total disablement which within 24 months of Bodily Injury prevents the Person Insured from pursuing their normal occupation
5. partial disablement which within 24 months of Bodily Injury prevents the Person Insured from pursuing a substantial and essential part of their normal occupation
6. Incurred medical expenses

## Clauses

### Amounts payable

1. We will pay
  - a. weekly compensation at 4 weekly intervals
  - b. compensation under Contingencies 4 and 5 for a maximum of 2 years from the date that the disablement started
2. weekly benefit being paid for the same Bodily Injury will end if We pay compensation under Contingencies 1-3
3. insurance will end for the Person Insured if We pay compensation under Contingencies 1–3
4. reimbursement up to a sum of £500 in respect of Contingency 6

## Section Conditions applicable to (b) Assault

1. In the event of death We shall be entitled to have a post mortem at Our own expense
2. In the event of any Bodily Injury the Person Insured must immediately place himself/herself under the care of a qualified medical practitioner and act upon such medical and/or surgical advice as is given as soon as reasonably practicable
3. In the event of any Bodily Injury the Person Insured must as often as may be required submit to medical examination at Our expense
4. The amount payable under Contingencies 4 and 5 shall be payable when the total amount has been agreed or at Your request at intervals of not less than four weeks (but not in advance) commencing four weeks after We have received written notice of any Bodily Injury

## Section Exceptions applicable to (b) Assault

We will not be liable under Cover (b) Assault in respect of any death or disablement attributable to contributed to or accelerated by pregnancy or any pre-existing physical or mental condition

# Goods in Transit Section

## Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

### **Damage**

Loss or destruction of or damage to the Property Insured

### **Property Insured**

General merchandise connected with the Business belonging to You or for which You have accepted responsibility

### **Clothing and Personal Effects**

Personal possessions of Your or Your drivers' worn or carried during transit excluding cash bank notes credit cards watches and jewellery

### **Excess**

The amount or amounts shown in Your Policy or the Schedule which We will deduct from each and every claim at each separate location and will be deducted after the application of Average

### **Overnight**

Means from 21.00 hours or whenever the Vehicle or trailer was last occupied (whichever is the earlier) to 06.00 hours or until the Vehicle is first used whichever is the later

### **Vehicle**

Any motor vehicle and/or trailer and/or container which You own or operate in connection with the Business

### **Tools**

Tools tool kits or test equipment which You own or are hired by You or used by You in connection with the Business and for which You are responsible

## Cover

We will indemnify You in respect of Damage to Property Insured occurring during the Period of Insurance whilst being carried by the means of transit as detailed in the Schedule anywhere within or between Great Britain Northern Ireland the Isle of Man and the Channel Islands including whilst

1. loading and unloading
2. temporarily stored in or on a Vehicle during transit
3. conveyed on recognised "roll-on roll-off" vehicle ferries providing no unloading or reloading of the vehicle is involved

### **Limit of Liability**

Our liability under this Section shall not exceed the limits stated in the Schedule or limit specified in any Extension to this Section

## Section Extensions

The following Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

### **Additional Expenses**

We will indemnify You for costs and expenses reasonably incurred by You with Our consent

1. in transferring the Property Insured to any other vehicle or trailer or delivering such property to its original destination or returning to its place of dispatch consequent upon collision or overturning of the conveying vehicle or trailer
2. the reloading of Property Insured to the conveying vehicle or trailer following accidental discharge
3. the removal of debris and site clearance following Damage to Property Insured up to a limit of £5,000 or the amount as stated in the Schedule

#### **Clothing and Personal Effects**

We will indemnify You for Damage to Clothing and Personal Effects caused by or following an accident to any Vehicle up to a limit of £500 any one claim or the limit as stated in the Schedule

#### **Property on Approval with Customers**

We will indemnify You against Damage to Property Insured whilst

1. in transit to or from Your customers premises on approval
2. on approval at the customers premises anywhere in Great Britain Northern Ireland the Channel Islands and the Isle of Man excluding Damage when in use

up to a limit of £10,000 in respect of any one claim

#### **Property on Demonstration**

We will indemnify You against Damage to Property Insured whilst

1. in transit to or from any premises for the purpose of demonstration
2. at the premises where the demonstration takes place within Great Britain Northern Ireland the Channel Islands the Isle of Man excluding Damage caused during the demonstration itself

up to a limit of £10,000 in respect of any one claim

#### **Tarpaulins Sheets Ropes**

We will indemnify You for Damage to sheets ropes chains tarpaulins toggles or packing materials owned by You or for which You are responsible while carried on any Vehicle

We will replace such tarpaulins as new if such tarpaulins were not more than one year old at the time of Damage

#### **Tools**

We will indemnify You for Damage to Tools

1. in or on any Vehicle
2. whilst temporarily stored on any Vehicle during transit

up to a limit of £500 any one claim or the amount as stated in the Schedule

#### **Travellers Samples**

We will indemnify You against Damage to travellers samples

1. in or on any Vehicle
2. whilst they are temporarily removed from any Vehicle and kept in any stockroom hotel or private dwelling house provided that they remain in the custody or control of You or Your Employee partner or director

up to a limit of £2,500 any one claim or the amount as stated in the Schedule

## **Section Exceptions**

The following exceptions apply to this Section and should be read in conjunction with the General Exceptions

