



Mi Specialty

Commercial Combined Insurance Policy Wording

January 2024

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Important Helplines and Information

Claims for Sections 1-4, 7-9 and 12-14

Your claims will be dealt with by **MPL Claims Management Ltd (MPL)**

Your claims should be notified to MPL by:

Telephone: 0345 060 0014

Email: ergo@mplclaims.com

Claims for Sections 5 and 6

Your claims will be dealt with by **Broadspire, (part of Crawford & Company)**, Second Floor, Ashton House, 400 Silbury Boulevard, Milton Keynes MK9 2AH

Your claims should be notified to Broadspire by

Telephone: 01908 302 011 or

Email: convexclaims@broadspiretpa.co.uk

Claims for Sections 10 and 15

Your claims will be dealt with by **HSB Engineering Insurance Ltd**

Your claims should be notified using the contact numbers listed below.

Telephone: +44 (0)161 817 2114

Fax: +44 (0)161 817 2119

Email: new.loss@hsbeil.com

Claims for Section 11 - Legal Expenses

Your claims will be dealt with by **ARAG plc**

Your claims should be notified to ARAG by telephone: 0117 917 1698 between 9am and 5pm weekdays (except bank holidays) or go online www.arag.co.uk/newclaims

Telephone Helplines

24/7 legal advice on Business matters within EU law 0333 000 2081

UK tax advice 9am to 5pm weekdays 0333 000 2081

24/7 confidential counselling 0333 000 2082

Crisis Communication 0344 571 7964

Redundancy approval 9am to 5pm weekdays (unfunded) 0117 917 1698

For full details of how to make a claim or on telephone helplines please refer to **Section 11 – Legal Expenses**

For full details of how to make a claim for all sections please refer to the Claims Procedure.

Welcome

Introduction to Your Commercial Combined Insurance

This document of insurance, the Schedule and any Endorsements applying to this insurance form Your Commercial Combined insurance Policy.

This document sets out the terms and conditions of the contract of insurance between You and the Insurers.

Please read the document carefully, it is laid out in Sections. It is important that:

- You understand what each Section covers and does not cover;
- You understand Your own duties under each Section and under the insurance as a whole.

If there is anything You do not understand or any aspect of the Policy does not meet Your requirements You should contact the Insurance Broker who arranged this Policy for You.

About Mi Specialty and Your Insurers

This Insurance product has been arranged by Mi Specialty on behalf of the under noted Insurers named herein:

Mi Specialty Ltd, Registered in England and Wales (No: 07313009). Registered office: Affinity House, Bindon Road, Taunton, Somerset TA2 6AA. Mi Specialty Ltd is authorised and regulated by the Financial Conduct Authority FRN: 969896. Mi Specialty Ltd is part of the Lloyd & Whyte Group.

Sections 1 -4, 7- 9 and 12 - 14 are underwritten by: Great Lakes Insurance SE

Great Lakes Insurance SE is a German insurance company with its headquarters at Königinstrasse 107, 80802 Munich. Great Lakes Insurance SE, UK Branch, is authorised and regulated by Bundesanstalt für Finanzdienstleistungsaufsicht. Deemed authorised by the Prudential Regulation Authority.

Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website.

Sections 5 and 6 are underwritten by: Convex Insurance UK Ltd

Convex Insurance UK Ltd is a limited company registered in England under company number 11796392. Registered Office: 52 Lime Street, London, EC3M 7AF. Authorised by the Prudential Regulation Authority and Regulated by the Financial Conduct Authority and the Prudential Regulation Authority (FRN: 840616).

Sections 10 and 15 are underwritten by:

HSB Engineering Insurance Limited

These Sections are underwritten by HSB Engineering Insurance Limited, registered in England and Wales: 02396114, New London House, 6 London Street, London EC3R 7LP. Registered as a branch in Ireland: 906020. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (FRN:202738).

Section 11 – Legal Expenses is underwritten by: HDI Global Specialty SE

ARAG plc is authorised to administer this insurance on behalf of the insurer HDI Global Specialty SE. Registered address: Roderbruchstraße 26, 30655 Hannover, Germany.

ARAG plc is registered in England number 02585818. Registered address: 9 Whiteladies Road, Clifton, Bristol BS8 1NN.

About Your Insurance Broker

Your Insurance Broker is the organisation that You arranged this insurance with and should be Your first point of contact for any queries You may have on the Policy, other than claims. Claims contact numbers can be found under the Important Helplines Section of this document.

See also **Claims Procedure** and **Enquiries and Complaints Procedure**.

Your Policy

The Insurers have agreed to provide the insurance described in this Policy or in any Endorsement applying to this Policy for the Period of Insurance specified in the Schedule. The insurance provided by this Policy covers any loss, damage, destruction, accident or liability that happens during the Period of Insurance in accordance with the Sections of the Policy shown in the Schedule for which You have paid or agreed to pay the premium. The Insurers will cover or compensate You by payment or, at their option, by replacement, reinstatement or repair of lost, damaged or destroyed property.

The Insurer's continued acceptance of the risk is based on any changes from the original information presented being advised to and accepted by the Insurer.

The Policy is made up of different Sections and the Schedule identifies the Sections that are operative. A new Schedule will be issued to record any amendments to the cover. Please refer to the replacement documents and the Policy to see what cover is currently in force.

A different Insurer may provide the cover under certain Sections of this insurance. The name of the Insurer providing cover under that Section will be shown in the Welcome Section above, and on the Schedule.

This Policy shall be subject to and construed solely in accordance with English law. Without prejudice to the specific provisions of the Arbitration Condition within this Policy, the Insurers and You agree that all disputes arising out of or in connection with this Policy shall be subject to the exclusive jurisdiction of the courts of England and Wales.

By entering into this insurance Policy You will be deemed to specifically consent to the use of Your insurance Policy data in this way and for these purposes.

This Policy should be kept in a safe place. You may need to refer to it if You have to make a claim. It is recommended that You retain details of Your Employers' Liability Policy for at least 40 years.

Signed for and on behalf of the Insurers

A handwritten signature in blue ink that reads "James Wheddon". The signature is written in a cursive style with a long, sweeping underline.

James Wheddon
Director
Mi Specialty Ltd

Your obligations

Your obligation to provide Us with a fair presentation of the risk to be insured

In deciding to accept this Policy and in setting the terms and premium, The Insurers have relied on the information You have given The Insurers. You must take care when answering any questions asked by ensuring that all information provided is accurate and complete.

If the Insurers establish that You deliberately or recklessly provided The Insurer with false or misleading information the Insurers will treat Your Policy as if it never existed and decline all claims. The Insurers may not return premium already paid by You in this situation.

If the Insurers establish that You provided the Insurers with false, incomplete or misleading information, it can adversely affect Your Policy and any claim.

For example:

- Where the Insurers could have accepted the risk and offered You a Policy but the Insurers would have charged a higher premium, the Insurers may only pay a percentage of any claim that You make under the Policy. The Insurers would do this by considering the premium the Insurers actually charged as a percentage of the higher premium the Insurers would have charged and then paying You the same percentage of any claim

So, as an example: if the premium The Insurer actually charged was £250 (two hundred and fifty pounds) and the higher premium the Insurers would have charged was £1,000 (one thousand pounds), then the premium the Insurers actually charged represents 25% (twenty-five percent) of the higher premium the Insurers would have charged and the Insurers shall only pay 25% (twenty-five percent) of any claim;

- The Insurers may treat this Policy as if it had never existed and refuse to pay all claims and return the premium, subject to a deduction for any commission paid to Your Broker. The Insurers will only do this if the false, incomplete or misleading information means that The Insurer provided You with insurance cover when the Insurers would not otherwise have offered it at all had the risk been fairly presented;
- if the Insurers would have written the risk on different terms had it been fairly presented, the Insurers may amend the Policy to include these terms. The Insurers may apply these amended terms as if they were already in place before a claim is made;
- The Insurers may cancel Your Policy in accordance with its cancellation provisions

The Insurers will write to You if the Insurers:

- intends to treat Your Policy as if it never existed; or
- amends the terms of Your Policy; or
- reduces Your claim in accordance with the above

If You become aware that information You have given The Insurer is inaccurate or incomplete, You must inform the Insurers as soon as practicable.

IMPORTANT REMINDER

It is important that:

- You check that the information You have given Us is accurate and up to date
- You must read and understand the Policy
- You comply with Your duties under each section and under the Policy as a whole
- You check that the sections You have requested are included in the Schedule

Claims Procedure

To make a claim under this Policy, or to give notice to Us in respect of any actual or potential claim against you, please use the contact details as set out on page 2, Important Helplines and Information.

Your claims under Sections 1-4, 7-9 and 12-14 will be dealt with by:

MPL Claims Management Ltd Unit 6, Godbolts Business Park, Marks Tey, Colchester CO6 1HS

Your claims under Sections 5 and 6 will be dealt with by:

Broadspire, (part of Crawford & Company) Second Floor, Ashton house, 400 Silbury Boulevard, Milton Keynes MK9 2AH

Your claims under Sections 10 and 15 will be dealt with by:

HSB Engineering Insurance Ltd, New London House, 6 London Street, London EC3R 7LP

Your claims under Section 11 will be dealt with by:

ARAG plc, 9 Whiteladies Road, Clifton, Bristol BS8 1NN

1. Your Obligations in the event of a claim against You or under the Policy

Claims Conditions 1 to 3 below are conditions precedent to Our liability under this Policy. If You do not comply with these conditions We shall be entitled to refuse indemnity under this Policy save that in respect of any liability arising under Section 5 where application of this condition is prohibited by the Employers' Liability (Compulsory Insurance) Act 1969 and/or the Employers Liability (Compulsory Insurance) Regulations 1998, We shall provide indemnity and You agree to repay to Us that part of any loss that We would not otherwise have been liable to pay under the Policy in accordance with the 'Rights of Recovery' condition within Section 5.:

You shall:

1. notify Us as soon as reasonably practicable, but in any event within 14 days of discovery of an occurrence that may give rise to a claim under this Policy;
2. take all practicable steps to recover property lost and otherwise minimise the claim;
3. give all information and assistance We may reasonably require in a timely manner.

Sections 1 to 4 and 7 to 15

You shall, within 30 days of notification of a claim or such further time as We may in writing allow, deliver to Us a written claim providing at Your own expense, all details proofs and information regarding the cause and amount of Damage as We may reasonably require including any other insurances on any Property Insured by this Policy and (if demanded) a statutory declaration of the truth of the claim and of any related matters.

If any Property Insured under Section 1 is to be reinstated or replaced by Us, You shall at Your own expense provide all such plans documents books and information as may be reasonably required.

In certain circumstances, We may require sight of freehold title or the lease which must be provided by You within 30 days of any such a request.

It is a condition precedent to Our liability under this Policy that You inform the Police immediately and Us within 14 days if Damage is caused by thieves, malicious persons or vandals or by riot, civil commotion, strikes or labour disturbances. If You do not comply with this condition We shall be entitled to refuse indemnity under this Policy.

Section 2 - Additional Requirement

Compliance with this condition is a condition precedent to Our liability under this Policy. If You do not comply with this condition We shall be entitled to refuse indemnity under this Policy.

You shall, within 14 days after the expiry of the Indemnity Period or within such further time as We may in writing allow, at Your own expense, deliver to Us a statement setting out particulars of the claim together with details of all other insurances covering any part of the Damage resulting in loss of profit and/or revenue

You shall at Your own expense also provide Us with such books of account and other business books, vouchers, invoices, balance sheets, and other documents, proofs, information, explanations and other evidence as may reasonably be required by Us for the purpose of investigating or verifying such claim together with (if demanded) a statutory declaration of the truth of the claim and of any related matter.

Section 11 – Additional Requirement

Under no circumstances should You instruct Your own lawyer or accountant as We will not pay their costs and it could invalidate Your cover.

- i) ARAG will issue You with a written acknowledgement within one working day of receiving Your claim form.
- ii) within five working days of receiving all the information needed to assess the availability of cover, and will write to you either:
 - confirming the appointment of a suitably qualified representative who will promptly progress the claim for You; or
 - if the claim is not covered, explaining in full why and whether assistance can be provided in another way.
- iii) When a lawyer is appointed they will try to resolve Your dispute without delay, arranging mediation whenever appropriate. Matters cannot always be resolved quickly particularly if the other side is slow to cooperate or a legal timetable is decided by the courts.

Sections 5 and 6

- a)
 - i. You must give notice in writing without delay of anything which may give rise to any claim being made against You and for which there may be liability under this Policy. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full. Details of how to give this notice are given on page 2.
 - ii. You must give notice in writing without delay when any claim is actually made against You (whether written or oral) and for which there may be liability under this Policy. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full. Details of how to report a claim are given on page 2.
 - iii. You must advise Us in writing without delay if at any time You know of any impending prosecution, inquest or fatal accident inquiry in connection with any claim or circumstance notified under (a)(i) or (a)(ii) above. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full. Details of how to give this notice are given on page 2.
 - iv. Undertake such acts as may be required for the purpose of enforcing any rights and remedies against any other person regardless as to whether the Insurer has provided an Indemnity in relation to the insured event.
- b) You shall without delay provide Us with such particulars and information as We may require in relation to any occurrence or claim notified to Us, and shall forward to Us, without delay on receipt, every letter, claim form, writ, summons, process, or any other legal papers. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full.

We shall be entitled to take over and conduct in Your name the defence or settlement of any claim, and may prosecute at Our own expense and for Our benefit any claim for insurance or damages against any other persons, and You shall give all information and assistance required. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full. No admission of liability or offer, promise or payment shall be made without Our written consent.

Claims and Remedy Condition

If You submit a valid claim and it transpires that You have breached Your obligations of disclosure, or made a misrepresentation then following a breach of disclosure which is either deliberate or reckless We shall be entitled to:

- i. avoid the contract, refuse all claims, and
- ii. retain the premiums paid.

If You submit a valid claim and it transpires that You have breached Your obligations of disclosure, or made a misrepresentation, then following a breach of disclosure which is neither deliberate or reckless We shall be entitled, if cover would not have been offered, to:

- i. avoid the contract, refuse all claims, and
- ii. return the premiums paid.

If You submit a valid claim and it transpires that You have breached Your obligations of disclosure, or made a misrepresentation, then following a breach of disclosure which is neither deliberate or reckless We shall be entitled, if cover would have been offered on different terms, to:

- i. treat the contract as being entered into but the contract will be treated as if it had been entered into on those different terms (other than terms relating to premium), and
- ii. reduce proportionately the amount to be paid on a claim if We would have entered into the contract (whether the terms relating to matters other than the premium would have been the same or different), but would have charged a higher premium. If more than one Premises is stated in the Schedule the proportion of the premium charged for the Premises that has sustained Damage will be applied.

"reduce proportionately" means that We need only pay on the claim X% of what otherwise We would have been under an obligation to pay under the terms of the Policy (or, if applicable, under the different terms provided for by virtue of paragraph i)), where:

$$X = \frac{\text{Premium actually charged}}{\text{Higher Premium}} \times 100$$

Our rights

Sections 1 to 4 and 7 to 15

1. On the happening of Damage in respect of which a claim is made, We may, without thereby incurring any liability or diminishing any of the Our rights under this Policy, enter take or keep possession of the Premises where such Damage has occurred and take possession of or require to be delivered to Us any property and deal with such property for all reasonable purposes and in any reasonable manner
2. No property may be abandoned to Us whether taken possession of by Us or not.
3. We shall have full discretion in the conduct of any proceedings and in the settlement of any claim where We have agreed to provide an indemnity under this Policy.

Sections 5 and 6

We may at any time at Our sole discretion pay to You the maximum sum payable under this Policy or any lesser sums for which any claim or claims can be settled. If We do this, We shall not be under any further liability except for the payment of costs and expenses of litigation incurred prior to such payment, provided that in the event of a claim such costs and expenses shall not exceed an amount being in the same proportion as Our payment to You bears to the total payment made by You or on Your behalf in settlement of the claim or claims.

Section 11

- i) We can settle the claim by paying the reasonable value of the Insured's claim.
- ii) You must not negotiate, settle the claim or agree to pay Legal Costs & Expenses without Our written agreement.iii) If the Insured refuses to settle the claim following advice to do so from the Appointed Advisor the Insurer reserves the right to refuse to pay further Legal Costs & Expenses.

Fraud

If any claim is in any respect fraudulent or if any fraudulent means or devices are used by You or anyone acting on Your behalf to obtain any benefit under this Policy or if any loss be occasioned by the wilful act or with Your connivance then We shall be entitled:

- i. not to pay the claim,
- ii. to recover from You any sums paid by Us to You in respect of the claim, and
- iii. to treat this Policy as being terminated with effect from the time of the fraudulent act.

If the Policy is treated as having been terminated We shall be entitled to:

- i. refuse all liability to You under the Policy in respect of any relevant event occurring after the time of the fraudulent act, and
- ii. not return any of the premiums paid under the Policy.

Other Insurances

If in respect of any claim under this Policy there is any other insurance or Indemnity in Your favour in force relative to that claim, or there would be but for the existence of this Policy, Our liability will be limited to the amount in excess of that which is or would have been payable (but for the existence of this Policy) in respect of that claim but always limited to the Limit of Indemnity or Sum Insured.

Subrogation

Any claimant under this Policy shall at Our request and expense, take and permit to be taken all necessary steps for enforcing rights against any other party in Your name before or after any payment is made by Us.

We shall be entitled to take over and conduct in Your name the defence or settlement of any claim or to prosecute in Your name at Our own expense and for Our own benefit any claim for indemnity or damages or otherwise.

Enquiries and Complaints Procedure

We aim to ensure that all aspects of Your insurance are dealt with promptly, efficiently and fairly. At all times We are committed to providing You with the highest standard of service.

If You have a complaint about Your Policy or the handling of a claim, the details below set out some of the key steps that You can take to address Your concerns.

If Your complaint is about the way in which the Policy was sold to You or whether it meets Your requirements, You should contact the Broker who arranged the Policy for You.

If Your complaint is about a claim and relates to **Sections 1-4, 7-9 or 12-14**, You should refer the matter to :

MPL Claims Management Ltd,
6 Godbolts Business Park,
Marks Tey,
Colchester,
Essex
CO6 1HS
Email: ergo@mplclaims.com
Telephone: 0345 060 0014

If Your complaint is about anything else, You should refer it to the contact details as set out below:

Complaints Manager
Mi Specialty Ltd
Affinity House
Bindon Road
Taunton
Somerset
TA2 6AA

Alternatively, You can ask Your Broker to refer the matter on for You .

Please quote Your Policy number in all correspondence so that Your concerns may be dealt with speedily.

What happens next?

If We are not able to resolve Your complaint satisfactorily by close of business on the third working day following receipt, We will refer Your complaint to the Head of Compliance at ERGO UK Specialty Limited on behalf of Great Lakes SE who will send You an acknowledgement letter.

If You don't receive any acknowledgement letter, or at any time if You wish to do so, You may contact the Head of Compliance Yourself by writing to:

Head of Compliance,
ERGO UK Specialty Limited,
on behalf of Great Lakes SE,
Munich Re Group Offices,
10 Fenchurch Avenue,
London, EC3M 5BN

Telephone: **020 3003 7444**

E-mail: complaints@ergo-commercial.co.uk

The Head of Compliance will investigate Your complaint and will provide You with a written response within eight weeks of Your initial complaint. This will either be a final response or a letter informing You that We need more time for Our investigation.

If Your complaint relates to **Sections 5 or 6** You should contact:

Chief Compliance Officer:
lorraine@convexin.com
Tel: +44 (0)7919 603210
Convex Insurance UK Limited
52-54 Lime Street

London EC3M 7AG
United Kingdom

The Underwriters will acknowledge the complaint promptly. If Your complaint relates to **Section 10 – Equipment Breakdown** and **Section 15 – Cyber** You should contact:

The Customer Relations Leader
HSB Engineering Insurance Limited
Chancery Place,
50 Brown Street,
Manchester
M2 2JT
Phone: +44 (0) 330 100 3433
Email: complaints@hsbeil.com

If Your complaint relates to **Section 11 – Legal Expenses** You should contact:

Customer Relations Department
ARAG plc,
9 Whiteladies Road,
Clifton,
Bristol,
BS8 1NN
Phone: 0117 917 1561
Email: customerrelations@arag.co.uk

All Sections - If You remain unhappy

If We have not resolved Your complaint at the end of eight weeks, or if after receiving Our final response You remain dissatisfied, You may be able to refer Your complaint to the Financial Ombudsman Service (contact details below). You will have six months from the date of the final response to make this referral.

Your rights as a customer to take legal action are not affected by the existence or use of the complaints procedure mentioned above. However the Financial Ombudsman Service may not adjudicate on a case where court proceedings are actively in progress.

The Financial Ombudsman Service
Exchange Tower
Harbour Exchange
London
E14 9SR
Telephone: 0800 023 4567

Further information is available from them and You may refer a complaint to them online at www.financial-ombudsman.org.uk

The Ombudsman will review complaints from eligible complainants. An eligible complainant is defined as:

1. a private individual;
2. a business which has a group annual turnover of less than £6.5m and either:
 - a. fewer than 50 staff or
 - b. an annual balance sheet total of less than £5mat the time the complainant refers the complaint to the respondent;
3. a charity which has an annual income of less than £6.5m at the time the complainant refers the complaint to the respondent; or
4. a trustee of a trust which has a net asset value of less than £5m at the time the complainant refers the complaint to the respondent.

Financial Services Register

The Financial Services Register can be checked by visiting the Financial Conduct Authority website on www.fca.org.uk or by calling 0800 111 6768

Financial Services Compensation Scheme (FSCS)

Mi Specialty Ltd, Great Lakes Insurance SE, UK Branch, Convex Insurance UK Ltd, HSB Engineering Insurance Limited, ARAG plc and HDI Global Specialty SE are all covered by the Financial Services Compensation Scheme (FSCS). This means that You may be entitled to compensation from the scheme in the unlikely event that they cannot meet their obligations. Further details can be obtained from FSCS, 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU Tel: 0207 741 4100 Fax: 0207 741 4101 or www.fscs.org.uk

Important Note

Where Mi Specialty deals with you through a retail agent in respect of any claims referred by You to Mi Specialty Mi Specialty acts as agent for the Insurers and not for You.

Please quote Your policy number in all correspondence so that Your complaint may be dealt with speedily.

Data Privacy Notice

We may use personal information in order to write and administer this policy, including any claims arising from it.

This information may include basic contact details such as names, addresses, and policy number, but may also include more detailed personal information about individuals (for example, their age, health, details of assets, claims history) where this is relevant to the risk Mi Specialty are underwriting on Our behalf or the services being provided or to a claim that is being reported.

We are part of a global group and information may be shared with their group companies in other countries as required to provide coverage under this policy or to store information. We also use a number of trusted service providers, who will also have access to personal information subject to Our instructions and control.

Individuals have a number of rights in relation to their personal information, including rights of access and, in certain circumstances, erasure.

