

CLUBSURE

POLICY ARRANGED BY REGISTERED INSURANCE BROKERS
HIGOS UNDERWRITING SERVICES
which is a trading style of Higos Insurance Services Ltd



POLICY WORDING

Services

Services

The following helpline services have been arranged on your behalf by Clubsure and are provided 24 hours a day, 7 days a week by ARAG plc:

Commercial Legal Advice

ARAG will provide legal advice on any commercial legal problem affecting the club under the laws of the member countries of the European Union, the Isle of Man and the Channel Islands, Switzerland and Norway.

Commercial Tax Advice

ARAG will provide advice on any tax matters affecting the club under the laws of the United Kingdom.

To access these services please telephone 01275 376 023. To help ARAG check and improve their service standards all calls are recorded.

ARAG will not accept responsibility if these services fail due to circumstances beyond ARAG's control.

Engineering Inspections Service

If you require this service please contact Clubsure on 01489 572121

Claims Service

Making a Claim is easy

Should you be unfortunate enough to have to make a claim, **Covéa Insurance Commercial Care Line 0844 902 0790** will manage all aspects of the claim for you from the time it is reported.

Covéa Insurance Commercial Care Line is a service available **24 hours a day 365 days a year**.

Staff trained in managing commercial claims will:

- Take the details of your claim over the phone, in most cases removing the need for completion of an incident report form.
- Take control of the management of claims from start to finish and arrange replacement of goods lost or stolen using the latest product information.
- As an Covéa Insurance policyholder you have 24 hour access to emergency assistance should you encounter a problem affecting your business premises ranging from a broken window to a fire or any other emergency including:-
 - Emergency glazing
 - Locks
 - Plumbing

Arrangements will be made for a suitable contractor or repairer to attend, although if the incident is not covered by your policy you will be responsible for all costs incurred.

You can also fax any documentation relating to commercial claims to the following dedicated **fax number: 0844 902 2207**.

Our aim is to bring your claim to a speedy and satisfactory conclusion.

Note:

For our joint protection telephone calls may be recorded and/or monitored.

Introduction

Thank you for choosing Covéa Insurance.

This is Your Clubsure policy. It sets out the details of Your insurance contract with Covea Insurance plc.

Upon payment of the Premium for the Period of Insurance or any subsequent period for which the Company shall agree to accept payment the Company will indemnify the Insured in accordance with and subject to the terms of the policy. The Proposal and Declaration and or Statement of Fact and any Premium Payment application made by the Insured are the basis and form part of this policy.

Please read this policy and The Schedule to ensure that they are in accordance with Your requirements.

Any query should be referred immediately to Clubsure

Contents – a guide to Your policy

This policy booklet consists of individual Sections. It should be read in conjunction with The Schedule which indicates both the Sections You are insured under and gives precise details of the extent of Your insurance protection.

The Contract of Insurance

Our Service to You

Policy Definitions

Sections which comprise Your policy

Policy Conditions

Policy Exceptions

The Contract of Insurance

The policy, the application form and/or declaration made by You and The Schedule should be read together and form the contract of insurance between You, The Policyholder and Us Covea Insurance plc

In return for You having paid or agreed to pay the premium for the Period of Insurance, We will indemnify You by payment or, at Our option, by reinstatement or repair, in respect of loss, liability, destruction, damage, accident or injury to the extent of and subject to the terms contained in or endorsed on the policy.

On behalf of Covéa Insurance.



Chief Executive
Covea Insurance plc

IMPORTANT

You should keep a written record (including copies of letters) of any information You give Us or Your insurance adviser when You renew this policy.

If You are not sure whether certain facts are relevant please ask Your adviser or Covéa Insurance. If You do not tell Us about relevant changes, Your policy may not be valid or the policy may not cover You fully.

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

Choice of Law

The parties to an insurance contract are free to choose the law that will apply. Unless we agree in writing with you otherwise, this insurance shall be subject to the law applying in that part of the United Kingdom, Channel Islands or Isle of Man where you have your principal place of business. If there is any dispute, the law of England and Wales shall apply.

Our Service to You

Registration and Regulatory Information

Insurance cover is provided by Covea Insurance plc.

Registered in England and Wales No. 613259.

Registered office: Norman Place, Reading, Berkshire RG1 8DA

Covea Insurance plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our Firm Reference Number is 202277. You can check this on the Financial Services Register by visiting the FCA's website www.fca.org.uk/register or by contacting the FCA on 0800 111 6768.

Complaints Procedure

It is always our intention to provide a first class standard of service. However we do appreciate that occasionally things go wrong. In some cases your broker or intermediary who arranged the insurance will be able to resolve any concerns, and you should contact them directly.

Alternatively, if you need to complain, please contact us using the following details, quoting your policy or claim number.

Customer Relations,
Covéa Insurance,
Norman Place, Reading RG1 8DA.
Telephone: 0844 902 1000
Website: www.coveainsurance.co.uk
Email: customer.relations-rdg@coveainsurance.co.uk

Full details of the Covéa Insurance Internal Complaints Procedure are detailed in our leaflet 'Complaints Procedure' which is available on request or may be downloaded from our website at www.coveainsurance.co.uk/complaints.

If you should remain dissatisfied, once Covéa Insurance has had the opportunity to resolve your complaint, you may be eligible to refer your complaint to the Financial Ombudsman Service. For further details they can be contacted at Exchange Tower, Harbour Exchange Square, London E14 9SR. www.financial-ombudsman.org.uk.

Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme. You may be entitled to receive compensation from the scheme if we cannot meet our obligations.

Further information is available from:
Financial Services Compensation Scheme,
10th Floor, Beaufort House,
15 St Botolph Street, London EC3A 7QU.
Telephone: 020 7741 4100.
Email: enquiries@fscs.org.uk

How to Cancel your Policy

If you do not want to accept the policy you have the right to cancel it within 14 days from the date of purchase of your policy or the day you receive your policy documentation, whichever is later. To do this you must return the policy documentation to Clubsure when giving your instruction to cancel.

If cover has not yet started a full refund will be given. If cover has started we will refund the premium for the exact number of days left on the policy, less an additional charge of £25 plus the prevailing rate of Insurance Premium Tax as stated on your schedule. No refund will be given if a claim has been submitted or there have been any incidents likely to give rise to a claim during the current period of insurance. We will also do this if you want to cancel the policy within 14 days after the renewal date.

You may cancel the policy at any other time by contacting Clubsure.

If you cancel your policy after 14 days and a claim has been submitted or there have been any incidents likely to give rise to a claim during the current period of insurance, we will not refund any part of the premium. If you have a Loan Agreement with us, all outstanding monies must be paid to us as described in your Loan Agreement.

If no claims have been submitted and there have been no incidents that are likely to give rise to a claim during the current period of insurance, we will refund the premium for the exact number of days left on the policy less an additional charge of £25 plus the prevailing rate of Insurance Premium Tax as stated on your policy schedule.

For our rights to cancel your policy please refer to Policy Conditions Section, Item 3 Our Rights to Cancel the Policy, in this policy booklet.

Our Service to You

How We Use Your Information

The personal information, provided by you, is collected by or on behalf of Covea Insurance plc and may be used by us, our employees, agents and service providers acting under our instruction for the purposes of insurance administration, underwriting, claims handling and for research, or statistical purposes.

We may also share your information with reinsurers and regulators, as required by law.

From time to time we may need to undertake some of the processing of your data in countries outside of the European Economic Area, and in such cases we will ensure that there is an agreement in place which gives equivalent assurances as found in the Data Protection Act 1998.

We will not use your information or pass it on to any other person for the purposes of marketing further products or services to you.

We will collect sensitive information when dealing with your policy; we will however only collect information that is relevant to your policy, its administration or claims handling.

Your personal information will be kept secure at all times.

Fraud Prevention and Detection

In order to prevent or detect fraud we will check your details with various fraud prevention agencies, who may record a search. Searches may also be made against other insurers' databases. If fraud is suspected, information will be shared with those insurers. Other users of the fraud prevention agencies may use this information in their own decision making processes. We may also conduct credit reference checks in certain circumstances. You can find out further details explaining how the information held by fraud prevention agencies may be used or in which circumstances we conduct credit reference checks and how these checks might affect your credit rating by contacting Covea Insurance plc.

Disclosure of Other People's Personal Information

You should show this notice to anyone whose personal information you provide to us. You must ensure that any such information you supply relating to anyone else is accurate and that you have obtained their consent to the use of their data for the purposes set out above.

Your Rights

Under the Data Protection Act 1998 you have the right of access to the personal information held about you by us. You can exercise this right by contacting us. We will make a charge of £10 for dealing with these requests.

You have the right to request that we correct any inaccuracies in the personal information we hold about you. Please contact your broker or Covea Insurance plc if your personal information needs updating.

Consent

By providing us with information, you also provide us with your consent and that of any other person whose information you provide, to the personal information being used for the purposes set out above.

How to Contact Us

If you would like some more detailed information on how we share your personal information, please visit www.coveainsurance.co.uk/dataprotection.

If you have any concerns about our use of your information please write to Customer Relations, Covea Insurance plc, Norman Place, Reading, Berkshire RG1 8DA. Telephone: 0844 902 1000. If you contact Covea Insurance plc by telephone your call may be recorded for training and evidential purposes.

Policy 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 an alternative definition is stated to apply. A defined word or phrase will start with a capital letter each time it appears in the policy.

Each Section of the policy contains definitions. They must be read in conjunction with the following Policy Definitions.

Computer and Electronic Equipment

All computers, computer installations and systems, microchips, integrated circuits, microprocessors, embedded systems, hardware, and any electronic equipment, data processing equipment, information repository, telecommunication equipment, computer controlled or programmed machinery, equipment capable of processing data and/or similar devices, whether physically or remotely connected thereto.

Cyber Vandal

The person or persons, whether identified or not, responsible for, or involved with, creating a Virus or Similar Mechanism or a Denial of Service Attack, unauthorised access to or use of Computer and Electronic Equipment.

Data

All information which is

- (1) electronically stored, or
- (2) electronically represented, or
- (3) contained on any current and back-up disks, tapes or other materials or devices used for the storage of data,

including but not limited to operating systems, records, programs, software or firmware, code or series of instructions.

Data Storage Materials

Any materials or devices used for the storage or representation of Data including but not limited to disks, tapes, CD-ROMs, DVDs, memory sticks, memory cards or other materials or devices which may or may not also constitute Computer and Electronic Equipment.

Denial of Service Attack

Any actions or instructions with the ability to damage, interfere with, or otherwise affect the availability of Computer and Electronic Equipment or Data, including but not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, and the generation of excess or non genuine traffic within, between or amongst networks.

Employee

Any person who is

- (1) under a contract of service or apprenticeship with You
- (2) borrowed by or hired to You
- (3) a labour master or supplied by a labour master
- (4) employed by labour only sub-contractors
- (5) self employed
- (6) under a work experience or training scheme
- (7) a voluntary helper

while working under Your control in connection with The Business

- (8) an outworker or homeworker when engaged in work on Your behalf.

Failure

Any partial or complete reduction in the

- (1) performance, or
- (2) availability, or
- (3) functionality, or
- (4) the ability to recognise or process any date or time,

of any

- (a) Computer and Electronic Equipment
- (b) electronic means of communication
- (c) web site.

Policy Definitions

Loss of Data

Physical or electronic or other loss or destruction or alteration or loss of use, whether permanent or temporary, of or damage to Data, of whatsoever nature, in whole or in part, including, but not limited to Loss of Data resulting from loss or damage to Computers and Electronic Equipment or Data Storage Materials, including while stored on Data Storage Materials.

Malicious Contingency

- (1) riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances.
- (2) malicious persons other than thieves and Cyber Vandals.

Money

Current

- (1) coin, bank and currency notes
- (2) postal and money orders, bankers drafts, cheques and giro cheques
- (3) crossed warrants, bills of exchanges and securities for money
- (4) postage, revenue, national insurance and holiday with pay stamps
- (5) national insurance and holiday with pay cards, national savings certificates, war bonds, premium savings bonds and franking machine impressions
- (6) credit company sales vouchers, luncheon vouchers and trading stamps
- (7) VAT invoices.

Period of Insurance

From the effective date until the expiry date (both shown in The Schedule) or any subsequent period for which We accept payment for renewal of this policy.

Specified Contingency

fire

lightning

explosion

aircraft and other aerial devices or articles dropped from them

earthquake

storm or flood

escape of water from any tank apparatus or pipe

falling trees

impact

escape of fuel from any fixed oil heating installation

The Business

Activities directly connected with the business specified in The Schedule.

The Premises

The Premises specified in The Schedule.

The Schedule

The document which specifies details of The Policyholder, The Premises, Property Insured and any Excesses, Endorsements, Clauses and Conditions applying to the policy.

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions with the ability to damage, interfere with, or otherwise adversely affect Computer and Electronic Equipment or Data, whether involving self-replication or not, including, but not limited to trojan horses, worms and logic bombs.

We/Us/Our/Covéa Insurance/Covea Insurance plc

Covea Insurance plc.

You/Your/The Policyholder

The persons, companies, partnerships unincorporated associations named in The Schedule as The Policyholder.

Buildings

Building including:

- (a) outbuildings (Detached from/non internally communicating with Main Building), annexes, structures and exterior sports(s) playing surfaces (Only if stated on the Policy schedule)
- (b) walls, gates, fences, hoardings, car parks, paths, drives, patios, yards, gangways and the like
- (c) landlord's fixtures and fittings and non-detachable tenants improvements alterations and decorations including signs, aerials and satellite dishes fixed to the building

Sections which comprise Your policy

Operative only if stated in The Schedule

Asset Protection

Property Damage – Specified Contingency

Property Damage – All Risks

Theft

Business All Risks

Goods in Transit

Money and Assault

Glass

Frozen Foods

Employee Dishonesty

Engineering

Revenue Protection

Business Interruption

Book Debts

Loss of Licence

Legal Liabilities

Employers' Liability

Public and Products Liability

Directors & Officers

Employee Benefits

Personal Accident

Property Damage – All Risks Section**Definitions**

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Contingency Groups

- (a) fire, lightning explosion, aircraft, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances and earthquake
- (b) malicious persons, storm, flood, escape of water from any tank, apparatus or pipe, impact
- (c) all other insured Damage other than any Additional Contingency if applicable.

Damage

Accidental loss or destruction of or damage to the Property Insured.

Defined Contingency

fire

lightning

explosion

aircraft and other aerial devices or articles dropped from them

riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances

malicious persons other than thieves

earthquake

storm or flood

escape of water from any tank, apparatus or pipe

falling trees

impact

escape of fuel from any fixed oil heating installation.

Excess/Excesses

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. See Condition 1.

You will repay any such amount paid by Us.

Property Insured

Property insured as detailed in The Schedule.

Cover

We will indemnify You in respect of Damage occurring during the Period of Insurance at The Premises.

The Sum Insured under each item other than items applying solely to fees, rent, removal of debris, private dwelling houses, churches or buildings in course of erection is separately subject to Average. See Condition 1.

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.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage caused by or consisting of
 - (a) an existing or hidden defect

- (b) gradual deterioration or wear and tear
- (c) frost or change in the water table level
- (d) faulty design or faulty materials used in its construction
- (e) faulty workmanship, operating error or omission by You or any Employee
- (f) the bursting of
 - (i) a boiler
 - (ii) other equipment

not being used for domestic purposes where the internal pressure is due to steam only and belongs to You or is under Your control.

However, We will indemnify You in respect of any subsequent Damage which results from a cause not otherwise excluded.

- (2) Damage caused by or consisting of
 - (a) (i) corrosion, rust or rot
 - (ii) shrinkage, evaporation or loss of weight
 - (iii) dampness or dryness
 - (iv) scratching
 - (v) vermin or insects
 - (vi) mould or fungus
 - (b) change in
 - (i) temperature
 - (ii) colour
 - (iii) flavour
 - (iv) texture or finish
 - (c) nipple or joint leakage or failure of welds
 - (d) cracking, fracturing, collapse or overheating of a boiler, vessel, machine or apparatus in which internal pressure is due to steam only and any associated piping
 - (e) mechanical or electrical breakdown or derangement.

However, We will indemnify You in respect of

- (i) Damage not otherwise excluded which itself results from a Defined Contingency or any other accidental cause
- (ii) any subsequent Damage which itself results from a cause not otherwise excluded.

- (3) Damage caused by pollution or contamination.

However, We will indemnify You in respect of Damage, not otherwise excluded, caused by

- (a) pollution or contamination which results from a Defined Contingency
- (b) a Defined Contingency which results from pollution or contamination.

- (4) Damage caused by or consisting of
 - (a) subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or escape of water from any tank, apparatus or pipe
 - (b) normal settlement of new structures
 - (c) acts of fraud or dishonesty
 - (d) (i) disappearance
 - (ii) unexplained or inventory shortage
 - (iii) misfiling, misplacing of information or clerical error
 - (e) theft or attempted theft.
- (5) Damage to a structure caused by its own collapse or cracking.

However, We will indemnify You in respect of such Damage if it results from a Defined Contingency and is not otherwise excluded.

- (6) Damage to
 - (a) gates
 - (b) fences
 - (c) moveable property in the open
 - (d) Flood lights
 by
 - (i) wind
 - (ii) rain, hail, sleet or snow
 - (iii) flood
 - (iv) dust.

- (7) (a) Damage by fire resulting from its' undergoing any process involving the application of heat
- (b) Damage to that portion of any item caused by its' own self ignition, leakage of electricity, short circuiting, or over-running
- (c) Damage resulting from its' undergoing any process of
- (i) production or packaging
 - (ii) treatment, testing or commissioning
 - (iii) servicing or repair.
- However, We will indemnify You in respect of such Damage if it is caused by fire or explosion and is not otherwise excluded.
- (8) Damage while any Building is unoccupied or disused caused by
- (a) escape of water from any tank, apparatus or pipe
 - (b) malicious persons.
- However, We will indemnify You in respect of such Damage if it is caused by fire or explosion and is not otherwise excluded.
- (9) Damage in respect of
- (a) glass not being fixed glass forming part of the structure of the Building
 - (b) china, earthenware, marble or other fragile objects (not including stock in trade).
- However, We will indemnify You in respect of such Damage if it results from a Defined Contingency and is not otherwise excluded.
- (10) Damage in respect of
- (a) vehicles licensed for road use including accessories on or attached to them
 - (b) caravans or trailers
 - (c) railway locomotives or rolling stock
 - (d) watercraft or aircraft
 - (e) property in the course of construction including materials for use in the construction
 - (f) land, roads or pavements, piers, jetties, bridges, culverts or excavations

- (g) livestock
 - (h) growing crops or trees
- However, We will indemnify You in respect of Damage to such property if the property is specifically stated as insured in The Schedule and the Damage is not otherwise excluded.
- (11) Damage
- (a) insured by any marine policy
 - (b) which would be insured under any marine policy if this policy did not exist
- However, We will indemnify You in respect of Damage not otherwise excluded for any sum beyond the amount which would have been payable under the marine policy had this insurance not existed.
- (12) Damage more specifically insured by You or on Your behalf.
- (13) indirect loss or damage.
- However, We will indemnify You in respect of rent when this cover is specified in The Schedule and the Damage is not otherwise excluded.
- (14) Damage by pressure waves from aircraft or aerial devices.
- (15) any Damage whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- (a) Terrorism
 - (b) civil commotion in Northern Ireland
 - (c) any action taken in controlling, preventing, suppressing or in any way relating to (a) and/or (b) above.

Terrorism means

(i) in respect of Damage occurring in England Wales and Scotland only (but not the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987 nor the Isle of Man or the Channel Islands) acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

(ii) in respect of Damage occurring in any territory not specified in (i) above any act or acts including but not limited to

- the use or threat of force and/or violence and/or
- harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political religious ideological or similar purposes.

In any action suit or other proceedings where We allege that any Damage results from Terrorism as defined above and is therefore not covered by this Section the burden of proving that any such Damage is covered under this Section will be upon You.

(16) the Excess as stated in The Schedule.

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

(1) Average

Where a Sum Insured is stated to be subject to average, this means that if at the time of Damage, the Sum Insured is less than the total value of the property, You will

- (a) be responsible for the difference
- (b) bear a proportionate share of the loss.

(2) Fire Extinguishing Appliances

If in relation to any claim for Damage caused by or resulting from fire, 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.

(3) Our Rights

If Damage occurs which may lead to a claim We may

- (a) enter or take possession of the Building or The Premises
- (b) take possession of, or require to be delivered to Us, Property Insured which We will deal with in a reasonable manner

without incurring liability or reducing our rights.

We will not pay for Damage if You or anyone acting on Your behalf

- (i) do not comply with Our requirement
- (ii) hinder or obstruct Us.

You are not entitled to abandon property to Us.

Clauses

All of the following clauses apply to the Property Damage – Specified Contingencies Section and/or Property Damage – All Risks Section if stated as insured in The Schedule.

All Other Contents

This term includes

- (1) documents, manuscripts and business books
- (2) computer systems records
- (3) patterns, models, moulds, plans and designs

but only for

- (a) the value of the materials
- (b) the cost of labour and computer time spent in reproducing them.

The maximum We will pay in respect of computer systems records is £10,000.

We will not pay for

- (i) expenses in connection with producing information to be recorded
- (ii) the value to You of any information lost.

- (4) pedal cycles, tools and other personal items belonging to You, Your Directors, Committee, Employees, customers or visitors but only if they are not otherwise insured.

The maximum We will pay for any one person's property is £1,000.

- (5) paintings, curios, rare books or works of art but the maximum We will pay in respect of any one article is £2,500.

Automatic Reinstatement of Sum Insured

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

You must pay the additional premium required to reinstate the Sums Insured.

Basis of Claim Settlement – Reinstatement

Unless otherwise stated in The Schedule, in the event of Damage the basis upon which We will calculate the amount We will pay for any claim will be the reinstatement of the Property Insured lost, destroyed or damaged, subject to the following conditions

- (1) If Property Insured under any Buildings, Blocks of flats, Furniture, Machinery or Tenants alterations Item described in The Schedule, other than pedal cycles, personal items, rent or motor vehicles if insured, is lost or destroyed, We will pay for its rebuilding or replacement by similar property in a condition as good as, but not better than or more extensive than, its condition when new.

If such Property Insured is damaged, We will pay for replacement or repair of the damaged portion to a condition as good as, but not better or more extensive than, its condition when new.

However, We will not pay more than We would have done if the property had been completely destroyed.

- (2) The property may be replaced on another site and in a manner suitable to Your needs, but this must not increase Our liability.
- (3) All work must begin and be carried out as quickly as possible.
- (4) If, at the time of rebuilding or replacement, 85% of what it would have cost to replace the whole of the Property Insured under that Item, is greater than the Sum Insured at the time the Damage occurred, You will be liable to bear a proportionate share of the loss.

- (5) We will not pay under this Clause
 - (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 under another policy which does not have a similar basis of reinstatement
 - (c) if You do not comply with any of the terms of this Clause.

(6) We will indemnify You in respect of Loss of Rent as insured under this Section resulting from the Building or any part of the Building

(a) generating the rent received

or

(b) for which rent is payable

being made unfit for The Business due to Damage insured by this Section.

The maximum amount that We will pay You under this clause will be the proportion of the Sum Insured stated in the schedule which equals but does not exceed the proportion of the period of rent insured necessary to make the Building fit for occupation.