We will not provide an indemnity in respect of

1. Damage caused by
  - a. defective or inadequate packing insulation or labelling delay inadequate documentation disappearance or unexplained or inventory shortage

- b. evaporation or ordinary leakage
  - c. vermin insects wear tear inherent vice latent defect gradual deterioration
  - d. pollution or contamination
  - e. an existing or hidden defect
  - f. indirect or consequential loss
  - g. vibration denting scratching or bruising
  - h. mechanical or electrical breakdown derangement defect or failure
2. Shortage in weight
  3. Damage caused by deterioration or variation in temperature unless directly consequent upon fire theft or overturning or collision of the carrying vehicle
  4. Damage arising from
    - a. confiscation requisition or destruction by order of any government or any public authority
    - b. riot civil commotion strikes lockouts or labour disturbances
  5. Damage
    - a. occurring outside Great Britain Northern Ireland the Channel Islands and the Isle of Man
    - b. not connected with the Business
  6. Damage to
    - a. jewellery precious stones watches clocks gold and silver articles furs curios
    - b. wines spirits perfumes and tobacco products
    - c. audio visual equipment
    - d. computer hardware and software
    - e. rare books and works of art
    - f. Money and bullion non ferrous metals
    - g. living creatures
    - h. explosives

Unless such Property Insured is specifically stated in the Schedule as insured and the Damage is not otherwise excluded
  7. Damage caused by theft or attempted theft of the Property Insured and/ or Tools and/or Clothing and Personal Effects from any unattended Vehicle being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle
 

Unless You have ensured that

    - a. all doors windows and other points of access have been locked where locks have been fitted and
    - b. all manufacturers' security devices have been put into effect and
    - c. the keys have been removed from any unattended Vehicle and
    - d. unattached trailers have anti-hitching devices fitted and they are put into effect
  8. Damage resulting from theft or attempted theft from any unattended Vehicle during the hours from 9pm until 6am unless such Vehicle is
    - a. garaged in a securely locked building of substantial nature or
    - b. a compound which has secure walls and/or fences and securely locked gates
  9. property in transit for hire or reward
  10. the Excess as stated in the Schedule
  11. loss of market or indirect or consequential loss

## Section Conditions

The following conditions apply to this Section and should be read in conjunction with the General Conditions applying to the whole Policy

### Automatic Reinstatement

The Limits of Liability stated in the Schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary

You must pay the additional premium required to reinstate the Limit of Liability

#### **Average**

Where a Sum Insured is subject to average if at the time of the Damage the Sum Insured is less than the total value of the Property Insured You will be considered as Your own insurer for the difference and bear a proportionate share of the loss

#### **Basis of Claims Settlement**

The amount payable shall be the value of the Property Insured at the time of its Damage or at Our option the reinstatement or replacement of such property or any part of it

#### **Reasonable Care**

The following are conditions precedent to Our liability to indemnify You in relation to any claim under this Section for Damage to Property Insured If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must

1. only employ reliable and competent drivers and
2. take all reasonable measures to
  - a. prevent Damage
  - b. secure loads properly
  - c. maintain any Vehicle in accordance with current law
  - d. ensure any Vehicle is suitable for the purpose for which it is to be used
3. allow Us access to examine any Vehicle which You operate or premises from which You operate

#### **Substitution of Vehicles**

Where Vehicles are individually specified in the Schedule We will insure subject to the Limit of Liability and any other terms and conditions applicable to the original Vehicle the Property Insured whilst in or on any other vehicle

1. temporarily substituted for the specified Vehicle whilst the Vehicle is out of use for maintenance repair or official vehicle testing
2. permanently substituted for the specified Vehicle provided that You inform Us in writing within 21 days of the substitution

## **Section Endorsements**

The following Endorsements only apply to this Section if specified in the Schedule

#### **Alarm Clause – Specified Vehicles**

We will not indemnify You in respect of Damage resulting from theft or attempted theft from any specified unattended Vehicle being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle unless the alarm system approved by Us is

1. put into operation and all alarm keys removed and
2. maintained in accordance with the terms and conditions of the installing company's agreement

#### **Alarm Clause – Unspecified Vehicles**

We will not indemnify You in respect of Damage resulting from theft or attempted theft from any unattended Vehicle being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle unless the alarm system approved by Us is

1. put into operation and all alarm keys removed and
2. maintained in accordance with the terms and conditions of the installing company's agreement

**Declarations**

The insurance on the Property Insured is subject to the following

The first and annual premiums paid are provisional

1. You must declare to Us the actual value of the property in transit for the Period of Insurance within one month of the expiry of the Period of Insurance
2. At the end of each Period of Insurance We will calculate the actual premium by applying the rate to the average amount declared
3. If the actual premium is more than the provisional premium paid You will pay the difference  
If the actual premium is less than the provisional premium paid We will refund the difference
4. Every insurance on the Property Insured must be similar in wording with this insurance