This notice represents a condensed explanation of how the insurer uses personal information. For more information, please refer to Our Data Privacy Notice, which can be found on:

Sections 1-4, 7- 9 and 12 – 14

Great Lakes Insurance SE, UK Branch

<https://www.munichre.com/en/company/about-munich-re/munich-re-worldwide/united-kingdom/great-lakes-uk.html>

Sections 5 and 6

www.convexin.com

Section 10 and 15

<https://www.munichre.com/HSBEIL/service/privacy-statement/index.html>

Section 11

Please see Section 11 for details

All Sections

<https://www.mispecialty.com/data-protection>

A paper copy of the full Data Privacy Notice can be obtained by contacting:

Sections 1-4, 7- 9 and 12 – 14

By email from complaints@ergo-commercial.co.uk or by writing to:

Head of Compliance
ERGO UK Specialty Limited, on behalf of Great Lakes Insurance SE,
Munich Re Group Offices
10 Fenchurch Avenue
London
EC3M 5BN

Section 10 and 15

by email from dataprotection@hsbeil.com or by writing to:

Data Protection Manager
HSB Engineering Insurance Limited
New London House
6 London Street
London EC3R 7LP

All Sections

by writing to:

The Commercial Manager
Mi Specialty Ltd
Affinity House
Bindon Road
Taunton
Somerset
TA2 6AA

Sections 5 and 6

by email from dataprotectionofficer@convexin.com or by writing to:

Data Protection Officer
Convex Insurance UK limited
52 Lime Street
London EC3M 7AF

Section 11

by writing to:

Data Protection Department
ARAG plc,
9 Whiteladies Road,
Clifton,
Bristol, BS8 1NN

General Definitions

These Definitions apply to all Sections of the Policy unless stated otherwise. Other Definitions may be contained within the specific Sections of the Policy where they apply.

Aircraft

Any vessel, craft, vehicle, drone, kite, hang-glider, balloon, or other appliance whether heavier or lighter than air which is used within or outside the Earth's atmosphere and includes any part and any component of these.

Broker

The insurance broker or adviser through whom You purchased this Policy.

Buildings

The building(s) situated at the address(es) specified in the Schedule which include:

- a) landlord's fixtures and fittings;
 - b) tenants' improvements for which the landlord is responsible under the terms of the lease or other agreement under which the property is let;
 - c) outbuildings, extensions, annexes, canopies, fixed signs, gangways, conveniences, lamp posts and street furniture;
 - d) walls, gates and fences;
 - e) drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the Premises and extending to the public mains, but only to the extent of Your responsibility;
 - f) yards, car parks, roads and pavements, forecourts, all constructed of solid materials;
 - g) landscaping, excluding external ponds and lakes;
- all belonging to You or for which You are legally responsible.

Building Works

Any works that include removal or alteration of load bearing walls, construction of new buildings and extensions, underpinning, demolition of the whole or any part of any Building, re-roofing and installation of cavity wall insulation at the Premises.

Business

The Business as stated in the Schedule carried on in the Territorial Limits, including the following activities:

- a) the ownership, use, repair, maintenance and decoration of Premises occupied by You;
- b) repair or maintenance of vehicles or plant owned or used by You;
- c) the provision and management by You of canteen, social, sports, educational and welfare organisation(s) for the benefit of any Employees;
- d) the provision and management of first aid, fire, security and ambulance services;
- e) the performance of private duties carried out by Your Employees with Your written consent for any of Your principals, including directors, partners, or senior officials

Business Interruption

Business Interruption shall mean loss resulting from interruption of or interference with the Business carried on by You at the Premises in consequence of Damage of the type insured (and not excluded) by this Policy occurring during the Period of Insurance to property used by You at the Premises for the purpose of the Business.

Compensation

The amount payable under the appropriate item specified in the Schedule.

Computer System

The words Computer System shall mean any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility owned or operated by You or any other party.

Consequential Loss

Any further loss of any kind that may arise due to, or as a result of, loss or destruction of or any Damage to any property whatsoever.

Customers

All Your customers who obtain goods or services from You on a credit basis.

Cyber Act

An unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.

Cyber Incident

The words Cyber Incident shall mean:

- a) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
- b) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

Damage/Damaged

Accidental tangible physical loss, damage or destruction.

Data (not applicable to Section 14 – Terrorism or Section 15 - Cyber)

Information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

Data Processing Media

Any property insured by this Policy on which Data can be stored but not the Data itself.

Defined Peril

The words Defined Peril shall mean:

- a) fire, but excluding any Damage to the Property Insured caused by:
 - i) explosion resulting from fire;
 - ii) earthquake or subterranean fire;
 - iii) its own spontaneous fermentation or heating;
 - iv) its undergoing any heating process or any process involving the application of heat;
- b) lightning;
- c) explosion but excluding any Damage caused by or consisting of the bursting of a boiler or other vessel, machine or apparatus used for non-domestic purposes where internal pressure is due to steam only belonging to or under Your control;
- d) Aircraft or other aerial devices or articles dropped there from;
- e) riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons excluding Damage:
 - i) arising from confiscation, requisition or destruction by order of the government or any public authority;
 - ii) arising from cessation of work;
- f) theft or attempted theft;
- g) earthquake;
- h) storm excluding:
 - i) Damage by flood whether resulting from storm or otherwise;
 - ii) Damage attributable solely to a change in the water table level;
- i) flood excluding Damage attributable solely to a change in the water table level;
- j) overflowing, discharge or leaking of any sprinkler apparatus;
- k) escape of water from any tank, apparatus or pipe;
- l) impact by any road vehicle (including goods falling from them) or animal not belonging to You or under Your control, falling trees, branches and falling aerials.

Employee (not applicable to Section 11 – Legal Expenses or Section 15 - Cyber)

- a) any person under a contract of service or apprenticeship with You;
 - b) any person who is hired to or borrowed by You;
 - c) any person engaged in connection with a work experience or training scheme;
 - d) any labour master or person supplied by him;
 - e) any person engaged by labour only sub-contractors;
 - f) any self employed person working on a labour only basis under Your control or supervision; or
 - g) any voluntary helper;
- whilst working for You in the course of the Business.

Excess

In respect of Sections 1, 3, and 7

The first part of any claim which You must pay, after the application of any condition of average (where applicable). The applicable excess is stated in the Schedule if not stated in this Policy.

In respect of Sections 5 and 6

The first amount of each and every claim (as shown in the Schedule) for which You are responsible.

FCA

The Financial Conduct Authority or any successor body or bodies to it.

Goods

Goods or products (including containers, labelling instructions or advice provided) manufactured, sold, supplied, erected, repaired, altered, treated, transported, serviced or installed by You in the course of the Business

Gross Profit

The amount by which:

- a) the sum of the amount of the Turnover and the amounts of the closing stock and work in progress shall exceed
- b) the sum of the amount of the opening stock and work in progress and the amount of the Uninsured Working Expenses.

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

Indemnity Period

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

Injury

Bodily injury, death, illness, disease or shock causing bodily injury.

Insured Person

Any principal partner or director aged 16 to 70 within Your Business.

Loss of Limb(s)

Physical severance or the total or permanent loss of use of one or both arms, hands, legs or feet resulting solely and directly from Injury within 12 calendar months of such Injury.

Machinery, Plant and Equipment

Machinery, plant, equipment, fixtures, fittings, Computer Systems (excluding software), office machines and furniture and all other contents, being Your property or that for which You are legally responsible in the Premises specified in the Schedule.

"All other contents" includes:

- a) documents, manuscripts and business books, but only for the value of the materials as stationery together with the cost of clerical labour actually expended in reinstatement and not for the value of the information contained therein, for an amount not exceeding GBP2,500 in total;
- b) Data Processing Media (but subject to a sub-limit of £10,000 in the aggregate for all claims made in relation to Damage occurring during the Period of Insurance as set out in section 3 of the Cyber and Data Exclusion in the General Exclusions);
- c) patterns, models, plans and designs, but only for the value of the materials together with the cost of labour expended in reinstatement and so far as the same are not otherwise insured, and not for the value of the information contained therein, for an amount not exceeding GBP 2,500 in total;
- d) directors', Employees', visitors' and Customers' personal effects, pedal cycles, tools, instruments and the like, for an amount not exceeding GBP 250 in total in respect of any one person.

Maximum Indemnity Period

The Period as stated in the Schedule.

Money

Current coinage, bank and currency notes, uncrossed cheques, giro cheques, bankers' drafts, uncrossed postal and money orders, unexpired units in franking machines, unused postage stamps, business travel tickets, gift vouchers and bills of exchange.

Offshore

From the time of embarkation by an Employee onto a vessel or Aircraft (including helicopters) for conveyance from land to an offshore installation or support or accommodation vessel until disembarkation by that Employee from a vessel or Aircraft (including helicopters) onto land upon return from an offshore installation or support or accommodation vessel.

Period of Insurance / Policy Period

The period from the effective date shown in the Schedule until midnight on the expiry date shown in the Schedule. This includes any subsequent period for which We may accept payment for renewal of this Policy.

Policy

All terms, provisions, exclusions, conditions and limits of Indemnity set out in this document; and

- a) the Schedule, notices and other documents attaching from time to time; and
- b) all endorsements incorporated and issued for incorporation in this document all of which must be read together and constitute the contract of insurance.

Pollution

- a) Pollution or contamination by naturally occurring or man-made substances, forces, and organisms, including, but not limited to, (i) any actual, threatened, feared or perceived use of any biological, chemical, radioactive or nuclear agent, material or device, whether or not related in any way to any act of Terrorism, and (ii) the deposit of or impairment by dust or soot, chemical precipitation, adulteration or impurification, or any combination of them whether permanent or transitory; and
- b) all loss, damage or injury directly or indirectly caused by pollution or contamination as stated in a) above.

PRA

The Prudential Regulation Authority or any successor body or bodies to it.

Premises

The Premises as stated in the Schedule.

Projected Turnover

Your estimate of the money to be paid or payable to You in the next twelve months for goods sold and delivered and for services rendered in the course of the Business.

Property

Property which is both material and tangible.

Property Insured

Except where expressly provided otherwise, the Buildings, Stock, Machinery, Plant and Equipment at the Premises, all as defined in these General Definitions, if and to the extent they are included as property insured in the Schedule.

Proposal

The signed Proposal or Statement of Fact form (however described) and any additional information submitted to the Insurers by You or on Your behalf.

Renovation(s)

Internal painting and decorating, tiling, replacement of bathroom and/or kitchen fixtures and fittings including sinks, wash basin, W.C., bath and shower, carpeting, internal joinery, plastering, rewiring, installation / repair of central heating and external window replacement but excluding:

- i) Building Works, and
- ii) renovation forming part of a Building Works contract or project.

Schedule

The Schedule is part of this contract of insurance and contains Your details and the Period of Insurance and the Sums Insured / Limits of Indemnity

Stock

Stock, merchandise and materials in trade, including work in progress and packing materials belonging to You or held by You in trust or on commission and for which You are legally responsible or for which You have accepted liability, in the Premises shown in the Schedule.

Sum Insured / Limit of Liability

The sum or limit specified in the Schedule as applying to the relevant Section of this Policy or items.

Territorial Limits

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

Terrorism

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

Uninsured Working Expenses

Bad debts purchases (less discounts received) carriage packing and freight and discounts allowed, unless otherwise stated in the Schedule.

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

Unoccupied

When the Premises are closed for Business for a period in excess of 14 consecutive days.

We/ Insurers/ Our/ Us

Great Lakes Insurance SE (not applicable to Section 5, 6, 10, 11 or 15)

Convex Insurance UK Ltd (Sections 5 and 6 only)

HSB Engineering Insurance Limited (Section 10 and 15 only)

ARAG plc, Insurer: HDI Global Specialty SE (Section 11 only)

You, Your, Yours, Insured, Policyholder:

The person or persons or corporate body named in the Schedule.

In addition for Section 5 and 6 only 'You, Your, Yours, Insured' also means:

- any subsidiary company which is named in the Schedule operating in or from premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man;

at Your written request:

- any principal including, any director, partner, or senior official, or any Employee of Yours, while acting on Your behalf, of or in the course of their employment or engagement by You, in respect of liability for which You would have been entitled to insurance under this Policy if the claim against any such person had been made against You;
- any officer, member or Employee of Your canteen, social, sports or welfare organisation or fire, first aid or ambulance service in their respective capacity as such;
- any principal, including any director, partner or senior official of Yours, in respect of private work carried out by any Employee of Yours for any such person with Your consent;
- in the event of Your death, Your personal representatives in respect of liability incurred by You, provided that such person shall, as though they were You, observe, fulfil and be subject to this Policy including the Introduction, the General Definitions, General Conditions, General Exclusions, Sections, Section Extensions, the Schedule and any Endorsements as far as they can apply.

(Applicable to Section 11 – Legal Expenses)

Insured:

- a) You, Your directors, partners, managers, officers and Employees of Your business.
- b) The estate, heirs, legal representatives or assigns of any persons mentioned in (a) in the event of such person dying.
- c) A person declared to Us, who is contracted to perform work for You, who is in all other respects insured by You on the same basis as Your other Employees and who performs work under Your supervision.

Legislation

In this Policy We make reference to various laws and statutes. There follows a brief description of each which is intended for information purposes only and is not part of Your Policy terms.

The laws and statutes referred to below shall apply as amended or replaced from time to time.

Consumer Protection Act 1987	Designed to protect consumers from products that do not reach a reasonable level of safety.
Contracts (Rights of Third Parties) Act 1999	Makes provision for the enforcement of contractual terms by third parties.
Corporate Manslaughter and Corporate Homicide Act 2007	States that companies and organisations can be found guilty of corporate manslaughter or homicide if serious management failures cause a person's death and amount to a breach of a duty of care.
Data Protection Act 2018	Controls how an individual's personal information is used by organisations, businesses or the government.
Defective Premises Act 1972	Imposes duties in connection with the provision of premises and imposes liability for injury or damage caused to persons through defects in the state of the premises. In certain circumstances the duty of care is extended to after the premises have been disposed of.
Defective Premises (Northern Ireland) Order 1975	Imposes duties in connection with the provision of premises and imposes liability for injury or damage caused to persons through defects in the state of the premises. In certain circumstances the duty of care is extended to after the premises have been disposed of.
Employers' Liability (Compulsory Insurance) Act 1969 and/or the Employers Liability (Compulsory Insurance) Regulations 1998	Imposes duties on employers to carry insurance against the personal injury of their employees.
EU Environmental Liability Directive 2004/35/EC	Establishes a framework based on the "polluter pays" principle to prevent and remedy environmental damage.
Food Safety Act 1990	Provides the framework for all food legislation in Britain and sets out the duties of food producers and food handlers in relation to food safety.
Health and Safety at Work etc Act 1974	Places duties on all employers to ensure, so far as reasonably practicable, the health, safety and welfare at work of all employees.
Health and Safety at Work (Northern Ireland) Order 1978	Places duties on all employers to ensure, so far as is reasonably practicable, the health, safety and welfare at work of all employees.
Road Traffic Act 1988	Consolidates certain enactments relating to road traffic, including road safety, construction and use of vehicles and equipment, licensing of drivers of vehicles, driving instruction and third-party liabilities.
Road Traffic Northern Ireland Order 1981	Relates to road traffic, including road safety, licensing of drivers of vehicles, regulation of motor vehicles, foreign vehicles and insurance against third-party liabilities.

Section 1 – Property Damage

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Definitions for Section 1 – Property Damage

Architects Surveyors Legal and Consulting Engineers Fees

means the reasonable cost of employing architects, surveyors, lawyers and consulting engineers in the reinstatement or repair of the Property Insured consequent upon its Damage but not for preparing any claim.

Cost of Reinstatement means:

- i) the rebuilding or replacement of property lost or destroyed which provided Our liability is not increased may be carried out:
 - a. in any manner You and We agree;
 - b. on another site agreed by both You and Us;
- ii) the repair or restoration of property damaged in either case to a condition and design equivalent to or substantially the same as but not better or more extensive than its condition when new including an allowance for Removal of Debris, European Community and Public Authorities, Architects Surveyors Legal and Consulting Engineers Fees.

European Community and Public Authorities

means such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the stipulations of:

- a) European Community Legislation (or any transitional or replacement legislation enacted by the UK Government in connection with the departure of the UK from the EU and/or any subsequent trade arrangement between the UK and the EU); or
- b) Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye Laws of the government or any public authority (hereafter referred to as the 'Stipulations'),

which governs the construction, alteration and reinstatement of buildings.

Excluding:

- a) the cost incurred in complying with the Stipulations:
 - i) in respect of Damage occurring prior to the granting of this Policy;
 - ii) in respect of Damage not insured by this Section;
 - iii) under which notice has been served upon You prior to the happening of the Damage;
 - iv) for which at the time of Damage there is an existing requirement which has to be implemented within a given period;
 - v) in respect of property entirely undamaged by any peril hereby insured against.
- b) the additional cost that would have been required to make good the property Damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen.
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with the Stipulations.

Glass

All fixed plain sheet or plain glass in windows, doors, fanlights, skylights, partitions, furniture, display and show cases, counters or shelves or mirrored glass fixed hand basins, lavatory bowls, bidets, shower trays and baths including lettering, embossing, beading, silvering or ornamental work at the Premises.

Removal of Debris

means costs and expenses necessarily incurred by You with Our consent in:

- a) removing debris;
- b) dismantling and/or demolishing;
- c) shoring up or propping of the portions of the Property Insured;
- d) clearing drains sewers and gutters at the Property Insured;

as a result of Damage hereby insured against.

We will not pay for any costs or expenses:

- i) incurred in removing debris except from the site of such property destroyed or Damaged and the area immediately adjacent to such site;
- ii) arising from Pollution of property not insured by this Section.

Section 1 – Property Damage

Cover and Basis of Settlement

We agree that if during the Period of Insurance, an item of Property Insured (other than Stock) at the Premises or as otherwise specified in the Schedule, sustains Damage, then We will pay to You:

- i) the Cost of Reinstatement of the Property Insured provided that reinstatement or replacement takes place in accordance with the Reinstatement Conditions set out below;
- ii) Where reinstatement or replacement of the Property Insured does not take place in accordance with i) above for any reason whatsoever the Alternative Basis of Settlement Condition will apply.

We agree that if, during the Period of Insurance, an item of Stock at the Premises sustains Damage then We will pay to You the cost price less any adjustment for damaged, written down or obsolete Stock.

However, if, at the time of any Damage the Stock Sum Insured stated in the Schedule is less than the full value of the Stock the amount payable by Us will be proportionately reduced.

Reinstatement Conditions

- i) Our liability for the repair or replacement of Property Insured damaged in part only shall not exceed the amount which would have been payable had such Property been wholly lost or destroyed.
- ii) No payment beyond the amount which would have been payable under the Alternative Basis of Settlement Condition below shall be made:
 - a) unless reinstatement commences within 12 months of Damage occurring unless otherwise agreed by Us;
 - b) until the Cost of Reinstatement shall have been actually incurred;
 - c) if the Property Insured at the time of the Damage shall be insured by any other insurance effected by the You or on Your behalf which is not upon the same basis of reinstatement.

Subject always to Our liability not exceeding the limits and Sum Insured stated in the Schedule.

Alternative Basis of Settlement Condition

If reinstatement of the Property Insured does not take place We agree that if during the Period of Insurance an item of Property Insured at the Premises sustains Damage then We will pay You whichever is the lesser of:

- i) the cost to reinstate, repair or replace such property or any part of it less an appropriate deduction for depreciation wear and tear, or
- ii) the diminution in market value of the Property Insured.

Subject always to Our liability not exceeding the limits and Sum Insured stated in the Schedule.

Exclusions Applying to Section 1

1. The amount of the Excess stated in the Schedule.
2. Loss by delay, loss of market, consequential loss of any and every description.
3. Damage to Aircraft, watercraft, vehicles including accessories on or attached to them, caravans or trailers, livestock, growing timber or crops, jewellery, furs, watches, precious metals/stones, money, documents, unless otherwise agreed by Us.
4. Property Insured that is insured more specifically by or on behalf of You or more specifically covered under another Section of this Policy.
5. Damage to any Property Insured and/or any consequential loss directly or indirectly caused or contributed by:
 - a) subsidence, collapse, landslip, ground heave, settling, cracking, shrinkage, expansion, settlement or bedding down of any building or foundation unless resulting from Damage not otherwise excluded;
 - b) moth, termites, vermin or insect, wear, tear, gradual deterioration, rust or oxidisation, rot, mould or mildew, inherent vice, latent defect unless resulting from Damage not otherwise excluded;
 - c) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching or denting unless resulting from Damage not otherwise excluded;
 - d) change in climatic or atmospheric conditions or in water table levels;
 - e) theft, wind, rain, hail, sleet, snow, flood or dust Damage to movable property in the open, in yards, open sided buildings, compounds, or other open spaces unless specifically mentioned in the Schedule, fences and gates;
 - f) in respect of Defined Peril (f) (theft or attempted theft), Damage where You or Your partners, directors or Employees or any member of Your household is involved as principal or accessory or caused by any person lawfully in the Premises.

Section 1 – Property Damage

- g) infidelity or dishonesty by You or any of Your Employees or other persons to whom Property Insured may be entrusted or Damage resulting from You voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme, trick, device or false pretence;
 - h) any unexplained loss or loss or shortage disclosed on taking inventory, misfiling, misplacing of information or clerical error;
 - i) theft or attempted theft unless accompanied by forcible and violent entry into or exit from the Building or involving violence or the threat of violence;
6. Damage to:
- a) property or structures in course of construction or erection and materials or supplies in connection with all such property; and
 - b) land, piers, jetties, bridges, culverts or excavations.

Limit of Indemnity

Our liability in respect of all incidents of Damage to an item of Property Insured during the Period of Insurance shall be limited as follows:

- a) If an individual Sum Insured is specified on the Policy Schedule for that item, Our liability shall be limited to that Sum Insured;
- b) In any event, Our liability shall in no circumstances exceed, in the aggregate, the total Sum Insured for the category of Property Insured on the Schedule under which that item falls.

But:

- i) In the event that, at the time of Damage any Buildings are awaiting refurbishment, redevelopment or Renovation, then We shall not be liable for any costs which would have been incurred by You in the absence of such Damage as part of that work.
- ii) In the event that, at the time of Damage any Buildings are the subject of an existing contract or order for demolition, then Our liability shall be limited to Removal of Debris.

Average Clause

Each item insured under this Section is declared to be separately subject to the following Condition;

If at the time of repair or rebuilding or replacement the Cost of Reinstatement which would have been incurred in reinstatement if the whole of the property by such item had been destroyed exceeds the Sum Insured thereon at the commencement of any Damage to such property then You shall be considered as being Your own insurer or the difference between the Sum Insured and the sum representing the Cost of Reinstatement of the whole of the property and shall bear a rateable proportion of the loss accordingly.

The Excess shall not be reduced in the event that the Average clause applies to Your claim.

If the Alternative Basis of Settlement Condition is applied this Average clause is amended to:

The Sum Insured by each item is separately declared to be subject to Average.

In the event that the Sum Insured for any such item shall, at the commencement of Damage, be less than the value of the property covered, then the amount payable by Us shall be proportionately reduced.

Clauses & Conditions that apply to Section 1 – Property Damage

Additional Metered Water Charges Clause

We will pay to You additional metered water charges incurred following an Insured Event under this Policy except those in respect of any loss which has not been discovered and remedial action taken within 30 days of the occurrence of the Damage provided that the maximum amount payable under this Clause in any one Period of Insurance shall not exceed GBP 5,000.

Asbestos

This Policy only insures asbestos physically incorporated in an insured building or structure, and then only provides indemnity in respect of that part of the asbestos which has been physically Damaged during the Period of Insurance by one of these perils:

Fire, lightning, explosion or Aircraft riot or civil commotion, earthquake, subterranean fire, storm or flood, escape of water, impact, sprinkler leakage, subsidence (Listed Perils)

Provided that:

- a) the Listed Peril is the immediate sole cause of the Damage to the asbestos;

Section 1 – Property Damage

- b) this Listed Peril is one for which cover is provided by Section 1 or Section 2 and which has not been excluded;
- c) You report to Us the existence and cost of the Damage as soon as practicable after the Damage to the asbestos. However this Policy does not insure any such Damage first reported to Us more than 12 months after the expiration or termination of the Period of Insurance.