Capital Additions

We will indemnify You in respect of loss, destruction or damage to

- (1) newly built and/or newly acquired Buildings and/or machinery
- (2) alterations, additions and improvements Buildings and/or machinery, but not in respect of any appreciation in value

situated anywhere in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man.

The maximum We will pay in respect of any one location, under this Clause is

(a) 10% of the total Buildings and Machinery Sum Insured by this Section

or

(b) £500,000

whichever is lower.

You must provide Us with details of these extensions as soon as possible, but at least every six months and specifically insure such extensions with Us, from the date Our liability commenced.

Change of Occupancy

You must tell Us immediately if

- (1) any Building stated in The Schedule becomes unoccupied or disused
- (2) any unoccupied or disused Building stated in The Schedule, or any part of it becomes occupied.

Construction Heating and Occupation of the Buildings

Unless otherwise stated on the proposal form the Buildings are

- (1) constructed of brick, stone or concrete
- (2) roofed with slates, tiles, concrete, metal or asbestos
- (3) heated by
 - (i) low pressure hot water or steam
 - (ii) oil fired space heaters fed from a fuel tank in the open
 - (iii) overhead gas or electrical appliances
- (4) occupied for the sole purpose of The Business and otherwise only as a private dwelling.

Contract Sale Price

If goods sold but not delivered, for which You are responsible, suffer Damage insured by this Section and because of this, the contract of sale is cancelled under the conditions of sale, Our liability will be on the basis of 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 or not.

Customers Goods

The Stock and Materials in Trade Items stated in The Schedule extend to include

- (1) customers goods
- (2) goods for which Your customers are legally responsible,

while these goods are temporarily in Your custody or control and for which You have accepted responsibility but only to the extent they are not more specifically insured.

Debris Removal

Unless separately insured under this Section, the Sum Insured for each Item, other than rent if insured, includes costs and expenses You incur, with Our consent, for

- (1) removal of debris
- (2) dismantling or demolishing
- (3) shoring up or propping

of the parts of the property which have suffered Damage insured under this Section.

We will not indemnify You in respect of costs and expenses

- (a) incurred in removing debris from anywhere other than the site of the Damage and the area immediately adjacent to it
- (b) arising from pollution or contamination of property not insured by this Section
- (c) more specifically insured.

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

Description of Property

In determining the Item under which property is insured, We will accept the description given in Your business records.

Drains

The Sum Insured for each Buildings and Machinery Item extends to include an amount necessarily and reasonably incurred by You, and which We agree to for cleaning and/or clearing of

- (1) drains
- (2) sewers
- (3) gutters

for which You are responsible, following Damage insured by this Section.

European Union and Public Authorities

Following Damage insured by this Section to any Item on Buildings, Blocks of flats, furniture, Machinery or Tenants alterations Item described in The Schedule, We will pay the additional cost of reinstating the Property Insured necessary to comply with any

- (1) European Union Legislation
- (2) Act of Parliament
- (3) Bye-Laws of any public authority.

We will not indemnify You in respect of

- (a) costs incurred
 - (i) in respect of Damage not insured by this Section
 - (ii) where notice was served on You before the Damage occurred
 - (iii) where an existing requirement must be completed within a stipulated period
 - (iv) in respect of property or parts of the property, other than foundations (unless foundations are specifically excluded) which have not suffered Damage
- (b) any charge or assessment arising from capital appreciation following compliance with any legislation or Bye-Law.

The reinstatement of the Property Insured

- (1) must begin and be carried out as quickly as possible
- (2) may be carried out on another site and in a manner suitable to Your needs but this must not increase Our liability.

If Our liability under this Section is reduced by the application of any terms or conditions of this policy, Our liability under this Clause will similarly be reduced.

The maximum We will pay under this Clause in respect of any one item is the item Sum Insured.

Underground Services

Where We provide indemnity in respect of Your Buildings, or You are liable as tenant, We will indemnify You in respect of accidental damage to underground

- (a) pipes
- (b) cables

which extend from the Buildings to the public mains up to a maximum any one claim of £1000.

We will not indemnify You in respect of

- (1) the cost of maintenance
- (2) damage caused by
 - (a) (i) gradual deterioration or wear and tear
 - (ii) corrosion, rust, rot, mould or fungus
 - (iii) vermin or insects
 - (iv) atmospheric or climatic conditions
 - (v) normal settlement or shrinkage
- (b) faulty workmanship, defective design or the use of defective materials
- (3) the Excess stated in The Schedule

Emergency Services Damage

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

The maximum We will pay in respect of any one claim is £25,000.

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

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.

If in relation to any claim 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 under contract with a company which is acceptable to Us.

The maximum we will pay in respect of any one claim is £10,000.

Lamps, Signs and Nameplates

We will indemnify You in respect of Damage to

- (a) lamps
- (b) signs
- (c) nameplates

at The Premises.

The maximum that We will pay in respect of any one item is £1,000.

We will not indemnify You in respect of Damage arising from

- (1) mechanical or electrical breakdown
- (2) wear and tear
- (3) corrosion or rot.

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 that We will pay in respect of any one claim is £10,000.

Non-invalidation

The insurance by this Section will not be invalidated by any

- (1) act
 - or
- (2) omission
 - or
- (3) alteration

either unknown to You or beyond Your control which increases the risk of Damage.

However, You must

- (a) notify Us immediately You become aware of any such act, omission or alteration
 - and
- (b) pay any additional premium required.

Professional Fees

The Sum Insured for each Buildings, Blocks of flats, or Machinery Item(s) described in The Schedule includes an amount for professional fees necessarily incurred in reinstating or repairing the Property Insured, following Damage insured by this Section.

We will not indemnify You in respect of fees

- (1) more specifically insured
- (2) incurred in preparing a claim

Seasonal Increase

We will increase the Sum Insured on each item of Stock in The Schedule by 25% or £500,000 in total for all Stock Items whichever is lower, for the months of November, December and January or for any other three month period selected by You and stated in The Schedule.

Services

Each Buildings, Blocks of flats, or Machinery Item(s) described in The Schedule includes service meters, pipes, cables and instruments which You own or for which You are responsible, associated to The Premises, while

- (a) in adjoining yards
- (b) on roadways
- (c) underground.

Subrogation Waiver

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 a subsidiary

as defined in, or within the meaning of the relevant Companies Act or Companies (N.I.) Order, current at the time of the Damage.

Temporary Removal for Cleaning or Renovation

We will indemnify You in respect of Damage insured by this Section other than to Stock and Materials in Trade, while temporarily removed for cleaning, renovation or repair or similar purposes

- (1) to another part of The Premises
- (2) to any other premises in England, Wales, Scotland, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man including whilst in transit by road, rail or inland waterway.

The maximum We will pay is 10% of the item Sum Insured after the deduction of the value of any Building and Stock and Materials in trade included within the Item insured.

We will not indemnify You in respect of

- (a) property insured elsewhere
- (b) Damage occurring elsewhere than at The Premises to motor vehicles or motor chassis licensed for normal road use
- (c) property removed for more than 90 consecutive days unless We agree a longer period in writing

Temporary Removal – Documents and Computer Systems Records

Where any item under this Section includes documents and computer systems records We will indemnify You in respect of Damage insured by this Section to such property while

- (1) temporarily removed to any premises not occupied by You
- (2) in transit by road, rail or inland waterway

in England, Wales, Scotland, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man.

The maximum We will pay is 10% of the total property described in this clause.

Theft Damage to Buildings

We will indemnify You in respect of Damage to Buildings at The Premises, for which You are responsible by

- (1) theft or attempted theft involving entry to or exit from Buildings by forcible and violent means
- or
- (2) theft involving violence or threat of violence to You, Your partners, directors or Employees.

We will not indemnify You in respect of

- (a) Damage
 - (i) caused to any property other than Buildings
 - (ii) caused by any person lawfully in the Building
 - (iii) while the Building is unoccupied or disused
 - (iv) more specifically insured
- (b) the Excess stated in The Schedule.

Trace and Access

We will pay reasonable costs and expenses incurred with Our consent

- (1) in locating the actual source of Damage
- and
- (2) any repairs directly arising from (1)

caused by the escape of water from any tank, apparatus or pipe or leakage of fuel from any fixed oil heating installation, provided such Damage is insured by this Section.

We will not indemnify You in respect of costs or expenses incurred where Damage results solely from a change in the water table level.

The maximum We will pay is £2,500 in any one Period of Insurance.

Transfer of Interest

If at the time of Damage to a Building insured under this Section You have entered into a contract to sell Your interest in it but

- (1) the contract has not yet been completed
- and
- (2) the Building has not yet been insured by or on behalf of the purchaser
- and
- (3) the purchase is subsequently completed.

We will indemnify the purchaser to the extent that this Section insures that Building.

This will not affect either Your or Our rights and liabilities up to the date of completion of the purchase.

Workmen

Repairs and minor structural alterations may be carried out at The Premises without affecting the Cover.

Greens and Playing Surfaces

We will indemnify You in respect of Damage to greens and playing surfaces stated in The Schedule, including any irrigation or heating systems that have been installed. In the event of Damage to any green or playing surface the basis upon which We will pay for any claim will be as follows

- (1) Re-seeding or re-turfing.
- (2) The replacement of any trees or plants will be by saplings of the same or similar type.

The maximum We will pay in respect of each claim is the limit stated in The Schedule.

We will not indemnify You under this Clause in respect of

- (1) Damage caused by or consisting of
 - (a) the failure to apply fertilisers or chemicals
 - (b) storm, flood and other effects of weather
 - (c) wear, tear and the course of play
 - (d) maintenance work at The Premises
- (2) the excess stated in the schedule.

Roof Warranty

Any flat and/or felted portions of the roof at The Premises are to be inspected annually by a qualified builder or property surveyor and any defects found are to be remedied immediately.

Outbuildings

Unless otherwise stated Outbuildings and Contents thereof are excluded.

In respect of Damage to Contents of unalarmed outbuildings the Excess is increased to the amount shown in the Schedule.

Additional Clause List A

The following Additional Clauses only apply to the Property Damage - Specified Contingencies Section and/or the Property Damage - All Risks Section.

A Day One (Non Adjustable if stated in the schedule)

For each Item of Property Insured to which this clause applies (as stated in The Schedule).

- (1) The first and annual premiums are based upon the Declared Value as stated in The Schedule.

Declared Value shall mean

Your assessment of the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (1) of the Basis of Settlement-Reinstatement Clause 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.

The Declared Value incorporated in each Item is stated in The Schedule.

- (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) Paragraphs (4) and (5) of the Basis of Settlement-Reinstatement Clause 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 Clause, 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 Clause.
- (5) We will not pay under this Clause
 - (a) until You have incurred the cost of replacing or repairing the property
 - (b) if You, or someone acting on Your behalf, have insured the property 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 Clause.

However the Sums Insured will be limited to 110% of the Declared Values stated in The Schedule.

- (4) The maximum We will pay in respect of each separate location subject to this Clause is as stated in The Schedule.

B Bank Interest Scotland

It is agreed that

- (1) the interest in this Section is vested in the insured parties stated in The Schedule
- (2) the interest of Heritable Creditors in the insurance by this Section shall not be prejudicially affected by anything done or omitted by the proprietor where the risk of Damage is increased except as regards any change upon the character of the risk which may be made by or with the written consent of the Heritable Creditors
- (3) this Section shall not lapse or the terms be altered until seven days notice has been given to the Heritable Creditors any additional premium or renewal premium in respect of any change in risk or extension of period is payable to Us as from the start date of the change or extension period
- (4) We will notify in writing the Heritable Creditors, as soon as We are aware of any Damage by this Section.

C Other Interested Parties (Specified)

In the event of Damage as insured by this Section interested parties, as stated in The Schedule, must declare the nature and extent of their interest.

D Foundations

Where any Buildings Sum Insured stated in The Schedule is subject to Average, the Sum Insured includes

- (1) that portion of the foundations within a 60 centimetre radius around and below a structural column or superstructure support
- (2) that portion of the foundations less than 8 centimetres below the floor level of the lowest storey
- (3) machinery foundations.

We will not indemnify You in respect of any other portion of foundations.

E Deductible

We will deduct the amount of the deductible stated in The Schedule in respect of each and every claim at each separate location as calculated after the application of all other terms of this Section.

We may not indemnify you in respect of any claim and/or may charge You an additional premium if You arrange insurance in respect of the deductible.

F Requirements

If in relation to any claim in respect of Damage by any insured contingency, You have failed to implement the requirements set against that contingency in the Schedule of Requirements within the timescales specified, You will lose Your right to indemnity or payment for that claim.

G Intruder Alarm System (if stated in The Schedule)

For the purpose of this Additional Clause only the following definitions apply (if stated in the schedule)

Damage

Damage means

- (a) where Property Damage – Specified Contingencies is insured, loss or destruction of or damage to the Property Insured caused by any of Contingencies A, B, C or under the Theft Damage to Buildings Clause
- (b) where Property Damage – All Risks is insured, loss or destruction of or damage to the Property Insured caused by fire, explosion, riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances, malicious persons other than thieves, or under the Theft Damage to Buildings Clause.

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.

Responsible Person

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

Keyholder

You or any person or keyholding 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.

If in relation to any claim for Damage in this Additional Clause You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

While the premises are unattended You must ensure that

- (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
 - (i) unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation
 - (ii) if the police have withdrawn their response to alarm callsunless 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,

- (i) 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

- (ii) of notice from a Local Authority or Magistrate imposing any requirement for abatement of nuisance

- (iii) 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
 - (i) any part of the Intruder Alarm System
 - (ii) the structure of The Premises or changes to the layout of The Premises which would affect the effectiveness of the Intruder Alarm System
 - (iii) the means of communication used to transmit signals from the Intruder Alarm System
 - (iv) the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System
 - (v) the maintenance contractshall 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.

Additional Clause List B

All of the following Additional Clauses only apply to the Property Damage – Specified Contingencies Section and/or Property Damage – All Risks Section.

Automatic Fire Alarm

When a discount has been allowed in consideration of an automatic fire alarm 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) notify Us immediately
 - (a) if the automatic fire alarm is removed or permanently out of use
 - (b) of disconnections or failures of the system or parts of it that are likely to leave areas unprotected for 12 hours or more
 - (c) of any problems found as a result of maintenance.
- (2) keep in force a contract with a company acceptable to Us to service and maintain the system in proper working order.

Hire Agreement

If the Property Insured by this Section is the subject of hire agreements, We will include the interest of the owners in any indemnity provided by this Section.

You must provide the name of any other interested party in the event of a claim.

Machinery Re-erection Costs

The Sum Insured for each Machinery item extends to include the cost of re-erecting machinery following Damage insured by this Section.

The following Clause only applies where Property Damage-Specified Contingencies is insured.

Change in Temperature

The insurance in respect of each Building, Machinery and Stock and Materials in Trade Item stated in The Schedule extends to include Damage caused by change in temperature, resulting from total or partial destruction or disablement of refrigerating, electrical or conditioning plant or apparatus, by any Contingency stated as applicable in The Schedule.

European Union and Public Authority Clauses

The following clauses only apply to the Property Damage – Specified Contingencies Section and/or Property Damage – All Risks Section if stated in The Schedule.

H European Union and Public Authorities – Undamaged Property

The European Union and Public Authorities clause contained in the Clauses is cancelled and replaced by the following Clause

European Union and Public Authorities including Undamaged Property

Following Damage insured by this Section to any Buildings, Blocks of flats, Furniture, Machinery or Tenants alterations Item described in The Schedule, We will pay the additional cost of reinstating the Property Insured including any undamaged portions necessary to comply with any

- (1) European Community legislation
- (2) Act of Parliament
- (3) Bye-Laws of any public authority.

We will not indemnify You in respect of

- (a) costs incurred
 - (i) in respect of Damage not insured by this Section
 - (ii) where notice was served upon You before the Damage occurred
 - (iii) where an existing requirement must be completed within a stipulated period
 - (iv) in respect of any Building or contents which have not suffered Damage insured by this Section
- (b) any charge or assessment arising from capital appreciation following compliance with any legislation or Bye-Law.

The reinstatement of the Property Insured

- (a) must begin and be carried out as quickly as possible
- (b) may be carried out on another site and in a manner suitable to Your needs but this must not increase Our liability.

If Our liability under this Section is reduced by the application of any terms or conditions of this policy, Our liability under this clause will similarly be reduced.

The maximum We will pay under this Clause in respect of

- (a) Property Insured which has suffered Damage is the Sum Insured
- (b) undamaged portions of Property Insured other than foundations is 15% of the amount We would have been liable to pay if the Property Insured by the item at The Premises where Damage occurred had been completely destroyed.

Additional Contingency

This Section extends to include the following Additional Contingency, only if stated in The Schedule.

A Subsidence

We will indemnify You in respect of Damage at The Premises caused by Subsidence or ground heave of the site of the Property Insured or landslip.

We will only indemnify You in respect of Damage to

- (a) forecourts, car parks, driveways, footpaths, swimming pools, terraces or patios
- (b) walls, gates, hedges or fences
 - (i) if such property is specifically insured by this Section and
 - (ii) if Damage also occurs to the Building to which such property applies and that Building is insured by this Section.

We will not indemnify You in respect of

- (1) Damage caused by
 - (a) collapse, cracking, shrinking or settlement of any Building
 - (b) coastal or river erosion
 - (c) defective design or inadequate construction of foundations
 - (d) demolition, structural alteration or repair
 - (e) settlement or movement of made up ground.

- (2) Damage as a result of movement of solid floor slabs.

However, We will indemnify You in respect of Damage not otherwise excluded if there is Damage to the foundations beneath the exterior walls of The Premises at the same time.

- (3) the Excess stated in The Schedule.

Additional Conditions

The following additional conditions only apply to the Property Damage – Specified Contingencies Section and/or Property Damage – All Risks Section.

(Also refer to the Conditions contained in these Sections and the Policy Conditions at the back of this policy booklet).

A Firebreak Doors & Shutters

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) close all firebreak doors and shutters outside of business hours
- (b) keep all firebreak doors and shutters in efficient working order.

B Premises Inspection

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) examine the Building for any smoking/ smouldering materials at the close of each working day
- (b) place any smoking/smouldering materials found in non-combustible receptacles
- (c) remove the contents of such receptacles daily from the Buildings
- (d) maintain a daily log of examinations
- (e) carry out a weekly management check on the daily log of examinations.

C Deep Frying and Cooking Equipment

If in relation to any claim for Damage caused by or resulting from fire, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must ensure that

- (a) all deep frying and cooking equipment is installed, operated and maintained in accordance with the manufacturers' instructions

- (b) all deep frying equipment is fitted with a thermostat which prevents the temperature of fat or oil exceeding 205 degrees Centigrade (401 degrees Fahrenheit)
- (c) all deep frying and cooking equipment, including flues and exhaust ducting, is fixed and not in contact with combustible materials
- (d) all extraction hoods, canopies, filters and grease traps are cleaned at least every month
- (e) the entire internal length of all flues and extraction ducting, including extraction motors and fans, are cleaned at least every six months
- (f) suitable fire extinguishers and/or blankets are kept close to the equipment and cooking areas and staff are trained to use them
- (g) during deep frying and cooking operations no equipment is left unattended or unsupervised.

D Waste (Combustible Trade/Refuse) – Storage and Nightly Removal

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) sweep up all combustible trade waste and refuse every day
- (b) remove all combustible trade waste and refuse from the Buildings every night
- (c) store all such waste in non-combustible receptacles with non-combustible lids, when all such waste is stored outside of the Buildings.

E Outside Storage

If in relation to any claim for Damage, when waste is stored outside of the Buildings, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) secure all such waste in a secure waste disposal area at least 10 metres away from any Buildings
or
- (b) store all such waste in a designated storage Building pending removal from The Premises
- (c) Securely lock all such waste disposal area(s) or Building(s) outside of business hours.

F Unoccupied Premises – Non Sprinklered

If in relation to any claim for Damage in respect of any unoccupied or disused Buildings, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) carry out internal and external inspections of the Buildings at least every 7 days
 - (i) maintain a weekly log of such inspections
 - (ii) as soon as possible, repair or arrange to be repaired, any defects found
 - (iii) carry out a monthly management check of the weekly inspections log.
- (b) remove all waste, combustible materials and gas bottles, either within or outside the Buildings, from The Premises
- (c) securely lock all external doors, close and secure all windows, and secure and seal all letter boxes and openings
- (d) turn off all sources of power, fuel and water at the mains and wherever possible, chain and padlock the isolation valves

However, where the Buildings are protected by an Intruder Alarm System, You must provide sufficient power to operate the system.

- (e) advise Us immediately if the Buildings are to be occupied by contractors for renovation, alteration or conversion purposes or if the Buildings are to become occupied or used.

G Unoccupied Premises – Sprinklered

If in relation to any claim for Damage in respect of any unoccupied or disused Buildings, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) carry out internal and external inspections of the Buildings at least every 7 days
 - (i) maintain a weekly log of such inspections
 - (ii) as soon as possible, repair or arrange to be repaired, any defects found
 - (iii) carry out a monthly management check of the weekly inspections log.
- (b) remove all waste, combustible materials and gas bottles, either within or outside the Buildings, from The Premises
- (c) securely lock all external doors, close and secure all windows, and secure and seal all letter boxes and openings
- (d) turn off all sources of power, fuel and water at the mains and wherever possible, chain and padlock the isolation valves

However

- (i) where the Buildings are protected by an Intruder Alarm System, You must provide sufficient power to operate the system
- (ii) where the Buildings are protected by a wet sprinkler installation, provide sufficient heat to prevent freezing or bursting of the sprinkler installation.
- (e) advise Us immediately if the Buildings are to be occupied by contractors for renovation, alteration or conversion purposes or if the Buildings are to become occupied or used.

H Stock Storage – Basements and Ground Floors

If in relation to any claim You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim.

You must ensure that all stock stored in basements and/or on the ground floors of The Premises is stored at least 75mm above floor level.

I Stock Storage – Basements only

If in relation to any claim You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim.

You must ensure that all stock stored in basements of The Premises is stored at least 75mm above floor level.

Theft Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Damage

Loss or destruction of or damage to the Property Insured.

Excess/Excesses

The amount or amounts shown in Your policy or The Schedule which We will deduct from each and every claim at each separate location after the application of Average. See Condition 1.

You will repay any such amount paid by Us.

Property Insured

Property insured as detailed in The Schedule.

Cover

We will indemnify You in respect of Damage occurring during the Period of Insurance.

- (1) in The Premises
- (2) in respect of Buildings at The Premises where You are responsible for the repairs caused by
 - (a) theft or attempted theft from The Premises
 - (b) theft involving violence or threat of violence to You, Your partners, directors or Employees.

The Sum Insured under each item other than items applying solely to private dwelling houses or churches is separately subject to Average. See Condition 1.

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.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage
 - (a) in any part of The Premises not occupied by You in connection with The Business
 - (b) in yards, open sided Buildings, compounds, or other open spaces unless specifically mentioned in The Schedule
 - (c) while The Premises are unoccupied or disused
 - (d) caused by or consisting of acts of fraud or dishonesty
 - (e) caused by or consisting of
 - (i) disappearance
 - (ii) unexplained or inventory shortage
 - (iii) misfiling, misplacing of information or denial error.
- (2) Damage in respect of
 - (a) audio and visual equipment exceeding 10% of the contents sum insured unless stated in the schedule
 - (b) cigarettes, cigars, tobacco, wines and spirits unless stated in the schedule
 - (c) computer hardware and software unless stated in the schedule
 - (d) explosives
 - (e) furs
 - (f) gold and silver articles

- (g) goods held in trust or on commission
 - (h) jewellery and precious stones
 - (i) Money and bullion
 - (j) non-ferrous metals
 - (k) securities and bonds
- unless specifically stated in The Schedule.