# Legal Liabilities Section

## Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

### **Asbestos**

crocidolite amosite chrysotile fibrous actinolite fibrous anthophyllite or fibrous tremolite or any mixture containing any of those materials fibres or particles of Asbestos or any material containing Asbestos or Asbestos dust

### **Costs and Expenses**

Costs and Expenses shall be deemed to mean

1. costs and expenses of claimants for which You are legally liable and which may be the subject of indemnity under this Section
2. other costs and expenses incurred with Our written consent in respect of any claim which may be the subject of indemnity under this Section
3. legal costs and expenses incurred with Our written consent for representation by You at
  - a. any proceedings brought in any court arising out of any alleged breach of a statutory duty resulting in Injury
  - b. any coroners inquest or inquiry in respect of any death which may be the subject of indemnity under this Section

### **Compensation**

Damages including interest

### **Event**

Any accident or occurrence including continuous or repeated exposure to substantially the same general conditions which results during the Period of Insurance in Injury or Damage to Property All Events or series of Events consequent on one cause shall be regarded as one Event for the purposes of this Policy

### **Limit of Indemnity**

The limit as specified in the Schedule including all costs and expenses

### **Offshore**

From the time of embarkation onto a conveyance at the point of final departure from land to any offshore rig or any offshore platform whilst on any offshore rig or offshore platform and until such time of disembarkation from a conveyance onto land upon return from any offshore rig or offshore platform

### **Product Supplied**

any product or thing including packaging containers instructions and labels sold supplied erected repaired altered treated installed tested serviced or delivered by or through You in the course of the Business within the Territorial Limits

### **Territorial Limits**

1. anywhere within Great Britain Northern Ireland the Isle of Man or the Channel Islands other than Offshore
2. elsewhere in the world (other than the United States of America or Canada or Offshore) for temporary visits by non-manual employees in connection with the Business undertaken by You or any of Your directors or Employees normally resident in (1) above
3. Elsewhere in the world in respect of any Product Supplied (other than those to Your knowledge sold supplied erected repaired altered treated or installed by You in or for delivery or use in the United States of America or Canada)

# Employers Liability Sub-Section

## Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation including Costs and Expenses in respect of Injury sustained by any Employee caused during the Period of Insurance within the Territorial Limits and arising out of employment by You in the course of the Business

### Limit of Indemnity

Our liability for Compensation and Costs and Expenses payable under this Sub-Section in respect of any claim or series of claims against You as a result of or arising out of one Event shall not exceed the Limit of Indemnity

### Right of Recovery

The indemnity provided under this Sub-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 Island the Channel Islands or the Isle of Man You must repay to Us all sums paid by Us that We would not have been liable to pay but for the provisions of such law

## Extensions to this Sub-Section

The following Sub-Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

### Unsatisfied Court Judgments

This Sub-Section extends to include the following

In the event of Injury sustained by any Employee caused during the Period of Insurance within the Territorial Limits and arising out of employment by You in the course of the Business which results in a judgment for Compensation being obtained by the Employee or the personal representatives of the Employee and which remains unsatisfied in whole or part six months after the date of such judgment We will at Your request pay to the Employee or the personal representatives of the Employee the amount of any such Compensation and any costs awarded to the Employee or the personal representatives of the Employee to the extent that they remain unsatisfied provided that

1. the judgment for Compensation is obtained
  - a. in a court of law within Great Britain Northern Island the Channel Islands or the Isle of Man
  - b. against a company partnership or individual other than You conducting a business at or from premises within the territories described in (a) above
2. there is no appeal outstanding
3. if any payment is made under the terms of this Extension the Employee or the personal representatives of the Employee must assign the judgment to Us

## Exceptions to this Sub-Section

The following exceptions apply to this Sub-Section and should be read in conjunction with the Policy Exceptions

### Vehicles

We will not provide indemnity in respect of any legal liability for which compulsory motor insurance or security is required in accordance with any road traffic legislation within the European Union

## Public Liability Sub-Section

### Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation including Costs and Expenses in respect of

1. accidental Injury to any person
2. accidental loss of or damage to Property
3. accidental nuisance or trespass obstruction loss of amenities or interference with any right of way light air or water

and occurring during the Period of Insurance within the Territorial Limits in connection with the Business

#### Limit of Indemnity

Our liability for Compensation and Costs and Expenses payable under this Sub-Section in respect of any claim or series of claims against You as a result of or arising out of one Event shall not exceed the Limit of Indemnity

### Extensions to this Sub-Section

The following Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

#### Contingent Motor Liability

Notwithstanding Exception (4) of this Sub-Section We will indemnify You in respect of legal liability arising out of the use in the course of the Business of any motor vehicle not belonging to or provided by You anywhere in Great Britain Northern Ireland the Channel Islands or the Isle of Man provided that this indemnity shall not apply