This Policy shall provide no cover in respect of;

- i) wear and tear or inherent defect, quality or vice in or of any asbestos;
- ii) any non-compliance with or breach of any legal or other duty or obligation (including without limitation any duty arising from any contract or statute, or any instruction, request or order of any court or governmental or regulatory authority) of any person in connection with the design manufacture installation use retention treatment management repair replacement or removal of any asbestos (Damaged or otherwise); or
- iii) any asbestos which the Listed Peril has not physically Damaged.

Capital Additions Clause

Cover under this Section is extended to include;

- a) any newly acquired and/or newly erected buildings or buildings in course of erection (excluding any property for which a building contractor is responsible) insofar as the same are not otherwise insured; and/or
- b) alterations, additions and improvements to buildings but not in respect of any appreciation in value anywhere in the United Kingdom;

provided in either case that:

- i) at any one situation this cover shall not exceed 10% of the Sum Insured for Buildings by this Section but in no case exceeding GBP 1,000,000;
- ii) You undertake to give particulars of any such capital additions described in (a) and/or (b) above as soon as practicable and in any event within 3 months of any newly acquired and/or newly erected buildings or alterations, additions and improvements to buildings and to effect specific insurance thereon retrospective to the date of the commencement of Our liability under this extension;
- iii) the provisions of this extension shall be fully maintained until such time as We have agreed in writing to either include or decline to offer cover for such items described in ii) above.

Extinguishment and Alarm Resetting Expenses Clause

We will pay You the reasonable costs incurred by You in refilling fire extinguishing appliances, replacing used sprinkler heads and resetting fire or intruder alarms as a result of an Insured Event.

Fly Tipping

We will pay for the costs incurred by You, with Our prior consent, in removing property illegally deposited during the Period of Insurance within the boundaries of the Premises including the cost of cleaning of the Premises after such removal up to the value of £5,000.

Glass Breakage

We agree that if during the Period of Insurance breakage of fixed Glass occurs at the Premises specified in the Schedule, then We will pay to You the reasonable cost of replacing such glass including:

- a) the reasonable cost of boarding up rendered necessary by such breakage;
- b) the reasonable cost of repairing or replacing window frames and framework consequent upon the breakage of Glass;
- c) the reasonable cost of refitting alarm foil consequent upon the breakage of Glass;

provided that Our liability shall not exceed the Sum Insured stated in the Schedule at the time of the Damage.

Excluding

1. The amount of the Excess specified in the Schedule.
2. Consequential Loss of any kind or description except as stated herein to the contrary.
3. Any breakage arising directly or indirectly from:
 - a) repairs, Renovation or Building Works to the Premises;
 - b) defects in frames, framework or other fittings.

Mortgagees Interests

The interest of the Mortgagee(s) in the Property Insured to which their interest applies is noted and such interest must be advised to Us in the event of Damage.

If, without the knowledge of the Mortgagee, there is a change in the use of the Premises which constitutes an increase in the risk of Damage, the amount the Mortgagee(s) may have been entitled to under this Policy shall not be prejudiced provided that the Mortgagee shall immediately on becoming aware thereof give notice in writing to Us and on demand pay such reasonable additional premium as We may require.

Section 1 – Property Damage

Reinstatement of Sum Insured Clause

In the event of Damage for which cover is provided under Section 1 or Section 2, we will consider a request from You to reinstate the Sum Insured by the applicable Section from the date of the Damage. Such reinstatement is at our sole discretion and will be conditional upon You undertaking to pay such necessary premiums as may be required for such reinstatement from that date.

Services Clause

The insurance by each item of Property Insured extends to cover telephones, gas, water and electric instruments, meters, piping, cabling and accessories including similar property in the adjoining yards and roadways or underground (and pertaining to any Building insured by this section), all belonging to You or for which You are responsible.

Subrogation Waiver Clause

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

- a) any company standing in relation of Parent to Subsidiary (Subsidiary to Parent) to You as defined in the Companies Act or the Companies (N.I.) Order as appropriate current at the time of Damage
- b) any company which is a subsidiary of a Parent Company of which You are a Subsidiary in each case within the meaning of the Companies Act or the Companies (N.I.) Order as appropriate current at the time of Damage
- c) any tenant provided that:

- i) the Damage did not result from a criminal fraudulent or malicious act of the tenant;
- and
- ii) the tenant contributes to the cost of insuring the Property Insured against the event which caused the Damage.

Temporary Removal Clause

The cover under this Section (other than Stock if insured) is extended to include Property Insured whilst temporarily removed for cleaning renovation repair or similar purposes elsewhere than at the Premises within the Territorial Limits of this Policy.

Our liability under this clause shall be limited to GBP 50,000 any one Insured Event.

This clause excludes;

- a) property insofar as it is otherwise insured;
- b) property temporarily removed to motor vehicles and motor chassis licensed for normal road use;
- c) property removed for more than 90 consecutive days unless We agree a longer period in writing.

Unauthorised Use of Utilities Clause

We will pay You the cost of metered electricity, gas or water for which You are legally responsible arising from its unauthorised use by persons taking possession keeping possession or occupying the Premises without Your authority provided that You shall take all practical steps to terminate such unauthorised use as soon as it is discovered and provided further that the maximum amount payable under this Clause shall not exceed in any one Period of Insurance GBP 10,000.

Value Added Tax

To the extent that You are registered with and accountable to or should, according to the applicable laws at the time, be registered with and accountable to the tax authorities for Value Added Tax all terms in this Section shall be exclusive of such tax.

Section 2 – Business Interruption

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Definitions for Section 2 – Business Interruption

For the purpose of these definitions any adjustment implemented in current cost accounting shall be disregarded.

Incident

- a) Damage to property used by You at the Premises for the purpose of the Business; or
- b) Any of the contingencies in respect of which cover is provided by the Extensions, if operative, to this Section (in addition to the standard extensions, any operative optional extensions will be shown in the Schedule).

Turnover

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

Rent

Periodic payments made by or to You for the lease of the Buildings specified in the Schedule.

Rent Receivable

The money paid or payable to You for accommodation and services provided in the course of the Business at the Premises.

Gross Revenue

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

Rate of Gross Profit

The rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Incident.

Annual Turnover

The Turnover during the twelve months immediately before the date of the Incident.

Standard Turnover

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

Annual Rent Receivable

The Rent Receivable during the twelve months immediately before the date of the Incident.

Standard Rent Receivable

The Rent Receivable during the period in the twelve months immediately before the date of the Incident which corresponds with the Indemnity Period.

Annual Gross Revenue

The Gross Revenue during the twelve months immediately before the date of the Incident.

Standard Gross Revenue

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

Under Rate of Gross Profit, Annual Turnover, Standard Turnover, Annual Rent Receivable, Standard Rent Receivable, Annual Gross Revenue and Standard Gross Revenue adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the Incident or which would have affected the Business had the Incident not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Incident would have been obtained during the relative period after the Incident.

Section 2 – Business Interruption

Cover

In the event of Business Interruption the Insurer will pay to You in respect of each item in the Schedule the amount of loss resulting from such interruption or interference, calculated in accordance with the Basis of Claims Settlement provisions below, provided that at the time of the happening of the Damage there is an insurance in force covering Your interest in the property at the Premises against such Damage and that:

- a) payment shall have been made or liability admitted therefore; or
- b) payment would have been made or liability admitted therefore but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.

Limit of Liability

The Liability of the Insurer under this Section shall not exceed the Total Sum Insured shown in the Schedule.

Basis of Claims Settlement

Gross Profit

(if shown as operative in the Schedule)

The insurance is limited to loss of Gross Profit due to:

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

and the amount payable as indemnity shall be:

- a) in respect of a reduction in Turnover:

the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall fall short of the Standard Turnover in consequence of the Incident; and

- b) in respect of increase in cost of working:

the additional expenditure (subject to the provisions of the Uninsured Working Expenses Clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Incident but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction in Turnover avoided less any sum saved during the Indemnity Period in respect of such charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Incident.

Provided that:

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

Gross Revenue

(if shown as operative in the Schedule)

The insurance is limited to:

- a) loss of Gross Revenue; and
- b) increase in cost of working;

and the amount payable as indemnity shall be:

- a) in respect of loss of Gross Revenue:

the amount by which the Gross Revenue during the Indemnity Period shall fall short of the Standard Gross Revenue in consequence of the Incident; and

- b) in respect of increase in cost of working:

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Incident but not exceeding the amount of the reduction in Gross Revenue thereby avoided less any sum saved during the Indemnity Period in respect of such charges and expenses of the Business payable out of Gross Revenue as may cease or be reduced in consequence of the Incident.

Provided that:

Section 2 – Business Interruption

if the Sum Insured by the item on Gross Revenue be less than the Annual Gross Revenue (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

Rent Receivable **(if shown as operative in the Schedule)**

The insurance is limited to:

- a) loss of Rent Receivable; and
- b) increase in cost of working;

and the amount payable as indemnity shall be:

- a) in respect of loss of Rent Receivable:

the amount by which the Rent Receivable during the Indemnity Period shall fall short of the Standard Rent Receivable in consequence of the Incident; and

- b) in respect of increase in cost of working:

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss in Rent Receivable which but for that expenditure would have taken place during the Indemnity Period in consequence of the Incident but not exceeding the amount of the reduction in Rent Receivable thereby avoided

less any sum saved during the Indemnity Period in respect of such charges and expenses of the Business payable out of Rent Receivable as may cease or be reduced in consequence of the Incident.

Provided that:

if the Sum Insured by the item on Rent Receivable be less than the Annual Rent Receivable (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

Additional Increase in Cost of Working **(if shown as operative in the Schedule)**

The insurance is limited to the additional expenditure beyond that recoverable under clause b) of any item on Gross Profit or Gross Revenue of this insurance necessarily and reasonably incurred in consequence of the Incident for the sole purpose of avoiding or diminishing the reduction in Gross Profit or Gross Revenue which would have occurred during the Indemnity Period but for that expenditure.

Additional Cost of Working only **(if shown as operative in the Schedule)**

The insurance is limited to Additional Cost of Working only and the amount payable as indemnity shall be the additional expenditure necessarily and reasonably incurred in order to minimise any interruption or interference with the Business during the Indemnity Period in consequence of the Incident.

Provided that:

the liability of the Insurers shall be no more than 50% of the Sum Insured for such additional expenditure arising in the first 3 months following the date of the Damage or 10% of the Sum Insured for the additional expenditure in any one month thereafter but the Insurers liability shall not exceed the Sum Insured as stated in the Schedule.

Clauses & Conditions that apply to Section 2 – Business Interruption

Alternative Trading

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

New Business

For the purpose of any claim arising from an Incident occurring before the completion of the first years trading of the Business at the Premises such loss will be ascertained by applying the Gross Profit Gross Revenue or Rent Receivable earned during the period between the commencement of the Business and the date of the Incident to the amount by which the Gross Profit Gross Revenue or Rent Receivable during the period of interruption or interference will have fallen short of the proportional equivalent for that period of the Gross Profit or Gross Revenue or Rent Receivable realised during the period between the commencement of the Business and the date of the Incident.

Section 2 – Business Interruption

Fines, Damages and Liabilities Exclusion

We shall not be liable for any loss due to fines, penalties, damages or liabilities incurred by You.

Professional Accountants

The Insurer will pay the reasonable charges payable by You to Your professional accountants for producing information required by the Insurer, under the Claims Procedure and Conditions applicable to this Section, and for reporting that such information is in accordance with Your accounts, but not for any other purposes in the preparation of any claim. Provided that the sum of the amount payable under this clause and the amount otherwise payable under the Policy shall in no case exceed the Sum Insured.

Uninsured Working Expenses

If any working expenses of the Business are not insured by this Section (having been deducted in arriving at the Gross Profit as defined herein) then in calculating the amount recoverable under this Section as an increase in cost of working, that proportion only of any additional expenditure shall be brought into account which the Gross Profit bears to the sum of the Gross Profit and the Uninsured Working Expenses.

Value Added Tax

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

Extensions that apply to Section 2 – Business Interruption (Operative only if stated in the Schedule)

The maximum amount payable in respect of each of the following extensions shall not exceed in respect of any one loss the monetary amount as shown for each operative extension in the Schedule.

Subject to all other terms, conditions and exclusions of this Policy, cover under this Section is extended (if shown as operative in the Schedule) to include loss, calculated in accordance with the Basis of Claims Settlement provisions above, resulting from interruption to or interference with the Business carried on by You at the Premises caused by any of the following contingencies occurring during the Period of Insurance.

Contract Sites

Damage to Property Insured whilst at any site in the Territorial Limits not in Your occupation where You are carrying out a contract.

Specified Customers

Damage of the type insured by this Policy to property at the premises of Your customers as stated in the Schedule.

Specified Suppliers

Damage of the type insured by this Policy to property at the premises of Your suppliers as stated in the Schedule.

Storage Sites

Damage of the type insured by this Policy to property at the premises of any site where Your goods are stored in the Territorial Limits.

Transit

Damage of the type insured by this Policy to Your property while in transit in Great Britain or Northern Ireland, but excluding loss in respect of impact to or collision with the conveying road or rail vehicle or waterborne craft.

Unspecified Customers

Damage of the type insured by this Policy to property at the premises of any of Your Customers, all in the Territorial Limits. Provided that for the purposes of this extension the term Customers means the companies, organisations or individuals with whom, at the time of the Incident, You have contracts or direct trading relationships to supply goods or services.

Unspecified Suppliers

Damage of the type insured by this Policy to property at the premises of any of Your direct suppliers, manufacturers or processors of components, goods or materials, all in the Territorial Limits, but excluding loss resulting from Damage to

Section 2 – Business Interruption

property of any supply undertaking from which You obtain electricity, gas, water or telecommunications services which prevents or hinders the supply of such service

Extensions that apply to Section 2 – Business Interruption

The maximum amount payable in respect of each of the following extensions shall not exceed in respect of any one loss 10% of the Sum Insured or GBP 100,000 whichever is the lesser amount.

Subject to all other terms, conditions and exclusions of this Policy, cover under this Section is extended to include loss, calculated in accordance with the Basis of Claims Settlement provisions above, directly resulting from interruption to or interference with the Business carried on by You at the Premises caused by or in consequence of any of the following contingencies occurring during the Period of Insurance.

Failure of Supply

Damage of the type insured by this Policy to property at any;

- a) generating station or sub-station of the public electricity supply undertaking;
- b) land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith;
- c) water works and pumping stations of the public water supply undertaking;
- d) land based premises of the public telecommunications undertaking;

from which You obtain electricity, gas, water or telecommunication services within the Territorial Limits.

Prevention of Access

Damage of the type insured by this Policy to property within 500m of the Premises, where such Damage shall physically prevent access to the Premises, whether or not Your Premises or Your property in the Premises is damaged

Section 3 – Goods In Transit

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. If the same word(s) are defined in this Section 3 and in the General Definitions, the definition set out in this Section 3 will apply to that/those word(s) for the purposes of this Section 3 only. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Definitions for Section 3 – Goods In Transit

Property Insured

means goods whether contained in one or a number of parcels, packages or containers or in bulk sent at one time in one load from one address to another, such goods being Your property or for which You are legally responsible.

Cover

We will by payment or at Our option by reinstatement, replacement or repair indemnify You against Damage to Property Insured from any cause not specifically excluded whilst:

- a) conveyed by or in the charge of a carrier for the purposes of transportation including loading and unloading;
- b) conveyed by or temporarily housed upon a vehicle or trailer owned or operated by You including loading and unloading;
- c) conveyed by postal service or an equivalent service including whilst being conveyed by any vehicle or trailer to which goods or merchandise are transferred in order to complete a journey following breakdown of or accident to the original carrying vehicle including loading and unloading;

provided that:

- i) Our liability shall not exceed the Sum Insured stated in the Schedule;
- ii) Our liability does not extend beyond the territorial limits stated in the Schedule.

We will also pay:

- 1) additional costs necessarily incurred in:-
 - a) transferring the Property Insured to another conveyance and/or delivering / returning such property to its original destination / place of dispatch if any vehicle is disabled as a result of an accident;
 - b) re-loading on to any vehicle any of the Property Insured fallen from such vehicle;
 - c) removing debris consequent upon Damage to any of the Property Insured up to an amount not exceeding GBP 1,000 for any one event, such amount being included within the Sum Insured stated in the Schedule.
- 2) for Damage which occurs to:
 - a) Sheets, tarpaulins, ropes, toggles, chocks, chains, skips and trolleys whilst carried in the course of transit by any vehicle up to an amount not exceeding GBP1,000 any one loss but excluding the first GBP50 of each and every loss;
 - b) personal property belonging to an Insured Person whilst carried in any vehicle conveying Property Insured up to an amount not exceeding GBP 150 any one person but excluding the first GBP 25 of each and every loss

such amounts being included within the Limit of Liability and not in addition thereto.

Clauses

You must take all reasonable precautions to prevent Damage

by:

- a) maintaining vehicles in an efficient and roadworthy condition and ensuring that they are suitable for the purpose for which they are to be used;
- b) exercising reasonable care in the selection of Employees obtaining references and in providing instruction to and supervision of Employees packaging and labelling and addressing the Property Insured;
- c) complying with regulations imposed by any lawful authority;

otherwise We may refuse to pay all or part of Your claim.

Exclusions

What is not covered (see also General Exclusions):

Section 3 – Goods In Transit

This Section excludes;

1. Damage resulting from theft or attempted theft from any unattended vehicle or trailer unless:
 - a) all doors, windows and other points of access have been closed and locked and any security devices are correctly set to operate and all keys to doors, ignition or other services removed, and
 - b) after the last business transit of the day until collected by the driver for the next business transit, the vehicle is housed in a securely locked building of substantial construction or a compound which has secure walls and/or fences and securely locked gates.
2. Damage to:
 - a) coins, bank notes, treasury notes, stamps and cheques, securities, bills of exchange, promissory notes;
 - b) deeds, bonds, documents, manuscripts, business books, Data Processing Media (whether or not owned or operated by You);
 - c) patterns, models, moulds, plans or designs;
 - d) furs, jewellery, watches, precious stones, precious metals or bullion;
 - e) livestock;
 - f) explosives or goods of a dangerous or hazardous nature;
 - g) car or caravan transporters
 - h) property dispatched on FOB terms;
 - i) property conveyed in a refrigerated, frozen, chilled or insulated condition as a result of deterioration due to any variation in temperature unless as a result of an accident to the vehicle or trailer unless otherwise stated in the Schedule to this Section.
3. Damage due to:
 - a) wear and tear, gradual deterioration, contamination, depreciation, inherent vice or nature of the Property Insured;
 - b) normal atmospheric conditions where the Property Insured is on an open vehicle or trailer unless such property shall have been adequately and properly protected;
 - c) mechanical / electrical breakdown, failure or derangement unless exterior damage first occurred to the Property Insured;
 - d) delay, loss of market inventory, shortages, mysterious or unexplained disappearances or any consequential loss of any kind;
 - e) packing which was inadequate to withstand normal handling during transit;
 - f) theft or attempted theft of goods from open backed, soft sided or soft topped vehicles or trailers;
 - g) the dishonesty of any person to whom goods have been entrusted.
4. The amount of the Excess specified in the Schedule.

Section 4 – Money and Assault

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Definitions for Section 4 – Money and Assault

Death

Occurring within 12 months of Injury which is the sole and direct cause of death.

Loss of Sight

Total and irrecoverable loss of sight in one or both eyes.

Medical Expenses

Necessary medical, hospital, surgical, manipulative, therapeutic and x-ray fees and nursing treatment, emergency dental and emergency optical charges incurred as a direct result of **Injury**. This shall be deemed to include the costs of medical supplies and ambulance hire.

Non-Negotiable Items

Crossed cheques, crossed national giro payment orders, crossed bankers' drafts, VAT purchase invoices, crossed postal orders, crossed money orders, national savings certificates, premium bonds, credit card and debit card vouchers and unused franking machine units.

Permanent Total Disablement

The Insured Person being totally disabled solely and directly caused by Injury (not resulting in Loss of Limb(s) or Loss of Sight) and prevented from attending to his usual business or occupation with proof satisfactory to Us that such disablement has continued for one year from the date of the occurrence of Injury and will in all probability continue for the remainder of the Insured Person's life.

Temporary Total Disablement

The Insured Person being temporarily totally disabled other than, solely and directly caused by Injury (not resulting in Permanent Total Disablement, Loss of Limb(s) or Loss of Sight) and prevented from attending to his usual business or occupation.

Cover - Money

We agree to indemnify You for amounts not exceeding the Sum Insured stated against each item in the Schedule against:

- a) Damage to Money items from any cause whilst:
 - i) on the Premises outside Business Hours not contained in locked safes or strongrooms;
 - ii) in Your private residence or the private residence of any authorised partner, director or Employee;
 - iii) on the Premises outside Business Hours contained in locked safes or strongrooms described in the Schedule;
 - iv) on the Premises during Business Hours;
 - v) whilst in transit or bank night safe;
 - vi) in a gaming, amusement or vending machine on the Premises.
- b) Damage to Non-Negotiable Items from any cause up to £250,000 in any one Period of Insurance.
- c) Damage caused by thieves to safes and strongrooms (as described in the Schedule), stamp franking machines, approved security cases, bags or waistcoats containing the Non Negotiable Items and Money.

Obligations - Money

No cover will operate under Sub Section 1 a) & b) unless:

- a)
 - i) You keep any till or cash register on the Premises open and unlocked outside of Business Hours;
 - ii) You keep a daily record of all Money in transit and on the Premises and that such record shall be deposited in a safe place other than in the safes or place containing the Money;
 - iii) outside of Business Hours the safes and strongrooms locked and the keys of the safes and strongrooms removed from the Premises;
- b)
 - i) where the amount of Money exceeds GBP 2,500 in transit, You ensure that the number of Insured Persons accompanying the transit meet with the minimum security stated below:

Section 4 – Money and Assault

Amount of Money in Transit	Minimum Security
GBP 2,500 – GBP 5,000	2 able bodied and responsible Insured Persons
GBP 5,001 – GBP 7,500	3 able bodied and responsible Insured Persons
GBP 7,501 – GBP 10,000	4 able bodied and responsible Insured Persons

- ii) where the amount of Money in transit exceeds GBP 10,000 a professional Security Company must be employed to carry out the transit otherwise no cover in respect of such transits will operate; provided that at all times Our liability does not exceed the Sum Insured stated in the Schedule.

Exclusions - Money

What is not covered (see also *General Exclusions*):

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

1. Shortages due to clerical or accounting errors;
2. Damage due to the fraud or dishonesty of any person employed by You: -
 - i) not discovered within 7 working days of its occurrence;
 - ii) more specifically insured by any other insurance or insurances except in respect of any loss beyond the amount payable under such other insurance or insurances;
3. Damage to Money and or Non Negotiable Items from:
 - i) vending or gaming machines unless specifically stated in the Schedule;
 - ii) unattended vehicles;
 - iii) any unattended room in the Premises during Business Hours for an amount exceeding GBP 500 unless in a locked desk or cupboard, strong box or safe with keys removed from the room;
4. Damage arising elsewhere than in the Territorial Limits;
5. Damage to Money and or Non Negotiable Items from theft or attempted theft unless accompanied by forcible and violent entry into or exit from the Building or involving violence or the threat of violence;
6. Damage to Money in transit that is left unaccompanied;
7. The amount of any applicable Excess specified in the Schedule.

Cover - Assault

In the event of Injury to an Insured Person as a direct result of assault, robbery or hold up or any attempt thereof at the Premises or whilst carrying Money belonging to the Business and insured under this Policy, then We will pay the Compensation specified in the Schedule in respect of the following:

- a) Death
- b) Loss of Sight
- c) Loss of Limb(s)
- d) Permanent Total Disablement
- e) Medical Expenses
- f) Temporary Total Disablement.

The Compensation payable in respect of Temporary Total Disablement shall not exceed the Insured Person's weekly remuneration from You.