(3) Damage

- (a) where You or Your partners, directors or Employees or any member of Your household is involved as principal or accessory
- (b) caused by any person lawfully in The Premises
- (c) caused directly or indirectly by fire
- (d) caused by explosion

However, We will indemnify You in respect of Damage where explosives are used in connection with theft or attempted theft as described in Cover (a) or (b), provided Damage by explosion is not insured elsewhere.

- (e) to glass

However We will indemnify You in respect of Damage to glass which is not insured elsewhere.

- (4) Damage to property more specifically insured by You or on Your behalf.
- (5) any indirect loss or damage.
- (6) the Excess as stated in The Schedule.

Conditions

The following conditions below apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

(1) Average

Where a Sum Insured is stated to be subject to average, this means that if at the time of Damage, the Sum Insured is less than the total value of the property, You will

- (a) be responsible for the difference
- (b) bear a proportionate share of the loss.

(2) Our Rights

If Damage occurs which may lead to a claim, We may

- (a) enter or take possession of the Building or The Premises
 - (b) take possession of, or require to be delivered to Us, Property Insured which We will deal with in a reasonable manner
- without incurring liability or reducing Our rights.

We will not pay for Damage if You or anyone acting on Your behalf

- (i) do not comply with Our requirements
- (ii) hinder or obstruct Us.

You are not entitled to abandon property to Us.

(3) Protections

If in relation to any claim in respect of Damage caused by theft or attempted theft, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

Whenever the Premises are

- (a) closed for business
- or
- (b) left unattended

You must ensure that all security devices provided to protect The Premises are properly fitted and put into full operation.

Clauses

The following clauses apply to this Section.

All Other Contents

This term includes

- (1) documents, manuscripts and business books
 - (2) computer systems records
 - (3) patterns, models, moulds, plans and designs
- but only for
- (a) the value of the materials
 - (b) the cost of labour and computer time spent in reproducing them.

The maximum We will pay in respect of computer systems records is £10,000.

We will not pay for

- (i) expenses in connection with producing information to be recorded
- (ii) the value to You of any information lost.

(4) personal belongings, pedal cycles, tools and instruments belonging to You or any of Your directors, Employees, customers or visitors but only if they are not more specifically insured.

The maximum We will pay in respect of any one person's property is £1,000.

(5) Paintings, curios, rare books or works of art but the maximum We will pay in respect of any one article is £2,500.

Automatic Reinstatement of Sum Insured

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.

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

Basis of Claim Settlement – Reinstatement

Unless otherwise stated in The Schedule in the event of Damage the basis upon which We will calculate the amount We will pay for any claim will be the reinstatement of the Property Insured lost, destroyed or damaged, subject to the following conditions

(1) If Property Insured under any Buildings, Blocks of flats, Furniture, Machinery or Tenants alterations Item described in The Schedule, other than pedal cycles, personal items, rent or motor vehicles if insured, is lost or destroyed, We will pay for its rebuilding or replacement by similar property in a condition as good as, but not better than or more extensive than, its condition when new.

If such Property Insured is damaged, We will pay for replacement or repair of the damaged portion to a condition as good as, but not better or more extensive than, its condition when new.

However, We will not pay more than We would have done if the property had been completely destroyed.

- (2) The Property Insured may be replaced on another site and in a manner suitable to Your needs, but this must not increase Our liability.
- (3) All work must begin and be carried out as quickly as possible.

(4) If, at the time of rebuilding or replacement, 85% of what it would have cost to replace the whole of the Property Insured under that Item, is greater than the Sum Insured at the time the Damage occurred, You will be liable to bear a proportionate share of the loss.

- (5) We will not pay under this Clause
 - (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 under another policy which does not have a similar basis of reinstatement
 - (c) if You do not comply with any of the terms of this clause.

Changing Locks

We will indemnify You in respect of the cost of changing locks at The Premises following loss of keys, including safe keys, by theft or attempted theft from

- (1) The Premises
- (2) Your home
- (3) Your directors homes
- (4) Your authorised Employees homes

or while in Your custody or that of an Employee following theft involving violence or threat of violence to You or an Employee.

If the keys belong to a safe they must be

- (i) removed from The Premises overnight
- (ii) kept in a secure place away from the safe when You or an Employee occupies The Premises.

The maximum We will pay for any one loss is £1,000.

Debris Removal

Unless separately insured under this Section, the Sum Insured for each Item, other than rent if insured, includes costs and expenses You incur, with Our consent, for

- (1) removal of debris
- (2) dismantling or demolishing
- (3) shoring up or propping

the parts of the property which have suffered Damage insured under this Section.

We will not indemnify You in respect of costs and expenses

- (a) incurred in removing debris from anywhere other than the site of the Damage and the area immediately adjacent to it
- (b) arising from pollution or contamination of property not insured by this Section
- (c) more specifically insured.

Description of Property

In determining the item under which property is insured, We will accept the description given in Your business records.

European Union and Public Authorities

Following Damage to any Item on Buildings, Blocks of flats, Furniture, Machinery or Tenants alterations Item described in The Schedule, We will pay the additional cost of reinstating the Property Insured necessary to comply with any

- (1) European Union Legislation
- (2) Act of Parliament
- (3) Bye-Laws of any public authority.

We will not indemnify You in respect of

- (a) costs incurred
 - (i) in respect of Damage not insured by this Section
 - (ii) where notice was served on You before the Damage occurred
 - (iii) where an existing requirement must be completed within a stipulated period
 - (iv) in respect of property or parts of the property, other than foundations (unless foundations are specifically excluded) which have not suffered Damage
- (b) any charge or assessment arising from capital appreciation following compliance with any legislation or Bye-Law.

The reinstatement of the Property Insured

- (1) must begin and be carried out as quickly as possible
- (2) may be carried out on another site and in a manner suitable to Your needs but this must not increase Our liability.

If Our liability under this Section is reduced by the application of any terms or conditions of this policy, Our liability under this Clause will similarly be reduced.

The maximum We will pay under this Clause in respect of any one Item is the Item Sum Insured.

Outbuildings

Unless otherwise stated Outbuildings and Contents thereof are excluded.

In respect of Damage to Contents of unalarmed outbuildings the Excess is increased to the amount shown in the Schedule.

Lamps, Signs and Nameplates

We will indemnify You in respect of Damage to

- (a) lamps
- (b) signs
- (c) nameplates

at The Premises.

The maximum that We will pay in respect of any one item is £1,000.

We will not indemnify You in respect of Damage arising from

- (1) mechanical or electrical breakdown
- (2) wear and tear
- (3) corrosion or rot

Professional Fees

The Sum Insured for each Item, excluding Stock and Materials in Trade, includes an amount for professional fees necessarily incurred in reinstating or repairing the Property Insured, following Damage insured by this Section.

We will not indemnify You in respect of fees

- (1) more specifically insured
- (2) incurred in making a claim

Seasonal Increase

We will increase the Sum Insured on each item of Stock in The Schedule by 25% or £500,000 in total for all Stock Items whichever is lower, for the months of November, December and January or for any other three month period selected by You and stated in The Schedule.

Temporary Removal for Cleaning or Renovation

We will indemnify You in respect of Damage insured by this Section other than to Stock and Materials in Trade, while temporarily removed for cleaning, renovation or repair or similar purposes

- (1) to another part of The Premises
- (2) to any other premises in England, Wales, Scotland, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man including whilst in transit by road, rail or inland waterway

The maximum We will pay is 10% of the item Sum Insured after the deduction of the value of any Building and Stock and Materials in Trade included within the Item insured.

We will not indemnify You in respect of

- (a) property insured elsewhere
- (b) Damage occurring elsewhere than at The Premises to motor vehicles or motor chassis licensed for informal road use
- (c) property removed for more than 90 consecutive days unless We agree a longer period in writing.

Temporary Removal – Documents and Computer Systems Records

Where any Item under this Section includes documents and computer systems records We will indemnify You in respect of Damage insured by this Section to such property while

- (1) temporarily removed to any premises not occupied by You
- (2) in transit by road, rail or inland waterway

in England, Wales, Scotland, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man.

The maximum We will pay is 10% of the total property described in this Clause.

Additional Clauses

The following Additional Clauses only apply to this Section.

Additional Clauses

A Day One (Non-Adjustable if stated in the schedule)

For each Item of Property Insured to which this clause applies (as stated in The Schedule).

- (1) The first and annual premiums are based upon the Declared Value as stated in The Schedule.

Declared Value shall mean

Your assessment of the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (1) of the Basis of Settlement Reinstatement Clause 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.

The Declared Value incorporated in each Item is stated in The Schedule.

- (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) Paragraphs (4) and (5) of the Basis of Settlement – Reinstatement clause 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 clause, 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 clause.

- (5) We will not pay under this Clause
 - (a) until You have incurred the cost of replacing or repairing the property
 - (b) if You, or someone acting on Your behalf, have insured the property 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 clause.

However the Sums Insured will be limited to 110% of the Declared Values stated in The Schedule.

- (4) The maximum We will pay in respect of each separate location subject to this Clause is as stated in The Schedule.

Additional Conditions

The following additional conditions apply to this Section only if stated in The Schedule.

(Also refer to the conditions stated in this Section and the Policy Conditions at the back of this policy booklet).

Intruder Alarm System

For the purpose of this Additional Condition 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.

Responsible Person

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

Keyholder

You or any person or keyholding 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.

If in relation to any claim for Damage caused by theft or attempted theft You fail to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

While The Premises are unattended You must ensure that

- (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 unless we agree otherwise.
 - (i) unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation
 - (ii) if the police have withdrawn their response to alarm calls.
- (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
 - (i) 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
 - (ii) of notice from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
 - (iii) 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 orderand You must comply with any of Our subsequent requirements.
- (5) no alteration or substitution of
 - (i) any part of the Intruder Alarm System
 - (ii) the structure of The Premises or changes to the layout of The Premises which would affect the effectiveness of the Intruder Alarm System
 - (iii) the means of communication used to transmit signals from the Intruder Alarm System
 - (iv) the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System
 - (v) the maintenance contractshall be made without Our written agreement.
- (6) You and each Keyholder 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 is 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 must 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 in respect of Damage insured by this Section, You have failed to implement the requirements stated in the Schedule of Requirements within the timescales specified, You will lose Your right to indemnity or payment for that claim.

Minimum Security Condition

If in relation to any claim for Damage as insured by this Section, occurring more than 30 days after the inception of this Section, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must ensure that

- (1) Final exit doors are secured as follows
- (a) timber doors – by mortice deadlocks having five or more levers or conforming to BS3621 with matching boxed striking plate
 - (b) aluminium doors – by cylinder mortice lock operating a swinging lock bolt
 - (c) PVCu doors – by key operated multi-point locking devices having three or more locking points
 - (d) the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom.

When The Premises are closed for business all locks fitted to final exit doors must be put into effect.

- (2) All other external doors and internal doors leading to common areas or other premises, are secured:
- (a) by the means set out in (1), or
 - (b) by key operated security bolts fitted top and bottom.
- (3) All opening windows or rooflights accessible from the ground or via roofs, pipework or other structures are secured by key operated locking devices or screwed permanently shut.
- (4) Any security measures stipulated or agreed by Us in writing.

Any door or window officially designated a fire exit by the Fire Authority is excluded from these requirements.

Business All Risks Section

If stated in the schedule.

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and will keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Damage

Accidental loss or destruction of or damage to the Property Insured.

Defined Contingency

fire

lightning

explosion

aircraft and other aerial devices or articles dropped from them

riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances

malicious persons other than thieves

earthquake

storm or flood

escape of water from any tank, apparatus or pipe

falling trees

impact

escape of fuel from any fixed oil heating installation.

Excess/Excesses

The amount or amounts shown in Your policy or The Schedule which We will deduct for each and every claim at each separate location after the application of Average. You will repay any such amount paid by Us.

Property Insured

Property insured as detailed in The Schedule

Cover

We will indemnify You in respect of Damage occurring during the Period of Insurance. 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.

Clauses

The following clauses apply to this Section.

Automatic Reinstatement of Sum Insured

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.

You must pay the additional premium needed to reinstate the Sum Insured.

Average

Each of the Sums Insured by this Section is subject to average. This means that if at the time of Damage, the Item Sum Insured is less than the total value of the property, You will

(a) be responsible for the difference

(b) bear a proportionate share of the loss.

Basis of Claims Settlement – Reinstatement

Unless otherwise stated in The Schedule, in the event of Damage the basis upon which We will calculate the amount We will pay for any claim will be the reinstatement of the Property Insured lost, destroyed or damaged, subject to the following conditions

(1) If Property Insured under any Buildings, Block of flats, furniture, Machinery or Tenants alterations Item described in The Schedule, other than pedal cycles, personal items, rent or motor vehicles if insured, is lost or destroyed, We will pay for its rebuilding or replacement by similar property in a condition as good as, but not better than or more extensive than, its condition when new.

If such Property Insured is damaged, We will pay for replacement or repair of the damaged portion to a condition as good as, but not better or more extensive than, its condition when new.

However, We will not pay more than We would have done if the property had been completely destroyed.

- (2) The Property Insured may be replaced on another site and in a manner suitable to Your needs, but this must not increase Our liability.
- (3) All work must begin and be carried out as quickly as possible.
- (4) If, at the time of replacement or repair 85% of what it would have cost to replace the whole of the Property Insured under that Item, is greater than the Sum Insured at the time the Damage occurred, You will be liable to bear a proportionate share of the loss.

- (5) We will not pay under this Clause
- (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 under another policy which does not have a similar basis of reinstatement
 - (c) if You do not comply with any of the terms of this clause.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

- We will not indemnify You in respect of
- (1) Damage caused by or consisting of
 - (a) an existing or hidden defect
 - (b) gradual deterioration or wear and tear
 - (c) frost or change in the water table level
 - (d) faulty design or faulty materials used in its construction
 - (e) faulty workmanship, operating error or omission by You or any employee
 - (f) explosion of a boiler (other than a boiler being used for domestic purposes), vessel, machine or apparatus in which the internal pressure is due to steam only and which You own or control

- (g) the bursting of
 - (i) a boiler
 - (ii) other equipment
 - not being used for domestic purposes where the internal pressure is due to steam only and belongs to You or is under Your control.

However, We will indemnify You in respect of any subsequent Damage which results from a cause not otherwise excluded.

- (2) Damage caused by or consisting of
 - (a)
 - (i) corrosion, rust or rot
 - (ii) shrinkage, evaporation or loss of weight
 - (iii) dampness or dryness
 - (iv) scratching
 - (v) vermin or insects
 - (vi) mould or fungus
 - (b) change in
 - (i) temperature
 - (ii) colour
 - (iii) flavour
 - (iv) texture or finish
 - (c) nipple or joint leakage or failure of welds
 - (d) cracking, fracturing, collapse or overheating of a boiler, vessel, machine or apparatus in which internal pressure is due to steam only and any associated piping
 - (e) mechanical or electrical breakdown or derangement.

However, We will indemnify You in respect of

- (i) Damage not otherwise excluded which itself results from a Defined Contingency or any other accidental cause
- (ii) any subsequent Damage which results from a cause not otherwise excluded.
- (3) Damage caused by pollution or contamination.

However, We will indemnify You in respect of Damage, not otherwise excluded, caused by

 - (a) pollution or contamination which results from a Defined Contingency
 - (b) a Defined Contingency which results from pollution or contamination.

- (4) Damage caused by or consisting of
- (a) subsidence, ground heave or landslip unless resulting from fire, explosion earthquake or escape of water from any tank, apparatus or pipe
 - (b) normal settlement of new structures
 - (c) acts of fraud or dishonesty
 - (d) (i) disappearance
 - (ii) unexplained or inventory shortage
 - (iii) misfiling, misplacing of information or clerical error
 - (e) theft or attempted theft from any unattended motor vehicle unless there is evidence of forcible and violent entry into the vehicle.

(5) Damage by fire resulting from its' undergoing any process involving the application of heat.

(6) Damage resulting from its' undergoing any process of

- (a) production or packaging
- (b) treatment, testing or commissioning
- (c) servicing or repair

However, We will indemnify You in respect of this Damage if it is caused by fire or explosion.

- (7) Damage while the Building is unoccupied or disused caused by
- (a) escape of water from any tank, apparatus or pipe
 - (b) malicious persons
 - (c) theft or attempted theft.

However, We will indemnify You in respect of such Damage if it is caused by fire or explosion.

(8) Damage more specifically insured by You or on Your behalf.

(9) indirect loss or damage.

- (10) (a) property insured by any marine policy
- (b) property which would be insured under any marine policy if this insurance did not exist.

However, We will indemnify You in respect of Damage not otherwise excluded for any sum beyond the amount which would have been payable under the marine policy had this insurance not existed.

(11) Damage to Money.

(12) goods held in trust or on commission unless specifically mentioned in The Schedule.

(13) the Excess stated in The Schedule.

(14) any Damage whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss

- (a) Terrorism
- (b) civil commotion in Northern Ireland
- (c) any action taken in controlling preventing suppressing or in any way relating to (a) and/or (b) above.

Terrorism means

(i) in respect of Damage occurring in England Wales and Scotland only (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man or the Channel Islands) acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

- (ii) in respect of Damage occurring in any territory not specified in (i) above any act or acts including but not limited to
- the use or threat of force and/or violence and/or
 - harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political religious ideological or similar purposes.

In any action suit or proceedings where We allege that any Damage results from Terrorism as defined above and is therefore not covered by this Section the burden of proving that any such Damage is covered under this Section will be upon You.

Conditions and Additional Clauses

The following Conditions and Additional Clauses only apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

Conditions

A Intruder Alarm System

For the purpose of this Additional Condition the following definitions apply if stated in The Schedule

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.

Responsible Person

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

Keyholder

You or any person or keyholding 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.

If in relation to any claim for Damage caused by theft or attempted theft involving entry or exit from The Premises by forcible and violent means You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim.

While The Premises are unattended You must ensure that

- (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
 - (i) unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation
 - (ii) 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,

- (i) 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
- (ii) of notice from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
- (iii) 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
 - (i) any part of the Intruder Alarm System
 - (ii) the structure of The Premises or changes to the layout of The Premises which would affect the effectiveness of the Intruder Alarm System

- (iii) the means of communication used to transmit signals from the Intruder Alarm System
 - (iv) the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System
 - (v) 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 must 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.

B Requirements

If in relation to any claim in respect of Damage insured by this Section, You have failed to implement the requirements stated in the Schedule of Requirements within the timescales specified, You will lose Your right to indemnity or payment for that claim.

C Minimum Security Condition

If in relation to any claim for Damage, as insured by this Section, occurring more than 30 days after the inception of this Section, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

- (1) final exit doors must be secured as follows
 - (a) timber doors – by mortice deadlocks having five or more levers or conforming to BS3621 with matching boxed striking plate
 - (b) aluminium doors – by cylinder mortice lock operating a swinging lock bolt
 - (c) PVCu doors – by key operated multi-point locking devices having three or more locking points
 - (d) the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom

When The Premises are closed for business all locks fitted to final exit doors must be put into effect.

- (2) all other external doors and internal doors leading to common areas or other premises, must be secured:
 - (a) by the means set out in (1), or
 - (b) by key operated security bolts fitted top and bottom
- (3) all opening windows or rooflights accessible from the ground or via roofs, pipework or other structures must be secured by key operated locking devices or screwed permanently shut
- (4) any security measures stipulated or agreed by Us in writing.

Any door or window officially designated a fire exit by the Fire Authority is excluded from these requirements.

Additional Clauses

1 Unattended Vehicle Theft Exclusion

This Section excludes Damage resulting from theft or attempted theft from any unattended Vehicle.

Goods in Transit Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and will keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Damage

Loss or destruction of or damage to the Property Insured.

Excess/Excesses

The amount or amounts shown in Your policy or The Schedule which We will deduct for each and every claim after the application of Average. See Condition 2. You will repay any such amount paid by Us.

Means of Transit

As stated in The Schedule.

Occurrence

An event, or number of events, arising from a single cause or occurrence occurring during the Period of Insurance.

Vehicle

Any motor vehicle and/or trailer and/or container which You own or operate.

Personal Effects

Personal possessions excluding cash, bank notes, credit cards, watches and jewellery.

Property Insured

General merchandise connected with The Business owned by You or which You are responsible for.

Territorial Limits

England, Wales and Scotland, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man.

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

(1) Damage

- (a) while in transit by the Means of Transit including
 - (i) loading and unloading
 - (ii) whilst temporarily stored during transit.

The maximum We will pay in respect of any one Occurrence is the Limit of Liability as stated in The Schedule.

- (b) to Your own sheets, ropes, chains, toggles or packing materials while carried on any Vehicle.

We will replace sheets as new if You prove that these were not more than one year old at the time of the Damage.

- (c) to You or Your drivers' Personal Effects in, or from, any Vehicle.

The maximum We will pay in respect of any one person for any one Occurrence is £500.

We will not indemnify You or Your driver for Damage to any item insured by any other insurance policy.

- (d) to Tools
 - (i) in or from any Vehicle
 - (ii) whilst temporarily stored during transit.

The maximum We will pay in respect of any one Occurrence is the Tools Limit of Liability as stated in The Schedule.

(2) Debris Removal

Costs and expenses incurred by You with Our consent

- (a) in removing debris
- (b) in site clearance
- (c) for transhipment and recovery charges following collision, overturning or impact of any Vehicle with any object.
- (d) to reduce or prevent claims.

in the Territorial Limits in connection with The Business.

The maximum We will pay in respect of any one occurrence is £10,000.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not provide indemnity in respect of

Damage caused by

(1) (a) defective or inadequate packing, insulation or labelling

(b) evaporation or ordinary leakage

(c) vermin, wear, tear, gradual deterioration or contamination

(d) an existing or hidden defect

(e) delay

(f) inadequate documentation

(g) indirect loss

(h) its' own

(i) mechanical

(ii) electrical

(iii) electronic

(iv) electro magnetic derangement.

However, We will indemnify You if such Damage is caused by external means.

(2) shortage in weight.

(3) Damage caused by deterioration or variation in temperature.

However we will indemnify You if such Damage is caused as a result of any Vehicle being directly involved in a road traffic accident.

(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 the Territorial Limits

(b) not connected with The Business.

(6) Damage to

(a) audio and visual equipment

(b) clocks and watches

(c) computer hardware and software

(d) explosives

(e) furs and curios

(f) gold and silver articles

(g) jewellery and precious stones

(h) living creatures

(i) Money and bullion

(j) non ferrous metals

(k) rare books and works of art

However, We will indemnify You in respect of Damage to such property if the property is specifically stated as insured in The Schedule and the Damage is not otherwise excluded.

(7) Damage caused by theft or attempted theft of the Property Insured and/or Tools or 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.

However, We will indemnify You if 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 including to, Tools or Personal Effects, while temporarily stored during transit for periods exceeding thirty consecutive days.

(9) property in transit for hire or reward.