1. in respect of Damage to the vehicle or to any property conveyed therein
2. whilst the vehicle is being driven by You or any person with Your general consent who to Your knowledge or anyone on Your behalf does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
3. in respect of which You are entitled to indemnity under any other insurance
4. in respect of liability arising from circumstances in which it is compulsory for You to insure or provide security in respect of such vehicles as a requirement of relevant road traffic legislation

#### Data Protection Act 1998

We will indemnify You and at Your request any of Your directors or partners or Employees against all sums which You or any of Your directors or partners or Employees become(s) legally liable to pay as Compensation together with Costs and Expenses under Section 13 of the Data Protection Act 1998 caused in connection with the Business during the Period of Insurance provided that You are

1. a registered user in accordance with the terms of the Act
2. not in business as a computer bureau

The total amount payable including all Costs and Expenses under this Extension in the aggregate any one Period of Insurance is limited to £250,000

The indemnity provided by this Extension shall not apply to

- a. legal liability caused by any deliberate act or omission by You the result of which could reasonably have been expected by You having regard to the nature and circumstances of such act or omission
- b. legal liability caused by any act of fraud or dishonesty
- c. the costs and expenses of rectifying rewriting or erasing data
- d. legal liability arising from the recording processing or provision of data for reward or to determine the financial status of any person
- e. the payment of fines or penalties

- f. claims which arise out of circumstances notified to previous insurers or known to You at inception of this Policy
- g. legal liability where indemnity is provided by any other insurance

#### **Defective Premises Act**

We will indemnify You in respect of legal liability in respect of accidental Injury or accidental loss of or damage to Property incurred by virtue of Section 3 of the Defective Premises Act 1972 or of Section 5 of the Defective Premises (Northern Ireland) Order 1975 provided that

1. such liability is not otherwise insured
2. We will not be liable in respect of
  - a. damage to that part of such premises on which You or anyone on Your behalf has worked if such damage directly results from such work
  - b. the cost of remedying any defect or alleged defect in the premises disposed of by You

#### **Employees and Visitors Personal Belongings**

Notwithstanding Exception (2) of this Sub-Section We will indemnify You in respect of legal liability for accidental damage to the vehicles and personal belongings of Your directors partners Employees and visitors which are in Your custody or control

We will not provide indemnity where this Property is

1. loaned leased hired or rented to You
2. stored for a fee or other consideration
3. in Your custody or control for the purposes of being worked upon

#### **Overseas Personal Liability**

We will indemnify You and if You so request any of Your directors partners or Employees or spouse or civil partner of such person against legal liability incurred in a personal capacity whilst temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man but excluding the United States of America or Canada in connection with the Business

The indemnity will not apply to legal liability

1. arising out of the ownership or occupation of land or buildings
2. in respect of which any person referred to above is entitled to indemnity under any other insurance

#### **Damage to Leased or Rented Premises**

Notwithstanding Exception (2) of this Sub-Section We will indemnify You in respect of legal liability for loss of or damage to premises (or fixtures or fittings thereof) hired or rented to You provided that this extension shall not apply to liability in respect of

1. legal liability arising under agreement unless legal liability would have attached to You in the absence of such agreement
2. the first £500 in respect of any claim caused otherwise than by fire or explosion

## **Exceptions to this Sub-Section**

The following exceptions apply to this Sub-Section and should be read in conjunction with the Policy Exceptions

We will not indemnify You against legal liability in respect of

1. Injury to any Employee
2. loss of or damage to Property belonging to You held in trust by You or in Your custody or control or which is leased let rented hired or lent to You
3. the costs of remedying any defect or alleged defect in land or premises sold or disposed of by You or for any reduction in value thereof

4. the ownership possession or use by You or on Your behalf of any craft (air or waterborne) or mechanically propelled vehicles (including power assisted cycles) other than mechanically-propelled garden implements used within the grounds of Your Premises
5. any advice treatment design formula or specification provided by You or on Your behalf for a fee or in circumstances where a fee would normally be charged
6. professional services rendered
7. the Excess shown in the Schedule in respect of each and every claim for Damage to Property
8. liability arising out of Product Supplied after they have ceased to be in Your custody or control other than
  - a. food or drink sold or supplied for consumption by Your directors partners Employees or visitors
  - b. the disposal of furniture and office equipment originally intended solely for use by You in connection with the Business and which is no longer required for that purpose
9. any liquidated damages fine or penalty
10. punitive exemplary aggravated or restitutionary damages or any additional damages resulting from the multiplication of compensatory damages

# Products Liability Sub-Section

## Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation including Costs and Expenses in respect of

1. accidental Injury to any person
2. accidental loss of or damage to Property

and occurring during the Period of Insurance within the Territorial Limits caused by any Product Supplied

### Limit of Indemnity

Our liability for Compensation and Costs and Expenses payable in respect of any claim or series of claims against You as a result of or arising out of one Event and in the aggregate any one Period of Insurance shall not exceed the Limit of Indemnity