Section 4 – Money and Assault

Clauses – Assault

- 1) In the event of any Injury, the Insured Person must place themselves under the care of a fully qualified medical practitioner and act upon such medical or surgical advice as is given as soon as practicable.
- 2) You shall notify Us within 7 days of the incident giving rise to the claim providing all necessary details and obtain at Your own expense any medical report(s) as may be required by Us.
- 3) The Insured Person shall at the Our request submit themselves to medical examination at Our expense as often as We deem necessary.
- 4) No Compensation shall be payable until the period of disablement has been determined and (where Temporary) ceased.
- 5) Notwithstanding anything to the contrary in 4) above, We may at Our discretion pay any Compensation due at intervals in arrears
- 6) Compensation will only be paid by Us on production of a medical certificate or other such written evidence from a qualified medical practitioner.

Exclusions - Assault

What is not covered (see also General Exclusions):

Our liability under Sub-Section 2 excludes:

1. more than one item of a) to d) above in connection with the same incident, except that if any personal Injury is payable under item d) it shall be deducted from any amount subsequently paid under items a) b) or c);
2. Death Injury Permanent Total Disablement or Temporary Total Disablement caused or contributed to or arising from any pre-existing defect infirmity illness or disease.

Section 5 – Employers’ Liability

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Scope of Cover

What is covered

- 1) All sums which You shall become legally liable to pay as damages including claimants’ costs and expenses in respect of Injury sustained by an Employee of Yours arising out of and in the course of their employment or engagement by You and caused during the Period of Insurance stated in the Schedule in connection with the Business and occurring within the Geographical Limits given below.
- 2) All costs and expenses incurred by You (this does not include costs described in 3 below) with Our written consent in respect of any claim against You which may be covered by this Section.
- 3) The payment of legal and other defence fees incurred with Our written consent, up to a limit of £50,000 arising out of any one occurrence, for Your representation at any Coroner's Inquest or Fatal Accident Inquiry in respect of any death, and at which Your Employee or principal, including any director, partner, or senior official, has been requested to give evidence, and proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty resulting in Injury which may be covered by this Section.

Limit of Indemnity

The most We will pay under this Section in respect of any one claim against You, or series of claims against You arising out of one occurrence, inclusive of all costs and expenses shall not exceed, in the aggregate, the Limit of Indemnity stated in the Schedule.

Any limits set out within an Extension to this Section form part of, and are not in addition to, the Limit of Indemnity.

Where indemnity is available for the same loss or insured event under two or more extensions, the most the We shall pay in respect of that loss, irrespective of the number of parties claiming indemnity, shall be the highest of any applicable sub-limit and after application of the highest excess applicable to that loss or insured event.

Geographical Limits

In this section, Geographical Limits means Great Britain, Northern Ireland, the Channel Islands or the Isle of Man or whilst temporarily outside the countries named above provided that any such Employee is: (a) ordinarily resident in any of the above countries; and (b) engaged in non-manual work.

Rights of Recovery

The cover under this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man. You shall repay to Us all sums paid by Us which We would not have been liable to pay but for the provisions of such law.

Section 5 – Employers’ Liability

Extensions

The following Extensions apply to this Section:

1. Unsatisfied Court Judgments

- (a) Where a judgment for damages has been obtained by any Employee or their legal personal representatives:
- (i) in respect of Injury sustained by the Employee arising out of and in the course of their employment by You;
 - (ii) against any company or individual operating from, or resident within, the Geographical Limits in any court situated in the Geographical Limits, and such judgment remains unsatisfied in whole or in part 6 months after the date of judgment, at Your request.

We will pay to the Employee or their legal personal representatives the amount of any such damages and any awarded costs to the extent that they remain provided that:

- I If any payment is made by Us the Employee or their said legal personal representatives shall assign the judgment to Us;
- II Our liability for damages, costs and expenses shall not exceed the amount stated as the Limit of Liability in the Schedule; and
- III We will not cover any judgment where an appeal remains outstanding.

2. Offshore

If We are required by compulsory insurance regulations then We will make a payment in respect of Injury occurring Offshore.

3. Terrorism

We will cover the Insured for liability for Injury as a result of Terrorism to any Employee of Yours which arises out of and in the course of employment or engagement by You.

The maximum We shall pay under this Extension shall be £5,000,000 any one occurrence.

General Exclusion 17.1 does not apply to the extent that this Extension 3 provides cover.

4. Indemnity to Principal

We will cover any principal against liability in respect of Injury or loss of, or damage to, Property, to the extent that any contract or agreement entered into by You with any principal so requires.

Provided that:

- (a) payment would have been made by Us under this Section had a claim been made against You;
- (b) the principal shall observe fulfil and be subject to the terms, conditions, exclusions and endorsements of this Policy as far as they can apply;
- (c) No payment will be made by Us in respect of liquidated damages or under any penalty clause;
- (d) payment made by Us shall only apply in respect of liability to any person who is an Employee.

5. Health and Safety at Work Act etc and Corporate Manslaughter

We will cover You and at Your request any director, partner, senior official or Employee of Yours, in respect of legal costs and expenses incurred with Our written consent in the defence of any prosecution or (subject to the provisions below) incurred in connection with appeal against conviction arising from such prosecution under the provisions of:

Section 5 – Employers’ Liability

- (1) the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978;
- (2) the Corporate Manslaughter and Corporate Homicide Act 2007.

Provided that the proceedings relate to an offence alleged to have been committed during the Policy Period and in the course of the Business, and where there is also a claim or potential claim for damages against You or any of the additional persons insured, You are entitled to cover under this Section.

We will only pay the costs and expenses of legal representation for an appeal against conviction if:

1. any related claim against You for damages remains unsettled; and
2. in the opinion of the legal representatives acting for You an appeal is more likely than not to succeed; and
3. the total amount of any damages likely to be awarded against you exceeds the total cost of legal representation for an appeal.

The most We will cover You for in respect of all such legal costs and expenses in respect of each and every prosecution, arising out of one occurrence shall not exceed £1,000,000 regardless of the number of offences alleged against You.

We will not cover You in respect of:

- (a) fines or penalties of any kind, remedial or publicity orders or prosecution costs imposed as a consequence of such prosecution, including any fee for intervention;
- (b) any circumstances for which cover is provided by any other insurance;
- (c) proceedings consequent upon a deliberate act by, or omission of, any person entitled to insurance under this Extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission;
- (d) proceedings which arise out of any activity or risk excluded from this Policy.

If a claim for damages is settled or is withdrawn, We will have no further liability other than in respect of costs and expenses of legal representation incurred before the date of the claim payment.

6. Court Attendance Costs

If any of the people mentioned below attend court as a witness at Our request, in connection with a claim in respect of which You are entitled to insurance under this Section, We will provide compensation to You at the following rates per day for each day on which attendance is required:

- (a) £250 for You or any of Your directors or partners;
- (b) £100 for any Employee.

Exclusions

In addition to the General Exclusions this Section will not provide cover in respect of:

We will not cover You in respect of:

1. Injury sustained by any Employee
 - (i) in respect of which compulsory insurance is required to be arranged by You under the Road Traffic Act 1998 or the Road Traffic (Northern Ireland) Order 1981 or any subsequent legislation; or
 - (ii) whilst Offshore other than as referred to in Extension 2 of this Section.
2. Any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgment award or settlement either in whole or part) unless You have requested that there shall be no such limitation and have accepted the terms offered by Us in granting such cover, which offer and acceptance must be subject to specific endorsement to this Policy.

Section 5 – Employers’ Liability

3. any liability caused by, or contributed to, by, or arising from:
 - ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component;; or,
 - any weapon of war or mass destruction, whether or not employing atomic or nuclear fission or fusion or like reaction or radioactive force or matter, or pathogenic, chemical, biological or similar agents.
4. Any liability for punitive, multiplied or exemplary damages, fines or penalties.
5. Any liability which is assumed by You by agreement unless such liability would have attached in the absence of such agreement.
6. Any Injury, loss, damage, cost or expense of any kind caused by, or contributed to, by, or arising from, the manufacture, production, storage or handling of asbestos or materials containing asbestos.

This Exclusion shall not apply to the accidental discovery of asbestos, or materials containing asbestos fibre, provided that without delay, upon discovery all handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, ceases and any subsequent handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, is carried out by qualified licensed subcontractors on terms which will indemnify You for all liability arising out of such work.

Section 6 – Public and Products Liability

Sub-Section 6(a) – Public Liability

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Scope of Cover

What is covered

- 1) All sums which You shall become legally liable to pay as damages including claimants' costs and expenses in respect of:
 - a) Accidental Injury to any person;
 - b) Accidental physical loss of, or physical damage to, Property;
 - c) Obstruction, trespass, nuisance or interference with any right of way, air, light or water or other easement;
 - d) Wrongful arrest, wrongful detention, false imprisonment, or malicious prosecution;

in connection with the Business and occurring anywhere within the Geographical Limits given below during the Period of Insurance stated in the Schedule.
- 2) All costs and expenses incurred by You (except as described in 3 below) with Our written consent in respect of any claim against You which may be covered by this Policy.
- 3) The payment of legal and other defence fees incurred with Our written consent, up to a limit of £50,000 arising out of any one occurrence, for Your representation at any Coroner's Inquest or Fatal Accident Inquiry in respect of any death and at which Your Employee or principal, including any director, partner, or senior official, of Yours has been requested to give evidence and proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty resulting in Injury or loss of or damage to Property which may be covered by this Policy.

Limits of Liability

The most We will pay under this Section for damages in respect of any one claim against You or series of claims against You arising out of one occurrence shall not exceed in the aggregate the Limits of Indemnity stated in the Schedule. Any limits set out within an Extension to this Section form part of, and are not in addition to, the Limit of Indemnity.

Any costs and expenses incurred by You in respect of this Section under this Policy will be payable in addition to the Limit of Indemnity stated in the Schedule.

Geographical Limits

- a) Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- b) Elsewhere in the world arising out of temporary visits by Employees
 - (i) ordinarily resident in any of the aforesaid countries
 - (ii) engaged in non-manual work

Section 6 – Public and Products Liability

Extensions

The following Extensions apply to this Section:

1. Motor Vehicles Tool of Trade Risk

We will cover You in respect of liability for Injury or loss of or damage to Property caused by or arising from:

- (a) the use of plant as a tool of trade at Your premises or on any site at which You are working;
- (b) the loading or unloading of any vehicle or the bringing to, or taking away of, a load from any vehicle;
- (c) damage to any building, bridge, weighbridge road or to anything beneath, caused by vibration or by the weight of any vehicle or its load.

We will not cover You against liability:

- (a) in respect of which compulsory insurance or security is required under any legislation governing the use of the vehicle;
- (b) for which insurance is provided by any other policy.

2. Motor Contingent Liability

We will cover You in respect of liability for Injury or damage to Property arising from the ownership, possession or use under Your control or the control of any of Your Employees of any mechanically propelled vehicle, including anything attached to it, used in circumstances where insurance or security is required by any road traffic legislation or where insurance is already provided by any other policy or security, caused by or arising from any motor vehicle or anything attached to it, not belonging to or provided by You, being used by an Employee in the course of the Business.

We shall not cover You against liability:

- (a) in respect of damage to any such vehicle or anything attached to it or Property being conveyed by such vehicle or anything attached to it;
- (b) for which insurance is already provided by any other policy;
- (c) caused or arising whilst such vehicle or anything attached to it is:
 - (i) engaged in racing, pace-making, reliability trials, or speed testing; or
 - (ii) driven by You; or
 - (iii) being driven with Your consent or the consent of anyone acting on Your behalf by any person who to Your, or anyone acting on Your behalf's, knowledge does not hold a licence to drive such vehicle; or
 - (iv) used outside the Geographical Limits.

3. Movement of Obstructing Vehicles

We will cover You in respect of liability for Injury or loss of or damage to Property caused by or arising from any vehicle (not owned or hired by or lent to You) being driven by You or by any Employee with Your permission whilst such vehicle is being moved for the purpose of allowing free movement of any vehicles or pedestrians.

We will only cover You under this Section extension if:

- (a) movements are limited to vehicles parked on or obstructing Your premises, or any site at which You are working; and
- (b) the vehicle causing obstruction will not be driven by any person unless such person is competent to drive the vehicle; and
- (c) the vehicle causing obstruction is driven by use of the owner's ignition key.

We will not cover You against liability:

- (i) in respect of damage to such vehicle;

Section 6 – Public and Products Liability

- (ii) in respect of which compulsory insurance or security is required under any legislation governing the use of the vehicle.

4. Defective Premises Act

We will cover You in respect of liability arising under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with any premises previously owned or occupied by You for purposes pertaining to the Business and which have since been disposed of by You.

We will not cover You against liability:

- (a) for which insurance is already provided by any other policy;
- (b) for the costs of making good any defect or alleged defect in such premises.

5. Leased or Rented Premises

We will cover You in respect of liability for loss of, or damage to, premises including their contents being leased or rented to You.

We will not cover You against liability assumed by You under any agreement, which would not have attached in the absence of such agreement.

6. Overseas Personal Liability

The Insurers will within the terms of this Section indemnify

- a) You
- b) at Your request
 - i) any director partner or Employee
 - ii) any spouse or child of the persons stated in a) or b) i) above who are accompanying such persons

in respect of liability incurred by such persons in a personal capacity in connection with an event occurring in a country outside of the Geographical Limits whilst on a temporary visit to such country in connection with the Business

Provided that

- a) any person entitled to indemnity under this Section Extension shall as though they were You be subject to the terms Exclusions and Conditions of this Policy insofar as they can apply
- b) nothing in this Section Extension shall increase the liability of the Insurers to pay any amount exceeding the Limit of Indemnity regardless of the number of persons claiming to be indemnified

We shall not cover You in respect of:

- (a) contractual liability;
- (b) liability for which insurance is already provided by any other policy;
- (c) liability in respect of damage to Property belonging to or in the custody or under the control of any insured person under this Section Extension;
- (d) liability in respect of Injury to any insured person under this Section Extension;
- (e) liability caused by or arising from:
 - (i) the ownership or occupation of land or buildings;
 - (ii) the carrying on of any business, profession, trade or employment;
 - (iii) the ownership, possession or use of animals other than domestic dogs or cats.

Section 6 – Public and Products Liability

7. Data Protection Act

If You have registered as a Data Controller or act as a Data Processor in accordance with the terms of any Data Protection Legislation or have applied for such registration which has not been refused or withdrawn, We will cover You under this Section 6 Extension in respect of liability to any person, other than an Employee, for distress suffered as a result of a Personal Data Breach because of Your failure to comply with Data Protection Legislation and if the claim is first made against You during the Policy Period stated in the Schedule.

We will not cover You in respect of:

- (a) Legal or regulatory fines, penalties or sanctions of any kind;
- (b) the first 10% of any amount covered under this extension, subject to a minimum of £500 and a maximum of £5,000;
- (c) liability caused by, or arising from, a deliberate act by, or omission of any person entitled to insurance under this Section 6 Extension or any Employee if the result could reasonably have been expected having regard to the nature and circumstances of such act or omission;
- (d) the costs of replacing, reinstating, rectifying or erasing any personal data or the costs of: (i) reporting any Personal Data Breach(es) to any regulatory body; or (ii) responding to any investigation by any regulatory body or any criminal investigation or prosecution relating to personal data; or (iii) notifying data subjects of any Personal Data Breach(es);
- (e) liability caused by, or arising from, any incident or circumstances known to You at the start of the Policy Period stated in the Schedule which may give rise to a claim;
- (f) liability caused by or arising from the recording, processing or provision of data (i) for reward; or (ii) for the determining of the financial status of a person;
- (g) contractual liability;
- (h) liability for financial loss of any kind, other than damages for distress suffered as a result of a Personal Data Breach
- (i) Liability in respect of Injury to any person or damage to Property.

The most We will cover You for under this Extension in respect of all damages inclusive of costs and expenses in relation to claims for distress only, shall not exceed £500,000 in the aggregate during the Policy Period regardless of the number of claimants affected by any Personal Data Breach.

For the purposes of this Data Protection Extension, the following definitions apply:

“Data Protection Legislation” means the General Data Protection Regulation EU 2016/679 and/or the Data Protection Act 2018.

“Personal Data Breach” means a breach of security leading to the accidental destruction, loss, alteration, unauthorised disclosure of, or access to, personal data, transmitted, stored or otherwise processed.

8. Indemnity to Principal

We will cover any principal under this Section against liability in respect of Injury or loss of, or damage to, Property, to the extent that any contract or agreement entered into by You with any principal so requires.

Provided that:

- (a) payment would have been made by Us had a claim been made against You;
- (b) the principal shall observe fulfil and be subject to the terms, conditions, exclusions and endorsements of this Policy as far as they can apply;
- (c) No payment will be made by Us in respect of liquidated damages or under any penalty clause;

9. Cross Liabilities

If You are comprised of more than one party, We will make payment to each party in the same manner and to the same extent as if a separate Policy had been issued to each party.

Nothing in this Extension shall increase the Limits Of Liability of the operative Section stated in the Schedule, regardless of the number of persons claiming to be insured by this Policy.

Section 6 – Public and Products Liability

10. Health and Safety at Work Act etc and Corporate Manslaughter

We will cover You and at Your request any director, partner, senior official or Employee of Yours, in respect of legal costs and expenses incurred with Our written consent in the defence of any prosecution or (subject to the provisions below) incurred in connection with appeal against conviction arising from such prosecution under the provisions of:

- i) the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978;
- ii) the Corporate Manslaughter and Corporate Homicide Act 2007.

Provided that the proceedings relate to an offence alleged to have been committed during the Policy Period and in the course of the Business, and where there is also a claim or potential claim for damages against You or any of the additional persons insured, You are entitled to cover under this Policy.

We will only pay the costs and expenses of legal representation for an appeal against conviction if:

- a) any related claim against You for damages remains unsettled; and
- b) in the opinion of the legal representatives acting for You an appeal is more likely than not to succeed; and
- c) the total amount of any damages likely to be awarded against you exceeds the total cost of legal representation for an appeal.

The most We will cover You for in respect of all such legal costs and expenses in respect of each and every prosecution, arising out of one occurrence shall not exceed £1,000,000 regardless of the number of offences alleged against You.

11. Court Attendance Costs

If any of the people mentioned below attend court as a witness at Our request, in connection with a claim in respect of which You are entitled to insurance under this Policy, We will provide compensation to You at the following rates per day for each day on which attendance is required:

£250 for You or any of Your directors or partners;
£100 for any Employee.

Exclusions

In addition to the General Exclusions this Section will not provide cover in respect of:

1. Loss of, or damage to, Property belonging to You, or in Your custody or control, or in the custody or control of Your Employees other than:
 - (i) personal effects (including vehicle and their contents) of Employees or visitors;
 - (ii) any premises including their contents, not being premises leased or rented to You, which are temporarily occupied by You for the purpose of carrying out work there;
 - (iii) any other Property on which You or any of Your Employees or agents is or has been carrying out work, but We will not cover You in respect of loss or damage to that part of any Property being worked upon;
2. Loss arising from the ownership, possession or use under Your control or the control of any of Your Employees of:
 - (i) any mechanically propelled vehicle, including anything attached to it, used in circumstances where insurance or security is required by any road traffic legislation or where insurance is provided by any other policy or security;
 - (ii) any craft intended to travel through air or space, or other aerial devices, hovercraft, or watercraft (other than hand propelled watercraft or sailing craft not exceeding six metres in length);
3. Loss caused by any Goods after they have left Your custody or control, other than food or drink supplied primarily for the use of Your Employees or for entertainment purposes;

Section 6 – Public and Products Liability

4. Loss arising from professional advice given separately for a fee or other charge by You or by anyone on Your behalf or in circumstances where a fee would normally be charged;
5. The amount shown as Excess stated in the Schedule.
6. Any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgment award or settlement either in whole or part) unless You have requested that there shall be no such limitation and have accepted the terms offered by Us in granting such cover, which offer and acceptance must be subject to specific endorsement to this Policy.
7. Any liability for punitive, multiplied or exemplary damages, fines or penalties.
8. Any liability which is assumed by You by agreement unless such liability would have attached in the absence of such agreement.
9. Loss of, or damage to, or any costs or expense incurred in repairing, replacing, removing, rectifying, recalling, or making any refund in respect of Goods.
10. Liability arising from Goods used with Your knowledge in connection with Aircraft and other aerospace devices (including drones), watercraft, or Offshore structures.
11. Injury, loss, damage, cost or expense of any kind caused by, resulting from or in connection with, any component building material (including the manufacture, production, storage or handling of asbestos or materials containing asbestos) that must be removed, encapsulated or otherwise abated because its presence or release is a hazard to human health.

This Exclusion shall not apply to the accidental discovery of asbestos, or materials containing asbestos fibre, provided that without delay, upon discovery all handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, ceases and any subsequent handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, is carried out by qualified licensed subcontractors on terms which will indemnify You for all liability arising out of such work.

12. Injury, loss, damage, cost or expense of any kind caused by, resulting from or in connection with any fungus of any kind, including but not limited to mildew, mould, spores or allergens.
13. Any liability caused by, or arising out of pollution, or contamination of buildings or other structures or of water or land or the atmosphere, but this exclusion shall not apply in respect of pollution or contamination caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the Period of Insurance stated in the Schedule.
14. Injury sustained by an Employee which arises out of and in the course of their employment or engagement by You.

Section 6 – Public and Products Liability

Sub-Section 6(b) – Products Liability

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Scope of Cover

What is Covered

- (1) All sums which You shall become legally liable to pay as damages including claimants' costs and expenses in respect of:
 - (a) Accidental Injury to any person; and
 - (b) Accidental physical loss of, or physical damage to, Property,

caused by any Goods occurring anywhere within the Geographical Limits given below during the Policy Period stated in the Schedule which arises in connection with the Business

- (2) All costs and expenses incurred by You (except as described in 3 below) with Our written consent in respect of any claim against You which may be covered by this Policy.
- (3) The payment of legal and other defence fees incurred with Our written consent up to a limit of £50,000 arising out of any one occurrence for Your representation at any Coroner's Inquest or Fatal Accident Inquiry in respect of any death and at which an Employee or principal including a director, partner, or senior official, of Yours has been requested to give evidence and at proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty resulting in Injury or loss of or damage to Property in respect of any Goods.

Limit of Indemnity

The most We will pay under this Section (including any extensions) in respect of any one claim against You arising out of one occurrence, shall not exceed, in the aggregate, the Limit of Indemnity stated in the Schedule.

Any costs and expenses incurred by You in respect of this Section, will be payable in addition to the Limits of Indemnity.

Any limits set out within an Extension to this Section form part of, and are not in addition to, the Limit of Indemnity.

Geographical Limits

Anywhere in the world other than at Your premises during the Policy Period stated in the Schedule and caused by any Goods.

Extensions

The following Extensions apply to this Section:

1. Consumer Protection Act and Food Safety Act

We will cover You, and at Your request any principal, including any director, partner, senior official, or any Employee of Yours, under this Section 3 Extension, for legal costs and expenses incurred with Our written consent in the defence of any criminal proceedings brought for a breach of Part II of the Consumer Protection Act 1987 and Sections 7 and 8 of the Food Safety Act 1990, including such legal costs and expenses incurred in an appeal against conviction arising from such proceedings and prosecution costs awarded in connection.

Provided that:

- (a) the proceedings relate to an offence alleged to have been committed during the Policy Period stated in the Schedule and in the course of the Business;

Section 6 – Public and Products Liability

- (b) the principal, including a director, partner or senior official, or Employee shall as though they were You be subject to the terms, conditions, exclusions and limitations of this Policy insofar as they can apply.