(10) the Excess as stated in The Schedule.

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

(1) Automatic Reinstatement

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

You must pay the additional premium needed to reinstate the Limit of Liability.

(2) Average

If at the time of Damage, the Limit of Liability for the Property Insured, other than under 1(b), 1(c) and 1(d) above, or Tools stated in The Schedule is less than the value at risk You will

- (a) be responsible for the difference in value and
- (b) bear a rateable proportion of any loss.

(3) Reasonable Care

If in relation to any claim, You have failed to comply with any of the following conditions, You may lose Your right to indemnity, or payment for that claim.

You must

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

(4) Unattended Vehicle Theft Exclusion

This Section excludes Damage resulting from theft or attempted theft from any unattended Vehicle.

Money and Assault Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Bodily Injury

Bodily injury by violent and visible means, which directly and independently of any other cause, results in death or disablement.

Business Hours

Your normal working hours and any other period during which You or one of Your directors, principals or Employees, entrusted with Money are on The Premises in connection with The Business.

Loss of Limb

- (1) Severance at or above the wrist or ankle
or
- (2) Total and permanent loss of use of a hand, arm, foot or leg.

The Premises

The Premises stated in the Property Damage Sections of The Schedule unless varied by endorsement.

Part A – Money

Cover

We will indemnify You in respect of

- (1) loss of Money, up to the Limit Any One Loss stated in The Schedule, which
 - (a) belongs to You
or
 - (b) You are responsible for in connection with The Business while
 - (i) in transit
 - (ii) in the custody of collectors for 24 hours from the time they receive it or until the next working day whichever is later

- (iii) on contract sites while You or Your Employees are working there
- (iv) on The Premises
- (v) at Your home or that of Your Steward or responsible officer
- (vi) in a bank night safe until removed by the bank
- (vii) loss of crossed cheques, crossed postal or money orders, crossed bankers drafts, credit card sales vouchers or Value Added Tax invoices all belonging to You or for which responsibility has been accepted by You subject to a limit of £250,000 for any one loss

- (2) the cost of replacement or repair following loss of or damage to any
 - (a) safe or strongroom specified in The Schedule
 - (b) case, bag or waistcoat used for carrying Money
 following theft or attempted theft of Money
- (3) loss of or damage to clothing and personal belongings owned by You, Your directors, principals or any Employee following theft or attempted theft of Money involving violence or threat of violence

occurring during the Period of Insurance.

The maximum We will pay for any one person is £500.

- (4) loss of Money which
 - (a) belongs to You
or
 - (b) You are responsible for
 In connection with The Business in vending or gaming machines on The Premises.
 The maximum We will pay in respect of any one Gaming Machine is £1,000, unless stated on The Schedule.
- (5) the limits under Cover (1) are increased by 50%
 - during December and January and
 - during the 7 days following Easter Friday each year

- (6) loan thrift or tontine club cash and the like – Loss of money which is the responsibility of a loan thrift or tontine club up to the sums specified in the schedule and cash carrying bags, provided:
 - (a) the limits stated in the schedule out of business hours include loan thrift or tontine club money but subject to a maximum limit of £2,000
 - (b) all such money is kept in a locked safe out of business hours
 - (c) the police are informed of the payout date and details of the payout and transit money
 - (d) for payouts up to £10,000
 - (i) transit is to be accompanied by at least three able-bodied adults with money divided equally between them
 - (ii) at least three able-bodied adults to be present during payout
 - (e) for payouts in excess of £10,000 prior notice of and security arrangements to be agreed with the insurer.

- (5) loss resulting directly or indirectly from
 - (a) forgery
 - (b) fraudulent alteration or substitution
 - (c) fraudulent use of a computer or electronic transfer
- (6) loss resulting from use of any form of payment which proves to be
 - (a) counterfeit
 - (b) false
 - (c) invalid
 - (d) uncollectable
 - (e) irrecoverable for any reason
- (7) loss of Money from any gaming or vending machine unless specifically stated in The Schedule.

Exceptions – Part A – Money Only

The Exceptions below apply to Part A – Money of this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

- We will not indemnify You in respect of
- (1) loss or shortages due to clerical or accounting errors, or omissions, accountancy depreciation, currency fluctuation or indirect loss of any kind
 - (2) loss due to the dishonesty of Your directors, principals or Employees
 - (a) not discovered within seven working days of the loss
 - (b) where a more specific insurance is in force, except for any amount in excess of that insurance
 - (3) loss of Money 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
 - (4) loss or damage outside England, Wales and Scotland, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man

Part B – Assault

Cover

We will pay compensation to You for Bodily Injury to an Insured Person occurring during the Period of Insurance caused by theft or attempted theft, involving violence or threat of violence, which happens in the course of The Business and directly and independently of any other cause results in any of the following Contingencies

- (1) death
 - (2) total and permanent loss of sight in one or both eyes
 - (3) loss of one or more limbs
 - (4) any other total and permanent disablement which, after 24 months of Bodily Injury, prevents the Insured Person from pursuing any occupation
 - (5) total disablement which, within 24 months of Bodily Injury, prevents the Insured Person from pursuing their normal occupation
 - (6) partial disablement which, within 24 months of Bodily Injury, prevents the Insured Person from pursuing a substantial part of their normal occupation.
- } occurring within 24 months of Bodily Injury

Clauses – Part B – Assault Only

The following Clauses apply to Part B – Assault of this Section only.

(1) Amounts Payable

- (a) We will pay for any one injury
 - (i) the compensation stated in The Schedule
 - (ii) weekly compensation at four weekly intervals
 - (iii) compensation under contingencies (5) and (6) for a maximum of 24 months from the date that the disablement started
- (b) weekly compensation being paid for the same injury will end if We pay compensation under any of contingencies (1) – (4)
- (c) insurance will end for the Insured Person if We pay compensation under any of contingencies (1) – (4).

(2) Medical Evidence

- (a) We may require, at Our expense,
 - (i) an Insured Person to undergo medical examinationsor
 - (ii) a post mortem to be carried out.
- (b) You or Your legal representative will supply to Us, at Your expense, any
 - (i) certificate
 - (ii) information
 - (iii) evidencein the format We require.

Conditions – Part A – Money Only

The following Conditions apply to Part A – Money of this Section only.

(Also refer to the Policy Conditions at the back of this policy booklet).

(1) Records and Key Security

We will not pay any claim unless

- (a) You keep a complete record of Money in a secure place other than in a safe or strongroom containing Money
- (b) outside Business Hours the safe or strongroom will be kept locked and the keys removed from The Premises unless The Premises are occupied by You, Your directors, principals or authorised Employees, in which case the keys will be kept in a secure place away from any safe or strongroom
- (c) whenever The Premises are closed for business or left unattended, all security devices to protect The Premises are properly fitted and put into full operation.

Additional Conditions

The following Additional Conditions apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

A Intruder Alarm System

For the purpose of this additional condition the following definitions apply if stated in the schedule.

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.

Responsible Person

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

Keyholder

You or any person or keyholding 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.

If in relation to any claim for loss or damage caused by theft or attempted theft involving entry or exit from The Premises by forcible or violent means, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

While The Premises are unattended You must ensure that

- (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
 - (i) unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation
 - (ii) 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,
 - (i) 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

- (ii) of notice from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
 - (iii) 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
 - (i) any part of the Intruder Alarm System
 - (ii) the structure of The Premises or changes to the layout of The Premises which would affect the effectiveness of the Intruder Alarm System
 - (iii) the means of communication used to transmit signals from the Intruder Alarm System
 - (iv) the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System
 - (v) the maintenance contract
shall be made without Our written agreement.
- (6) You and each Keyholder 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 is 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 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.

B Requirements

If in relation to any claim You have failed to implement the requirements set out in The Schedule of Requirements within the timescales specified, You will lose Your right to indemnity or payment for that claim.

C Security Company Contingency Cover

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

If in relation to any claim in respect of loss of Money in the custody or control of the security company that You have an agreement with, You have failed to fulfil any one of following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) provide Us with a copy of the agreement between You and the security company
- (b) obtain Our written agreement before any changes are made to the agreement
- (c) comply with the terms of the agreement.

D Money in Transit

If in relation to any claim for Money (other than described in Item 1) in transit You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must ensure that

- (a) It is accompanied by the following number of persons who must be either You, Your partners, directors, committee member or Employees
 - Over £5000 up to £7,500 at least 2 persons
 - Over £7500 up to £10 000 three persons
 - Over £10 000 by professional conveying company
 and
- (b) private transport is used for amounts greater than £2,000 where the distance exceeds half a mile.

Our liability will not exceed the limits stated in The Schedule.

E Minimum Security Condition

If in relation to any claim for loss or damage caused by theft or attempted theft involving entry or exit from The Premises by forcible and violent means, occurring more than 30 days after the inception of this Section, You have failed to fulfil any of the following Conditions, You will lose Your right to indemnity or payment for that claim.

You must ensure that

- (1) Final exit doors are secured as follows
 - (a) timber doors – by mortice deadlocks having five or more levers or conforming to BS3621 with matching boxed striking plate
 - (b) aluminium doors – by cylinder mortice lock operating a swinging lock bolt
 - (c) PVCu doors – by key operated multipoint locking devices having three or more locking points
 - (d) the first closing leaf or double leaf doors must be fitted internally with bolts top and bottom.

When The Premises are closed for business all locks fitted to final exit doors must be put into effect.

- (2) All other external doors and internal doors leading to common areas or other premises, are secured
 - (a) by the means set out in (1), or
 - (b) by key operated security bolts fitted top and bottom
- (3) All opening windows or rooflights accessible from the ground or via roofs, pipework or other structures are secured by key operated locking devices or screwed permanently shut.
- (4) Any security measures stipulated or agreed by Us in writing.

Any door or window officially designated a fire exit by the Fire Authority is excluded from these requirements.

Glass Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and will keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Damage

Accidental loss, destruction or damage.

Excess/Excesses

The amount or amounts shown in Your policy or The Schedule which We will deduct for each and every claim at each separate location. You will repay any such amount paid by Us.

Cover

We will indemnify You in respect of

- (1) breakage (including the cost of boarding up) of glass at The Premises
- (2) (a) Damage at The Premises to
 - (i) window frames
 - (ii) door frames
- (b) the cost of removing and reinstating obstructions to replacing glass
- (c) the cost of replacing alarm foil, lettering, painting, embossing, silvering, or other ornamental work on glass

occurring during the Period of Insurance.

The maximum We will pay in respect of item (2a) (i) is £2000 in respect of the total of all losses during any one Period of insurance.

- (3) breakage of fixed
 - (a) washhand basins, pedestals, baths, sinks
 - (b) lavatory bowls, bidets, cisterns
 - (c) shower trays, splashbacks at The Premises.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage to glass in
 - (a) light fittings
 - (b) signs
 - (c) Stock and Materials in Trade or goods in trust
 - (d) vehicles
 - (e) vending machines
- (2) Damage to glass caused by
 - (a) scratching
 - (b) gradual deterioration or wear and tear
 - (c) change in colour or finish
- (3) breakage of glass
 - (a) while The Premises are unoccupied or disused
 - (b) in transit or while being fitted
 - (c) by workmen carrying out alterations or repairs to The Premises
- (4) the Excess stated in The Schedule.

Frozen Foods Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated as applying.

Damage

Loss, destruction or damage.

Excess/Excesses

The amount or amounts shown in Your policy or The Schedule which We will deduct for each and every claim in each separate refrigeration unit after the application of Average. See Clause (1). You will repay any such amount paid by Us.

Cover

We will indemnify You in respect of Damage occurring during the Period of Insurance to food, belonging to You or for which You are responsible while contained in any refrigeration unit, by deterioration or contamination caused by

- (1) a change in temperature as a result of
 - (a) the breaking, distortion or burning out of any part of the
 - (i) unit
 - (ii) unit wiring
 - (iii) supply cable to the unit, including the plug and fuse
 caused by mechanical or electrical defects in the unit while it is being used under normal working conditions
 - (b) failure of temperature controls to operate correctly
 - (c) accidental failure of Your electricity supply but only if this is not deliberately caused by Your supplier of electricity.
- (2) accidental leakage of refrigerant gases or refrigerant fumes from the unit.

Clause

The following clause applies to this Section.

(1) Average

The Sum Insured under this Section is subject to average. This means that if at the time of the Damage, the Sum Insured is less than the total value of the property, You will

- (a) be responsible for the difference
- (b) bear a proportionate share of the loss.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage caused by
 - (a) wear and tear, deterioration or gradually developing flaws or defects in the unit
 - (b) failure to correctly set any temperature controls
- (2) the Excess stated in The Schedule.

Condition

The following condition applies to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

(1) Maintenance

If in relation to any claim You have failed to fulfil the following condition, You will lose Your right to indemnity or payment for that claim. You must ensure that on expiry of any guarantee period You arrange a maintenance contract on any refrigeration unit which does not have an airtight sealed motor and compressor.

Employee Dishonesty

Definitions

(Also refer to the Policy Definitions at the front of this booklet)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

Cheque

Cheque, draft, promissory note, bill of exchange, or similar written promise, order or direction to pay a fixed amount which is shown on the document.

Cheque Fraud

Any act of Forgery or fraudulent alteration of, on or in any Cheque made or drawn by You against an account of You hold with a financial institution located within the Geographical Limits to pay a specified third party or purporting to have been made or drawn as set out above

Computer Fraud

The intentional taking of Insured Property by fraudulent use of computer hardware, systems, software or program operated by You.

Discovery Period

The period of 12 months commencing on the Termination Date

Electronic Instructions

Electronic instructions issued from a terminal or computer on Your premises to a bank or financial institution at which You hold an account directing them to make a payment for a fixed amount from Your account to the account of a third party

Employee (Replaces the policy Definition)

- (1) A Member of Staff Committee members, trustees
- (2) Any person while working under Your control in connection with The Business who is
 - (a) under a work experience or training scheme.
 - (b) working exclusively for You and for no other party under a contract for services as a consultant having previously been employed by You
 - (c) supplied to You by any agency furnishing temporary personnel on a temporary or contingent basis.

- (3) Any person included in (1) or (2) above for a period not exceeding thirty days immediately following the termination of such person's services

Excess/Excesses/The Excess/The Excesses

The amount or amounts shown in Your policy or The Schedule which You must bear for each and every claim.

Facsimile Instructions

Instructions sent from a facsimile or other machine which scans a document, sends it electronically over a telephone or other telecommunications network so that a facsimile can be printed on receipt, to a bank or financial institution at which You hold an account directing them to make a payment using an electronic funds transfer system for a fixed amount from Your account to the account of a third party.

Forgery/Forged

The signing of the name of one person by another person with the intent to deceive but not

- (1) the signing of a person's name signed by that person with or without authority in any capacity for any purpose, or
- (2) genuinely signed instruments which are false as to contents

Funds Transfer Fraud

Electronic Instructions, Facsimile Instructions, Telephone Instructions or Written Instructions which purport to have been sent, issued, given or transmitted by You but were in fact fraudulently sent, issued, given or transmitted by someone else without your knowledge or consent

Geographical Limits

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

Improper Gain

Improper financial benefit

- (1) to the Employee, or
- (2) to any other person or organisation intended by that Employee to receive such benefit.

Salaries, commission, fees or other benefits earned or paid in the normal course of employment or service are not improper financial benefits.

In Collusion

Where two or more people are involved or implicated together or where they assist each other materially.

Inadvertent Breach

Any failure by any Employee to comply with any part of Your Procedures which was without Your knowledge or consent or the knowledge or consent of any of Your Principals or other officers but only if You can conclusively demonstrate that You

- (1) had communicated the relevant Procedures in writing to all Employees in Roles With Responsibility, and
- (2) instructed all Employees in Roles With Responsibility of their duty to comply with and ensure compliance with Your Procedures.

Insured Party

You and the entities detailed in Clause 7 and any other entities named on the Schedule (including stock)

Insured Property

Money or other property

- (1) belonging to You, or
- (2) owned by another for which You
 - (a) have taken physical control, and
 - (b) are legally responsible

Member of Staff

Any person under a full time, part time or temporary contract of service or apprenticeship with You in the ordinary course of Your Business and whom You have the right to govern and direct in the performance of such service.

Money

The policy Definition of Money and monetary balances held to Your credit by a financial institution.

One Claim

All loss or losses caused by any Employee or any other person or in which the Employee or other person is acting In Collusion either resulting from a single act, event or occurrence or any number of acts, events or occurrences irrespective of when they occur and who suffers the loss

Principal

Any person who is an owner, partner, director who is not also a Member of Staff in some other capacity

Procedures

The Controls and Reference Procedures

Reference Date

The earlier of

- (1) the commencement date of the Section Period or
- (2) the commencement date of any previous section, policy or cover issued by Covéa Insurance.

References

Written or fully documented verbal references obtained directly from (1) to (4) below in respect of Members of Staff engaged on or after the Reference Date and for the period of 12 months immediately preceding the commencement of employment of the Member of Staff with You

- (1) previous employers in respect of any period(s) of employment confirming the dates and honesty of the Member of Staff.

Where the previous employer is no longer trading we will accept confirmation of the dates of employment from the administrator, liquidator or equivalent as a reference. If this is unavailable we will accept a copy of some form of independent evidence of the dates of employment (e.g. payslips, P60) which may be received directly from the Member of Staff.

Where the previous employer is HM Forces We will accept as a reference a copy taken by You of the original discharge papers received from the Member of Staff showing the dates of service.

- (2) the accountant or solicitor or a professional person with relevant knowledge in respect of any period(s) of self employment confirming the dates and honesty of the Member of Staff
- (3) the school, college etc. in respect of any period(s) of full-time education confirming the dates and not indicating dishonesty by the Member of Staff
- (4) the Job Centre or equivalent in respect of any period(s) of unemployment of the Member of Staff including confirmation of the dates

Reference Procedures

Your procedures to obtain References

Role With Responsibility

Any role to which any of the following applies

- (a) that involves handling Money, payments, orders, statements of account or stock
- (b) that involves having update and amendment access to accounting and stock recording systems
- (c) in Your accounts, information technology, information systems or computer departments
- (d) with a supervisory, management or directorial content

Role Without Responsibility

Any role which is not a Role with Responsibility

Satisfactory References

For a Reference to be satisfactory

- (1) You must obtain it directly from the referee unless stated to the contrary in this Section
- (2) You must specifically request from any previous employer confirmation of the honesty of the Member of Staff and should follow up any reference if honesty is ignored in the response. If, in the original response or in the follow up, the referee states that, in general, they do not provide references in respect of former employees We will consider the response to be a Reference for the purposes of this Section provided that the refusal to comment on honesty is not obviously particular to the individual and the reference confirms the period of employment involved.

For References in respect of a particular Member of Staff to be satisfactory

- (3) in total they should cover at least the period of 12 months immediately preceding the commencement of employment of the Member of Staff with You.
- (4) the maximum acceptable period between two consecutive references without a further reference for the gap should be 28 days. If You cannot obtain a reference for any period You must obtain evidence of what the Member of Staff was doing which must not indicate dishonesty (e.g. for overseas travel the evidence might be a copy of the passport).

- (5) Where a new Member of Staff is returning to work after an extended period (e.g. after raising a family) You should obtain a personal reference from a person, unrelated to the Member of Staff. The reference should confirm that the referee is not related, the period involved, any other circumstances and the honesty of the Member of Staff.

Section Period

In respect of the cover or any applicable extension, the entire period during which the cover or extension remains in force, from its inception to its Termination Date irrespective of the number of years or Periods of Insurance involved.

Subsidiary Company

Any company or other entity which You own more than fifty per-cent of and over which You retain management control

Telephone Instructions

Person to person verbal instructions over a telephone or telecommunications network made to a bank or financial institution at which You hold an account directing them to make a payment using an electronic funds transfer system for a fixed amount from Your account to the account of a third party.

Termination Date

The date upon which cover ceases under this Section or in respect of any part of the cover the earlier date upon which cover ceases for that part.

Terrorism

Any act or acts including but not limited to

- (1) the use or threat of force and/or violence and/or
- (2) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

The Controls (Numbered 1 to 11)**(1) Audit**

Independent professional accountants, or auditors will examine your accounts, and those of each Subsidiary Company and other Insured Party, at least every twelve months.

(2) Cheque Issue

In respect of this item of The Controls the definition of Cheque is extended to include other instruments for the operation of Your bank accounts

- (a) Cheques will only be signed after they have been fully completed
- (b) Unless signed by a Principal all manually prepared Cheques with a value over £2,500 will be signed by at least two authorised signatories
- (c) If Cheques are prepared and signed by computer or machine
 - (i) dual control will be exercised over the operation
 - (ii) at least one further manual signature will be applied where the value of the Cheque exceeds £5,000.
 - (iii) supporting documentation will be examined and authorised prior to signing by computer or machine
- (d) All signatories, including Principals, will examine the supporting documentation against the Cheque prior to signing.

(3) Wage-roll

The cast of the payroll will be examined at least quarterly by someone other than the Employee responsible or by a Principal to check that the total amount drawn is correct and that there are no past or fictitious Employees included.

(4) Money Received and Banking

- (a) Any Employee who receives or collects Money and/or Cheques in the course of their duties away from Your premises will be required to remit them to You at least every week
- (b) All Money and Cheques received by Employees at Your premises, including that remitted in (a) above, will be banked at least twice every week.

(5) Debtors

- (a) Where You allow credit, statements of account will be issued at least monthly. If the issue of statements involves any Employees who receive payments then all accounts including all suppressed and suspense accounts will be reviewed by a Principal or by someone other than the Employees responsible at least quarterly.
- (b) Management action will be taken before an account becomes three months overdue

(6) Reconciliation

All cash book entries will be checked by a Principal or by someone other than the Employees responsible at least monthly against bank statements, receipts and other supporting documentation and the balance tested against cash and un-presented Cheques.

(7) Cash balances, Floats and Petty Cash

The amount of cash balances, floats and petty cash will be laid down and will be subject to a physical check against supporting documents by a Principal or by someone other than the Employees responsible at least every month.

(8) Stock Control

All stocks, including any raw materials and work in progress, will be subject to at least an annual physical check against verified stock records by a Principal or by someone other than the Employees responsible.

(9) Purchases

In respect of purchases with a value of over £1,000, of machinery, equipment, goods, materials, services, contracts and sub-contracts, no one Employee will be able to perform the following three stages on their own (i) order, (ii) certificate receipt or completion and (iii) authorise payment.

(10) Computer Security

- (a) All update and amendment access to computer systems and programs containing accounting, stock and other valuable records will be protected by passwords. Passwords will be chosen by and confidential to the user and will be changed at least every 90 days.

- (b) If You allow dial-up, internet or other external access to Your computer systems You will protect them with firewalls and anti-virus software which You will update regularly.