## Extensions to this Sub-Section

The following Sub-Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

### Consumer Protection Act Costs

We will indemnify You and at Your request any director partner or Employee in respect of legal costs and expenses incurred with Our written consent in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of Part II of The Consumer Protection Act 1987 provided that

1. the proceedings relate to an offence alleged to have been committed in the course of the Business and during the Period of Insurance
2. We will not indemnify You in respect of
  - a. fines or penalties
  - b. costs and expenses insured by any other policy
  - c. proceedings consequent upon any deliberate management decision act or omission of management

The maximum amount We will pay shall not exceed £100,000

## Exceptions to this Sub-Section

The following exceptions apply to this Sub-Section and should be read in conjunction with the General Exceptions

We will not indemnify You against legal liability in respect of

1. Injury to any Employee
2. loss of or damage to Property belonging to You held in trust by You or in Your custody or control or which is leased let rented hired or lent to You
3. any advice treatment design formula or specification provided by You or on Your behalf for a fee or in circumstance where a fee would normally be charged
4. professional services rendered
5. loss of or damage to any Product Supplied or for the costs of recall removal repair alteration replacement or reinstatement of such Product Supplied caused by any defect therein or the unsuitability thereof for its intended purpose
6. any Product Supplied which to Your knowledge is for use in or on any aircraft missile or for aviation or aerospace purposes or for the safety or navigation of marine craft of any sort
7. any liquidated damages fine or penalty
8. punitive exemplary aggravated or restitutionary damages or any additional damages resulting from the multiplication of compensatory damages

9. any Product Supplied which is in Your custody or control

## Extensions applicable to Legal Liabilities Section

The following Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

### Additional Persons Insured

We will indemnify

1. in the event of the death of any person entitled to indemnity under this Section the deceased's legal representatives but only in respect of legal liability incurred by such deceased person
2. at Your request
  - a. any of Your directors partners or Employees in respect of legal liability arising in connection with the Business provided that You would have been entitled to indemnity under this Section if the claim had been made against You
  - b. any officer committee or member of Your canteen sports social or welfare organisations fire security first aid medical or ambulance services in their respective capabilities as such
  - c. any of Your directors or senior officials in respect of private work undertaken by any Employee for that director or senior official

Provided that

1. such persons are not entitled to indemnity under any other policy covering such liability
2. each person will as though they were You observe fulfil and be subject to the terms of this Policy insofar as they can apply
3. We shall retain sole conduct and control of any claim
4. where We are required to indemnify more than one party Our total liability shall not exceed the relevant Limit of Indemnity

### Compensation for Court Attendance

In the event of any director partner or Employee attending court as a witness at Our request in connection with any claim made against You we will provide compensation to You up to a maximum of £250 per day on which attendance is required

### Contractual Liability and Indemnity to Principal

Notwithstanding the Liability under Contract or Agreement Exception to this Section We will indemnify You under the Employers Liability and Public Liability Sub-Sections in respect of Injury or loss of or damage to Property as follows To the extent that any contract or agreement entered into by You with any Principal so requires We will indemnify You against liability assumed by You and the Principal in like manner to You in respect of the liability of the Principal where the liability arises out of the performance by You of such contract or agreement provided that

1. the conduct and control of claims is vested in Us
2. the Principal shall observe fulfil and be subject to the terms of this Policy so far as they apply
3. the indemnity shall not apply in respect of liquidated damages or any penalty clause
4. the indemnity granted under the Employers Liability Sub-Section shall only apply in respect of liability to any person who is an Employee of Yours
5. the indemnity shall not apply in respect of loss or damage against which You are required to effect insurance under the terms of the Joint Contracts Tribunal Standard of Building Contract 1963 Edition Clause 19 (2) (a) 1980 Edition Clause 21.2.1 or any subsequent amendments thereof or any form of contract requiring a similar indemnity
6. where indemnity is granted to any Principal We will treat each Principal and You as though a separate Policy had been issued to each of them provided that the total amount of indemnity payable to all parties shall not exceed the Limit of Indemnity of any Sub-Section of this Section

For the purpose of the extension Principal means the other party to a contract or agreement for whom You are undertaking work or service or providing a Product Supplied where such party is responsible for setting out the terms of the contract or agreement

### **Cross Liabilities**

If more than one insured is referred to in the Schedule We will treat each party as if a separate Policy had been issued to each provided that the total amount of indemnity payable to all parties in respect of Compensation together with Costs and Expenses does not exceed the Limit of Indemnity under any Sub-Section of this Section

### **Health and Safety at Work Costs**

We will indemnify You and at Your request any director partner or Employee in respect of legal costs and expenses with Our written consent and costs awarded against You or any director partner or Employee arising in connection with any criminal proceedings (including an appeal against any conviction resulting from such proceedings) as a result of an offence committed or alleged to have been committed during the Period of Insurance and in the course of the Business under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain Northern Ireland the Channel Islands or the Isle of Man provided that