We shall not cover You in respect of:

- (a) fines or penalties of any kind;
- (b) any proceedings arising from circumstances for which insurance is already provided by any other policy;
- (c) proceedings consequent upon a deliberate act by, or omission of, any person entitled to insurance under this Extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission;
- (d) proceedings which arise out of any activity or risk excluded from this Policy.

2. Cross Liabilities

If You are comprised of more than one party, We will make payment to each party in the same manner and to the same extent as if a separate Policy had been issued to each party.

Nothing in this Extension shall increase the Limits Of Liability of the operative Section stated in the Schedule, regardless of the number of persons claiming to be insured by this Policy.

3. Health and Safety at Work Act etc and Corporate Manslaughter

We will cover You and at Your request any director, partner, senior official or Employee of Yours, in respect of legal costs and expenses incurred with Our written consent in the defence of any prosecution or (subject to the provisions below) incurred in connection with appeal against conviction arising from such prosecution under the provisions of:

the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978;
the Corporate Manslaughter and Corporate Homicide Act 2007.

Provided that the proceedings relate to an offence alleged to have been committed during the Policy Period and in the course of the Business, and where there is also a claim or potential claim for damages against You or any of the additional persons insured, You are entitled to cover under this Policy.

We will only pay the costs and expenses of legal representation for an appeal against conviction if:

- a) any related claim against You for damages remains unsettled; and
- b) in the opinion of the legal representatives acting for You an appeal is more likely than not to succeed; and
- c) the total amount of any damages likely to be awarded against you exceeds the total cost of legal representation for an appeal.

The most We will cover You for in respect of all such legal costs and expenses in respect of each and every prosecution, arising out of one occurrence shall not exceed £1,000,000 regardless of the number of offences alleged against You.

4. Court Attendance Costs

If any of the people mentioned below attend court as a witness at Our request, in connection with a claim in respect of which You are entitled to insurance under this Policy, We will provide compensation to You at the following rates per day for each day on which attendance is required:

- i) £250 for You or any of Your directors or partners;
- ii) £100 for any Employee.

Section 6 – Public and Products Liability

Exclusions

In addition to the General Exclusions this Section will not provide cover in respect of:

1. The amount shown as Excess in the Schedule.
2. Any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgment award or settlement either in whole or part) unless You have requested that there shall be no such limitation and have accepted the terms offered by Us in granting such cover, which offer and acceptance must be subject to specific endorsement to this Policy.
3. Any liability for punitive, multiplied or exemplary damages, fines or penalties.
4. Any liability which is assumed by You by agreement, unless such liability would have attached in the absence of such agreement.
5. Injury, loss, damage, cost or expense of any kind caused by, or contributed to, by, or arising from, the manufacture, production, storage or handling of asbestos or materials containing asbestos.
This Exclusion shall not apply to the accidental discovery of asbestos, or materials containing asbestos fibre, provided that without delay, upon discovery all handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, ceases and any subsequent handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, is carried out by qualified licensed subcontractors on terms which will indemnify You for all liability arising out of such work.
6. (a) Loss of, or damage to, or any costs or expense incurred in repairing, replacing, removing, rectifying, recalling, or making any refund in respect of Goods;

(b) Liability or loss caused by, arising from or in connection with any Goods:
 - (i), which to Your knowledge are for export to, or use in, the United States of America or Canada;
 - (ii) in Your custody or control;
 - (iii) used with Your knowledge in connection with aircraft and other aerospace devices (including drones), watercraft, or Offshore structures.
7. Injury, loss, damage, cost or expense of any kind caused by, resulting from or in connection with, any component building material that must be removed, encapsulated or otherwise abated because its presence or release is a hazard to human health. This Exclusion shall not apply to the accidental discovery of asbestos, or materials containing asbestos fibre, provided that without delay, upon discovery all handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, ceases and any subsequent handling, removal, transportation or disposal of asbestos, or materials containing asbestos fibre, is carried out by qualified licensed subcontractors on terms which will indemnify You for all liability arising out of such work.
8. Injury, loss, damage, cost or expense of any kind caused by, resulting from or in connection with any fungus of any kind, including but not limited to mildew, mould, spores or allergens.
9. Caused by, or arising out of pollution, or contamination of buildings or other structures or of water or land or the atmosphere, but this exclusion shall not apply in respect of pollution or contamination caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the Policy Period stated in the Schedule.
10. Damage or Injury or any associated cost or expenses arising from the installation of insulating material or solar panels in connection with any government or local authority sponsored energy efficiency or energy saving scheme where such damage or Injury occurs after installation.
11. Injury sustained by an Employee which arises out of and in the course of their employment or engagement by You.

Section 7 – All Risks (Specified Items)

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Cover and Basis of Settlement

We agree that if during the Period of Insurance, any property shown in the Schedule, sustains Damage or is lost or stolen within the Territorial Limits, then We will pay to You the cost of repair or the current replacement value without deduction for wear and tear provided that all necessary repairs or replacements are carried out without delay.

Limit of Liability

The maximum amount payable under any item is the Sum Insured shown in the Schedule.

Average

Each item insured under this Section is declared to be separately subject to the following Condition;

If at the time of repair or rebuilding or replacement the Cost of Reinstatement which would have been incurred in reinstatement if the whole of the property by such item had been destroyed exceeds the Sum Insured thereon at the commencement of any Damage to such property then You shall be considered as being Your own insurer or the difference between the Sum Insured and the sum representing the Cost of Reinstatement of the whole of the property and shall bear a rateable proportion of the loss accordingly.

The Excess shall not be reduced in the event that the Average clause applies to Your claim.

If the Alternative Basis of Settlement Condition is applied this Average clause is amended to:

The Sum Insured by each item is separately declared to be subject to Average.

In the event that the Sum Insured for any such item shall, at the commencement of Damage, be less than the value of the property covered, then the amount payable by Us shall be proportionately reduced.

Exclusions applying to Section 7

The following exclusions apply to this Section:

1. The amount of the Excess stated in the Schedule.
2. Damage to Aircraft, watercraft, vehicles including accessories on or attached to them, caravans or trailers, livestock, growing timber or crops, jewellery, furs, watches, precious metals/stones, money, documents, unless otherwise agreed by Us.
3. Damage to:
 - a) property or structures in course of construction or erection and materials or supplies in connection with all such property; and
 - b) land, piers, jetties, bridges, culverts or excavations.
4. Loss by delay, loss of market, consequential loss of any and every description.
5. Property Insured that is insured more specifically by or on behalf of You or more specifically covered under another Section of this Policy.
6. Damage insured by any marine policy or which would be insured under any marine policy if this Policy did not exist. However, We will provide cover for Damage not otherwise excluded for any sum beyond the amount which would have been payable under the marine policy had the Policy not existed.
7. Damage to any Property Insured and/or any consequential loss directly or indirectly caused or contributed by:
 - a) subsidence, collapse, landslip, ground heave, settling, cracking, shrinkage, expansion, settlement or bedding down of any building or foundation;
 - b) coastal or river erosion;
 - c) mechanical and/or electrical derangement and/or breakdown, breakage of valves filaments and the like, burning out or Damage directly caused by short circuiting, and/or claims arising from overheating;
 - d) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith;
 - e) the bursting of a boiler, economiser, vessel, machine or apparatus, not being used for domestic purposes where the internal pressure is due to steam only and belongs to You or is under Your control;
 - f) fire resulting from undergoing any process involving the application of heat;
 - g) its own self ignition, leakage of electricity, short circuiting, or over running;
 - h) the undergoing of any process of production or packaging, treatment, testing or commissioning, servicing or repair;
 - i) moth, termites, vermin or insect, wear, tear, gradual deterioration, rust or oxidation, rot, mould or mildew, inherent vice, latent defect;

Section 7 – All Risks (Specified Items)

- j) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching or denting;
- k) faulty manipulation, or loss of magnetism and/ or erasure of tapes, or faulty projection, shortage in weight, contamination, taint or insufficiency of insulation;
- l) breakage of articles that are brittle and/or breakage of glass, over winding or internal damage of clocks and/or watches;
- m) faulty or defective design or materials used in its construction;
- n) faulty or defective workmanship, operational error or omission on the part of You or any of Your Employees;
- o) whilst being worked upon, or under any process, and directly resulting therefrom;
- p) change in climatic or atmospheric conditions or in water table level;
- q) frost or change in temperature, colour, flavour, texture or finish;
- r) theft, wind, rain, hail, sleet, snow, flood or dust Damage to movable property in the open, in yards, open sided buildings, compounds, or other open spaces unless specifically mentioned in the Schedule, fences and gates;
- s) acts of fraud or dishonesty;
- t) infidelity or dishonesty by You or any of Your Employees or other persons to whom Property Insured may be entrusted or Damage resulting from You voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme, trick, device or false pretence;
- u) any unexplained loss or loss or shortage disclosed on taking inventory, misfiling, misplacing of information or clerical error;
- v) in respect of theft or attempted theft, Damage where You or Your partners, directors or Employees or any member of Your household is involved as principal or accessory or caused by any person lawfully in the Premises.
- w) theft or attempted theft unless accompanied by forcible and violent entry into or exit from the Building or involving violence or the threat of violence;
- x) theft or attempted theft when any Property Insured (subject to cover away from the Premises being specifically agreed by Us) is left unattended inside any road vehicle unless:
 - i) the vehicle is securely locked and all security devices are set in operation, and/ or
 - ii) the vehicle is kept in a locked building of substantial construction or guarded security park between the hours of 9pm and 6am, or
 - iii) if in a saloon car in a boot or under the parcel shelf of any hatchback/estate the Property Insured is concealed from view, subject to Our liability not exceeding GBP 3,500 any one Insured Event.
 - iv) when the Property Insured is in transit by air it is carried as hand luggage
 - v) when the Property Insured is in transit by sea it is not left unattended unless kept in a securely locked road vehicle or cabin.

The exclusions a) to p) above will not apply where:

- i) such Damage is not otherwise excluded which itself results from a Defined Peril; or subsequent insured Damage which itself results from a cause not otherwise excluded

Section 8 – Personal Accident

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Definitions for Section 8 – Personal Accident

Accident

A sudden unexpected event (including being exposed to the weather) which happens during the Operative Time of Cover and causes physical injury and which is the only direct cause of death or disability.

Accident Accumulation Limit

The most We will pay under this Section for an Accident involving more than one Insured Person.

Bodily Injury

A physical injury which:

- a) an Insured Person suffers;
- b) is caused by an Accident during the Operative Time of Cover; and
- c) is the only cause of death or disability within two years of the Accident happening.

Director

Any executive director under a contract of service with You.

Loss of Hearing

Total and permanent loss of hearing in one or both ears to the extent that the hearing loss is greater than 95 decibels across all frequencies using a pure tone audiogram in one or both ears.

Loss of Sight

Total and irrecoverable loss of sight, which shall be considered as having occurred:

- a) in both eyes when the Insured Person's name has been added to the register of Blind Persons on the authority of a fully qualified ophthalmic specialist;
- b) in one eye when the degree of sight remaining after correction is 3/60 or less on the Snellen Scale (which means the Insured Person is only able to see at 3 feet that which they should normally be able to see at 60 feet).

Loss of Speech

Total and permanent loss of speech.

Operative Time of Cover

At any time during the Period of Insurance.

Permanent Total Disablement

Disablement which is beyond reasonable hope of improvement having lasted for a continuous period of 2 years and preventing the Insured Person from attending to any occupation or paid work.

Section 8 – Personal Accident

Cover

If an Insured Person suffers a Bodily Injury during the Operative Time of Cover We will pay You the Sum Insured shown in the Table of Benefits.

Table of Benefits

1) Death occurring within 2 years of the event giving rise to Bodily Injury:	£10,000
2) Loss of Limb	£5,000
3) Loss of:	
a) Sight:	£5,000
b) Speech:	£5,000
c) Hearing:	£5,000
4) Permanent Total Disablement (other than specified in 2-3 above)	£5,000

Exclusions

What is not covered (see also *General Exclusions*):

This Section does not cover:

- 1) Bodily Injury:
 - a) resulting from or engaging in aeronautics or aviation other than as a fare paying passenger of a properly licensed passenger Aircraft;
 - b) resulting from or engaging in racing on wheels or on horseback, or practice therefore, rugby, football, motorcycling or pillion riding or underwater activities involving the use of breathing apparatus;
 - c) resulting from or engaging in mountaineering, rock climbing or potholing;
 - d) resulting from or engaging in hang gliding, parachuting and winter sports other than curling or skating;
 - e) resulting from or engaging in any sport undertaken on a professional or semi-professional basis;
 - f) due to, contributed to or accelerated by insanity;
 - g) resulting from any operational duties as a member of the armed forces of any nation; or
 - h) resulting directly or indirectly from pregnancy or childbirth;
- 2) any sickness or disease not resulting from an accidental Bodily Injury;
- 3) any naturally occurring condition or process or any gradual cause;
- 4) suicide or attempted suicide self inflicted injuries (other than in an attempt to save life) or venereal infection;
- 5) Bodily Injury sustained whilst under the influence of or disablement due wholly or partly to the effects of alcoholism or drugs other than drugs taken in accordance with treatment prescribed and directed by a qualified registered medical practitioner but not for the treatment of drug addiction;
- 6) any claim arising directly or indirectly from Bodily Injury attributable to HIV (Human Immunodeficiency Virus) and/or any HIV related illness including AIDS (Acquired Immune Deficiency Syndrome) and/or mutant derivative(s) or variation(s) thereof however caused.

Section 8 – Personal Accident

Clauses & Conditions that apply to Section 8 – Personal Accident

8.1 Accident Accumulation Limit

If a claim goes over the Accident Accumulation Limit of £50,000 the amount payable in respect of each Insured Person will be proportionately reduced.

8.2 Changes in Circumstances

You shall give notice to the Insurers before each renewal period of any disease physical defect or infirmity by which any Insured Person under this Section has become affected during the previous Period of Insurance. You must notify the Insurers as soon as possible in writing of any change which may materially affect the insurance by this Section.

8.3 Claims Evidence

An Insured Person must have any medical examinations which We decide are necessary. In the case of death of the Insured Person We shall be entitled to have a post mortem examination. Any examinations will be at the Company's expense.

8.4 Payment of Benefit

We will not pay a claim under:

- a) more than one of items 1 to 4 on the Table of Benefits for any one Insured Person for any one Accident;
- b) more than one Section of this Policy in respect of the same Accident.

8.5 Transferring the Policy

You cannot transfer the benefit of this Policy to anyone else or use this contract of insurance as a mortgage or guarantee of any kind.

Section 9 – Directors and Officers Liability

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Definitions for Section 9 – Directors and Officers Liability

Claim

Any demand made by a third party upon an Insured Director for damages.

Continuity Date

The date from which You have maintained uninterrupted Director and Officers liability cover with the Insurers.

Defence Costs

Any reasonable fees, costs and out of pocket expenses incurred by any Insured Director, with the prior written consent of the Insurers, in the investigation, defence, settlement or appeal of any Claim.

Employment Practice Violation

Any actual or alleged:

- a) unfair or wrongful dismissal, discharge or termination, either actual or constructive, of an employment relationship or agreement in a manner which is against the law, misleading representation or advertising relating to employment;
- b) failure to employ or promote, unfair deprivation of a career opportunity, unfair discipline, failure to grant tenure or negligent Employee evaluation;
- c) sexual harassment in the workplace or workplace harassment of any kind (including the alleged creation or permission of a harassing workplace environment);
- d) employment-related denial of natural justice, invasion of privacy, defamation, wrongful infliction of emotional distress or discrimination on any legally prohibited basis.

Insured Director

Any natural person who is Your past, present or future director, secretary or executive officer. It does not include any externally appointed offices such as receivers, managers, liquidators, administrators, mortgagees in possession and the like.

For the avoidance of doubt, Insured Director shall not include external auditors appointed in accordance with Section 384 of the Companies Act 1985 (UK) or any similar legislation in any other jurisdiction.

Knowledge, First Discovered or Discovery

The knowledge or discovery of a Loss occurs when You become aware of facts which would cause a reasonable person to believe that a Loss covered by the Policy has been or may be incurred, even though the exact amount or details of the Loss may not then be known. Knowledge possessed or discovery made by any of Your directors or officers shall constitute knowledge possessed or discovery made by You.

Loss

- a) damages or judgements, but not punitive, aggravated or exemplary damages;
- b) legal costs and expenses awarded against any Insured Director in respect of any Claim;
- c) Defence Costs;
- d) settlements negotiated with the Insurers' prior written consent;

not including any non compensatory damages, taxes, any amount for which You are not legally liable, or matters which are uninsurable under the law to which the Policy shall be construed.

Loss, damages, judgements, settlements and Defence Costs incurred in more than one Claim against an Insured Director but resulting from a Single Wrongful Act shall constitute a single Loss.

Single Act or Single Wrongful Act

An act or any related or continuous or repeated acts, whether committed by an individual or group of individuals, and whether directed to or affecting one or more person or legal entity.

Transaction

Any of the following events:

- a) You consolidating with or merging with any other person, entity or group of persons, and/or entities acting in concert; or
- b) You becoming a subsidiary of another entity by virtue of any applicable law.

Section 9 – Directors and Officers Liability

Wrongful Act

Any actual or alleged act, error, omission, misstatement, misleading statement, misleading conduct, neglect or breach of duty (excluding an Employment Practice Violation) made, committed, by any Insured Director.

All related or continuous or repeated Wrongful Acts shall be deemed to be one Wrongful Act for the purpose of the cover provided by the Policy.

Cover

The Insurers will pay the Loss of each Insured Director resulting from any Claim first made against them and notified to the Insurers during the Period of Insurance, by reason of any Wrongful Act occurring on or after the Continuity Date, in their capacity as Insured Director. The Insurers shall advance (subject to the Limit of Liability and retention) to each Insured Director Defence Costs incurred before the final disposition of the Claim. Such payments shall be repaid to the Insurers by the Insured Directors severally, according to their respective interests and responsibilities, in the event and to the extent that the Claim is ultimately determined not to be covered or is resolved on terms or in a manner which excludes it from cover under the Policy.

Limit of Liability

The maximum We will pay in respect of any one Claim (including Defence Costs) and in total for all Claims first made during the Period of Insurance shall be the amount as stated in the Schedule or £50,000, whichever is the lesser.

Exclusions

What is not covered (see also General Exclusions):

Any Loss:

- 1) arising out of an Employment Practice Violation.
- 2) arising out of, based upon, attributable to, or in any way involving, directly or indirectly:
 - a) the actual, alleged, imminent or threatened discharge, dispersal, seepage, release or escape of pollutants; or
 - b) any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise pollutants, nuclear material or nuclear waste.
- 3) arising out of bodily injury, sickness, disease, death or emotional distress of any person, or damage to or destruction of any property, including the loss of use of it.
- 4) arising out of any criminal, dishonest, fraudulent, wilful, intentional or malicious acts or omissions, or any knowing or wilful violation of any statute or regulation, or the gaining in fact of any profit or advantage to which You or the Insured Directors were not legally entitled;

however, this exclusion shall only apply if such conduct has been established by final adjudication to have, in fact occurred. It is agreed that Defence Costs will be provided until such final adjudication but may then be recovered from each Insured Director as a debt by the Insurers if this exclusion is to apply.

- 5) arising out of or in any way connected to any:
 - a) litigation, material circumstances or other facts disclosed as contingent liabilities in Your Report & Accounts unless previously agreed by the Insurers;
 - b) any alleged facts or circumstances of which notice was given or ought reasonably to have been given under any policy in force prior to the Continuity Date;
 - c) pending or prior litigation or derived from the same or essentially the same facts as might be alleged in such pending or prior litigation, as at the Continuity Date; or
 - d) Transaction of which You had knowledge, or had reason to expect, as at the inception date of this Policy unless previously agreed in writing by the Insurers.

For purposes of 5), the term litigation shall include, but not be limited to, any civil or criminal proceeding as well as any administrative or regulatory proceeding or official investigation or arbitration or adjudication.

Section 9 – Directors and Officers Liability

- 6) in connection with any Claim made against an Insured Director which is brought by You or any other Insured Director or on Your behalf or on behalf of any other Insured Director; provided however that this exclusion shall not apply to:
 - a) Defence Costs; or
 - b) any Claim brought or maintained by a liquidator, receiver, administrative receiver derivatively on Your behalf without the solicitation or participation of any Insured Director.
- 7) arising out of any legal action or litigation brought in a court within the United States of America or Canada or out of any legal action or litigation brought in a court outside of the United States of America or Canada to enforce a judgement handed down in a court within the United States of America or Canada whether by way of reciprocal agreement or otherwise.
- 8) in connection with any Claim made against an Insured Director directly or indirectly arising out of, or in connection with, any public or private offering, issue or sale of shares, debentures, promissory notes or any other form of negotiable or non-negotiable security for the raising of capital by equity, debt or any other means.
- 9) in connection with any Claim made against an Insured Director brought by, at the instigation of, or on behalf of any past or present shareholder or stockholder who had or has direct or indirect ownership of or control over 15% or more of Your voting shares or rights.
- 10) in connection with any Claim made against an Insured Director arising out of any Claim or any developments of such Claim for or in respect of or in any way arising out of a breach of duty owed, or malpractice, in a professional medical capacity.
- 11) in a capacity as trustee or fiduciary under law (statutory or non-statutory including common) or administrator of any pension, profit sharing or Employee benefits programme.

Section 10 – Equipment Breakdown

This Section is an extension to the cover provided under Sections 1 and 2 of this Policy and will apply only:

- 1) where the Property Damage and Business Interruption Sections of the Policy are shown as operative under the Policy Schedule for the current Period of Insurance;
- 2) where the Schedule shows that “Section 10 – Equipment Breakdown” is operative.

This Section is underwritten by HSB Engineering Insurance Limited.

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Definitions for Section 10 – Equipment Breakdown

Accident(s) means:

- a) electrical or mechanical Breakdown, including rupture or bursting caused by centrifugal force;
- b) artificially generated electrical current, including electric arcing, that damages electrical devices, appliances or wires;
- c) Explosion or Collapse of Covered Equipment operating under steam or other fluid pressure
- d) loss or damage to hot water boilers, other water heating equipment, oil or water storage tanks or other Covered Equipment operating under steam or other fluid pressure caused by or resulting from any condition or event (not otherwise excluded), occurring inside such equipment; or
- e) loss or damage caused by or due to operator error that results in the overloading of Covered Equipment

All Accidents that are the result of the same event will be considered one Accident.

Biomass and Biogas Installations means:

Any equipment and machinery used in connection with running a biomass or biogas heating or power-generation plant, including anaerobic digesters, storage tanks, augers, screeners, scrubbers, boilers, gas engines, generators, heat exchangers, pumps and motors

Breakdown means:

- a) the actual breaking, failure, distortion or burning out of any part of the Covered Equipment whilst in ordinary use arising from defects in the Covered Equipment causing its sudden stoppage and necessitating repair or replacement before it can resume work.
- b) fracturing of any part of the Covered Equipment by frost when such fracture renders the Covered Equipment inoperative.
- c) The actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary.

Collapse means:

The sudden and dangerous distortion (whether or not attended by rupture) of any part of the Covered Equipment caused by crushing stress by force of steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents).