(11) Funds Transfer Controls

- (a) Written Instructions to transfer funds will be signed in accordance with the Cheque Issue limits and procedures above
- (b) In respect of funds transfers involving Electronic Instructions
 - (i) at least dual control will be imposed to ensure that no one Employee can complete a funds transfer payment from beginning to end.
 - (ii) all Employees involved will require unique passwords to access the terminal, computer or system. Passwords will be chosen by and confidential to the user and will be changed at least every 90 days.
 - (iii) password resets will be carried out by an Employee who does not have access to or other involvement in the fund transfer process
- (c) In respect of all Telephone Instructions and Facsimile Instructions the bank or financial institution will be instructed to telephone a Principal or Employee other than the person who sent, issued, gave or transmitted, or purported to send, issue, give or transmit, the instructions to check that they are valid prior to transferring the funds
- (d) In all cases the banks will be required to confirm funds transfers in writing within 24 hours of the transfer. The confirmation should be checked against the source documentation within 48 hours of receipt and independently of any Employee involved in the payment process.
- (e) You will comply with all process and security controls agreed with the bank or other financial institution, through which Your transfers are made

Written Instructions

Original written instructions signed in accordance with Your appropriate bank mandate issued to a bank or financial institution at which You hold an account directing them to make a payment using an electronic fund transfer system for a fixed amount from Your account to the account of a third party including instructions to make one payment, payments at specified intervals or under specified conditions

Cover

We will indemnify You in respect of

- (1) loss of Insured Property which You
 - (a) sustain during the Section Period, and
 - (b) discover prior to the expiry of the Discovery Period

solely and directly as a result of one or more act or acts of fraud or dishonesty committed by an Employee alone or acting In Collusion with the intent to cause You to sustain the loss and to obtain Improper Gain
- (2) investigation costs, solely to substantiate the amount of any claim You make, which are incurred with Our written consent, including professional fees, but not salaries, wages or any similar expenditure.
- (3) the cost of reinstatement of electronic data with our written consent if such data was destroyed, erased or stolen during the execution of a valid claim in respect of which payment has been made or agreed.

The maximum amount We will pay in the event of a claim is shown under Clause 1, Our Liability.

The amount of any payment will be determined in accordance with the Basis of Settlement.

Exceptions

The following Exceptions apply in addition to the Policy Exceptions.

We will not indemnify You in respect of

- (1) The Excess
- (2) loss caused by any Employee or in which any Employee is acting In Collusion
 - (a) who You do not have the right to supervise and direct.
 - (b) subsequent to discovery by You of actual or suspected dishonesty by that Employee
 - (c) whose normal place of employment or service is outside the Geographical Limits
 - (d) who You are unable to identify by name
 - (e) who at the time of the loss legally or beneficially controls more than 5% of Your share or other capital

- (3) loss
 - (a) caused by any Principal or in which any Principal is acting In Collusion
 - (b) sustained outside the Geographical Limits
 - (c) the proof of which is dependent upon an inventory calculation or profit and loss calculation alone
 - (d) of an indirect nature including but not limited to loss of potential income, interest and dividends and additional expenditure based on incorrect figures and reports
 - (e) sustained as a result of or involving actual or threatened extortion
 - (f) sustained by any associated company or joint venture unless specified in the Schedule
- (4) penalties and fines
- (5) malicious damage including computer viruses, worms, trojan horses and the like
- (6) loss of and/or damage to proprietary information, trade secrets, confidential processing methods, intellectual property or other confidential information of any kind.
- (7) loss resulting from or in connection with any automatic teller or cash-point machine at any of Your premises or for which You have any responsibility
- (8) any loss or consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event
 - (a) Terrorism
 - (b) any action taken in controlling preventing suppressing or in any way relating to (a) above

In any action, suit or other proceedings, where We allege that by reason of Our Definition of Terrorism any consequence whatsoever resulting directly or indirectly from or in connection with (a) and/or (b) above regardless of any other contributory cause or event is not covered by this policy, the burden of proving that any consequence whatsoever resulting directly or indirectly from or in connection with (a) and/or (b) above regardless of any other contributory cause or event is covered shall be upon You.

Clauses

The following Clauses apply to this Section and any Extension applicable.

(1) Our Liability

- (a) Our maximum liability in respect of One Claim, including any investigation fees and any costs of reinstatement of data, is the Limit of Indemnity shown in the Schedule
- (b) Our liability applies in excess of the total amount of all Excesses applicable to any claim
- (c) If, in the event of a claim, you are unable to produce References for a Member of Staff or every Member of Staff acting In Collusion Our maximum liability will be the lowest of
 - (i) ten percent (one tenth) of the Limit of Indemnity shown in the Schedule
 - (ii) ten percent (one tenth) of any lower limit applicable to the claim
 - (iii) £50,000
- (d) Our maximum liability in respect of Cover item (2), investigation costs, is ten percent (one tenth) of the total payment otherwise agreed under a claim subject to a maximum of £50,000.

(2) Non-Accumulation of Liability

- (a) Our maximum liability in respect of any One Claim will be the Limit of Indemnity applicable to that claim no matter how many Periods of Insurance are involved. Our liability will not be cumulative from Period of Insurance to Period of Insurance.
- (b) If this Section replaces any section, policy, insurance, indemnity or bond and/or is replaced by any section, policy, insurance, indemnity or bond
 - (i) the maximum liability of all insurers involved in respect of One Claim will be the Limit of Indemnity applicable to that claim and no matter how many periods of insurance or insurers are involved. The liability of all insurers will not be cumulative from period of insurance to period of insurance or from insurer to insurer.

- (ii) insured losses forming part of any claim will be apportioned to the appropriate insurer so that the earliest loss sustained is paid first and then losses will be settled in date order until the limit applicable to the claim is reached

(3) Application of The Excess

- (a) The Excess will apply to each claim under this Section
- (b) if any claim for losses that would have formed One Claim under this Section, had it been in force for the entire period of the losses, is partly recoverable under this Section and partly recoverable under any prior insurance and the prior insurance contains an excess The Excess applicable under this Section will be reduced by the amount of the excess applied to losses under the prior insurance, but only if,
 - (i) payment has been made or agreed under the prior insurance
 - (ii) the reduction will not exceed the amount of The Excess under this Section.

(4) Changes to Limit of Indemnity and Excess

Any increase or reduction in either the Limit of Indemnity or The Excess will apply to all loss sustained after the effective date of the increase or reduction.

The date of any reduction in the Limit of Indemnity will be the Termination Date in respect of the amount by which the Limit of Indemnity is reduced.

(5) References for Members of Staff

- (a) To benefit from the full Limit of Indemnity You will be required to produce Satisfactory References for all Members of Staff involved in any loss whose employment with You commenced on or after the Reference Date. See Clause (1) (c) above.
- (b) If after 12 months employment with You in a Role Without Responsibility a Member of Staff is transferred or promoted to a Role With Responsibility Clause (1) (c) above will not apply and You will have the benefit of the Limit of Indemnity otherwise applicable in respect of that Member of Staff, but only if

- (i) You were not aware of any dishonest act by that Member of Staff at any time prior to the transfer or promotion, and
- (ii) any References obtained at the time of Employment
 - are produced in the event of a claim
 - did not contain any evidence or indication of dishonesty

If in the event of a claim losses are discovered that predate the promotion or transfer, Clause (1) (c) will apply in respect of any such losses

- (c) If You did not obtain References when You first employed a Member of Staff We will allow You to obtain them in respect of any Member of Staff after the discovery of a loss but only if You can conclusively demonstrate that
 - (i) Your failure to obtain References was an Inadvertent Breach, and
 - (ii) You would normally have obtained References for a Member of Staff in this type of role or at a similar level of responsibility.

(6) Compliance with The Controls

- (a) We will not be liable to pay any claim if You have not complied with and operated any one or more of The Controls which is material to any part of that claim unless You can conclusively demonstrate that this noncompliance was an Inadvertent Breach of The Controls.
- (b) If We pay or agree to pay any claim or part of any claim where You did not comply with or operate the Controls the amount of The Excess applicable to that claim will be increased by £5,000.

(7) Other Parties having the benefit of Cover

You will be indemnified under this Section against loss sustained by any

- (a) Subsidiary Company but only if it complies with all other terms and conditions of this Section and policy, and
 - (i) is listed in the Schedule, or
 - (ii) Your details, provided to enable Us to assess the risk, include details in respect of all Subsidiary Companies.

The Employees of any Subsidiary Company will be deemed to be Your Employees and You will be responsible for ensuring compliance with all such terms and conditions.

- (b) Pension fund for which You are the sponsoring employer but only
 - (i) if the fund complies with all other terms and conditions of this Section and policy, and
 - (ii) in respect of loss sustained as a result of the act or acts of Your Employees while working in connection with the fund and either under Your control or under the control of the trustees.

(8) Section Replaces Previous Cover With Us

If this Section replaces any previous section, policy or cover issued by Covéa Insurance the indemnity given by this Section will be in continuation of and not in addition to the indemnity given by the previous section, policy or cover.

(9) This Section Replaced by Cover With Us

If this Section is replaced by a section, policy or cover issued by Covéa Insurance to which an interlocking Clause or similar applies, the Discovery Period under this Section will not apply and all indemnity given to You will be under the replacement section, policy or cover for all loss discovered on or after the date of replacement.

(10) Clarification of You/Your/The Policyholder

However You are described in the Schedule all Insured Parties will be treated as a whole, are a single insured and the individual, company, organisation or other entity whose name appears first in the Schedule will act for all Insured Parties whether they are named in the Schedule or not

(11) Knowledge Possessed

Knowledge possessed by any Principal, director, partner, trustee or other officer of any Insured Party will constitute knowledge possessed by You

(12) Multiple Insured Parties Involved

- (a) Our aggregate liability for loss or losses sustained by one or more Insured Party will not exceed the amount for which We would be liable if all losses had been sustained by one of them
- (b) We will not be liable for loss sustained by one or more Insured Party to the advantage of any other Insured Party

(13) Recoveries

If any amounts are recovered they will be distributed first to cover the costs of recovery then to You for the amount of Your loss in excess of the Limit of Indemnity then to Us for the amount paid under the claim and then to You for the amount of The Excess.

(14) Employees property

All Money, wages, salaries, bonds, deposits and other property in Your possession belonging to or owing to or in respect of an Employee who is the subject of a claim, including any amounts already recovered in respect of the claim must be deducted from the amount of Your claim.

(15) Basis of Settlement

We will not be liable for more than

- (a) the lesser of
 - (i) the market value of securities on the business day immediately preceding the day on which the loss is discovered
 - (ii) the cost of replacing the securities
- (b) the equivalent in UK currency (currently pounds sterling) of any other currency calculated at the rate of exchange applicable on the date of settlement. All payments hereunder will in the currency normally used by Us in respect of our business in the UK.
- (c) the cost of labour for the transcription or copying of electronic data, which You will provide, in order to reinstate such data.
- (d) in respect of loss of other Insured Property the lesser of
 - (i) the value at the date of the loss
 - (ii) the cost of repairing or replacing the Insured Property with property of a similar quality and value.

(16) Claims Procedure

- (a) Paragraph (b) of General Condition 4 will not apply to losses sustained under this Section
- (b) A written claim as specified in paragraph (c) of General Condition 4 will always be required and We will not be liable unless You additionally
 - (i) include the name and address of every Employee, and
 - (ii) include all References obtained in respect of every Member of Staff, and
 - (iii) make available to Us for inspection the personnel or human resources file of every Employeeinvolved or whom You accuse of involvement in any loss whether acting alone or acting In Collusion

Optional Basis of Settlement

The following basis of settlement is to apply if stated in the schedule

A Aggregate Limit of Indemnity

Clause (1) Our liability Sub Clauses (a) is restated

- (1) Our Liability – Aggregate
 - (a) the total aggregate amount We will pay in respect of all losses or claims first discovered within any Period of Insurance will not exceed the Limit of Indemnity shown in the Schedule.

Business Interruption Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Damage

Accidental loss or destruction of or damage to property used by You at The Premises for the purpose of The Business.

Defined Contingency

fire

lightning

explosion

aircraft and other aerial devices or articles dropped from them

riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances

malicious persons other than thieves

earthquake

storm or flood

escape of water from any tank, apparatus or pipe

falling trees

impact

escape of fuel from any fixed oil heating installation.

Cover

In respect of each item in The Schedule, We will indemnify You in respect of any interruption or interference with The Business as a result of Damage occurring during the Period of Insurance to the extent of Cover under the Property Damage Section.

The Schedule will state

The maximum We will pay in respect of any one claim is

- (a) for any Item, the Sum Insured or Limit of Liability stated in The Policy
- (b) in aggregate, the total Sum Insured.

Contingencies

A (1) Fire.

We will not indemnify You in respect of Damage

- (a) caused by explosion resulting from fire
- (b) to that portion of any item caused by its own self ignition, leakage of electricity, short circuiting or over-running
- (c) to the Property caused by
 - (i) its own spontaneous fermentation or heating
 - (ii) its undergoing any process involving the application of heat.

(2) Lightning.

(3) Explosion

(a) of boilers

(b) of gas in a Building not being part of any gas works

used for domestic purposes or used for lighting or heating the Building.

We will not indemnify You for Damage caused by earthquake or underground fire.

B Explosion.

We will not indemnify You in respect of any Damage caused by the bursting of any equipment on The Premises belonging to You or under Your control where the internal steam pressure is due to steam only.

However, We will indemnify You in respect of Damage not otherwise excluded, caused by the bursting of any boiler on The Premises belonging to You or under Your control where the internal pressure is due to steam only.

C Aircraft including

(a) other aerial devices

(b) articles dropped from them.

D Riot, civil commotion, strikers, locked out workers, 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 caused by or happening through work stoppages.

- E Earthquake.
- F Earthquake (but limited to Damage caused by Fire only).
- G Storm, Flood and Falling Trees.

We will not indemnify You in respect of

- (a) Damage due only to change in the water table level
- (b) Damage caused by
 - (i) frost
 - (ii) subsidence, ground heave or landslip
 - (iii) escape of water from any tank, apparatus or pipe
 - (iv) felling, lopping or pruning of trees
- (c) Damage to fences, gates and moveable property in the open.

- H Escape of water from any tank, apparatus or pipe or escape of fuel from any fixed oil heating installation.

We will not indemnify You in respect of

- (a) Damage by water discharged or leaking from an automatic sprinkler installation
- (b) Damage whilst The Premises are unoccupied or disused.

- I Impact by any vehicle or by goods falling therefrom or animal.

We will not indemnify You in respect of goods being carried.

- J (1) Theft or attempted theft from The Premises or
- (2) Theft involving violence or threat of violence to You, Your partners, directors or Employees.

We will not indemnify You in respect of Damage

- (a) where You, Your partners, directors or Employees or any member of Your household is involved as principal or accessory
- (b) caused by any person lawfully in The Premises
- (c) while The Premises are unoccupied or disused.

- K (1) Any Damage not excluded by the terms of the Property Damage – All Risks Section of this policy.

and

- (2) Damage not otherwise excluded by the terms of the Property Damage – All Risks Section of this policy caused by a Defined Contingency to
 - (a) boilers on The Premises
 - (b) glass, not being fixed glass forming part of the structure of the Building
 - (c) china, earthenware, marble or other fragile object
 - (d) vehicles licensed for road use including accessories on or attached to them
 - (e) caravans or trailers
 - (f) railway locomotives or rolling stock
 - (g) watercraft or aircraft
 - (h) property in the course of construction including materials for use in the construction
 - (i) roads or pavements, piers, jetties, bridges, culverts or excavations
 - (j) livestock.

We will not indemnify You in respect of Damage caused by

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

However, We will indemnify You in respect of loss resulting from Damage

- (a) caused by a Defined Contingency or from any other Damage not otherwise excluded
- (b) from an ensuing cause which is not excluded.

- (2) erasure or distortion of information on computer systems or other records
 - (a) while mounted in or on any machine or data processing equipment,
 - or
 - (b) due to the presence of magnetic flux unless caused by Damage to the equipment in which the records are mounted.
- (3) change in the water table level.

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

(1) Alteration

We will not indemnify You in respect of Damage if

- (a) The Business is
 - (i) wound up or carried on by a liquidator or receiver
 - (ii) permanently discontinued
- (b) Your interest ceases otherwise than by Your death.

However, We will indemnify You if We agree otherwise in writing.

(2) Claims Procedures

If in relation to any claim You have failed to comply with the following Claims Procedures You will lose Your right to indemnity under this Section.

You must

- (a) take any action reasonably practicable to minimise any interruption of or interference with The Business or to avoid or minimise any Damage

- (b) at Your expense, provide Us with
 - (i) a written claim
 - and
 - (ii) details of other insurances covering the Damage

within 30 days after the expiry of the Indemnity Period or such further time that We may allow

- (iii) books, records and documents We require to assess Your claim
- (c) repay Us, any payment on account We have already made, if You fail to comply with this condition.

(3) Index Linking

Renewal

Where it is requested that index linking applies, the amounts insured will be adjusted for movements in the following index. We may select alternative measures if this index is unavailable.

The Producer Price Index for Home Sales of Manufactured Products issued by the relevant Government department.

(4) Property Cover

We will not indemnify You in respect of any Damage insured by this Section unless

- (a) there is in force at the time of the Damage, an insurance policy covering Your interest in the property at The Premises for the Damage and
- (b) (i) payment has been made or liability admitted for such Damage or
- (ii) payment would have been made or liability would have been admitted for such Damage but for the exclusion of losses below a stated amount in such insurance policy.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet). We will not indemnify You in respect of

- (1) Damage caused by or happening through
 - (a) riot or civil commotion in Northern Ireland
 - (b) pressure waves caused by aircraft or other aerial devices.
- (2) Damage caused by pollution or contamination.

However, if Contingency K applies, We will indemnify You in respect of loss resulting from Damage, unless otherwise excluded, caused by

 - (a) pollution or contamination at The Premises which itself results from a Defined Contingency
 - (b) any Defined Contingency which itself results from pollution or contamination.

However, if Contingencies other than K apply, We will indemnify You in respect of Damage, not otherwise excluded, caused by

 - (i) pollution or contamination at The Premises which itself results from any Contingency insured by this Section (other than Contingency J)
 - (ii) any Contingency insured by this Section (other than Contingency J) which itself results from pollution or contamination.
- (3) any loss or Damage whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - (a) Terrorism
 - (b) civil commotion in Northern Ireland
 - (c) any action taken in controlling preventing suppressing or in any way relating to (a) and/or (b) above.

Terrorism means

- (i) in respect of loss or Damage occurring in England Wales and Scotland only (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man or the Channel Islands) acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto
- (ii) in respect of any loss or Damage occurring in any territory not specified in (i) above any act or acts including but not limited to
 - the use or threat of force and/or violence and/or
 - harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) or persons or so claimed in whole or in part for political religious ideological or similar purposes.

In any action suit or other proceedings where We allege that any loss or Damage results from Terrorism as defined above and is therefore not covered by this Section the burden of proving that any such loss or Damage is covered under this Section will be upon You.

Gross Profit Sum Insured – Basis Specification

Item

Gross Profit Sum Insured stated in The Schedule

Definitions

(Also refer to the definitions stated in this Section and the Policy Definitions at the front of this policy booklet).

The following definitions apply to this specification and shall keep the same meaning wherever they appear in the Specification.

(1) Gross Profit

- (a) The combined value of the Turnover, closing stock and work in progress
less
- (b) the combined value of opening stock and work in progress and Uninsured Working Expenses.

The values of opening and closing stocks and work in progress will

- (i) be calculated using Your usual accounting methods
- (ii) make due provision for depreciation.

(2) Indemnity Period

The period during which The Business results are affected due the Damage, beginning with the date of the Damage and ending not later than the Maximum Indemnity Period.

(3) Maximum Indemnity Period

The number of months stated in The Schedule, unless amended in any Additional Contingency.

(4) (a) Rate of Gross Profit

Gross Profit earned on and expressed as a percentage of Turnover, during the financial year immediately before the date of the Damage.

(b) Annual Turnover

The Turnover during the 12 months immediately before the date of the Damage.

(c) Standard Turnover

The Turnover during that Period in the 12 months immediately before the date of the Damage which corresponds with the Indemnity Period.

Rate of Gross Profit, Annual Turnover and Standard Turnover may be adjusted to reflect any trends or circumstances which

- (i) affect The Business before or after the Damage
- (ii) would have affected The Business had the Damage not occurred

The adjusted figures will represent as near as possible the results which would have been achieved during the same period had the Damage not occurred.

(5) Turnover

Money paid or payable to You for

- (a) goods sold and delivered
- (b) services provided

in course of The Business at The Premises.

(6) Uninsured Working Expenses

- (a) Purchases (less any discounts received)
- (b) discounts allowed
and
- (c) any additional Uninsured Working Expenses stated in the Schedule.

The words and expressions used in this definition will have the meaning usually attached to them in Your books and accounts.

Notes

- (1) All terms in this Section exclude Value Added Tax to the extent that You are accountable to the Tax Authorities for Value Added Tax.
- (2) Any adjustment made for current cost accounting will be ignored.

Basis of Settlement

The insurance on Gross Profit is limited to loss due to

- (a) reduction in Turnover
- and
- (b) increase in cost of working.

We will pay

- (i) in respect of reduction in Turnover

the sum produced by applying the Rate of Gross Profit to the amount by which due to the Damage, the Standard Turnover exceeds the Turnover during the Indemnity Period

- (ii) in respect of increase in cost of working

any additional expense You necessarily and reasonably incur solely to prevent or limit a reduction in Turnover during the Indemnity period which but for such additional expenses would have taken place due to the Damage. We will not pay more than the amount produced by applying the Rate of Gross Profit to the reduction in Turnover avoided by the expenditure.

Less any savings during the Indemnity Period in business charges or expenses, payable out of Gross Profit, which reduce or cease due to the Damage

If at the time of the Damage the Sum Insured is less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (proportionately increased where the Maximum Indemnity Period exceeds twelve months), You will be Your own insurer for the difference and bear a rateable share of the loss.

Clauses

The following clauses apply to this Specification.

(1) Alternative Premises

The Turnover during the Indemnity Period will include any money paid or payable to You during the Indemnity Period for goods sold or services provided elsewhere than at The Premises.

(2) Auditors and Professional Accountants

We will pay Your auditors and professional accountants reasonable charges for

- (a) producing information We require for and investigating any claim and
- (b) 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.

(3) 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.

(4) Return Premium

We will allow a return premium for the Period of Insurance where

- (a) You provide Us with a professional accountants declaration of Gross Profit earned in Your financial year most closely corresponding to that Period of Insurance and
- (b) the declared figure (proportionately increased where the Maximum Indemnity Period exceeds twelve months), is less than the sum insured.

The adjustment will be based on the difference between the declared figure (proportionately increased where necessary) and the Sum Insured.

The maximum We will repay is 50% of the premium paid by You for the Period of Insurance.

We will not return premium for any reduction in Gross Profit which is entirely due to a claim.

(5) Uninsured Standing Charges

Any increase in cost of working settlement will take into account any standing charges of The Business which are not insured (having been deducted in arriving at the Gross Profit).

We will reflect in any such settlement the proportion only of any additional expenditure which

- (a) the Gross Profit bears
to
- (b) the sum of the Gross Profit and the uninsured standing changes.

Clauses

The following clauses only apply to this Section if stated in The Schedule.

A Deductible

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

B Salvage Sale Clause

If following Damage, giving rise to a claim under this Section, you hold a salvage sale during the Indemnity Period, Paragraph (a) of The Basis of Settlement in respect of Gross Profit is amended so that We will pay in respect of reduction in Turnover the sum produced by applying the Rate of Gross Profit to the amount by which, due to Damage the Standard Turnover exceeds the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) from which sum shall be deducted the Gross Profit actually earned during the period of the salvage sale.

C Subrogation Rights 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 Yourselfs 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.

D Payments on Account Clause

Claim payments on account may be made to You during the Indemnity Period, if required.