1. the proceedings relate to the health safety or welfare of Employees
2. We will not indemnify You for
  - a. fines or penalties
  - b. costs and expenses insured by any other policy
  - c. proceedings consequent upon a deliberate management decision act or omission of management

The maximum amount We will pay shall not exceed £100,000

## **Exceptions applicable to Legal Liabilities Section**

The following exceptions apply to this Section and should be read in conjunction with the General Exceptions

### **Asbestos**

We will not provide indemnity in respect of

1. exposure to
2. inhalation of
3. fears of the consequences of exposure to or inhalation of
4. the costs incurred by anyone in repairing removing replacing recalling rectifying reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of

Asbestos Asbestos Dust or Asbestos Containing Materials

Except in respect of the Employers Liability Sub-Section to the extent that it is necessary to comply with the minimum requirements of the law within Great Britain Northern Ireland the Isle of Man or the Channel Islands relating to compulsory insurance of liability to Employees

### **Pollution or Contamination** (applicable to Public Liability Sub-Section and Products Liability Sub-Section)

We will not indemnify You in respect of Pollution or Contamination

1. occurring in the United States of America or Canada or dependency or trust territory
2. occurring elsewhere unless caused by a sudden identifiable unintentional and unexpected incident which takes place in its entirety at specific moment in time and place during the Period of Insurance

All Pollution or Contamination which arises out of one event shall be deemed to have occurred at the time such event takes place

Our liability for all Compensation together with Costs and Expenses payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance will not exceed in the aggregate the Limit of Indemnity shown in the Schedule in respect of any Sub-Section of this Section

For the purpose of this exclusion and limitation "Pollution or Contamination" shall be deemed to mean

- a. all pollution or contamination of buildings or other structures or of water or land or the atmosphere
- and
- b. all loss or damage to Property or Injury directly or indirectly caused by such pollution or contamination

**Liability under Contract or Agreement**

We shall not indemnify You against liability which is assumed by You by agreement unless such liability would have attached in the absence of such agreement

# Business Machines All Risks (Specified Items) Section

## Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

### Defined Peril

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

### Geographical Limits

1. the Premises
2. anywhere in Great Britain Northern Ireland the Channel Islands and the Isle of Man including the Premises
3. anywhere in Great Britain Northern Ireland the Channel Islands and the Isle of Man and the countries of the European Union
4. anywhere in the World

### Responsible Person

You or any person authorised by You to be responsible for the security of the Premises

## Cover

We will indemnify You in respect of Damage occurring during the Period of Insurance to Property described in the Schedule provided the Damage occurs within the Geographical Limits as detailed in the Schedule

The Sums Insured under each item is separately subject to Average

### Limit of Liability

Our liability under this Section shall not exceed the Sum Insured shown against each item in the Schedule for the Period of Insurance as stated in the Schedule

### Basis of Claims Settlement

The amount payable shall be an amount equal to the cost of repair reinstatement or replacement of the property when new without deduction for wear and tear to a condition equivalent to or substantially the same but not better or more extensive than its condition when new subject to the monetary limit specified in the Schedule

Provided that repair reinstatement or replacement has been effected

## Section Exceptions

We will not indemnify You for

1. consequential loss of any kind or description
2. Damage caused by
  - a. inherent vice latent defect gradual deterioration wear and tear frost change in water table Your own faulty or defective design or materials
  - b. faulty or defective workmanship operational error or omission on the part of You or any of Your Employeesbut this shall not exclude subsequent Damage which itself results from a cause not being an excepted cause under this Section or otherwise excluded
3. Damage caused by

- a. corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
  - b. change in temperature or atmospheric or climatic conditions
  - c. mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates
- but this shall not exclude
- i. such Damage which itself results from a Defined Peril or from any other cause not being an excepted cause under this Section or otherwise excluded
  - ii. subsequent Damage which itself results from a cause not being an excepted cause under this Section or otherwise excluded
- 4. any loss from an unattended vehicle of trailer vehicle being any vehicle with no person in charge or keeping the vehicle under observation and able to observe or prevent any attempt by any person to interfere with the vehicle
  - 5. Damage caused by
    - a. acts of fraud or dishonesty by Your Employees
    - b. unexplained disappearance unexplained or inventory shortage misfiling or misplacing of information
    - c. any process of fitting testing servicing repair renovation or adjustment
  - 6. the Excess stated in the Schedule

## Section Conditions

### Automatic Reinstatement

In the absence of written notice from Us to the contrary the Sum Insured by this Section shall not be reduced by the amount of loss and in return You undertake to pay the appropriate extra premium at a rate to be agreed on the amount of the loss from the date thereof

### Average

Where a Sum Insured is subject to average if at the time of the Damage the Sum Insured is less than the total value of the property You will be considered as Your own insurer for the difference and bear a proportionate share of the loss

### Intruder Alarm System

This Condition will only apply if it is specified in the Schedule

For the purpose of this Condition only the following definitions apply

#### Damage

loss or destruction of or damage to the Property caused by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons and theft