Computer Equipment means:

- a) electronic, computer or other data processing and/or storage equipment
- b) projectors printers scanners and other peripheral devices used in conjunction with a)
- c) software and programs licensed to You and installed on a)
- d) Portable Computer Equipment

Covered Equipment means:

Equipment at the premises owned by You or for which You are responsible:

- i) which is built to operate under vacuum or pressure (other than the weight of its contents); or
- ii) that generates transmits stores or converts energy; or
- iii) comprising Computer Equipment

Excluding

- (a) any supporting structure foundation masonry brickwork or cabinet
- (b) any insulating or refractory material
- (c) any vehicle Aircraft floating vessels or any equipment mounted thereon (other than vehicle recovery crane or equipment which is included but not the actual vehicle)
- (d) self propelled plant and equipment (other than fork lift trucks and pallet trucks used by You at Your premises) dragline excavation or construction equipment

Section 10 – Equipment Breakdown

- (e) equipment manufactured by You for sale
- (f) safety or protective devices due to their functioning
- (g) tools dies cutting edges crushing surfaces trailing cables non metallic linings driving belts or bands or any part requiring periodic renewal
- (h) any electronic equipment (other than Computer Equipment) used for research diagnostic treatment experimental or other medical or scientific purposes with a new replacement value in excess of £30,000
- (i) any Manufacturing Production or Process Equipment including linked Computer Equipment
- (j) any electricity generating equipment other than emergency back-up power equipment or wind turbines less than 10kw or photovoltaic equipment less than 50kw
- (k) any kitchen and food preparation equipment laundry and cleaning equipment audio-visual equipment and Computer Equipment whilst in a private dwelling or private dwelling quarters (unless such equipment is the property of You or for which You are responsible)
- (l) any Biomass or Biogas Installation
- (m) any Hydroelectric Installation

Derangement means:

Electrical or mechanical malfunction arising from a cause internal to Computer Equipment unaccompanied by visible damage to or breaking of any parts of the equipment

Explosion means:

The sudden and violent rending of Covered Equipment by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents) causing bodily displacement of any part of the Covered Equipment together with forcible ejection of the contents.

Hazardous substance means:

Any substance other than ammonia that has been declared to be hazardous to health by a governmental agency

Hydroelectric Installations means:

Any equipment, machinery, dam and weir used in connection with running a hydroelectric-power station, including turbines, sluice gates, screens, screeners, pumps, motors, generators, gearboxes, engines, alternators and associated equipment. Plus any substation and distribution transformer, switchgear, meter, cabling, telecommunication and monitoring device, building and converter housing (including fixtures and fittings), and security equipment.

Manufacturing Production or Process Equipment means:

Any machine or apparatus (other than boilers lifts fork lift trucks dock levellers and lifting tables) which has a primary purpose of processing or producing a product or service intended for eventual sale by You and any equipment which exclusively serves such machinery or apparatus

Media means:

All forms of electronic magnetic and optical tapes and discs for use in any Computer Equipment

Portable Computer Equipment means

- a) laptops palmtops and notebooks
- b) personal digital assistants (PDAs)
- c) projectors printers scanners and other peripheral devices which are designed to be carried and used in conjunction with other Portable Computer Equipment
- d) removable satellite navigation systems
- e) digital cameras
- f) smart phones

Verified means:

Checked for accuracy and integrity to ensure a precise match with the source data and capable of restoration.

Cover

The Insurers agree to provide insurance for direct physical loss or damage and any specified consequential loss from an Accident to Covered Equipment owned by You or for which You are responsible subject to a maximum liability of £5,000,000 for any one Accident. Within this amount the liability of the Insurers shall not exceed

- i) £500,000 for any one Accident to Computer Equipment whilst at the premises specified in the Schedule
- ii) £5,000 for any one Accident to Portable Computer Equipment anywhere in the world

Section 10 – Equipment Breakdown

Extensions of Cover and Sub-limits

The following Extensions of Cover also apply to loss caused by or resulting from an Accident to Covered Equipment. These extensions do not provide additional amounts of insurance.

1. Hazardous Substances

The Insurers shall be liable for the additional cost to repair or replace Covered Equipment because of contamination by a Hazardous Substance including any additional expenses incurred to clean up or dispose of such property

The liability of the Insurers shall not exceed £10,000 any one accident in respect of such additional costs

2. Reinstatement of Data and Computer Increased Costs of Working

A) The Insurers shall be liable for costs incurred in reinstating data lost or damaged in consequence of an Accident to or Derangement of Computer Equipment

The liability of the Insurers shall not exceed £50,000 any one Accident

Provided that

- (a) liability is limited solely to the cost of reinstating data onto Media
- (b) the Insurers shall not be liable for loss of or damage to software

B) In addition the Insurers will pay reasonable costs necessarily incurred in minimising or preventing the resulting interruption or interference to Your computer operations

The liability of the Insurers shall not exceed £50,000 any one accident in respect of such additional costs

3. Business Interruption

Provided that the Business Interruption section of this Policy is operative the Insurers shall be liable for financial loss caused by or resulting from an Accident to Covered Equipment

The liability of the Insurers in any one Period of Insurance shall not exceed £100,000 under this extension

The Insurers shall not be liable under this extension for any loss resulting from Extension 8 - Damage to Own Surrounding Property

4. Public Authorities/Law or Ordinance

If an Accident to Covered Equipment damages a building that is covered under this Policy, and the loss is increased by enforcement of any public authority, ordinance or law in force at the time of the Accident that regulates the construction or repair of buildings, or establishes zoning or land use requirements, the Insurers shall be liable for the following additional costs to comply with such ordinance or law:

- a) Your actual expenditures for the cost to demolish and clear the site of undamaged parts;
- b) Your actual expenditures for increased costs to repair, rebuild or construct the building. If the building is repaired or rebuilt, it must be intended for similar use or occupancy as the current building, unless otherwise required by zoning or land use ordinance or law; and

The Insurers shall not be liable under Extension of Cover 4 for:

- a) any fine;
- b) any liability to a third party;
- c) any increase in loss due to a Hazardous Substance (other than as specifically insured under Extension of Cover 1); or
- d) increased construction costs until the building is actually repaired or replaced.

This additional coverage is within and does not increase the Limit of Indemnity shown in the Schedule.

5. Expediting Expenses

With respect to damaged Covered Equipment, the Insurers shall be liable for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement.

The liability of the Insurers shall not exceed £20,000 for any one Accident under this extension.

Section 10 – Equipment Breakdown

6. Hire of Substitute Item

If Covered Equipment is damaged as a result of an Accident the Insurers shall be liable for the cost of hire charges actually incurred by You during the Period of Insurance for the necessary hire of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged

The liability of the Insurers shall not exceed £10,000 any one Accident under this extension

7. Storage Tanks and Loss Of Contents

The insurance under this Section extends to include damage caused by an Accident to oil storage tanks or water tanks including connected pipework belonging to You or for which You are responsible at the premises

In addition this extension covers loss of the contents of oil storage tanks caused by

- a) escape of contents - leakage discharge or overflow from the oil storage tanks caused by or resulting from an Accident
- b) contamination - contamination of the contents of oil storage tanks caused by or resulting from an Accident including cleaning costs incurred as a result of such loss

The liability of the Insurers shall not exceed £10,000 any one Accident under this extension

8. Damage to Own Surrounding Property due to steam explosion

The Insurers will pay for damage to property at the premises belonging to You or in Your custody and control and for which You are responsible directly resulting from the Explosion or Collapse of any Covered Equipment operating under steam pressure

The liability of the Insurers shall not exceed £1,000,000 any one Accident under this extension

9. Additional Access Costs

Provided that the Business Interruption section of this Policy is operative the Insurers shall be liable under this extension for any necessary additional costs incurred in order to gain access to repair or replace the Covered Equipment following an Accident

The liability of the Insurers shall not exceed £20,000 any one Accident under this extension

10. Debris Removal

The Insurers shall be liable under this extension for costs incurred in the removal of debris and protection of Covered Equipment following an accident

The liability of the Insurers shall not exceed £25,000 any one Accident

11. Repair Costs Investigation

With their prior written agreement the Insurers will pay costs relating to repair investigations and tests by consulting engineers for damage to Covered Equipment following an Accident for an amount not exceeding £25,000 any one Accident

The Insurers shall not be liable under this extension for fees incurred in preparing a claim under this Policy

Basis of Claims Settlement

As described in the Property Damage and Business Interruption sections of this policy

Additional Conditions

1. Precautions

You shall exercise due diligence in:

- a) complying with any statute or order
- b) ensuring that insured items are properly maintained and used in accordance with manufacturers recommendations and in taking reasonable precautions to prevent loss or damage

Section 10 – Equipment Breakdown

2. Back-Up Records

You shall maintain a minimum of 2 generations of Verified back-up computer records taken at intervals no less frequently than 48 hours and take all reasonable precautions to store and maintain records in accordance with the maker's recommendations

Exclusions

The following exclusions are in addition to those in the Policy to which this Section is attached.

1. The Insurers will not be liable for loss or damage caused by or resulting from a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
2. The Insurers will not be liable for loss or damage to data or Media of any kind caused by:
 - a) programming error or programming limitation
 - b) computer virus
 - c) introduction of malicious code
 - d) loss of data (other than as specifically provided for under Extension of Cover 2A Reinstatement of Data)
 - e) loss of access
 - f) loss of use
 - g) loss of functionality
3. The Insurers will not be liable for loss or damage caused by:
 - a) depletion deterioration corrosion erosion wear and tear or other gradually developing conditions
 - b) any condition which can be corrected by resetting calibrating realigning tightening adjusting or cleaning or by the performance of maintenanceBut if loss or damage from an Accident results the Insurers will be liable for that resulting loss or damage
4. The Insurers will not be liable for loss or damage recoverable under any maintenance agreement or any warranty or guarantee

Section 11 – Legal Expenses

This Section is administered by ARAG plc under a binding authority agreement with the Insurers. The Insurers' liability is several and they are liable for their proportion of liability in respect of this Section only and have no liability for any other Insurers' proportion or in respect of any other cover part of this Policy.

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Definitions for Section 11 – Legal Expenses

Appointed advisor

The

- 1) solicitor, accountant or other advisor (who is not a mediator), appointed by Us to act on behalf of the Insured;
- 2) mediator appointed by Us to provide impartial dispute resolution in relation to a claim accepted by Us.

Business

The occupation, trade profession or enterprise carried out by the entity shown in the schedule that attaches to this policy.

Collective Conditional Fee Agreement

A legally enforceable agreement entered into on a common basis between the Appointed Advisor and Us to pay their professional fees on the basis of either

- 1) 100% "no-win no-fee" or
- 2) where discounted, that a discounted fee is payable.

Conditional Fee Agreement

A legally enforceable agreement between You and the Appointed Advisor for paying their professional fees on the basis of either

- 1) 100% "no-win no-fee" or
- 2) where discounted, that a discounted fee is payable.

Employee

A worker who has or alleges they have entered into a contract of service with You.

Legal Costs & Expenses

- 1) Reasonable legal costs and disbursements reasonably and proportionately incurred by the Appointed Advisor on the standard basis and agreed in advance by Us. The term "standard basis" can be found within the Courts' Civil Procedure Rules Part 44.2.
- 2) In civil claims, other side's costs, fees and disbursements where the Insured has been ordered to pay them or pays them with Our agreement.
- 3) Reasonable accountancy fees reasonably incurred under Insured incident 4 Tax by the Appointed Advisor and agreed by Us in advance.
- 4) Health and Safety Executive Fees for Intervention.
- 5) Your Employee's basic wages or salary under Insured incident 9 Loss of earnings in the course of their employment with You while attending court or tribunal at the request of the Appointed Advisor or whilst on jury service where lost wages or salary cannot be claimed back from the court or tribunal.
- 6) The reasonable cost of phone calls, postage (including special delivery), image scanning, photocopying or credit reports incurred under Insured incident 11 c) where the Insured has taken advice from our Identity Theft Advice and Resolution Service.
- 7) The professional fees and expenses of an Appointed Advisor selected by Us to reduce the actual adverse or negative publicity or media attention directed under Insured incidents 11 e) Executive suite and 13 Crisis communication.

Period of insurance

The period shown in the schedule to which this policy attaches. (The Period of Insurance shall otherwise expire on earlier cancellation of this policy.)

Section 11 – Legal Expenses

Reasonable Prospects of Success

- 1) Other than as set out in 2) and 3) below, a greater than 50% chance of the Insured successfully pursuing or defending the claim and, if the Insured is seeking damages or compensation, a greater than 50% chance of enforcing any judgment that might be obtained. Under Insured incident 12 Contract & debt recovery, there must be a greater than 50% chance of successfully defending the claim in its entirety.
- 2) In criminal prosecution claims where the Insured
 - a) pleads guilty, a greater than 50% chance of reducing any sentence or fine or
 - b) pleads not guilty, a greater than 50% chance of that plea being accepted by the court.
- 3) In all claims involving an appeal, a greater than 50% chance of the Insured being successful.
- 4) Where it has been determined that Reasonable Prospects of Success do not exist, the Insured shall be liable to pay any legal costs incurred should they pursue or defend their claim irrespective of the outcome.

Territorial Limit

- 1) For Insured events 6 Legal defence and 12 Contract & debt recovery the United Kingdom, Channel Islands, Isle of Man, Norway, Switzerland and countries in the European Union. https://europa.eu/european-union/index_en
- 2) For all other Insured events the United Kingdom, Channel Islands and the Isle of Man.

Cover

Following an Insured event, the Insurer will pay Legal Costs & Expenses including the cost of appeals (and compensation awards under Insured incident 2 Employment compensation awards), up to

- a) the limit of indemnity specified in the schedule to which this policy attaches for all claims related by time or originating cause;
 - b) an aggregate limit of £1,000,000 for compensation awards under Insured event 2 Employment compensation awards;
- subject to all the following requirements being met:
- 1) You have paid the insurance premium.
 - 2) The Insured keeps to the terms of this policy and cooperates fully with Us.
 - 3) Unless otherwise stated in this policy, the Insured event arises in connection with Your Business and occurs within the territorial limit.
 - 4) The claim
 - a) always has Reasonable Prospects of Success and
 - b) is reported to Us
 - i) during the Period of Insurance and
 - ii) as soon as the Insured first becomes aware of circumstances which could give rise to a claim.
 - 5) Unless there is a conflict of interest, the Insured always agrees to use the Appointed Advisor chosen by Us
 - a) in any claim to be heard by an Employment Tribunal and/or
 - b) before proceedings have been or need to be issued.
 - 6) Any dispute will be dealt with through mediation or by a court, tribunal, Advisory Conciliation and Arbitration Service or a relevant regulatory or licensing body within the Territorial Limit.

We consider that a claim has been reported to Us when We have received the Insured's fully completed claim form.

INSURED INCIDENTS

1) Employment

A dispute between You and Your Employee, ex-Employee, or a prospective Employee, arising from a breach or an alleged breach of their

- a) contract of service with You and/or
- b) related legal rights.

A claim can be made under this Section of the Policy provided that all internal procedures as set out in the

- i) ACAS Code of Practice for Disciplinary and Grievance Procedures, or
- ii) Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland have been or ought to have been concluded.

Section 11 – Legal Expenses

What is not covered under Insured Incident 1

Any claim arising from or relating to:

- 1) the pursuit of an action by You other than an appeal against the decision of a court or tribunal
- 2) actual or alleged redundancy or unfair selection for redundancy, occurring during the first 180 days of the Policy, except where you have had equivalent cover in force up until the start of this policy
- 3) costs You incur to prepare for an internal disciplinary hearing, grievance or appeal
- 4) a pension scheme where actions are brought by ten or more Employees or ex-Employees.

2) Employment Compensation Awards

Following a claim We have accepted under Insured Incident 1, the Insurer will pay any

- a) basic and compensatory award
- b) an amount agreed by us in settlement of a dispute.
Provided that compensation is:
 - c) agreed through mediation or conciliation or under a settlement approved by us in advance or
 - d) awarded by a tribunal judgment after full argument unless given by default.

What is not covered under Insured Incident 2

- 1) Money due to an Employee under a contract or a statutory provision relating thereto.
- 2) Compensation awards or settlement relating to
 - a) trade union membership, industrial or labour arbitration or collective bargaining agreements
 - b) civil claims or statutory rights relating to trustees of occupational pension schemes.

3) Employment Restrictive Covenants

a) A dispute with Your Employee or ex-Employee which arises from their breach of a restrictive covenant where You are seeking financial remedy or damages.

Provided that the restrictive covenant

- i) is designed to protect Your legitimate Business interests, for a period not exceeding 12 months and
- ii) is evidenced in writing and signed by Your Employee or ex-Employee, and
- iii) extends no further than is reasonably necessary to protect the Business interests.

b) A dispute with another party who alleges that You have breached their legal rights protected by a restrictive covenant.

4) Tax Disputes

- a) A formally notified enquiry into Your Business tax.
- b) A dispute about Your compliance with HMRC regulations relating to Your Employees, workers or payments to contractors.
- c) An enquiry with HMRC about Value Added Tax.
Provided that:
 - a) You keep proper records in accordance with legal requirements and
 - b) in respect of any appealable matter You have requested an Internal Review from HMRC where available.

What is not covered under Insured Incident 4

Any claim arising from or relating to:

- 1) tax returns which are submitted late or for any other reason, result in HMRC imposing a penalty, or which contain careless and/or deliberate misstatements or omissions
- 2) an investigation by the Fraud Investigation Service of HMRC
- 3) circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to Your financial arrangements
- 4) any enquiry that concerns assets, monies or wealth outside of Great Britain and Northern Ireland
- 5) Your failure to register for VAT.

5) Property

A dispute relating to material property which You own or is Your responsibility

- a) following an event which causes physical damage to Your material property
- b) following a public or private nuisance or trespass
- c) which You wish to recover or repossess from an Employee or ex-Employee

What is not insured under Insured Incident 5

Any claim arising from or relating to:

- 1) a contract between You and a third party except for claims brought under 5 c)
- 2) lent or hired out

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3) compulsory purchase, demolition restrictions, controls or permissions placed on land or property by any government, local or public authority

6) Legal Defence

a) A criminal investigation and/or enquiry by:

- i) the police
- ii) other body with the power to prosecute

where it is suspected that an offence may have been committed that could lead to the Insured being prosecuted.

b) the charge for an offence or alleged offence which leads to the Insured being prosecuted in a court of criminal jurisdiction.

What is not covered under Insured Incident 6

Any claim relating to a parking offence.

7) Compliance & Regulation

a) Receipt of a Statutory Notice that imposes terms against which You wish to appeal.

b) Notice of a formal investigation or disciplinary hearing by any professional or regulatory body.

c) A civil action alleging wrongful arrest arising from an allegation of theft.

d) A claim against You for compensation under the Data Protection Act 2018 provided that

- i) You are registered with the Information Commissioner
- ii) You are able to evidence that You have in place a process to
 - investigate complaints from data subjects regarding a breach of their privacy rights
 - offer suitable redress where a breach has occurred and that Your complaints process has been fully engaged.

e) A civil action alleging that an Insured has

- i) committed an act of unlawful discrimination; or
- ii) failed to correctly exercise their fiduciary duty as a trustee of a pension fund set up for the benefit of Your Employees. The charge for an offence or alleged offence which leads to the Insured being prosecuted in a court of criminal jurisdiction.

What is not insured under Insured Incident 7

Any claim relating to:

- 1) the pursuit of an action by You other than an appeal
- 2) a routine inspection by a regulatory authority
- 3) an enquiry, investigation or enforcement action by HMRC
- 4) a claim brought against Your Business where unlawful discrimination has been alleged.

8) Statutory Licence Appeals

An appeal against a decision by the relevant authority to alter, suspend, revoke or refuse to renew a licence or compulsory registration required to run Your Business.

9) Loss of Earnings

The Insured's absence from work to attend court, tribunal, arbitration, regulatory proceedings or a professional body's disciplinary hearing at the request of the Appointed Advisor or whilst on jury service which results in loss of earnings.

What is not insured under Insured Incident 9

Any sum which can be recovered from the court or tribunal.

10) Personal Injury

An event that causes bodily injury to, or the death of, an Insured.

What is not covered under Insured Incident 10

Any claim arising from or relating to a condition, illness or disease which develops gradually over time.

Section 11 – Legal Expenses

11) Executive Suite

This Insured incident applies only to the principal, executive officers, directors and partners of Your Business.

- a) An HMRC enquiry into the executive's personal tax affairs.
- b) A motoring prosecution that arises from driving for personal, social or domestic use, including commuting to or from Your Business.
- c) A claim that arises from personal identity theft provided that the person claiming has sought and followed advice from the Executive suite identity theft resolution helpline.
- d) A dispute that arises from the terms of Your Business partnership agreement that is to be referred to mediation.
- e) Crisis communication as described in Insured event 13 below shall be available to the principal, executive officers, directors and partners of the Business for matters occurring in their private and personal capacity that cause significant adverse publicity or reputational damage.

What is not covered under Insured Incident 11

- 1) Any claim arising from or relating to:
 - a) tax returns which are submitted late or for any other reason, result in HMRC imposing a penalty or which contain careless and/or deliberate misstatements or omissions
 - b) an investigation by the Fraud Investigation Service of HMRC
 - c) circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to the executive's financial arrangements
 - d) any enquiry that concerns assets, monies or wealth outside of the United Kingdom
 - e) a parking offence
 - f) costs incurred in excess of £25,000 for a claim under 11 d) and 11 e).
- 2) Crisis communication for a matter that has not actually resulted in adverse publicity appearing online, in print or broadcast.

12) Contract & Debt Recovery

A breach or alleged breach of an agreement or alleged agreement which has been entered into by You or on Your behalf relating to the purchase, hire, hire purchase, lease, servicing, maintenance, testing, sale or provision of goods or services, provided that if You are claiming for an undisputed debt You have exhausted Your normal credit control procedures.

What is not covered under Insured Incident 12

Any claim relating to:

- 1) an amount which is less than £200
- 2) the letting, leasing or licensing of land or buildings where You act as the landlord
- 3) the sale or purchase of land or buildings
- 4) loans, mortgages, endowments, pensions or any other financial product
- 5) computer hardware, software, internet services or systems which
 - a) have been supplied by You or
 - b) have been tailored to Your requirements
- 6) a breach or alleged breach of a professional duty by an Insured
- 7) the settlement payable under an insurance policy
- 8) a dispute relating to an Employee or ex-Employee
- 9) adjudication or arbitration

13) Crisis Communication

Following an event which causes significant adverse publicity or reputational damage which is likely to have a widespread financial impact on Your Business, We will

- a) liaise with You and Your solicitor (whether the solicitor is an Appointed Advisor under this policy, or acts on Your behalf under any other policy), to draft a media statement or press release
 - b) prepare communication for Your staff/customers/suppliers and/or a telephone or website script or social media messaging
 - c) arrange, support and represent an Insured at an event which media will be reporting
 - d) support the Insured by taking phone calls/emails and managing interaction with media outlets
 - e) support and prepare the Insured for media interviews
- provided that You have sought and followed advice from Our Crisis Communication helpline.

Section 11 – Legal Expenses

What is not insured under Insured Incident 11

Any claim arising from or relating to:

- 1) matters that should be dealt with through Your normal complaints procedures.
- 2) a matter that has not actually resulted in adverse publicity appearing online, in print or broadcast
- 3) costs incurred in excess of £25,000.

Exclusions

What is not covered (see also General Exclusions):

You are not covered for any claim arising from or relating to:

- 1) costs or compensation awards incurred without our consent
- 2) any actual or alleged act, omission or dispute happening before, or existing at the start of the insurance provided by this policy, and which the Insured knew or ought reasonably to have known could lead to a claim
- 3) an allegation against the Insured involving:
 - a) assault, violence, malicious falsehood or defamation
 - b) indecent or obscene materials
 - c) the use of alcohol or its unauthorised or unregulated manufacture, unlicensed dealing in alcohol or dealing in or using illegal drugs
 - d) illegal immigration
 - e) money laundering or bribery offences, breaches of international sanctions, fraud, or any other financial crime activities

except in relation to Insured event 13 Crisis Communication.