Endorsements

The following Endorsements apply to this Section only if Item stated in The Schedule.

A Rent Receivable/Payable

We will pay in respect of rent receivable the difference between

- (1) the rent which would have been receivable/payable in respect of The Premises during the Indemnity Period but for the Damage
- (2) the amount of rent actually received/payable during the same period

less any savings in charges or expenses of The Business, payable/receivable out of rent receivable, which reduce or cease due to the Damage.

If at the time of the Damage the Sum Insured by this item is less than the rent which, but for the Damage would have been receivable/payable during the 12 months from the date of the Damage (proportionately increased where the Maximum Indemnity Period exceeds 12 months), You will

- (a) be Your own insurer for the difference
- (b) bear a rateable share of the loss.

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

Extensions

The following extensions only apply to this Section.

Damage as insured by Item 1 of this Section is extended to include loss, destruction or damage

(1) at the undernoted premises or situations

or

(2) to the undernoted property

by any Contingency stated in The Schedule as applying to such situations or property which results in interruption or interference with The Business.

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

(a) the amount

or

stated in The Schedule as the Limit.

A Unspecified Suppliers

Any of Your suppliers' premises within England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man – Maximum anyone claim £25,000.

We will not indemnify You in respect of Damage at any premises of suppliers of electricity, gas, water or telecommunications services.

B Transit

Your property while in transit by

(1) road

(2) rail

(3) inland waterway

all in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man.

Maximum any one claim £5,000.

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

(1) road or rail vehicles

(2) waterborne craft.

C Prevention of Access

Property in the vicinity of The Premises which hinders or prevents access to The Premises

Maximum anyone claim £2,500.

Additional Contingencies

The following Additional Contingencies apply to this Section.

A Subsidence (if stated in The Schedule)

We will indemnify You in respect of Damage causing interruption or interference with The Business as a result of subsidence or ground heave of the site of The Premises or landslip.

We will only indemnify You in respect of Damage to

- (a) forecourts, car parks, driveways, footpaths, swimming pools, terraces or patios
- (b) walls, gates, hedges or fences
 - (i) if such property is specifically insured by the Property Damage – Specified Contingencies Section and/or Property Damage – All Risks Section of this policy and
 - (ii) Damage also occurs to the Building to which such property applies and that Building is insured by the Property Damage – Specified Contingencies Section and/or Property Damage – All Risks Section of this policy.

We will not indemnify You in respect of

- (1) Damage caused by
 - (a) collapse, cracking, shrinking or settlement of any Building
 - (b) coastal or river erosion
 - (c) defective design or inadequate construction of foundations
 - (d) demolition, structural alteration or repairs
 - (e) settlement or movement of made up ground
- (2) Damage as a result of movement of solid floor slabs.

However, We will indemnify You if there is Damage to the foundations beneath the exterior walls of The Premises at the same time.

B 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 £100,000 or 10% of the Sum Insured shown under Item 1 of 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 Clause do not apply in respect of this Additional Contingency.

C 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 England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- (5) lasting less than 30 minutes
- (6) Maximum anyone claim £2,500.

D 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 England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- (5) lasting less than 30 minutes
- (6) Maximum anyone claim £2,500.

E 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 England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- (6) lasting less than 30 minutes
- (7) Maximum anyone claim £2,500.

Additional Contingencies F and G

The following Additional Contingencies apply to this Section.

Maximum Amount Payable

The maximum We will pay in respect of the total of all losses occurring during the Period of Insurance under all or any one of Additional Contingencies F and G is

- (a) £100,000,
or
- (b) 10% of the Sum Insured (or 133 $\frac{1}{3}$ % of the Estimated Amount) shown under the gross profit sum insured on The Schedule,

whichever is the lower, unless otherwise stated in The Schedule.

The provisions of any Automatic Reinstatement Clause do not apply in respect of any of Additional Contingencies F and G.

Definitions

The following definitions apply to Additional Contingencies F and G only.

Food or Drink Poisoning

The occurrence of an illness sustained by any person caused by food or drink poisoning.

Notifiable Disease

The occurrence of any of the following diseases sustained by any person:

Acute Encephalitis
Acute Poliomyelitis
Anthrax
Chickenpox
Cholera
Diphtheria
Dysentery
Legionellosis
Legionnaires Disease
Leprosy
Leptospirosis
Malaria
Measles
Meningococcal Infection
Mumps

Ophthalmia Neonatorum
Paratyphoid Fever
Plague
Rabies
Rubella
Scarlet Fever
Smallpox
Tetanus
Tuberculosis
Typhoid Fever
Viral Hepatitis
Whooping Cough
Yellow Fever

Notifiable Disease at the Premises

- (a) Food or Drink Poisoning attributable to food or drink supplied from The Premises
or
- (b) Notifiable Disease occurring at The Premises.

Notifiable Disease in the Area

- (a) Food or Drink Poisoning or
 - (b) Notifiable Disease
- occurring within a radius of 5 miles of The Premises.

Harmful Organism

The discovery of an organism at The Premises likely to result in the occurrence of Food or Drink Poisoning or a Notifiable Disease.

Vermin Pest and Defective Sanitation

- (a) The discovery of vermin or pests, or
- (b) any accident causing defects in the drains or other sanitary arrangements,

at The Premises which restricts the use of The Premises on the order or advice of the competent authority.

Murder or Suicide

Any occurrence of murder or suicide at The Premises.

Indemnity Period

- (a) In respect of
 - (i) Notifiable Disease at The Premises
 - (ii) Harmful Organism
 - (iii) Murder or Suicidethe period during which the results of The Business are affected due to the occurrence or discovery starting from the date of the occurrence or discovery and ending not later than the Maximum Indemnity Period, stated as applying to the Additional Contingency.
- (b) In respect of
 - (i) Vermin Pest and Defective Sanitation
 - (ii) Notifiable Disease in the Area of Private Hospital and Care Establishment Premises
 - (iii) Notifiable Disease in the Area of All Other Premises

the period during which the results of The Business are affected due to the accident, occurrence or discovery starting from the date the use of The Premises are restricted and ending not later than the Maximum Indemnity Period, stated as applying to the Additional Contingency.

Condition

The following condition applies to all Additional Contingencies F and G.

If in relation to any claim arising directly or indirectly from an occurrence of Legionellosis or Legionnaires Disease You have failed to fulfil the following condition, You will lose Your right to indemnity or payment for that claim.

At The Premises You must ensure compliance at all times with the Health and Safety Commissions Approved Code of Practice, "The Prevention and Control of Legionellosis (including Legionnaires Disease)" Ref ISBN-0-7176-1772- 6 or any supplementary, replacement or amending Code of Practice.

Additional Contingencies

F Notifiable Disease at The Premises

We will indemnify You in respect of loss resulting from interruption of or interference with The Business due to

- (1) Notifiable Disease at The Premises,
- (2) Harmful Organism,
which restricts the use of The Premises on the order or advice of the competent authority
- (3) Vermin Pest or Defective Sanitation,
- (4) Murder or Suicide.

Maximum Indemnity Period

12 months

G Notifiable Diseases in the Area of The Premises

We will indemnify You in respect of loss resulting from interruption of or interference with The Business due to any occurrence of a Notifiable Disease in the Area which restricts the use of The Premises on the order or advice of the competent authority.

Maximum Indemnity Period

12 months

Exceptions to Additional Contingencies F and G

The following exceptions apply to Additional Contingencies F and G.

(Also refer to the Policy Exceptions at the back of this policy booklet.)

- We will not indemnify You in respect of
- (a) costs incurred in cleaning, repair, replacement, recall or checking of property,
 - (b) in respect of Additional Contingency F only, loss arising from premises other than those directly subject to the occurrence, discovery or accident,
 - (c) in respect of Additional Contingency G only, loss arising from premises other than those directly subject to the occurrence,
 - (d) any Business Interruption Extension stated in The Schedule.

Book Debts Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Customers' Accounts

Your accounts for all customers who trade with You on a credit or hire purchase basis.

Damage

Accidental loss, destruction or damage.

Book Debts

Either

- (1) The total declared in the sum insured stated on the schedule adjusted for
 - (a) bad debts
 - (b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Damage) to Customers' Accounts in the period between the date to which the last statement relates and the date of the Damage, and
 - (c) any abnormal condition of trade which had or could have had a material effect on The Business.

The adjusted figures will represent as near as possible, the figures which would have been obtained at the date of the Damage had the Damage not occurred.

Cover

We will indemnify You, as detailed in the Basis of Settlement, in respect of loss of Book Debts, directly due to Damage by any of the Contingencies set out below which are stated as applying in The Schedule, occurring during the Period of Insurance to Your books of account, and other business books or records at The Premises.

Contingencies

- A (1) Fire.
 - (2) Lightning.
 - (3) Explosion
 - (i) of boilers
 - (ii) of gas in a Building not being part of any gas works
 - used for domestic purposes only
 - (iii) of any other boilers or economisers on the Premises.

We will not indemnify You in respect of

- (a) explosion caused by fire
- (b) Damage caused by earthquake
- (c) Damage caused by underground fire.

- B Explosion.

We will not Indemnify You in respect of Damage caused by the explosion of a vessel, machine or apparatus (but not a boiler or economiser on The Premises) in which internal pressure is due to steam only and which You own or is in Your Control.

- C Aircraft and other aerial devices or articles dropped from them.
- D Riot, civil commotion, strikers, locked-out workers, 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 caused by or happening through work stoppages.

E Earthquake.

F Storm, Flood and Falling Trees.

We will not indemnify You in respect of Damage

- (a) due only to change in the water table level
- (b) caused by
 - (i) escape of water from any tank, apparatus or pipe
 - (ii) frost
 - (iii) subsidence, ground heave or landslip
- (c) to fences, gates and moveable property in the open
- (d) caused by felling, lopping or pruning of trees.

G Escape of water from any tank, apparatus or pipe or escape of fuel from any fixed oil heating installation.

We will not indemnify You in respect of Damage

- (a) by water discharged or leaking from an automatic sprinkler installation
- (b) whilst The Premises are unoccupied or disused.

H Impact by any vehicle or animal or by goods falling therefrom.

I Theft or attempted theft involving entry into or exit from Buildings by forcible and violent means or theft.

We will not indemnify You in respect of Damage

- (1) where You, Your partners, directors or Employees or any member of Your household is involved as principal or accessory
- (2) caused by any person lawfully in the Building
- (3) while the Building is unoccupied or disused.

J Any accidental cause.

We will not indemnify You in respect of Damage caused by

- (1) theft of business records where You, Your partners, directors or Employees or any member of Your household is involved as principal or accessory
- (2) fraud, trick or deception
- (3) the deliberate falsification of business records
- (4) erasure or distortion of information on computer systems or other records
 - (a) due to defects in or on them
 - (b) due to the presence of magnetic flux
 - (c) while mounted in or on any machine or data processing equipment

We will indemnify You if such erasure or distortion is caused by Damage to the machine or data processing equipment and is not excluded by this Section.

- (5) mislaying or misfiling of business records, clerical errors or omissions, wear and tear, gradual deterioration, rust, damp, mildew or vermin, mould or fungus
- (6) the deliberate act of the public supply undertaking in restricting or withholding electricity supply
- (7) change in the water table level.

Basis of Settlement

- (1) The insurance in respect of Book Debts is limited to the loss sustained by You directly due to the Damage.

We will pay

- (a) the difference between
- (i) the Book Debts
 - and
 - (ii) the total of the amounts received or traced
- (b) the additional expenditure incurred with Our consent in tracing and establishing customers' debit balances after the Damage

provided that if the Sum Insured by this item be less than the Book Debts the amount payable shall be proportionately reduced.

- (2) If We require any information to verify a claim Your professional accountants at the time of the claim may produce and report details contained in business books or records. Their report will be accepted as prima facie evidence of the details.

We will pay Your professional accountant's charges for

- (a) producing information We require for investigating any claim
- and
- (b) confirming the information in accordance with Your business books.

The maximum We will pay for any claim, including professional accountant's fees, is the Sum Insured by this Section.

Clauses

All of the following clauses apply to this Section.

1 Automatic Reinstatement

The Sum 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.

2 Temporary Removal

We will indemnify You in respect of loss, as insured by this Section, resulting from Damage occurring within England, Wales and Scotland, the Republic of Ireland, Northern Ireland, the Channel Islands or the Isle of Man to Your books of account, other business books or records whilst temporarily removed to any premises occupied by persons acting on Your behalf or whilst in transit but excluding Damage by theft from an unattended vehicle.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

(1) loss resulting from Damage caused by or happening through

(a) riot or civil commotion

However We will indemnify You, if these Contingencies are stated as applicable in The Schedule

(b) pressure waves caused by aircraft or other aerial devices

(2) loss resulting from pollution or contamination except in respect of any of Contingencies A-J, if applicable, loss resulting from Damage not otherwise excluded caused by

(i) pollution or contamination at The Premises which itself results from Damage

(ii) Damage which itself results from pollution or contamination

(3) any Damage whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss

- (a) Terrorism
- (b) civil commotion in Northern Ireland
- (c) any action taken in controlling preventing suppressing or in any way relating to (a) and/or (b) above.

Terrorism means

- (i) in respect of Damage occurring in England, Wales and Scotland only (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man or the Channel Islands) acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto
- (ii) in respect of Damage occurring in any territory not specified in (i) above any act or acts including but not limited to
 - the use or threat of force and/or violence and/or
 - harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political religious ideological or similar purposes.

In any action suit or proceedings where We allege that any Damage results from Terrorism as defined above and is therefore not covered by this Section the burden of proving that any such Damage is covered under this Section will be upon You.

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

1 Alteration

We will not indemnify You in respect of Damage if

- (1) The Business is
 - (a) wound up or carried on by a liquidator or receiver
 - or
 - (b) permanently discontinued
- (2) Your interest ceases otherwise than by Your death.

We will indemnify You if We agree otherwise in writing.

2 Claims Procedure

If in relation to any claim You have failed to comply with the following Claims Procedures under this Section. You will lose Your right to indemnity or payment.

You must

- (1) take any action reasonably practicable to avoid or minimise any Damage
- (2) at Your expense, provide Us as soon as possible with
 - (a) a written claim
 - (b) details of other insurances covering the Damage
 - (c) books, records and documents We require to assess Your claim
- (3) repay Us, any payment on account We have already made, if You fail to comply with this condition.

Loss of Licence Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Loss of Licence

- (1) forfeiture due to licensing regulations
- (2) refusal to renew by the licensing authority due to causes beyond Your control.

Licence

The licence or licences stated in The Schedule.

Cover

We will indemnify You for reduction in the value of Your interest in

- (1) The Premises or
- (2) The Business

following Loss of Licence.

The most We will pay is the Sum Insured 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.

Clauses

The following clause only applies to this Section if stated in The Schedule.

Bank Interest

The cover provided by this Section is extended to include loss sustained by Your bank resulting from forfeiture of or refusal to renew the Licence occasioned wholly or partly by or through the misconduct, or connivance, or neglect, or omission of You.

Provided that in the event of Your bank becoming aware of any acts or omissions by You, We will be informed.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not pay

- (1) where You can obtain statutory compensation for Loss of Licence
- (2) where Loss of Licence arises out of
 - (a) any town or country planning, improvement or redevelopment
 - (b) compulsory purchase or surrender
 - (c) reduction or redistribution of licenses
 - (d) a change in the law.

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

(1) Change in Risk

If in relation to any claim You have failed to comply with any of the following conditions, You will lose Your right to indemnity or payment for that claim

You must notify Us in writing immediately that You become aware of

- (a) a change in tenancy or management of The Premises
- (b) a transfer or proposed transfer of the Licence
- (c) a complaint against The Premises or the control of The Premises
- (d) any action against the
 - (i) Licence holder
 - (ii) manager
 - (iii) tenant or other occupier of The Premises
 for any breach of the licensing law, or any other matter where the integrity of the person concerned is brought into question.
- (e) objection to renewal of the Licence, or other reasons which could endanger the Licence or its renewal.

(2) Notification

If in relation to any claim You have failed to comply with any of the following conditions, You will lose Your right to indemnity or payment for that claim

In the event of Loss of Licence, You must inform Us in writing within 7 to 14 days. You are also required to provide any assistance or information We may request.

Employers' Liability Section**Definitions**

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Bodily Injury

Bodily injury including death, illness, disease or nervous shock.

Compensation

Damages, including interest.

Costs and Expenses

- (1) Fees for The Insured's legal representation at
 - (a) any Coroner's Inquest or Fatal Accident Inquiry
 - (b) proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty
- (2) Cost and expenses incurred with Our written consent
- (3) Any claimant's legal costs for which The Insured is legally liable

in connection with any event which is or may be the subject of indemnity under this Section.

Terrorism

Any act or acts including but not limited to

- (1) the use or threat of force and/or violence
and/or
- (2) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

The Defined Territories

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

The Insured

- (1) You.
- (2) Your personal representatives in respect of legal liability You incur.
- (3) At Your request
 - (a) any director, partner or Employee of Yours
 - (b) the officers, committees and members in their respective capacities as such
 - (c) any principal for whom You are carrying out a contract to the extent required by the contract conditions
 - (d) those who hire plant to You to the extent required by the hiring conditionsor the personal representative of any of these persons

in respect of legal liability for which You would have been entitled to indemnity if the claim had been made against You.

Each indemnified party will be subject to the terms of this Section so far as they apply.

The total amount which We will pay will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

The Limit of Indemnity

The maximum amount, stated in The Schedule, including Costs and Expenses, which We will pay in respect of any one claim or series of claims against The Insured arising out of one cause.

The Territorial Limits

Anywhere in the world in connection with The Business conducted by You from premises within The Defined Territories.

We will not provide indemnity in respect of Bodily Injury to any Employee engaged by You outside The Defined Territories for the purpose of work by any such Employee outside The Defined Territories.

Cover

We will indemnify The Insured against

- (1) legal liability to pay Compensation and
- (2) Costs and Expenses

in respect of Bodily Injury caused during the Period of Insurance to any Employee arising out of and in the course of employment by You in The Business within The Territorial Limits.

The maximum We will pay is The Limit of Indemnity.

Clauses

The following clauses apply to this Section.

Additional Activities

The Business includes

- (1) ownership, use and upkeep of Your premises.
- (2) upkeep of vehicles and plant owned and used by You.
- (3) canteen, social, sports, educational and welfare organisations for the benefit of any Employee.
- (4) Your first aid, fire, security and ambulance services.
- (5) Your participation in exhibitions.
- (6) private work by any Employee, with Your prior consent, for You or for any director, partner or Employee of Yours.

Contractual Liability

We will indemnify The Insured in respect of liability for Bodily Injury imposed on You solely by reason of the terms of any agreement provided that the conduct and control of any claim is vested in Us.

We will not provide indemnity in respect of any agreement for or including the performance of work outside The Defined Territories.

Cross Liabilities

We will indemnify each party named as The Policyholder in The Schedule as if a separate policy had been issued to each.

The total amount payable will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

Legal Expenses arising from Health and Safety Legislation

We will indemnify The Insured in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals
- (2) costs of prosecution awarded against The Insured

which arise from any health and safety inquiry or criminal proceedings for any breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged act, omission or incident committed during The Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which
 - (a) result from any deliberate act or omission by You.
 - (b) relate to the health and safety of any person other than an Employee.
- (3) where indemnity is provided by another insurance policy.

Our Right of Recovery

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to the compulsory insurance of liability to employees in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

However, You will repay to Us all sums We would not have been liable to pay but for the provisions of such law.

Payment for Court Attendance

We will compensate You if, at Our request, You, any director, partner or Employee of Yours, is attending court as a witness in connection with a claim for which The Insured is entitled to indemnity.

The maximum We will pay for

- (1) You, each director or partner is £250 per day.
- (2) each Employee is £150 per day.

Unsatisfied Court Judgements

We will, at Your request, pay any Employee or his or her personal representative, the amount of damages and costs awarded to such person as a result of a judgement which has been obtained for Bodily Injury against any company registered in or any individual domiciled in The Defined Territories and which remain unpaid six months after the date of such judgement.

Payment will only be made where

- (1) the Bodily Injury was caused during any Period of Insurance to the Employee arising out of and in the course of employment by You in The Business.
- (2) the judgement was obtained in a court within The Defined Territories.
- (3) there is no appeal outstanding to the judgement.
- (4) the Employee, or his or her personal representative, assigns the judgement debt to Us.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not provide indemnity in respect of

- (1) work in or on and travel to, from or within any offshore
 - (a) accommodation, exploration, drilling or production rig or platform.
 - (b) support vessel.
- (2) Bodily Injury sustained by any Employee when such person is
 - (a) carried in or upon a vehicle
 - (b) entering or getting on to, or alighting from, a vehicle

where any road traffic legislation requires insurance or security.

- (3)
 - (a) liquidated damages.
 - (b) penalty clauses.
 - (c) fines.
 - (d) aggravated, restitutionary, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages.
- (4) any consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event
 - (a) Terrorism
 - (b) any action taken in controlling, preventing, suppressing or in any way relating to (a) above

except as stated in **Special Provision – Terrorism** below

In any action, suit or other proceedings where We allege that any consequence whatsoever resulting directly or indirectly from or in connection with (4)(a) and/or (4)(b) above regardless of any other contributory cause or event is not covered under this Section (or is covered only up to a specified limit of liability) the burden of proving that any such consequence is covered (or is covered beyond that limit of liability) under this Section shall be upon You.

Special Provision – Terrorism

Subject otherwise to the terms of the policy

Neither of the exclusions in (4)(a) and (4)(b) above shall apply to the Employers' Liability Section but the Limit of Indemnity for the purpose of this Special Provision - Terrorism is limited to £5,000,000 including costs and expenses.

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

Premium Adjustment

- (1) You agree that
- (a) You will, within one month after the Expiry Date shown in The Schedule, supply the information We require
 - and
 - (b) We will adjust the premium for the period subject to any minimum premium(s) applying.

Suspension of Cover

We may, at any reasonable time, inspect any property and, in the event of any defect or danger being apparent, We may by written notice to You suspend all our liability that might otherwise arise from such defect or danger.

Additional Endorsements

This Section extends to include the following Additional Endorsements, only if stated as applying in The Schedule.

A Height Limit

We will not provide indemnity in respect of work at a height where the drop exceeds the Height Limit of 10 metres.

Public and Products Liability Section**Definitions**

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Asbestos

Asbestos, asbestos fibres or any derivatives of asbestos.

Bodily Injury

Bodily injury including death, illness, disease or nervous shock.

Compensation

Damages, including interest.

Costs and Expenses

- (1) Fees for The Insured's legal representation at
 - (a) any Coroner's Inquest or Fatal Accident Inquiry
 - (b) proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty
- (2) Costs and expenses incurred with Our written consent
- (3) Any claimant's legal costs for which The Insured is legally liable

in connection with any event which is or may be the subject of indemnity under this Section.

Damage

Physical

- (1) loss.
- (2) destruction.
- (3) damage.

Personal Injury

- (1) Bodily Injury.
- (2) Wrongful
 - (a) arrest, detention or imprisonment.
 - (b) eviction.
 - (c) accusation of shoplifting.

Pollution or Contamination

- (1) Pollution or contamination of Buildings or other structures or of water or land or the atmosphere and
- (2) all loss, Damage to Property and Bodily Injury directly or indirectly caused by such pollution or contamination.