#### Intruder Alarm System

an electrical installation to detect and indicate the presence entry or attempted entry of an intruder into Protected Premises

#### Protected Premises

the Premises or those portions of the Premises protected by the Intruder Alarm System as required by Us

#### Responsible Person

You or any person authorised by You to be responsible for the security of the Premises

## Keyholder

You or any person or key holding company authorised by You who must be available at all times to accept notification of faults or alarm signals relating to the Intruder Alarm System attend and allow access to the Premises

The following are conditions precedent to Our liability to indemnify You in relation to any claim for Damage If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

1. the Premises are protected by an Intruder Alarm System and means of communication used to transmit signals from such an Intruder Alarm System designed installed and maintained as agreed by Us
2. the Protected Premises must not be left without at least one Responsible Person in attendance
  - a. unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation
  - b. if the police have withdrawn their response to alarm calls unless We agree otherwise
3. in the event of notification of any activation of the Intruder Alarm System or interruption of any of the means of communication during any period that the Intruder Alarm System is set a Keyholder shall attend the Premises as soon as reasonably possible in order to confirm the security of the Premises and reset the Intruder Alarm System in its entirety If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to transmit signals are not in full operation a Keyholder must remain at the Premises unless We agree otherwise in writing
4. You shall advise Us as soon as possible and in any event not later than 10.00am on Our next working day
  - a. that police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
  - b. of notice from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
  - c. that the Intruder Alarm System and the means of communication used to transmit signals from such installation cannot be returned to or maintained in full working order and You must comply with any of Our subsequent requirements
5. No alteration or substitution of
  - a. any part of the Intruder Alarm System
  - b. the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System
  - c. the means of communication used to transmit signals from the Intruder Alarm System
  - d. the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System
  - e. the maintenance contract shall be made without Our written agreement
6. You and each Keyholder must maintain secrecy of codes and security of keys and setting/unsetting devices for the operation of the Intruder Alarm System All keys and other setting/unsetting devices for the Intruder Alarm System must be removed from the Premises when they are left unattended
7. The Intruder Alarm System shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or other such company as agreed by Us
8. You will appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company contracted to maintain the Intruder Alarm System and with the police if they so require

## Requirements

The following is a condition precedent to Our liability to indemnify You in relation to any claim

If You have failed to implement the requirements set out in the Schedule within the timescales specified You will lose Your right to indemnity or payment for that claim

**Theft Protections**

The following are conditions precedent to Our liability to indemnify You in relation to any claim for loss under this Section at the Premises outside Business Hours If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

all fastenings and protections on the Premises at the commencement of this insurance and all additional fastening and protections which have been stipulated by Us shall be maintained during the currency of this insurance

# Loss of Licence Section

## Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

**Loss of Licence** shall mean temporary or permanent

1. forfeiture of a Licence
2. refusal to renew a Licence by the licensing authority

due to reasons beyond Your control

### **Licence**

Licence granted under the Licensing Act 2003 or any subsequent legislation in respect of the Premises for the the sale by retail of alcohol

## Cover

We will pay the reduction in the value during the Period of Insurance of Your interest in

1. the Premises or
2. the Business

following Loss of Licence

The most We will pay is the Limit of Liability stated in the Schedule in addition We will also pay for costs and expenses incurred with Our written consent where You appeal against the Loss of Licence

## Exceptions

We will not pay You where

1. You are entitled to obtain payment of compensation under any legislation or Bye-law in respect of the refusal to renew the Licence
2. Where the Loss of Licence arises out of
  - a. any town planning improvement or redevelopment
  - b. a change in law
  - c. compulsory purchase or surrender
  - d. a reduction or redistribution of Licences

## Conditions Precedent

The following conditions precedent apply to this Section

1. It is a condition precedent to Our liability that You shall notify Us in writing immediately and supply such additional information and give assistance as We may reasonably require if You become aware of any
  - a. complaint against the Business and/or Premises
  - b. proceedings against or conviction of the Licence holder manager tenant or occupier of the Business and/or Premises for any breach of any relevant licencing law or regulation or any other matter whatsoever where the character or reputation of the person concerned is affected or called into question with respect to their honesty moral standing or sobriety
  - c. change in the tenancy or management of the Business and/or Premises
  - d. transfer or proposed transfer of the Licence
  - e. alteration in the purpose for which the Premises is used
  - f. objection to renewal or other circumstances which may endanger the Licence or its renewal
2. In the event of death bankruptcy or incapacity or desertion of the Premises or conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect to his honesty

moral standing or sobriety) of the Licence holder tenant manager or occupier You will where practicable and at Our request procure a suitable person to replace him and one to whom the Licence will be transferred or a new Licence will be granted by way of renewal