- 4) defending a claim in respect of damages for personal injury (other than injury to feelings in relation to Insured event 1 Employment), or loss or damage to property owned by the Insured
- 5) National Minimum Wage and/or National Living Wage Regulations
- 6) patents, copyright, passing-off, trade or service marks, registered designs and confidential information (except in relation to Insured event 3 Employment restrictive covenants)
- 7) a dispute with any subsidiary, parent, associated or sister company or between shareholders or partners (except in relation to mediation under Insured event 11 d)
- 8)
 - a) a franchise agreement
 - b) an agency agreement through which one party has the legal capacity to alter the legal relations of the other
- 9) a judicial review
- 10) a dispute with Us, the Insurer or the party who arranged this cover not dealt with under Condition 6
- 11) The payment of fines, penalties or compensation awarded against the Insured (except as covered under Insured event 2 Employment compensation awards); or costs awarded against the Insured by a court of criminal jurisdiction.

Clauses & Conditions that apply to Section 11 – Legal Expenses

Where the insurer's risk is affected by the Insured's failure to keep to these conditions the Insurer can refuse a claim or withdraw from an ongoing claim. The insurer also reserves the right to claim back Legal Costs & Expenses from the Insured if this happens.

11.1 The Insured's Responsibilities

An Insured must:

- a) tell Us immediately of anything that may make it more costly or difficult for the Appointed Advisor to resolve the claim in Your favour
- b) cooperate fully with Us, give the Appointed Advisor any instructions We require, and keep them updated with progress of the claim and not hinder them
- c) take reasonable steps to claim back Legal Costs & Expenses and, where recovered, pay them to the Insurers
- d) keep Legal Costs & Expenses as low as possible
- e) allow the Insurers at any time to take over and conduct in the Insured's name, any claim.

11.2 Freedom to choose an Appointed Advisor

- a) In certain circumstances as set out in 11.2 b) below the Insured may choose an Appointed Advisor. In all other cases no such right exists and We shall choose the Appointed Advisor.

Section 11 – Legal Expenses

- b) If:
- i) a suitably qualified advisor considers that it has become necessary to issue proceedings or proceedings are issued against an Insured, or
 - ii) there is a conflict of interest
- the Insured may choose a qualified Appointed Advisor except, where the Insured's claim is to be dealt with by the Employment Tribunal, We shall always choose the Appointed Advisor.
- c) Where the Insured wishes to exercise the right to choose, the Insured must write to Us with their preferred representative's contact details.
 - d) Where the Insured chooses to use their preferred representative, the Insurers will not pay more than We agree to pay a solicitor from our panel and will pay only the costs that the insurer would have been liable to pay. (Our panel solicitor firms are chosen with care and We agree special terms with them including rates which may be lower than those available from other firms.)
 - e) If the Insured dismisses the Appointed Advisor without good reason, or withdraws from the claim without Our written agreement, or if the Appointed Advisor refuses with good reason to continue acting for an Insured, cover will end immediately.
 - f) In respect of pursuing a claim under Insured Incident 12 Contract & Debt Recovery You must enter into a Conditional Fee Agreement (unless the Appointed Advisor has entered into a Collective Conditional Fee Agreement) where legally permitted.

11.3 Our Consent

- a) The Insured must agree to Us having sight of the Appointed Advisor's file relating to the Insured's claim. The Insured is considered to have provided consent to Us or our appointed agent to have sight of their file for auditing and quality and cost control purposes.
- b) An Insured must have Your agreement to claim under this policy.

11.4 Barrister's Opinion

We may require the Insured to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of the claim. If the opinion supports the Insured, then the insurer will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by Us, then the Insurer will pay for a final opinion which shall be binding on the Insured and Us.

11.5 Other Insurance

The Insurers will not pay more than their fair share (rateable proportion) for any claim covered by another policy, or any claim that would have been covered by any other policy if this policy did not exist.

Section 11 – Legal Expenses

Helpline Services

All helplines are subject to fair and reasonable use. The level of fair usage will depend on individual circumstances. However, if our advisors consider that Your helpline usage is becoming excessive they will tell You. If following that warning, usage is not reduced to a more reasonable level, We can refuse to accept further calls.

Legal and tax advice 0344 571 7978

If You have a legal or tax problem relating to Your Business, We recommend You call our confidential legal and tax advice helpline. Legal advice is available 24 hours a day, 365 days of the year, and tax advice is available between 9am and 5pm on weekdays (except bank holidays).

We give advice about Business-related legal matters within UK and EU law and tax matters within the UK. Your query will be dealt with by a qualified specialist who is experienced in handling legal and tax-related matters. Use of this service does not constitute reporting of a claim.

Redundancy assistance 0330 303 1955

If You are planning redundancies and need extra legal support, We can arrange specialist consultancy assistance for You. Redundancy assistance will help You to implement a fair selection process and ensure that the redundancy notices are correctly served. The service offers document review and telephone or written advice and is subject to a charge. If You would like Us to arrange Redundancy assistance please call Us between 9am and 5pm on weekdays (except bank holidays).

Executive suite – identity theft resolution 0333 000 2083

This service is available to the principal, executive officers, directors and partners of the Business between 9am and 5pm on weekdays (except bank holidays). We provide telephone advice to help executives keep their personal identity secure. Where identity theft is suspected, our specialist caseworkers can help the victim to restore their credit rating and correspond with their card issuer, bank or other parties. Identity theft expenses are Insured under Insured event 11 c) when Your executives use this helpline.

Crisis communication 0344 571 7964

Following an event that has attracted negative publicity which could affect Your Business, You can access professional public relations support from our Crisis communication experts at any time.

In advance of any actual adverse publicity, where possible, initial advice for You to act upon will be provided over the phone. If Your circumstances require professional work to be carried out at that time, We can help on a consultancy basis and subject to You paying a fee.

Where an event has led to actual publicity online, in print or broadcast, that could damage Your Business, You are Insured against the costs of crisis communication services under Insured event 13 when You use this helpline.

Counselling assistance 0333 000 2082

Our qualified counsellors will provide free confidential support and advice by phone to Your Employees or their family members who are suffering from emotional upset or feeling worried and anxious about a personal or work-related problem.

Business legal services

www.araglegal.co.uk

Getting started

Click on the “How our services work” button on the home page to take a two-minute tour of our Business legal services website. Learn more about what the website offers and how You can use it to save legal costs and to support the smooth running of Your Business. You will need to enter voucher code **X1232KC79BB5** when You register to use the website.

Once You have registered You can access the website at any time to create and securely store Your legal documents.

Choosing Your legal documents

We recommend selecting “Legal healthcheck” from the menu of services. This useful tool will help You to identify which legal documents are likely to be most useful to Your Business. We have suggested legal documents and law guide content that may help You in particular circumstances throughout this policy wording.

Section 11 – Legal Expenses

More help?

A review service is available for the most complex documents. Where it is available this service attracts a fee. You will need to order the review service before You start building Your document if You require it. Click on the Contact button to seek technical support if You have problems using the website. Our digital technical support team cannot give You legal or insurance advice.

Privacy Notice

This is a summary of how we collect, use, share and store personal information. To view our full privacy statement, please see our website www.arag.co.uk

Collecting personal information

ARAG may be required to collect certain personal or sensitive information which may include name, address, date of birth and if appropriate medical information. We will hold and process this information in accordance with the General Data Protection Regulations. Should we ask for personal or sensitive information, we undertake that it shall only be used in accordance with our privacy statement.

We may also collect information for other parties such as suppliers we appoint to process the handling of a claim.

Using personal or sensitive information

The reason we collect personal or sensitive information is to fulfil our contractual and regulatory obligations in providing this insurance product, for example to process premium or handle a claim. To fulfil these obligations, we may need to share personal or sensitive information with other organisations. We will not disclose personal or sensitive information for any purpose other than the purpose for which it was collected.

Please refer to our full privacy statement for full details.

Keeping personal information

We shall not keep personal information for any longer than necessary.

Your rights

Any person insured by this policy has a number of rights in relation to how we hold personal data including; the right to a copy of the personal data we hold; the right to object to the use of personal data or the withdrawal of previously given consent; the right to have personal data deleted.

For a full list of privacy rights and when we will not be able to delete personal data, please refer to our full privacy statement.

Section 12 – Deterioration of Stock

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Cover

We agree to pay You, if during the Period of Insurance Your foodstuffs or foodstuffs held by You in trust or on commission or for which You are responsible whilst at the Premises, contained in the refrigerating units, is damaged by deterioration, contamination or putrefaction arising from:

- a) rise or fall in temperatures as a result of:
 - i) the breaking, distortion or burning out of any part of the unit (including its own wiring terminating at and including the plug and fuse) arising from mechanical or electrical defects in the unit occurring whilst the unit is being used under normal working conditions;
 - ii) non-operation of the thermostatic or automatic controlling devices forming part of the unit;
 - iii) accidental failure of the public supply of electricity not occasioned by the deliberate act of any supply authority;
- b) accidental leakage of refrigerant or refrigerant fumes from the unit which occurs during the Period of Insurance. provided that Our liability does not exceed the Sum Insured stated in the Schedule

Obligations

You must:

- a) in respect of any refrigerating unit(s) which is more than 5 years old, at the commencement and throughout the currency of this insurance:
 - i) have an annual maintenance agreement in place, and
 - ii) be in possession of maintenance documents that confirm a satisfactory service by a qualified engineer has been completed in the last twelve months.
- b) in the event of Damage obtain a Condemnation Certificate by the relevant authority under current legislation. Otherwise no cover will operate under this Section

Exclusions

What is not covered (see also General Exclusions):

Our liability under this Section does not cover;

- 2) Damage resulting from:
 - a) failure of the public supply services which do not exceed 30 consecutive minutes;
 - b) failure of the public supply services due to any deliberate act of a public supply undertaking not performed for the sole purpose of safeguarding life or protecting any part of the public supply undertakings systems or any scheme of rationing not necessitated solely by accidental damage to the public supply undertaking's generating or supply equipment;
 - c) wear and tear, deterioration or gradually developing flaws or defects in the refrigerating unit or incorrect setting of thermostats and automatic controls.
- 3) The amount of the Excess specified in the Schedule.

Section 13 – Loss of Licence

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Definitions for Section 13 – Loss of Licence

Licence

The licence granted for the retail sale of excisable liquors at the Premises specified in the Schedule.

Cover

In the event of a Licence granted in respect of the Premises for the sale by retail of excisable liquors (the Licence) becoming suspended or forfeited under the provisions of the appropriate legislation governing such licences or refused renewal after due application for such renewal to the appropriate authority at any time during the Period of Insurance such suspension forfeiture or refused renewal being occasioned by reasons beyond Your control We will pay or make good to You all loss that You shall sustain in respect of:

- a) the depreciation in value of Your interest in the Premises and loss of Gross Profit by the suspension, forfeiture of or refusal to renew the Licence up to an amount not exceeding the Sum Insured stated in the Schedule;
- b) in addition, the costs and expenses incurred by You with Our written consent in connection with any appeal against the suspension, forfeiture of or refusal to renew the Licence.

For the purposes of this Section only the definition of You is deemed to include the Licence holder.

Clauses

- a) In the event of the death, bankruptcy, incapacity, desertion of the Premises or conviction (for any offence where such conviction affects the character or reputation of the convicted person with respect to his honesty, moral standing or sobriety) of the tenant manager, occupier or Licence holder, You shall where practicable and at Our request procure a suitable person to replace him and one to whom the Justices will transfer the Licence or grant the Licence by way of renewal.
- b) You shall immediately give notice in writing to Us and supply such additional information and give such assistance as We may reasonably require as otherwise We may refuse to pay Your claim on becoming aware of any:
 - i) complaint against the Premises or the control thereof;
 - ii) proceedings against or conviction of the Licence holder, manager, tenant or occupier of the Premises for any breach of licensing law or any matter whatsoever whereby the character or reputation of the person concerned is affected or called into question with respect to his honesty moral standing or sobriety;
 - iii) transfer or proposed transfer of the License;
 - iv) alteration in the purpose for which the Premises are used;
 - v) objection to renewal or other circumstances which may endanger the Licence or renewal thereof.
- c) If the suspension of, forfeiture of, or refusal to renew, the Licence be occasioned wholly or partly by or through Your misconduct or procurement or connivance or neglect or omission by or by any omission by You to take any step necessary for keeping the Licence in force, no claim shall arise under this Insurance unless You shall prove to Our reasonable satisfaction of that such matter was beyond Your power or control.

Section 13 – Loss of Licence

Exclusions

What is not covered (see also General Exclusions):

1. Our liability under this Section excludes cover for any claim arising from or related to the refused renewal, suspension or forfeiture of the Licence arising directly or indirectly from any scheme of town or country planning improvement or redevelopment, compulsory purchase or from any alteration of the law affecting the grant surrender, refusal to renew, suspension or forfeiture of licenses.
2. Our liability under this Section excludes any claim arising from or related to any change in the law (including the abolition of any provision of law) regulating the requirement for the Licence and/or the conditions relating to the Licence.
3. If You shall be entitled to obtain the payment of compensation under the provisions of any statute or statutory instrument or regulation in respect of the suspension of forfeiture of or refusal to renew the Licence no claim shall arise under this Section.
4. If the suspension of forfeiture of or refusal to renew the Licence be occasioned wholly or partly by a criminal act of the owner, manager or Employee(s), no claim shall arise under this insurance

Section 14 – Terrorism

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. If the same word(s) are defined in this Section 14 and in the General Definitions, the definition set out in this Section 14 will apply to that/those word(s) for the purposes of this Section 14 only. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Definitions for Section 14 – Terrorism

Act of Terrorism

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

Business Interruption

Business Interruption shall mean loss resulting from interruption of or interference with the Business carried on by You at the Premises in consequence of loss or destruction of or damage to property used by You at the Premises for the purpose of the Business.

Computer Systems

A computer or other equipment or component or system or item which processes stores transmits or receives Data.

Damage

Damage shall mean accidental loss or destruction of or damage to the Property Insured.

Data

Data of any sort whatever, including without limitation tangible or intangible data, and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatever.

Denial of Service Attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or Computer Systems. Denial of Service Attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other Computer Systems.

Event

All individual losses arising in respect of a continuous period of 72 hours of which the proximate cause is the same Act of Terrorism. The date and time that any such period of 72 hours shall commence shall be set by the Insurer.

Great Britain

Great Britain means England and Wales and Scotland but not the territorial seas adjacent thereto (as defined by the Territorial Sea Act 1987).

Hacking

Unauthorised access to any Computer System, whether the property of the Insured or not.

Nuclear Installation

Nuclear Installation means any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument, being an installation designed or adapted for:

- a) the production or use of atomic energy; or
- b) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations; or
- c) the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter, being matter which has been produced or irradiated in the course of the production or use of nuclear fuel.

Nuclear Reactor

Nuclear Reactor means any plant (including any machinery, equipment or appliance, whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

Section 14 – Terrorism

Phishing

Any access or attempted access to Data made by means of misrepresentation or deception.

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, Computer Systems, Data or operations, whether involving self-replication or not. The definition of Virus or Similar Mechanism includes but is not limited to trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

Cover

In consideration of the payment of the Premium in respect of the Period of Insurance, the cover provided under the Sections shown under the Terrorism Section of the Schedule of this Policy is extended to include Damage to the Property Insured or Business Interruption where covered in Great Britain occasioned by or happening through or in consequence of an Act of Terrorism.

Provided that

- a) the Insurers' liability in respect of all losses shall not exceed in the whole the Total Sum Insured or the Sum Insured in respect of each item or any other Limit of Liability as stated herein or in the Schedule;
- b) the insurance by this Section is subject to the Exclusions stated below.

Exclusions

What is not covered (see also General Exclusions):

1) War and Allied Risks

Any losses whatsoever occasioned by riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

2) Digital and Cyber Risks

Any losses whatsoever directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from:

- a) damage to or the destruction of any Computer System; or
- b) any alteration, modification, distortion, erasure or corruption of Data

in each case whether the property of the Insured or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack.

Proviso to Exclusion 2):

Exclusion 2) will not apply to Damage to the Property Insured or Business Interruption where covered in Great Britain occasioned by or happening through or in consequence of an Act of Terrorism solely to the extent that such Damage or Business Interruption:

a) results directly (or, solely as regards b) iii) below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of Aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any Computer System; and

b) comprises:

- i) the cost of reinstatement, replacement or repair in respect of damage to or destruction of Property insured by the Insured; or
- ii) the amount of Business Interruption loss suffered directly by the Insured itself by way of loss of or reduction in profits, revenue or turnover or increased cost of working as a direct result of either damage to or destruction of Property insured by the Insured or as a direct result of denial, prevention or hindrance of access to or use of the Property insured by that Insured by reason of an Act of Terrorism causing damage to other Property within one mile of the Property insured by the Insured to which access is affected; or
- iii) the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to or destruction of Property and

Section 14 – Terrorism

any additional costs or charges reasonably and necessarily paid by the Insured to avoid or diminish such loss; and

c) is not proximately caused by an Act of Terrorism in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.

d) The meaning of Property for the purposes of this Proviso shall exclude:

i) any money (including Money as defined elsewhere in the Policy), currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever; and

ii) any Data.

e) Notwithstanding the exclusion of Data from Property, to the extent that damage to or destruction of Property within the meaning of sub-paragraph b) above indirectly results from any alteration, modification, distortion, erasure or corruption of Data, because the occurrence of one or more of the matters referred to in sub-paragraph a) above results directly or indirectly from any alteration, modification, distortion erasure or corruption of Data, that shall not prevent cost or Business Interruption loss directly resulting from damage to or destruction of such Property and otherwise falling within sub-paragraphs a) and b) above from being recoverable under this Section. In no other circumstances than the previous sentence, however, will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of Data be recoverable under this Section.

3) Nuclear Installation or Nuclear Reactor

This insurance does not cover any Nuclear Installation or Nuclear Reactor and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such Nuclear Installation or Nuclear Reactor.

4) Residential Property

This insurance does not cover any land or building which is occupied as a private residence or any part thereof which is so occupied, unless:

a) insured under the same Policy as the remainder of the building which is not a private residence and the commercial element of the building exceeds 20% by area of the building; or

b) not insured in the name of an individual.

For the purpose of this exclusion, a trustee, beneficiary, executor of a will or sole trader is not deemed to be an individual unless they occupy the premises or any part thereof as their own private residence.

Clauses & Conditions that apply to Section 14 – Terrorism

14.1 In any action or other proceedings where the Insurers allege that any Damage or Business Interruption is not covered by this Section the burden of proving that such Damage or Business Interruption is covered shall be upon You.

14.2 Any terms in this Policy which provide for adjustments of premium based upon declarations on expiry or during the Period of Insurance do not apply to this Section.

14.3 If this Policy is subject to any Long Term Agreement/Undertaking, it does not apply to this Section.

14.4 The cover provided by this Section is subject to a maximum Period of Insurance of 12 months from the Effective Date or any subsequent Renewal Date of this Policy. Any subsequent period of cover of 12 months (or part thereof) provided by this Section is deemed to constitute a separate Period of Insurance, provided that:

a) no subsequent Period of Insurance by this Section shall extend beyond the next Renewal Date of this Policy;

b) the renewal premium due in respect of this Section has been received by the Insurers.

Subject otherwise to all the terms and conditions of this Policy.

Section 15 – Cyber

This Section is underwritten by HSB Engineering Insurance Limited.

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

Definitions for Section 15 – Cyber

Business Income

This means:

- the amount of net income (profit or loss before taxes) which You would have earned after the Time Excess if the Cyber Event had not happened;
- normal operating expenses that continue, including ordinary payroll.

Computer Equipment

Computers and associated equipment, telecommunications equipment and software and programs used to process Data, but not including:

- Portable Equipment;
- Electronic Office Equipment;
- equipment controlling manufacturing processes, or forming part of machinery; or
- equipment held as stock or which You have manufactured and is intended for sale or repair in the course of Your Business.

Computer System

Hardware, Data, computer networks, websites, intranet and extranet sites.

Computer Virus

Any malware, program code or programming instruction designed to have a damaging effect on a Computer System.

Cyber Event

This means:

- loss, corruption, accidental or malicious deletion of or change to, unauthorised access to, or theft of Data;
- Damage to websites, intranet or extranet sites;
- Damage or disruption caused by Computer Virus, Hacking or Denial of Service Attack; or
- failure of or variation in the supply of electricity or telecommunications; affecting Your Computer System, the Computer System of a Service Provider or customer of Yours.

Damage

Total or partial loss, Damage, destruction, breakdown or corruption.

Damages

This means:

- financial compensation You have to pay, except for fines, penalties, liquidated damages (contractual penalties), punitive or exemplary damages (extra damages to punish You) or aggravated damages (more severe damages to reflect the seriousness of an offence); or
- third parties' costs and expenses You have to pay as a result of a claim being brought against You.

Data

Facts, concepts, information, ideas, text, recordings and images which are converted to a form which can be processed by Hardware, but not including software and programs.

Data Privacy Obligations

Legal obligations relating to securing, managing and preventing unauthorised access or use of Data, and arising under:

- applicable data-protection regulations anywhere in the world associated with the confidentiality of, access to, control of and use of Personal Data which are in force at the time of the occurrence;
- guidance from the Information Commissioner's Office or similar organisations worldwide;
- the Payment Card Industry Data Security Standard or other contractual obligations relating to handling credit-card and debit-card information;
- privacy statements and confidentiality agreements.

Defence Costs

Costs and expenses We agree to in writing for investigating, settling or defending a claim against You.

Section 15 – Cyber

Denial of Service Attack

Malicious and unauthorised attack which overloads any Computer System.

Directors and Officers

Directors, officers, principals, partners or members while they are employed by You and under Your control in connection with the Business.

Electronic Office Equipment

Photocopiers, fax machines, shredders, addressing machines, franking machines, televisions and associated equipment, DVD and CD recorders and players, video and audio conferencing and projection equipment and associated software and programs.

Employee

This means any:

- person employed, borrowed or hired by You, including apprentices;
- labour master or labour-only subcontractor (or a person supplied by any of them);
- self-employed person;
- person taking part in any government or otherwise authorised work experience, training, study, exchange or similar scheme;
- person doing voluntary work for You; or
- person supplied to you under a contract or agreement which states that they are in Your employment; when they are working for You in connection with Your Business, but not including Your Directors and Officers.

Hacking

Unauthorised or malicious access to any Computer System by electronic means.

Hardware

Computer Equipment, Portable Equipment and Electronic Office Equipment and software.

Indemnity Period

The period during which You suffer a loss of Business Income or have to pay extra costs, starting on the date of the Cyber Event and ending no later than the last day of the Indemnity Period shown in the schedule.

Personal Data

Information which could identify a person or allow identity theft or other fraud to take place.

Portable Equipment

Laptops, palmtops, notebooks and tablet computers, removable satellite-navigation systems, digital cameras and smartphones and associated software and programs.

Service Provider

A Business that You hire under a written contract to perform services on Your behalf in connection with Your Business.

Sum Insured

The amount shown in the schedule as the Sum Insured.

Time Excess

The time period, as shown in the schedule, We will not pay any loss of Business Income for.

Section 15 – Cyber

What is covered?

For the purposes of (a) – Cyber liability, references to ‘You’ also mean any of Your Employees or Directors and Officers.

(a) – Cyber liability

We will pay Damages and Defence Costs arising from a claim first made against You during the Period of Insurance in the course of Your Business as a result of:

- You or Your Service Provider failing to secure, or prevent unauthorised access to, publication of or use of Data (including any interference with any right to privacy or publicity, breach of confidence or Your Data Privacy Obligations);
- You unintentionally transmitting, or failing to prevent or restrict the transmission of, a Computer Virus, Hacking attack or Denial of Service Attack from Your Computer System to a third party; or
- loss of reputation (including that of a product) or intellectual property rights being breached as a result of:
 - o the content of any emails distributed by Your Computer System;
 - o the content of Your website;
 - o online promotional marketing material; or
 - o other Data processed or distributed by Your Computer System.