Products Supplied

Anything which is

- (1) manufactured, sold, supplied, processed, altered or treated
 - (2) repaired, serviced or tested
 - (3) installed, constructed, erected or transported
- by You or on Your behalf and which is no longer in the custody or control of The Insured.

Property

Material property.

Terrorism

Any act or acts including but not limited to

- (1) the use or threat of force and/or violence and/or
- (2) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

The Defined Territories

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

The Insured

- (1) You.
 - (2) Your personal representatives in respect of legal liability You incur.
 - (3) At Your request
 - (a) any director, partner or Employee of Yours
 - (b) the officers, committees and members of Your
 - (i) canteen, social, sports, educational and welfare organisations
 - (ii) first aid, fire, security and ambulance servicesin their respective capacities as such
 - (c) any principal for whom You are carrying out a contract, to the extent required by the contract conditions
 - (d) those who hire plant to You to the extent required by the hiring conditions
- or the personal representatives of any of these persons
-
- in respect of legal liability for which You would have been entitled to indemnity if the claim had been made against You.

Each indemnified party will be subject to the terms of this Section so far as they apply.

The total amount which We will pay will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

The Limit of Indemnity

The maximum amount, stated in The Schedule, which We will pay in respect of any one event or all events of a series consequent on or attributable to one original cause.

In respect of

- (1) Products Supplied
- (2) Pollution or Contamination

The Limit of Indemnity will apply to the total of all events happening in any one Period of Insurance.

The Territorial Limits

Anywhere in the world in connection with The Business conducted by You from premises within The Defined Territories.

The Works

All works completed or to be completed by You or on Your behalf including

- (1) all materials incorporated or to be incorporated
- (2) plant, tools, equipment and temporary Buildings used or to be used

for the period during which You are responsible under contract conditions.

Cover

We will indemnify The Insured against

- (1) legal liability to pay Compensation and
- (2) Costs and Expenses in respect of accidental
 - (a) Personal Injury
 - (b) Damage to Property
 - (c) obstruction, trespass, nuisance or interference with any right of way, air, light or water

which arises in connection with The Business and which happens during the Period of Insurance and within The Territorial Limits.

The maximum We will pay is The Limit of Indemnity and any Costs and Expenses. However, in respect of any claim brought in

- (1) the United States of America or any territory within its jurisdiction
- (2) Canada

the maximum We will pay, inclusive of Costs and Expenses, is The Limit of Indemnity.

Clauses

The following clauses apply to this Section.

Additional Activities

The Business includes

- (1) ownership, use and upkeep of Your premises.
- (2) upkeep of vehicles and plant which are owned and used by You.
- (3) Your canteen, social, sports, educational and welfare organisations.
- (4) Your first aid, fire, security and ambulance services.
- (5) Your participation in exhibitions.
- (6) private work by any Employee, with Your prior consent, for You or for any director, partner or Employee.

Legal Expenses arising from Consumer Protection Act 1987 and Food Safety Act 1990

We will indemnify The Insured in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals
- (2) costs of prosecution awarded against The Insured

which arise from criminal proceedings for any breach of Part II of the Consumer Protection Act 1987 or Part II of the Food Safety Act 1990.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged act, omission or incident committed during the Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which result from any deliberate act or omission by You.
- (3) where indemnity is provided by another insurance policy.

Contractual Liability

We will indemnify The Insured against liability in respect of accidental Bodily Injury or Damage to Property imposed on You solely by reason of the terms of any agreement provided that the conduct and control of any claim is vested in Us.

We will not provide indemnity in respect of any agreement for or including the performance of work outside The Defined Territories.

Cross Liabilities

We will indemnify each party named as The Policyholder in The Schedule as if a separate policy had been issued to each.

The total amount payable will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

Defective Premises

We will indemnify The Insured in respect of legal liability for accidental Bodily Injury or Damage to Property arising under

- (1) the Defective Premises Act 1972
- (2) the Defective Premises (Northern Ireland) Order 1975 or the Defective Premises (Landlord's Liability) Act (Northern Ireland) 2001

in connection with any premises which You previously owned or occupied for the purposes of The Business.

We will not provide indemnity in respect of the cost of rectifying any defect or alleged defect in such premises.

Employees' and Visitors' Personal Belongings

We will indemnify the Insured in respect of legal liability for accidental Damage to employees' and visitors' vehicles and personal belongings which are in the custody or control of The Insured.

We will not provide indemnity where this Property is

- (1) loaned, leased, hired or rented to The Insured.
- (2) stored for a fee or other consideration by The Insured.
- (3) in the custody or control of The Insured for the purposes of being worked upon.

Legal Expenses arising from Health and Safety Legislation

We will indemnify The Insured in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals
- (2) costs of prosecution awarded against The Insured

which arise from any health and safety inquiry or criminal proceedings for any breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged act, omission or incident committed during the Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which
 - (a) result from any deliberate act or omission by You.
 - (b) relate to the health and safety of any Employee.
- (3) where indemnity is provided by another insurance policy.

Hired or Rented Premises

We will indemnify The Insured in respect of legal liability for accidental Damage to premises (including fixtures and fittings) within The Defined Territories which are hired, rented or loaned to The Insured in connection with The Business.

We will not provide indemnity in respect of

- (1) the first £250 of Compensation, Costs and Expenses in respect of such Damage caused other than by fire or explosion.
- (2) liability imposed on The Insured solely by reason of the terms of any hiring or renting agreement.
- (3) Damage caused by fire or any other peril against which any hiring or renting agreement specifies that insurance is taken out by The Insured.

Motor Contingent Liability

We will indemnify You in respect of Your legal liability for accidental Bodily Injury and Damage to Property which arises from any vehicle or trailer attached thereto which is

- (1)
 - (a) not owned by
 - (b) not loaned, leased, hired or rented to You nor provided by Youand
- (2) being used in connection with The Business in The Defined Territories.

We will not provide indemnity

- (1) in respect of Damage to the vehicle or trailer or goods carried in or on the vehicle or trailer.
- (2) while the vehicle is being driven by
 - (a) You.
 - (b) any person who to Your knowledge or that of Your representatives does not hold a licence to drive the vehicle unless such person has held and is not disqualified from holding or obtaining such a licence.
- (3) where indemnity is provided by another insurance policy.

Overseas Personal Liability

We will indemnify You and, at Your request, any director, partner or Employee of Yours in respect of legal liability for accidental Bodily Injury or Damage to Property incurred in a personal capacity whilst such persons are temporarily outside The Defined Territories in connection with The Business.

We will also indemnify any accompanying spouse and children.

Where You are an individual, this indemnity will also apply to Your personal liability whilst away from Your business premises in connection with The Business but within The Defined Territories.

We will not provide indemnity

- (1) where liability arises from
 - (a) any agreement unless liability would have existed otherwise.
 - (b) ownership or occupation of land or Buildings.
 - (c) the carrying on of any trade or profession.
 - (d) ownership, possession or use of wild animals, firearms (other than sporting guns), mechanically propelled vehicles, aircraft or watercraft.
- (2) where indemnity is provided by another insurance policy.

Payment for Court Attendance

We will compensate You if, at Our request, You, any director, partner or Employee of Yours, is attending court as a witness in connection with a claim for which The Insured is entitled to indemnity.

The maximum We will pay for

- (1) You, each director or partner is £250 per day.
- (2) each Employee is £150 per day.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not provide indemnity in respect of

- (1) Personal Injury to any Employee arising out of and in the course of employment by You in The Business.
- (2) the ownership, possession or use by or on behalf of The Insured of any
 - (a) aircraft, aerial device or hovercraft.
 - (b) watercraft exceeding 8 metres in length.
 - (c) motor vehicle, trailer or plant in circumstances where compulsory insurance or security is required by any road traffic legislation other than
 - (i) where described in the Motor Contingent Liability Clause.
 - (ii) the loading or unloading of any such vehicle, trailer or plant where indemnity is not provided by another insurance policy.

(3) Damage to Property

- (a) which You own or is loaned, leased, hired or rented to The Insured
- (b) which is held in trust or in the custody or control of
 - (i) The Insured
 - (ii) any other party who is carrying out work on Your behalf

other than in the circumstances described in the Hired or Rented Premises Clause or the Employees' and Visitors' Personal Belongings Clause.

- (c) which requires to be insured under the terms of Clause 21.2.1. of the Standard Form of Building Contract issued by the Joint Contracts Tribunal or a clause of similar intent under other contract conditions.

(4) Damage to or the cost incurred by anyone in repairing, removing, replacing, reapplying, rectifying or reinstating

- (a) Products Supplied (other than Products Supplied under a separate contract).
- (b) The Works.

(5) recalling or making refunds in respect of

- (a) Products Supplied.
- (b) The Works.

(6) advice, instruction, consultancy, design, formula, specification, inspection, certification or testing performed or provided separately for a fee or under a separate contract.

(7) the carrying out of any work or any Products Supplied which affects or could affect

- (a) the navigation, propulsion or safety of any aircraft or other aerial device.
- (b) the safety or operation of nuclear installations.

(8) Pollution or Contamination other than caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

All Pollution or Contamination which arises out of one incident will be deemed to have happened at the time such incident takes place.

(9) (a) work in or on and travel to, from or within
 (b) Products Supplied to any offshore
 (i) accommodation, exploration, drilling or production rig or platform.
 (ii) support vessel.

(10) (a) liquidated damages.
 (b) penalty clauses.
 (c) fines.
 (d) aggravated, restitutionary, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages.

(11) liability imposed on You solely by reason of the terms of any contract conditions or agreement in connection with Products Supplied.

(12) any consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event
 (a) Terrorism
 (b) any action taken in controlling, preventing, suppressing or in any way relating to (a) above

except as stated in **Special Provision – Terrorism** below.

In any action, suit or other proceedings where We allege that any consequence whatsoever resulting directly or indirectly from or in connection with (12)(a) and/or (12)(b) above regardless of any other contributory cause or event is not covered under this Section (or is covered only up to a specified limit of liability) the burden of proving that any such consequence is covered (or is covered beyond that limit of liability) under this Section shall be upon You.

Special Provision – Terrorism

Subject otherwise to the terms of the policy

Neither of the exclusions in (12)(a) and (12)(b) above shall apply to the Public and Products Liability Section but The Limit of Indemnity for the purpose of this Special Provision – Terrorism is limited to £2,000,000 or any other amount specified in the policy for Public and/or Products Liability whichever is the lower.

(13) the amount of Compensation, Costs and Expenses shown in The Schedule as applying in respect of each and every event resulting in Damage to Property.
 You will reimburse any such amount paid by Us.

(14) (a) exposure to
 (b) inhalation of
 (c) fears of the consequences of exposure to or inhalation of
 (d) 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 including any product containing Asbestos.

(15) Products Supplied which to the knowledge of The Policyholder are exported to the United States of America and/or Canada and/or their dependencies or trust territories unless otherwise agreed by Us

(16) Bodily Injury arising to the Insured Person arising to persons taking part in Cricket/Football/Hockey/Lacrosse/Rugby/Shinty matches or training sessions unless caused by defects in The Policyholder’s Premises

Conditions

The following condition applies to this Section.

(Also refer to the Policy Conditions at the back of this policy wording).

Suspension of Cover

We may, at any reasonable time, inspect any property and, in the event of any defect or danger being apparent, We may by written notice to You suspend all our liability that might otherwise arise from such defect or danger.

Additional Endorsements

This Section extends to include the following Additional Endorsements, only if stated as applying in The Schedule.

Additional Endorsements

C Products Supplied Restriction

We will not provide indemnity in respect of Products Supplied other than

- (a) the sale or supply of food and drink.
- (b) the supply of office requisites.
- (c) the disposal of furniture and office equipment previously used in the course of The Business.

D Height Limit

We will not provide indemnity in respect of work at a height where the drop exceeds the Height Limit of 10 metres.

Directors and Officers Section

Definitions

Each time We use one of the words or phrases listed below, it will have the same meaning wherever it appears in this section unless We state otherwise. In this section the singular includes the plural and vice versa. A defined word or phrase will start with a capital letter each time it appears in the policy, except for headings and titles.

Claim

- (1) any written demand, suit or arbitration proceeding made or commenced against any Insured Person in respect of damages for Loss caused by a Wrongful Act
- (2) any allegation of a Wrongful Act communicated to the Insured Person
- (3) any administrative or regulatory proceedings, civil or criminal, official investigation or arbitration in relation to any Wrongful Act alleged to have been committed by the Insured Person
- (4) any criminal prosecution of an Insured Person as a result of a Wrongful Act

first made and notified to Us during the Period of Insurance

A series of claims arising out of or which are attributable to or which are otherwise causally connected with a single Wrongful Act shall constitute a single Claim for the purposes of this section and shall be deemed to have originated in the earliest period of insurance in which a Claim is first made against You or the Insured Person

You/Your/The Policyholder/The Insured

The company, club or entity named as the Insured in the Schedule

Insured Person

- (1) any natural person who is or has been or who may during the Period of Insurance become a director, officer, trustee or committee member of You whether salaried or not
- (2) the heirs, spouses, estate, legal representatives of (1) above in the event of their death, incapacity or bankruptcy other than in any capacity as external auditor, receiver, administrator, administrative receiver, supervisor, liquidator

Loss

Sums which an Insured Person is legally liable to pay in respect of

- (1) claimant's costs and expenses
- (2) damages, compensation, contributions, judgements or settlements concluded with Our prior written consent

provided that Loss does not include civil or criminal fines or penalties imposed by law, noncompensatory damages including punitive or exemplary damages (other than damages awarded for libel and slander), taxes, any amount for which the Insured Person is not legally liable or matters which are uninsurable under law in the country to whose laws the Claim is subject

Wrongful Act

- (1) Any actual or alleged, breach of trust, breach of duty, neglect, error, misstatement, misleading statement, libel, slander, omission, breach of warranty of authority, wrongful trading or any other wrongful act
- (2) any Claim made against an Insured Person alleging a Wrongful Act committed or attempted by an Insured Person in their capacities as directors, officers, trustees or committee members of You

Excess

That first part of each and every payment in relation to a Claim which is payable by You rather than Us. The amount of the Excess is £NIL each and every Claim.

Outside Company

Any company, club or other entity not included under the definition of You

Bodily Injury

Bodily injury including death, illness, disease, sickness, psychological injury, emotional distress or nervous shock.

Computer System

Any:

- (1) computer, data processing equipment, media or part thereof;
- (2) system of data storage and retrieval, or communications system, network, protocol or part thereof;
- (3) storage device, microchip integrated circuit, real time clock system or similar device;
- (4) computer software (including but not restricted to application software, operating systems, runtime environments or compilers), firmware or microcode;
- (5) electronic documents utilised in the ownership, security and management of Your electronic communication system, world wide web site, internet site, intranet site, extranet site, or web address.

Limit of Indemnity

The maximum amount, stated in the Schedule, which We will pay in respect of any one Claim and in total for all Claims first made during any one Period of Insurance.

But note that all Claims arising directly or indirectly from one source or originating cause shall be treated for all purposes as a single Claim.

Any dishonesty or fraud committed by a person or persons acting in concert shall be treated as one Claim.

Other Costs

All costs and expenses incurred in the investigation, defence or settlement of any Claim in so far as those costs and expenses have been incurred with Our written consent.

Period of Insurance

From the effective date until the expiry date shown in the Schedule.

Pollution

Any pollution or contamination by naturally occurring or man-made substances, forces or organisms or any combination of them, whether permanent or transitory and however occurring.

This definition shall not include pollution or contamination by asbestos.

Schedule

The document which specifies Your details and details of the Excess, Limit of Indemnity and endorsements applying to this Policy

Territorial Limits

The United Kingdom (including the Channel Islands and the Isle of Man) and any other EU Member country.

Terrorism

Any act or acts including but not limited to:

- (a) the use or threat of force or violence;
- (b) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear, chemical, biological or radiological means;

caused or occasioned by any person or group of persons, or so claimed, in whole or in part for political, religious, ideological or similar purposes.

Cover

Insuring Clause

We will pay on behalf of the Insured Person Loss and Other Costs arising from any Claim in respect of a Wrongful Act committed by the Insured Person in their capacity as a director, officer, trustee or committee member of You.

Joint Property Liability

The Corporation shall pay on behalf of the spouse of an Director or Officer Loss and Defence Costs arising from any Claim made against him or her in respect of a Wrongful Act solely by reason of the person concerned having the status of the lawful spouse of such Director or Officer (including a Claim seeking the recovery of marital property transferred from a Director or Officer to his or her spouse) provided that this extension shall not afford cover for any Claim for any Wrongful Act of the spouse.

Insured vs Insured

We shall pay on behalf of the Insured Person Loss and Other Costs arising from any Claim brought by

- (1) a former Insured Person, and not otherwise an employee of You, against a current Insured Person holding office at the time when such Claim is made
- (2) (a) a shareholder of You either directly or on behalf of You
- (b) any regulatory authority on behalf of You
- (c) a liquidator, receiver or administrative receiver either directly or on behalf of You

provided that (a), (b) and (c) above are acting without the instigation, assistance or participation of any Insured Person or You.

Extended Reporting Period

- (1) If We decline to offer any terms for renewal of this Policy other than for non-payment of premiums or You refuse to renew this Policy an Insured Person shall be entitled to the Extended Reporting Period set out in 2 and 3 below provided always that the offer of renewal terms and conditions or premiums different from those in effect prior to renewal shall not constitute a failure to offer terms for renewal by Us.

It is a condition precedent to the operation of the Extended Reporting Period that:

- (a) the application to Us to exercise the Extended Reporting Period is made in writing within 15 days of the expiry date of the Period of Insurance
 - (b) payment of the additional premium is made within 30 days of the expiry date of the Period of Insurance, such premium being non-refundable.
 - (c) this Policy is not superseded by another policy covering the same or substantially the same risks.
- (2) Subject to 1 above the Extended Reporting Period available on expiry of the Policy is 12 months from the expiry date of the Period of Insurance in return for payment of 100% of the Full Annual Premium plus Insurance Premium Tax
 - (3) The Insured Person may continue to notify Claims to Us during the Extended Reporting Period but only in respect of Wrongful Acts committed prior to the expiry date of the Period of Insurance.

- | |
|---|
| <ol style="list-style-type: none">(1) We will not pay in respect of any Claim arising from or in consequence of:<ol style="list-style-type: none">(a) the provision or failure to provide professional services or professional advice or a breach of or alleged breach of any contract for the provision of professional services or professional advice.(b) any litigation attributable to proceedings issued or commenced prior to or pending at the inception date of this policy or arising from matters the same as alleged or established in such proceedings.(c) any Insured Person having gained any personal profit, remuneration or advantage to which you were not legally entitled.(d) any deliberate fraudulent act or omission or any wilful violation of any statutory civil or common law by any Insured Person if a judgement or other final adjudication establishes such fraudulent act or omission.(e) any Insured Person acting in the capacity of a director or officer, trustee or committee member of any Outside Company.(f) any action brought by or on behalf of You or the Insured Person or their heirs, spouses, estate or legal representatives against any other Insured Person |
|---|

Our total liability shall not exceed the Limit of Indemnity.

Exceptions

We will not provide indemnity or cover any Loss in respect of:

- (1) any fines or penalties or any punitive, multiple, aggravated or exemplary damages where such can be identified separately within any award of any court.
- (2) any Claim arising directly or indirectly from or caused by any Bodily Injury.
- (3) any Claim or circumstance that might give rise to a Claim which:
 - (a) has been notified under any other policy of insurance attaching prior to the inception of this policy;
 - (b) You or an Insured Person were or should after reasonable enquiry have been aware of prior to the inception of this policy.
- (4) any Claim instituted or pursued:
 - (a) in the United States of America, its territories and/or possessions or Canada (including without limitation the enforcement of a judgement or finding of a court or tribunal of another jurisdiction or otherwise);
 - (b) in which it is contended that the laws of the United States of America, its territories and/or possessions or Canada should or do apply;
 - (c) which involves the enforcement or attempted enforcement of a judgement or finding of a court or tribunal of the United States of America, its territories and/or possessions or Canada.
- (5) any Claim arising directly or indirectly from or caused by Pollution.
- (6) any Claim arising directly or indirectly from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity, whether alleged or actual.
- (7) any Claim arising directly or indirectly from or caused by any pension or employee scheme, trust fund or stocks, shares or securities, established or maintained to provide benefits to You or Your Employees.
- (8) any Claim arising directly or indirectly from or caused by the transmission or receipt of a computer virus, program or code that causes loss of or damage to any Documents or Computer System or prevents any Computer System from performing or functioning accurately or properly.

- (9) any Claim of whatsoever nature arising directly or indirectly from or caused by the failure or inability or any alleged failure or inability of any Computer System, whether Your property or not, at any time to achieve any or all of the purposes and consequential effects intended by the use of any number, symbol or word to denote a date, including without limitation, the failure or inability to recognise, capture, save, retain or restore and/or correctly to manipulate, interpret, transmit, return, calculate or process any date, data, information, command, logic or instruction as a result of:
 - (a) recognising, using or adopting any date, day of the week or period of time, other than the true or correct date, day of the week or period of time;
 - (b) the operation of any command or logic which has been programmed or incorporated into any Computer System.
- (10) any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - (b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- (11) any Claim or consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event:
 - (a) war, invasion, act of foreign enemy hostilities or a warlike operation or operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of, or amounting to, a military uprising or usurped power;
 - (b) Terrorism;
 - (c) any action taken in controlling, preventing, suppressing or in any way relating to (a) or (b) above.

In any action, suit or other proceedings, where We allege that by reason of this definition any consequence whatsoever resulting directly or indirectly from or in connection with (a) and/or (b) above regardless of any other contributory cause or event is not covered by this policy (or is covered only up to a specified limit of liability), the burden of proving that any consequence whatsoever resulting directly or indirectly from or in connection with (a) and/or (b) above regardless of any other contributory cause or event is covered (or is covered beyond that limit of liability) shall be upon You or an Insured Person.

Claims Conditions

If in relation to any Claim You or the Insured Person fail to fulfil or observe the requirements imposed upon You or the Insured Person by policy conditions (1), (2), (3) or (4) You or the Insured Person will lose Your right to indemnity or payment for that Claim.

- (1) give notice in writing to Us within 10 days of
 - (a) becoming aware of any circumstance which might reasonably be expected to give rise to a Claim
 - (b) discovering any Loss or receiving information of any Claim for which there may be liability under this section irrespective of the Excess or the Insured Person's view as to the validity of the Claimany Claim arising from circumstances notified to Us shall have been deemed to have been made during the period of insurance in which such notice is or was first given
- (2) forward every letter, Claim, claim form, writ, summons and process to Us immediately on receipt
- (3) not admit liability for or settle any Claim or incur any Other Costs without Our written consent or take any action or permit an omission that might prejudice Us. We shall be entitled at Our own expense to take over and conduct in Your name or the name of the Insured Person the defence or settlement of any such Claim
- (4) (a) Any notice or consent to be given under this section shall be in writing and shall be delivered personally or sent by prepaid courier service, registered post, facsimile machine, telex or electronic mail.

Any notice so given shall be deemed to have been given and received when so personally delivered or when received by prepaid courier service, registered post, facsimile machine, telex or electronic mail.