3. In the event of the Licence being forfeited or refused renewal You must
  - a. give notice in writing to Us within 48 hours of receiving knowledge of such event stating the grounds upon which the licence was forfeited or refused renewal
  - b. give all assistance as We may require for the purpose of an appeal against such forfeiture or refusal to renew and allow Our solicitors and Us full discretion in the conduct of such proceedings
  - c. apply if practicable and if required by Us for the grant of such new Licence for the same or alternative premises as may enable You to continue the Business in a similar or alternative form
  - d. provide a statement of Your loss if any together with such documents statements and accounts as may be reasonably required by Us to verify the same and also if required by Us make a statutory declaration as to the truth accuracy and comprehensiveness thereof and give Us free access to the Premises and the books and accounts of the Business as may be necessary for ascertaining the value of any loss

# Terrorism Section

## Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in this Section and they should also be read in conjunction with the General Definitions at the start of the Policy

### **Act of Terrorism**

Act of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any government de jure or de facto

### **Denial of Service Attack**

Any actions or instruction constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems

This includes but is not limited to the generation of excess traffic into the network addresses the exploitation system or network weaknesses and generation of excess or non genuine traffic between or amongst networks

### **Excess**

The amount or amounts shown in the Schedule which We shall deduct from each and every claim to each separate location

You will repay any such amount paid by the Underwriters

### **Hacking**

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

### **Head/Heads of Cover**

Any of the following types of direct insurance cover

1. Buildings and completed structures
2. Any other Property Insured hereunder as provided in the Schedule
3. Business interruption
4. Book Debts

### **Private Individual**

Any person other than

1. a company association or partnership
2. a trustee or body of trustees where insurance is arranged under the terms of a trust
3. a person who owns Residential Property for the purpose of their business as a sole trader
4. a person who owns Residential Property of which in excess of more than 20 per cent of the property is commercially occupied

Note

- a. where the Residential Property is occupied by a trustee or a sole trader as a private residence and where the property is not a block of flats each will be deemed to be a Private individual in respect of that same property and
- b. where two or more persons have arranged insurance on Residential Property in their several names and/or the name of the policyholder includes the name of a bank or a building society or other financial institution for the purpose of noting their interest in the property insured they will be deemed to be a Private Individual in respect of that property

### **Residential Property**

1. Private dwelling houses and flats
2. Household goods and personal effects

### **Treasury**

The Lords Commissioners of Her Majesty's Treasury from time to time or any successor relevant authority

### **Virus or Similar Mechanism**

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

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

## **Cover**

We will indemnify You in respect of all losses arising under any Head of Cover resulting from loss or destruction of or damage to Property Insured under this Policy caused by an Act of Terrorism occurring during the Period of Insurance at the Premises but only in England Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Channel Islands or the Isle of Man

The maximum We will pay under this Section in any one Period if Insurance will not exceed the Limit of Liability or Sum Insured for each of the Heads of Cover specified in the relevant Section of this Policy where the Head of Cover is otherwise insured

## **Exceptions**

The following exceptions apply to this Section

1. We will not indemnify You in respect of any losses arising under any Head of Cover directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from
  - a. damage to any computer or other equipment component system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information programs or software) and whether Your property or not where such Damage is caused by Virus or Similar Mechanism Hacking or Denial of Service Attack
  - b. riot civil commotion war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
2. We will not indemnify You in respect of losses arising under any Head of Cover as a result of loss or destruction of or damage to Residential Property insured in the name of a Private individual

## **Special Conditions**

The following Special Conditions apply to the Section

1. The insurance provided by this Section is subject to all the definitions exceptions conditions clauses endorsements and conditions precedent of the Sections of this Policy where the Head of Cover is otherwise insured together with the Policy Definitions Exceptions Conditions Precedent and Policy Conditions except
  - a. any which provide for adjustments of premium
  - b. any aggregate limit on the amount borne by You as a result of the operation of an Excess
  - c. any provision for the automatic reinstatement of Sums Insured
  - d. any long term undertakingand providing that if there is conflict between this Section and the rest of the Policy this Section shall prevail

2. We will not indemnify You under this Section unless and until
  - a. the Treasury issues a certificate certifying that any loss was caused by an Act of Terrorism as defined in this Sectionor in the event of the Treasury refusing to issue such a certificate
  - b. a tribunal formed by agreement between Us and Pool Reinsurance Company Limited decides that the cause of such loss was an Act of Terrorism as defined by this Section
3. We may cancel the cover provided by this Terrorism Section
  - a. by sending You 30 days written notice to Your last known address We will refund a proportionate part of any premium paid for the unexpired periodor
  - b. immediately if the premium has not been paid or if there has been a default under an installment or linked credit agreement We will not refund any installment paid
4. In any action or suit or proceedings where We allege that any loss is not covered by this Section the burden of proving that such loss is covered shall be upon You

## Conditions Precedent

It is a Condition Precedent to Our liability under this Section that

1. You must declare to Us all Property and/or premises owned by You or for which You are responsible including all such Property and/or premises of subsidiary companies unless it is the practise of any subsidiary company to effect its own insurance
2. You must purchase Terrorism insurance from a Pool Reinsurance Company Limited member company in respect of all such Property and/or premises



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