- (b) Notice to Us shall be sent to:
Covéa Insurance Commercial Care Line,
Norman Place,
Reading
RG1 8DA.
Tel. 0844 902 0790
- (c) Notice to You or the Insured Persons shall be sent to You at the address stated in the schedule
- (d) You or Us may change its address by giving written notice to the other

Conditions

- (1) If an Insured Person or You incur both Loss and Other Costs covered by this section and losses and defence costs not covered by this section because
 - (a) a Claim is made against both an Insured Person or You or
 - (b) a Claim or investigation includes both Loss and Other Costs which are covered and those which are not

We shall in respect of Loss and Other Costs agree to negotiate in good faith with the Insured Person or You to seek to determine a fair and equitable allocation of the loss incurred, taking into account the relative legal exposures of the parties

If We and the Insured Person or You disagree on allocation, We and the Insured Person or You can mutually agree a senior barrister to decide the matter.

If We cannot agree with the Insured Person or You about the choice of the senior barrister, We shall ask the Chairman of the Bar Council to choose a suitably qualified person.

Where reference to a senior barrister is required, the incurred costs will be split equally between Us and the Insured Person and You.

Any allocation shall not create any presumption or precedent as to the allocation of other Loss.

- (2) It is agreed that You shall act on behalf of the Insured Persons and all other persons who may be entitled to benefit under this section with respect to
- (a) the giving and receiving of notice of Claims or termination
 - (b) the payment of premiums and the receiving of any return premiums that may become due under this section
 - (c) the negotiation, agreement to and acceptance of endorsements
 - (d) the giving or receiving of any notice provided for in this section
- and the Insured Persons agree that You shall act on their behalf
- (3) In the event that You go into liquidation, this section shall remain in force until the expiry date of the period of insurance in respect of Wrongful Acts committed or alleged to have been committed prior to the date of liquidation only, unless cancellation is requested by all Insured Persons.
- (4) We shall not settle or compromise any Claim, suit or proceedings without the written consent of the Insured Person involved in the Claim, suit or proceedings.
- However, if the Insured Person shall refuse to consent to any settlement recommended by Us and shall elect to contest or continue to contest the Claim, suit or proceedings then Our liability shall not exceed the amount for which the Claim, suit or proceedings could have been so settled plus Other Costs incurred with Our consent up to the date of such refusal
- (5) For the purposes of determining whether coverage applies under this section no fact relating to or knowledge possessed by an Insured Person, nor any statement contained in the proposal, shall be imputed to any other Insured Person
- (6) If You or an Insured Person make any claim for indemnity under this section knowing the same to be false or fraudulent as regards to the amount or otherwise, this policy shall become void and You or the Insured Person shall forfeit all benefit hereunder.
- (7) In connection with any Claim, We may at any time pay You or the Insured Person the amount of the Limit of Indemnity (after deduction of any sums already paid as damages or claimant's costs and expenses in respect of such Claim) or any lesser amount for which We believe that such Claim can be settled and thereupon We shall relinquish the control of such Claim and be under no further liability in connection therewith except for costs and expenses incurred prior to the date of such payment and for which We may be responsible under this section.
- (8) The Limit of Indemnity and the Excess apply to all of You and the Insured Persons jointly. If more than one insured is named in the Schedule the total amount We will pay will not exceed the amount We would be liable to pay to any one of You or the Insured Persons.
- (9) If any settlement is made by Us to You or the Insured Person under the terms of this section, You or the Insured Person grant to Us all rights of recovery that You or the Insured Person would have had against any parties from whom a recovery may be made and You and the Insured Person will take all reasonable steps to preserve and not to prejudice such rights.
- (10) A person or company who is not a party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this section but this does not affect any right or remedy of a third party which exists or is available apart from that Act.
- (11) This section is governed by the law of England and Wales and the courts of England and Wales are to have exclusive jurisdiction for hearing and determining any litigation arising out of or in connection with the interpretation of this section.
- (12) This section, its endorsements and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of the section, endorsements or the Schedule shall bear the same meaning wherever it may appear, unless the contrary is indicated.
- (13) You or the Insured Person shall not be required to contest any legal proceedings unless a senior barrister (to be mutually agreed upon between You or the Insured Person and Us) shall advise that such action has a reasonable prospect of success.

Personal Accident Section**Definitions**

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Accidental Bodily Injury

- (1) injury caused by accidental and/or violent means
- (2) exposure

occurring within 24 months from the date of the accident by which such injury is caused.

Gross Wages

The Insured Person's wages plus the average annual overtime/commission/bonus payments received in the three years immediately preceding the date of accident (all prior to deductions) or for weekly paid employees 52 times the Insured Person's weekly wage plus the average weekly overtime/commission/bonus payments received in the 156 weeks immediately preceding the date of accident (all prior to deductions).

Insured Person

- (1) You
- (2) any director of Yours, or partner, or proprietor of The Business
- (3) any Employee of Yours under a contract of employment with You
- (4) The committee and or club members aged 75 or under.

Loss of Limb

- (1) severance at or above the wrist or ankle
or
- (2) the total and permanent loss of use of a hand, arm, foot or leg.

Terrorism

Any act or acts including but not limited to

- (1) the use or threat of force and/or violence
and/or
- (2) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

Cover

We will pay compensation to You or Your personal representatives for Accidental Bodily Injury to an Insured Person during the Period of Insurance which, solely, directly and independently of any other cause, results in any of the following Contingencies

- (1) death
- (2) total and permanent loss of sight in one or both eyes and/or total and permanent loss of hearing in one or both ears
- (3) loss of one or more limbs
- (4) any other total and permanent disablement which lasts without interruption for more than 12 months from the date of the accident and prevents the Insured Person from pursuing any occupation
- (5) temporary total disablement which prevents the Insured Person from pursuing their normal occupation
- (6) temporary partial disablement which prevents the Insured Person from pursuing a substantial part of their normal occupation

We will not provide indemnity in respect of any claim relating to any non-contracting parties rights to enforce all or any part of this Section. The Contracts (Rights of Third Parties) Act 1999 does not apply to this Section.

Compensation

The amount of compensation payable to You for any Insured Person shall be the amount as stated in The Schedule for that category of Insured Person.

Clauses

The following clauses apply to this Section.

(1) Amounts Payable

We will pay

- (a) the compensation stated in The Schedule with weekly benefit being paid at 4 weekly intervals
- (b) compensation under contingencies (5) and/or (6) for a maximum of 2 years from the date that the disablement started

but where We pay compensation under any of contingencies (1) to (4)

- (i) any weekly benefit being paid for the same injury will stop
- (ii) this insurance will end for the Insured Person

We shall not be liable for any amount in excess of the maximum accumulation limit of £1,000,000 in respect of any one accident. If the aggregate amount of all benefits payable exceeds the maximum accumulation limit, the benefit payable to each Insured Person shall be proportionately reduced until the total of all benefits does not exceed the maximum accumulation limit.

(2) Disappearance

If an Insured Person has been missing for a period of 180 consecutive days and there is sufficient evidence to support the conclusion that death has been caused by Accidental Bodily Injury, that person will be presumed to have died.

However, You will repay any compensation if the Insured Person is found to have been alive or is found alive.

(3) Medical Evidence

- (a) We may, at Our expense, arrange for an Insured Person to undergo
 - (i) a medical examination
 - or
 - (ii) a post mortem examination

- (b) You or Your legal representative will supply to Us, at Your expense, any
 - (i) certificate
 - (ii) information
 - (iii) evidence
 in the format We require.

(4) Medical Expenses

When We pay compensation under contingencies (5) or (6), We will also pay up to 15% of this amount in respect of medical expenses incurred.

(5) Gross Wages

Where compensation is on a wages basis, the amount payable shall be the average weekly wage

- (1) in the 12 week period before the date of the Accidental Bodily Injury
- or
- (2) any shorter period if the Insured Person has been employed by You for less than 12 weeks.

We will not include overtime, commission or bonus payments unless these are guaranteed.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not pay compensation for Accidental Bodily Injury directly or indirectly caused by

- (1) (a) the Insured Person suffering from any disability due to a gradually operating cause
- (b) suicide or attempted suicide
- (c) deliberate exposure to danger (except in an attempt to save human life)
- (d) the Insured Person's own criminal act
- (e) the Insured Person being in a state of insanity
- (f) flying or other aerial activities (except while travelling as a passenger by a recognised airline)
- (g) pregnancy or childbirth

- (2) an Insured Person practising for or taking part in
- (a) mountaineering or rock climbing requiring use of ropes or guides
 - (b) pot-holing
 - (c) winter sports
 - (d) any kind of racing (except foot races)
 - (e) speed or time trials
 - (f) naval military or air force service or operations
 - (g) cricket/football/hockey/lacrosse/rugby/shinty matches
- (3) the effects of alcohol or drugs (other than drugs prescribed by a doctor)
- (4) any treatment for drug addiction
- (5) any consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event
- (a) Terrorism
 - (b) any action taken in controlling, preventing, suppressing or in any way relating to (a) above

except as stated in **Special Provision – Terrorism** below

In any action, suit or other proceedings where We allege that any consequence whatsoever resulting directly or indirectly from or in connection with (5)(a) and/or (5)(b) above regardless of any other contributory cause or event is not covered under this Section (or is covered only up to a specified limit) the burden of proving that any such consequence is covered (or is covered beyond that limit) under this Section shall be upon You.

Special Provision – Terrorism

Subject otherwise to the terms of the policy

Neither of the exclusions in (5)(a) and (5)(b) above shall apply to this Section provided that the total amount payable in respect of all losses arising out of any one occurrence shall not exceed the lesser of

- (i) any limits amounts payable or maximum accumulation stated in The Schedule
- or
- (ii) £1,000,000

In the event of a claim exceeding the total amount payable under this Special Provision - Terrorism Our liability in respect of each Insured Person claimed for shall be proportionately reduced until the total does not exceed such total amount payable.

Endorsements and Conditions

The following endorsements and conditions apply to this Section.

(Also refer to the Conditions at the back of this policy booklet).

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for the claim.

Additional Endorsements

This Section extends to include the following Additional Endorsement.

E Sports Participation

This Section will not indemnify the Insured Person in respect of Bodily Injury arising to persons taking part in Cricket/Football/Hockey/Lacrosse/Rugby/Shinty matches or training sessions unless caused by defects in The Policyholder's Premises

Policy Conditions

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

(1) Alteration of Risk

We will at Our option avoid the policy from the inception of this insurance where

- (a) there has been any alteration to the Property Insured and/or The Premises and/or The Business after the effective date of this insurance which increases the risk of loss, liability, destruction, damage, accident or injury

or

- (b) Your interest ceases except by will or operation of law

unless We have accepted the alteration.

(2) Arbitration

If We accept liability but You disagree with the amount We offer to pay, the claim will be referred to an arbitrator who will be appointed in accordance with statutory provisions.

(3) Our Rights To Cancel The Policy

We or any agent appointed by us and acting with our authority have the right to cancel your policy, where there is a valid reason for doing so. We will give you fourteen days notice of cancellation in writing, by recorded delivery, to the latest address we have for you and will set out our reason for cancellation in our letter.

Valid reasons may include but are not limited to:

(1) not

- (a) paying a premium when it is due
- (b) co-operating with us, or sending us information or documentation that materially affects our ability to process the policy or our ability to defend our interests
- (c) exercising your duty of care as required under the "Reasonable Precautions" Condition in the General Conditions of this policy booklet.

and failing to put this right when we ask you to by sending you seven days written notice to your latest address.

- (2) where we reasonably suspect fraud or where there has been misrepresentation of information which you gave us and/or other non-disclosure

- (3) use of threatening or abusive behaviour or language, or intimidation or bullying of our staff or suppliers.

If we cancel your policy, we will refund the premium for the exact number of days left on the policy less an additional charge of £25 plus the prevailing rate of Insurance Premium Tax as stated on your schedule.

(4) Claims Procedure

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) tell Us immediately of any event or occurrence which may result in a claim.
- (b) notify the police immediately of loss, destruction or damage caused by malicious persons or thieves.
- (c) at Your expense, provide Us with a written claim containing as much information as possible of the loss, liability, destruction, damage, accident or injury including the amount of the claim within
 - (i) 30 days
 - or
 - (ii) seven days in the case of loss, destruction or damage caused by riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious personsof you becoming aware of the event or occurrence, or such further time that We may allow.
- (d) provide Us with all information and help We require in respect of the claim.
- (e) pass to Us unanswered, immediately, all communications from third parties in relation to any event which may result in a claim under this policy.
- (f) 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.

Policy Conditions

- (g) allow Us to take over and conduct in Your name the defence or settlement of any claim. You will also allow Us to prosecute at Our own expense and for Our own benefit, any claim for indemnity or compensation against any other person and You must give Us all information and assistance required.

(5) Contribution

Applicable to Employers' Liability Section and Public and Products Liability Section

- (a) If the insurance provided by these Sections is also covered by another policy (or would be 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

- (b) Where any loss, destruction, 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.
- (c) 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.
- (d) If the Property Insured covered by the other insurance is subject to a provision excluding proportional payment in whole or in part, the payment We make will be limited to the proportion of loss, destruction or damage as the Sum Insured bears to the value of the property.

(6) Discharge of Liability

We may at any time pay

- (a) the Limit of Indemnity
or
- (b) the Sum Insured
or
- (c) a smaller amount for which a claim can be settled

after deduction of any sum already paid.

We will not be liable for any further payment except for costs and expenses incurred prior to the payment of the claimer with our consent.

(7) Fraud

We will at Our option avoid the policy from the inception of this insurance or from the date of the claim or alleged claim, or avoid the claim

- (a) if a claim made by You or anyone acting on Your behalf to obtain a policy benefit is fraudulent or intentionally exaggerated, whether ultimately material or not
or
- (b) a false declaration or statement is made or fraudulent device put forwarding support of a claim.

(8) Identification

The policy and The Schedule will be read as one contract.

(9) Non Disclosure, Misrepresentation or Misdescription

The policy is voidable if there has been any misrepresentation, misdescription or failure to disclose any material fact by You or anyone acting for You.

(10) Reasonable Precautions

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) maintain The Premises, machinery, plant and equipment in a satisfactory state of repair.
- (b) take all reasonable precautions to prevent
 - (i) loss or destruction of or damage to the Property Insured.
 - (ii) accident or injury to any person or loss, destruction or damage to their property.
- (c) comply with all legal requirements and safety regulations and conduct The Business in a lawful manner.
- (d) keep books with a complete record of purchases and sales.

Policy Conditions

(11) Reinstatement

When We decide, or are required to reinstate or replace any property You will, at Your expense, provide any

- (a) plans
- (b) documents
- (c) books
- (d) information

which We require.

We will not be obliged to reinstate property exactly but only in a satisfactory manner as circumstances allow.

The maximum amount We will pay in respect of any one item is the Limit of Indemnity or the Sum Insured for that item.

(12) Subrogation

Anyone making a claim under this policy must, at Our request and expense, do everything We reasonably require to

- (a) enforce a right or remedy
- or
- (b) obtain relief or indemnity

from other parties to which We will become entitled or subrogated because of payment for or making good loss, destruction, damage, accident or injury.

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

(13) Index Linking

- (a) Renewal.

Where it states in The Schedule that index linking applies, the amounts insured will be adjusted for movements in the following indices. We may select alternative measures if any of these indices are unavailable

- (i) any Building and tenants improvements item

The General Building Cost index issued by the Building Cost Information Service of the Royal Institution of Chartered Surveyors

- (ii) other items

The Producer Price Index for Home Sales of Manufactured Products issued by the relevant government department.

- (b) Claims.

These adjustments will continue during the

- (i) Period of Insurance
- (ii) period of repair, replacement or reinstatement provided that such work is carried out and completed without undue delay.

(14) Subjectivity

The policy, the application form, statement of fact and/or declaration made by You, and The Schedule, should be read together and form the contract of insurance between You, (The Policyholder,) and Us (Covéa Insurance.)

- (a) We will clearly state in the Schedule if the Cover provided by the policy is subject to You:
 - (i) providing Us with any additional information requested by the required date(s),
 - (ii) completing any actions agreed between You and Us by the required date(s),
 - (iii) allowing Us to complete any actions agreed between You and Us.
- (b) If required by Us, You must allow us access to The Premises, Your Contract Sites, and/or The Business, to carry out survey(s), within 60 days of the inception or renewal date, unless we agree otherwise in writing.

Upon completion of these requirements (or if they are not completed by the required dates), We may, at our option:

- (i) modify Your premium,
- (ii) issue a mid-term amendment to Your policy or Section terms and conditions,
- (iii) require You to make alterations to The Premises insured by the required date(s),
- (iv) exercise Our right to cancel Your policy,
- (v) leave the policy or Section terms and conditions, and Your premium, unaltered.

Policy Conditions

We will contact You with Our decision and where applicable, specify the date(s) by which any action(s) agreed need to be completed by You and/or any decision by Us will take effect.

Our requirements and decisions will take effect from the date(s) specified unless and until We agree otherwise in writing. If You disagree with Our requirements and/or decisions, We will consider Your comments and where We consider appropriate, will continue to negotiate with You to resolve the matter to Your and Our satisfaction.

In the event that the matter cannot be resolved:

- (i) You have the right to cancel this policy from a date agreed by You and Us and, providing no claims have been made, We will refund a proportionate part of the premium paid for the unexpired period of cover.
- (ii) We may, at Our option, exercise Our right under Policy Condition (3) Cancellation.

Except where stated all other policy and Section terms and conditions will continue to apply.

The above conditions do not affect Our right to void the policy if We discover information material to Our acceptance of the risk. Please refer to the IMPORTANT note within The Contract of Insurance page of Your policy booklet.

Policy Exceptions

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

We will not provide indemnity in respect of

(1) any consequence whatsoever resulting directly or indirectly from or in connection with any of the following, regardless of any other contributory cause or event

- (a) war, invasion, act of a foreign enemy, hostilities or a warlike operation or operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power
- (b) nationalisation, confiscation, requisition, seizure or destruction by any government or any public authority
- (c) any action taken in controlling, preventing, suppressing or in any way relating to (a) and/or (b) above.

However,

(1) exceptions (1) (a) (b) and (c) do not apply to the following Sections, when insured by this policy

- (a) Employee Dishonesty
- (b) Terrorism
- (c) Employers' Liability
- (d) Directors and Officers.

(2) exception (1) (b) does not apply to the following Sections, when insured by this policy

- (a) Public and Products Liability
- (b) Personal Accident.

(2) death or disablement, loss or destruction of or damage to any property, any loss or expense whatsoever, any indirect loss or any legal liability

- (a) directly or indirectly caused by or contributed to by or arising from

- (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel

- (ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.

(b) directly or indirectly caused by or contributed to by or arising from the use of or threatened use of any weapon

- (i) dispersing radioactive material and/or ionising radiation or
- (ii) using atomic or nuclear fission and/or fusion or other like reaction.

However,

(1) exception (2) (b) does not apply to the following Sections, when insured by this policy

- (a) Employers' Liability,
- (b) Public and Products Liability,
- (c) Personal Accident
- (d) Business Travel.

(2) in relation to the Employers' Liability Section, exception (2) (a) only applies when You under a contract or agreement have undertaken to

- (a) indemnify another party
- (b) assume the liability of another party.

(3) exceptions (2) (a) and (b) do not apply to the following Sections, when insured by this policy

- (a) Employee Dishonesty
- (b) Terrorism
- (c) Directors and Officers.

Policy Exceptions

- (3) (a) Money
(b) securities or bonds
(c) jewellery or precious stones
(d) precious metals or bullion
(e) furs or curios
(f) rare books or works of art
(g) goods held in trust or on commission
(h) documents or manuscripts
(i) business books or computer systems records
(j) explosives
(k) property in transit
unless specifically mentioned.
- However, exceptions (3) (a) to (k) do not apply to the following Sections, when insured by this policy
- (1) Terrorism
(2) Employers' Liability
(3) Public and Products Liability.
- (4) any claim which arises directly or indirectly from or consists of the failure or inability of any
- (a) electronic circuit, microchip, integrated circuit, microprocessor, embedded system, hardware, software, firmware, program, computer, data processing equipment, telecommunication equipment or systems, or any similar device
- (b) media or systems used in connection with anything referred to in (a) above
- whether Your property or not, at any time to achieve any or all of the purposes and consequential effects intended by the use of any number, symbol or word to denote a date and this includes without any limitation the failure or inability to recognise, capture, save, retain or restore and/or correctly to manipulate, interpret, transmit, return, calculate or process any date, data, information, command, logic or instruction as a result of
- (i) recognising, using or adopting any date, day of the week or period of time, otherwise than as, or other than, the true or correct date, day of the week or period of time

- (ii) the operation of any command or logic which has been programmed or incorporated into anything referred to in (a) and (b) above.

However,

- (1) We will not exclude any claim for subsequent loss or destruction of or damage to any property or indirect loss which itself results from a Defined Contingency arising under any of the following Sections, but only to the extent that such claim would otherwise be insured under that Section
- (a) Property Damage
(b) Money and Assault
(c) Engineering
(d) Business Interruption
(e) Book Debts.
- (2) exceptions (4) (a) and (b) do not apply to the following Sections, when insured by this policy
- (a) Employee Dishonesty
(b) Loss of Licence
(c) Terrorism.
(d) Employers' Liability
(e) Personal Accident
(f) Directors and Officers.

Definition

The following definition only applies to this exception

'Defined Contingency'

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

- (5) any claim (other than in respect of Personal Injury as defined under the Public and Products Liability Section) arising directly or indirectly from, or in connection with, or consisting of

Policy Exceptions

(a) Loss of Data.

However, We will not exclude any claim arising directly or indirectly from, or in connection with, or consisting of Loss of Data, which claim is not otherwise excluded and which results from a Malicious Contingency involving physical force and violence or a Specified Contingency where either is insured under any of the following Sections of the policy and only to the same extent that such claim is insured under that Section

- (i) Property Damage - Specified Contingencies
- (ii) Property Damage - All Risks
- (iii) Business All Risks
- (iv) Money and Assault
- (v) Business Interruption.

Exception (5) (a) does not apply to the Public and Products Liability Section, when insured by this policy.

(b) any loss, destruction or damage,

Failure or Loss of Data resulting directly or indirectly from, or in connection with: Virus or Similar Mechanism, Denial of Service Attack, unauthorised access to or use of Computer and Electronic Equipment.

However, We will not exclude any claim in respect of any subsequent physical loss or destruction of or damage to property other than Computer and Electronic Equipment and Data Storage Materials, which is not otherwise excluded and which results from a Malicious Contingency involving physical force and violence or a Specified Contingency where either is insured under any of the following Sections of the policy and only to the same extent that such subsequent physical loss or destruction of or damage to property is insured under that Section

- (i) Property Damage – Specified Contingencies
- (ii) Property Damage – All Risks
- (iii) Business All Risks
- (iv) Money and Assault
- (v) Business Interruption.

Exceptions (5) (a) and (b) do not apply to the following Sections, when insured by this policy

- (1) Computer
- (2) Engineering
- (3) Employee Dishonesty
- (4) Loss of Licence
- (5) Terrorism
- (6) Employer's Liability
- (7) Directors and Officers.
- (8) Personal Accident.

This policy is underwritten by Covea Insurance plc.
Registered Office: Norman Place, Reading, Berkshire RG1 8DA
Registered in England and Wales No. 613259
Authorised by the Prudential Regulation Authority and regulated by the
Financial Conduct Authority and the Prudential Regulation Authority No. 202277



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