(b) – Data-breach expense

If during the Period of Insurance You discover that You have failed to keep to Your Data Privacy Obligations in the course of Your Business, We will pay the following.

- The cost of hiring professional legal and forensic information-technology services to investigate and tell You how You should respond.
- The cost of informing affected parties, the data privacy regulator and other relevant third parties or organisations worldwide.
- The cost of providing the following support services to affected parties as the result of You failing to keep to Your Data Privacy Obligations.
 - o Credit file monitoring, identity theft assistance and helping the affected parties to correct their credit records and take back control of their personal identity.
 - o Providing a helpline to respond to enquiries after informing affected parties.

These services will only be provided for 12 months, and only if:

- o the Data Privacy Obligations You have failed to keep to relate to Personal Data; or
 - o You must provide the relevant service under Your Data Privacy Obligations.
- Public-relations and crisis-management expenses, if We have given our written permission, for communicating with the media, Your customers and the public to minimise Damage to brands and Business operations, and any Damage to Your reputation.

(c) – Computer System Damage, Data, extra cost and Business Income.

We will pay for the following arising as a result of a Cyber Event You discover during the Period of Insurance:

- the cost of investigating, reconfiguring and rectifying any Damage to Your Computer System or the Computer System of a Service Provider (including the cost of restoring and recreating Data); and
- extra costs to prevent or reduce the disruption to the functions carried out by Your Computer System during the Indemnity Period; and
- Your loss of Business Income during the Indemnity Period.

The amount of loss of Business Income We pay will be based on Your Business Income during the 12 months before the Cyber Event, as recorded in Your accounts. We will make adjustments to reflect trends

Section 15 – Cyber

and circumstances which may affect the Business Income, or which would have affected the Business Income whether or not the Cyber Event had happened.

This does not include the value of Data to You, even if the Data cannot be restored or recreated.

(d) – Cyber crime

We will pay for the following which arise during the Period of Insurance:

- Your financial loss as the result of a fraudulent input, destruction or modification of Data in Your Computer System, or the Computer System of Your Service Provider, which results in:
 - o money being taken from any account;
 - o goods, services, property or financial benefit being transferred; or
 - o any credit arrangement being made;as long as You have not received any benefit in return, and You cannot recover the loss from a financial institution or other third party.

We will also pay the cost of proving that transactions are fraudulent and that contracts or agreements were entered into fraudulently.

- Your liability to make any payment to Your telephone Service Provider as the result of Hacking into Your Computer System.
- The cost of employing specialist support to verify that a threat is genuine and to help You to respond, and with Our written agreement pay a ransom demand, if anyone has or threatens to:
 - o cause Damage to or disrupt Your Computer System by introducing a Computer Virus, or to initiate a Hacking attack or Denial of Service Attack against You;
 - o release, publish, corrupt, delete or alter Data from Your Computer System if this would cause You commercial or financial harm or Damage Your reputation; or
 - o fraudulently or maliciously use Your Computer System to cause a loss to You or a third party;as long as You can demonstrate that You have good reason to believe that the threat is not a hoax, and You have reported it to the police.

How much We will pay

The most We will pay for all claims We accept under this section in total for the Period of Insurance is the Sum Insured plus any Extra Cover Limits shown in the schedule, regardless of the number of claims or claimants.

Defence Costs

Any Defence Costs We pay will be within, not on top of, the Sum Insured.

Paying out the Sum Insured

For any and all claims arising for the Period of Insurance We may pay the full Sum Insured that applies.

When We have paid the full Sum Insured, We will not pay any further amounts for any claims or for associated Defence Costs arising after We pay the full Sum Insured.

What is not covered?

We will not pay for any Damages, liability, expense or Defence Costs arising from the following:

1. Associated companies or other insured parties

Any claim brought against You by:

- another person named as 'insured' in the schedule;
- any of Your parent or subsidiary companies; or
- any company which You are a director, officer, partner or Employee of and have a financial interest in.

This exclusion does not apply to Personal Data relating to Employees or Directors and Officers as long as any benefit they receive is no more than any third party would receive.

2. Circumstances before Your policy started

- Circumstances which existed before any cover provided by Your policy started, and which You knew about.
- Claims or circumstances which You have already reported, or which You should have reported, to a previous insurer before the Period of Insurance.

3. Confiscation

Your property being confiscated or Damaged by, or under the order of, any government, public or police authority, other than:

- to protect life or prevent Damage to property; or
- as the result of a regulatory investigation after You have failed, or allegedly failed, to keep to Your Data Privacy Obligations.

4. Credit-card or debit-card fraud

For 'Part (d) Cyber crime' of 'What is covered' – any financial loss resulting from actual or alleged fraudulent use of credit card or debit card.

5. Deficiency or improvements

The cost of correcting any failings in procedures, systems or security.

6. Deliberate defamation or disparagement

Defamatory or disparaging statements or publications made deliberately or recklessly if a reasonable person could anticipate that the statements could result in a claim against You.

7. Employer liability

You failing to keep to any obligation You have to Your Employees or Directors and Officers, unless this is specifically insured by Your policy after Your Data Privacy Obligations have not been met.

8. Excess

The amount specified as the 'Excess' in the schedule.

9. External Network Failure

For Part (c) – 'Computer System Damage, Data, extra cost and Business Income' of 'What is Covered?', the failure or interruption of or damage to any electrical power supply network or telecommunication network not owned and operated by You. This exclusion shall not apply to any cost or loss caused by or resulting from physical damage if otherwise insured by this Section, to the electrical power supply network, telecommunications or other property.

Telecommunications networks include, but not limited to, the internet, internet service providers, Domain Name System service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.

10. Extortion or ransom

Any extortion, blackmail or ransom payments or demands, other than in connection with cover provided by (d) – 'Cyber crime' under 'What is covered?'

11. Financial reporting

Any mistakes in financial statements or representations concerning Your Business.

Section 15 – Cyber

12. Fines and penalties

Any fines, penalties, punitive or exemplary Damages (extra Damages to punish You).

13. Indirect loss

Penalties You have to pay under a contract for any delay or in connection with guarantees of performance or efficiency.

14. Intentional acts

Any intentional act, or failure to act, by You or Your Directors and Officers, unless the act or failure to act is a measure to prevent or minimise injury, Damage to Your Hardware, loss of Business Income or a claim for Damages.

15. Legislation and regulations

You actually or allegedly breaking any taxation, restraint of trade, competition or anti-trust law or regulation.

16. Nuclear risks

- Ionising radiation from, or contamination by, radioactivity from any nuclear fuel or nuclear waste, or from burning nuclear fuel.
- The radioactive, toxic, explosive or other dangerous properties of any nuclear installation, reactor or other nuclear equipment, or any nuclear part of them.
- Any weapon or device using atomic or nuclear fission, fusion or similar reaction, or radioactive force or material.
- The radioactive, toxic, explosive or other dangerous properties of any radioactive material.

17. Normal upkeep

The cost of normal Computer System maintenance.

18. Patent

Any patent being Infringed (broken, limited or undermined) without the patent holders permission.

19. Product liability or professional indemnity

Goods, products or software You have sold, supplied, manufactured, constructed, installed, maintained, repaired, altered or treated, or any inadequate or incorrect advice or services You have provided.

20. Sanctions laws and regulations

We will not provide cover, pay any claim or provide any benefit under this Policy (including returning premium) if by doing so it would expose Us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

21. Telecommunications systems

Atmospheric or environmental conditions causing temporary interference with any satellite signal.

22. Terrorism

- Terrorism, regardless of any other cause or event contributing to the Damage, loss of Business Income or other loss.
 - Civil commotion in Northern Ireland.
 - Any action taken to control, prevent, suppress or in any way deal with Terrorism.
- Computer Virus, Hacking or Denial of Service Attack will not be regarded as Terrorism.

23. Time excess

Loss of Business Income or extra cost arising during the time excess.

24. Trading risk

Your commercial decision to stop trading, or the decision of a Service Provider, customer or supplier of Yours to stop or reduce trade with You or restrict services.

25. War

War, invasion, hostilities (whether war is declared or not), civil war, rebellion, revolution or uprising.

This general exclusion does not apply to any Damage, loss of Business Income or other loss resulting from, or caused by, weapons of war which were not discovered before the start of the Period of Insurance, as long as there is no war in the country Your Hardware is in during the Period of Insurance.

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26. Wear and tear

Losses due to:

- wear and tear, gradual deterioration or rust;
- scratching or chipping of painted or polished surfaces;
- erosion or corrosion; or
- gradual reduction in performance.

However, We will pay for loss resulting from the causes above which We would otherwise have paid under Your Policy.

27. Your insolvency or bankruptcy

Your insolvency or bankruptcy.

Extra cover

For each extra cover in total for the Period of Insurance We will not pay more than the Extra Cover Limits shown in the schedule.

1. Avoiding corruption

If We have agreed in writing:

- We will pay the cost of locating and removing a Computer Virus from Your Computer System which has not necessarily caused any Damage or disruption; and
- where a Computer Virus or Hacking attack has affected Your Computer System during the Period of Insurance, We will pay the cost of hiring professional consultants to make recommendations on how to prevent Your Computer System from being infected by Computer Virus or to prevent Hacking.

2. Security audit

If the failure to keep to Data Privacy Obligations insured by this section resulted from security weaknesses in Your Computer System, We will pay the cost of a professional consultant carrying out an audit of Your Computer System to assess the security weaknesses and advise You on how to make improvements.

3. Investigation cost

If We accept a claim for Damage or other loss, and We agree in writing, We will pay the cost of investigating possible repair, replacement or restoration.

4. Loss-prevention measures

We will pay the cost of preventing or minimising actual or expected Damage or other loss covered by this section, as long as:

- Damage or other loss would be expected if the measures were not taken;
- We are satisfied that the Damage or other loss has been prevented or minimised by these measures; and
- the cost is limited to the cost of Damage or other loss which would have been caused.

The full terms and conditions of the policy apply as if Damage or other loss covered by this section had arisen.

5. Temporary and fast-tracked repair

If We accept a claim for Damage or other loss, We will pay the cost of making temporary repairs and fast-tracking a permanent repair, replacement or restoration.

6. Accountants' fees

We will pay the cost of You providing the information We need to work out the amount We should pay as a result of:

- extra staffing costs; and
- extra fees charged by Your usual auditors or accountants.

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Special conditions

You must keep to the following conditions whenever You need to make a claim under this section. If You do not meet these conditions, and this reduces our legal or financial rights under this section, We may refuse to pay part or all of Your claim.

1. Enforcing Your rights

We may, at our expense, take all necessary steps to enforce Your rights against any third party. We can do this before or after We pay a claim. You must not do anything before or after We pay Your claim to affect our rights and You must give us any help and information We ask for.

You must take reasonable steps to make sure that You protect Your rights to recover amounts from third parties.

2. Protecting Data

You must make sure that the appropriate procedures are in place for disposing of and destroying Hardware and hard copy files in order to protect Data.

3. Controlling defence

We can, but do not have to, take control of investigating, settling or defending any claim made against You. We would take this action in Your name. If necessary, We will appoint an adjuster, solicitor or any other appropriate person to deal with the claim. We may appoint Your solicitor, but only on a fee basis similar to that of our own solicitor, and only for work done with our permission in writing. We will only defend claims if We think that there is a reasonable chance of being successful, and after taking the costs of the defence into account.

4. Other insurances

If there is any other insurance covering Your claim, We will only pay our share, even if the other insurer refuses to pay the claim.

5. Salvage and recoveries

If You have made a claim and You later recover money from a third party, You must tell us immediately. If We have paid the claim, You may have to give the money to us.

If We have paid a claim and We then recover money from a third party, We will give You any proceeds above the amount We paid You in connection with the claim.

Any amount due from You or us must be paid as soon as reasonably possible.

6. Reasonable care

You must:

- make sure that your Hardware is maintained, inspected and tested as recommended by the manufacturer ;
- keep a record of all maintenance and Data back-up procedures and maintenance carried out, and let us check those records;
- take all reasonable steps and precautions to prevent or reduce Damage or other loss covered by your policy; and
- not continue to use Hardware after Damage, unless We have given our written permission.

If You do not keep to this condition We may:

- refuse to pay part or all of Your claim; and
- cancel Your policy (see General Condition 16A.4 Cancellation).

7. Defence software

Your Computer System must be protected by a virus-protection software package which is:

- licensed to You;
- paid for and not freely available; and
- updated at least every 7 days.

Section 15 – Cyber

Your Computer System must also be protected by a firewall on all external gateways to the internet, and that firewall must be maintained.

8. Data backup

You must back up original Data at least every 7 days.

If a Service Provider processes or stores Data for You, You must make sure that the terms of the contract between You and the Service Provider allow Data to be backed up in line with this condition.

You must take precautions to make sure that all Data is stored safely.

If You have failed to keep to this condition, We may still pay a claim if You can show that formal procedures are in place to keep to this condition and that the failure was an accidental oversight or as a result of circumstances beyond Your control.

9. More than one insured

If more than one 'Insured' is named in the schedule, the first named insured will receive all notices and agree any changes to the policy and will be treated as acting for all the named insureds. We will not remove any named insured without their permission.

For any claim, the total amount We will pay will not be more than the Sum Insured or limit of liability, regardless of the number of people or organisations insured by the policy.

10. Paying the premium

You must pay the premium on or before the start of the Period of Insurance or on dates agreed by us.

If You do not pay a premium on time, We may cancel the policy (see General Condition 16A.4 Cancellation)

11. Right to survey

If We ask, You must give us access to Your insured location at an agreed date and time to carry out a risk survey.

If You do not keep to this condition We may cancel the policy (see General Condition 16A.4 Cancellation)

12. Tax

Any claim We pay will not include VAT, unless You cannot recover part or all of the VAT You have paid.

Section 16 – Policy Conditions

Sub-Section 16A – General Conditions

These General Conditions apply to all Sections of the Policy unless stated otherwise.

16A.1 Alteration in Risk

- a) You must immediately notify Us of any alteration or circumstance which materially affects the risks insured under this Policy and until we are advised of that alteration or circumstance and have expressly agreed in writing to accept liability for that altered risk and you have paid or agreed to pay the additional premium (if any) We will not be liable in respect of any claim or claims due wholly or partially to that alteration or circumstance.
- b) You must immediately notify Us of the removal, alteration or addition of any fire or security protections or building components which might increase the risk of Damage to the Property Insured otherwise We may refuse to pay Your claim(s) or provide indemnity under this Policy.
- c) You must immediately notify Us if you become aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site and We shall then have the right to vary the terms or cancel cover under this Policy for Damage caused by subsidence ground heave or landslip.
- d) You must immediately notify Us if:
 - i) the Business is being wound up or carried on by a liquidator or receiver or permanently discontinued, or
 - ii) Your interest ceases except by will or operation of law, or
 - iii) there is a change of trade or use of the Premises
 - iv) the Buildings becoming Unoccupied

otherwise the Policy will be treated as cancelled and all cover will terminate unless You have notified Us of any such alteration(s) described in i) – iv) above and at Our option We have agreed to vary the Policy.

16A.2 Arbitration

If any difference shall arise as to the amounts to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. If agreement cannot be reached, either party may apply for an arbitrator to be appointed by ARIAS (UK). Where any difference is by this Condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against Us.

The seat of the arbitration will be in London, England and the arbitration tribunal will apply the proper law of this contract and of this arbitration condition as stated on page [5].

16A.3 Non-Invalidation

The Policy shall not be invalidated if there is a change in the use of the Premises which constitutes an increase in the risk of Damage which is unknown to You provided that immediately You become aware thereof You give notice to Us and pay an additional premium if required.

16A.4 Adjustment of premium

Where the premium is provisionally based on Your estimates You must keep accurate records and within ninety (90) days of the expiry of the Period of Insurance declare actual values as We require.

The premium will then be adjusted and any difference paid or allowed to You, except that if the premium stated in the Schedule is expressed as “minimum and deposit” and the premium adjustment calculation results in an amount which is less than the “minimum and deposit” stated in the Schedule, a rebate of premium will not be paid to You.

Where the estimates include remuneration to Employees, the required declaration must also include remuneration to all persons defined as Employees by this Policy.

Failure to declare these particulars to Us will entitle Us to estimate those actual values if We so wish and to assess further premium payment due calculated on Your original estimated values.

16A.5 Burning of Waste in the Open

You must ensure that no burning of waste is carried out at the Premises otherwise all Damage arising from or caused by the Defined Perils of fire and explosion will be excluded.

16A.6 Cancellation

- a. In respect of all Sections other than 5 and 6, 11 and 15 We may cancel this insurance where there is a valid reason by giving You thirty (30) days' notice in writing by registered letter to Your last known address. If We cancel this insurance, We will pay You a refund of any premium paid as stated in “Return of premium” below.

Reasons We may decide to cancel Your Policy include if:

- a) there is a material change in Your Business;

Section 16 – Policy Conditions

- b) there is reasonable suspicion of fraud or where there has been misrepresentation of material information and/or other non-disclosure;
- c) the information that forms the basis of this contract changes;
- d) You do not co-operate or supply information or documentation that We request which materially affects Our ability to process the Policy or Our ability to defend Our interests;
- e) following a survey We have required You to make risk improvements and You have not completed these within a reasonable period of time advised by Us;
- f) the premium has not been paid;
- g) threatening or abusive behaviour or the use of threatening or abusive language, intimidation or bullying of Our staff or suppliers;

You can cancel this insurance at any time by writing to Your Broker.

You have a statutory right to cancel Your Policy within fourteen (14) days from the day of purchase or renewal of the contract or the day on which You receive Your Policy or the renewal documentation, whichever is later.

If You wish to cancel and the insurance cover has not yet commenced, You will be entitled to a full refund of the premium paid. Alternatively if You wish to cancel and the insurance cover has already commenced, provided You have not made a claim and there hasn't been an incident that could give rise to a claim, You will be entitled to a refund of the premium paid, less a proportional deduction for the time We have provided cover as stated in "Return of premium" below.

If You do not exercise Your right to cancel Your Policy, it will continue in force and You will be required to pay the premium.

For cancellation outside the statutory cooling off period You can cancel this insurance at any time. If You cancel this insurance after the cooling off period, We will pay You a refund of any premium paid less a deduction in respect of the time for which You have been covered as stated in "Return of premium" below.

- b. In respect of Sections 5, 6 and 15 only We can cancel this insurance by giving You fourteen (14) days' notice in writing. We will only do this for a valid reason (examples of valid reasons are as follows):
 - v. non-payment of premium;
 - vi. a change in risk occurring which means that We can no longer provide You with insurance cover;
 - vii. non-cooperation or failure to supply any information or documentation We request; or
 - viii. threatening or abusive behaviour or the use of threatening or abusive language.

If this insurance is cancelled then, provided You have not made a claim, You will be entitled to a refund of any premium paid, subject to a deduction for any time for which You have been covered. This will be calculated on a proportional basis. For example, if You have been covered for six (6) months, the deduction for the time You have been covered will be half the annual premium, subject to a deduction for any commission paid to Your Broker. If We have paid any claim, or part of any claim, then no refund of premium will be allowed.

- c. In respect of Section 11 only;
Where there is a valid reason for doing so, the Insurers have the right to cancel the policy at any time by giving at least 21 days' written notice to the Insured.
The Insurers will refund part of the premium for the unexpired term. We will set out the reason for cancellation in writing. Valid reasons may include but are not limited to:
 - i) where the party claiming under this policy fails to co-operate with or provide information to Us or the Appointed Advisor in a way that materially affects Our ability to process a claim, or Our ability to defend the Insurers' interests,
 - ii) where the Insured uses threatening or abusive behaviour or language, or intimidation or bullying of Our staff or suppliers,
 - iii) where We reasonably suspect fraud.The Insurers may also cancel the policy and refund part of the premium for the unexpired period if at any time You
 - i) enter into a voluntary arrangement or a deed of arrangement
 - ii) become bankrupt, are placed into administration, receivership or liquidation
 - iii) have your affairs or property in the care or control of a receiver or administrator.The Insurers also reserves the right to withdraw from any claim.

Section 16 – Policy Conditions

Return of Premium

If You have made a claim or there has been an incident which could give rise to a claim, We will not return any premium.

If this insurance is cancelled, provided You have not made a claim and there hasn't been an incident that could give rise to a claim, We will return the premium stated in the Schedule less a deduction for the time for which You have been covered. This will be calculated on a proportional basis (for example, if You have been covered for 6 months, the deduction for the time You have been covered will be half the annual premium).

16A.7 Computer Records

It is a condition precedent to liability that the Insured shall maintain a minimum of two generations of back-up computer records and software taken at intervals no less frequently than seven days, one copy as a minimum being held off site. This condition does not apply to Section 15 – Cyber.

16A.8 Conditions Precedent to Liability

Every condition stated as a condition precedent that applies to this Policy (whether a Policy, Section or Special Condition) shall apply from the time the condition attaches and continue to be in force during the whole currency of this Policy. Failure to comply with any such condition shall be a bar to any claim save that in respect of any liability arising under Section 5 where application of this condition may be prohibited by the Employers' Liability (Compulsory Insurance) Act 1969 and/or the Employers Liability (Compulsory Insurance) Regulations 1998, We shall provide indemnity and You agree to repay to Us that part of any loss that We would not otherwise have been liable to pay under the Policy in accordance with the 'Rights of Recovery' condition within Section 5.

16A.9 Contracts (Rights of Third Parties) Act 1999

The parties to this contract do not intend that any clause or term of this contract should be enforceable by virtue of the Contracts (Right of Third Parties) Act 1999 by any person who is not a party to this contract.

16A.10 Electrical – Portable Appliance Testing

You must ensure the safety of electrical appliances owned by You or under Your control by:

- a) periodically testing appliances, to be carried out by competent personnel (in-house or outsourced);
- b) having all tested appliances labelled, whether passed or failed and having all testing recorded and kept for at least 5 years;
- c) removing any equipment from the Premises that has failed testing unless it has been repaired by a qualified technician

otherwise all Damage arising from or caused by the Defined Perils of fire and explosion will be excluded.

16A.11 Excess

This Policy does not cover the Excess being the first amount of each and every claim (as shown in the Schedule) for which You are responsible at each separate Premises after the application of all other terms and conditions of this Policy including but not limited to any condition of Average.

16A.12 Financial or Trade Sanctions

The Insurers shall not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit under this Policy to the extent that the provision of such cover, payment of such claim or provision of such benefit would implicate the Insurers in the breach of any sanctions, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

16A.13 Fraud

If any claim is in any respect fraudulent or if any fraudulent means or devices are used by You or anyone acting on Your behalf to obtain any benefit under this Policy or if any loss be occasioned by the wilful act or with Your connivance then We shall be entitled:

- a) not to pay the claim,
- b) to recover from You any sums paid by Us to You in respect of the claim, and
- c) to treat this Policy as being terminated with effect from the time of the fraudulent act.

If the Policy is treated as having been terminated We shall be entitled to:

- a) refuse all liability to You under the Policy in respect of any relevant event occurring after the time of the fraudulent act, and
- b) not return any of the premiums paid under the Policy.

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16A.14 Heat Application

If the use or application of heat takes place on the Premises in the course of Renovation or as specifically agreed by Us the following precautions and procedures must be complied with by You and/or Your contractor(s) on each occasion.

- a) Application of heat by means of electric, oxyacetylene or other welding or cutting equipment or angle grinders, blow lamps, blow torches, hot air guns or hot air strippers;
 - i) the area in the immediate vicinity of the work (including in the case of work carried out on one side of a wall or partition, the opposite side of the wall or partition) is cleared of all loose combustible material; other combustible material is covered by sand or over-lapping sheets or screens of non-combustible material;
 - ii) at least two adequate and appropriate portable fire extinguishers, in proper working order, are kept in the immediate area of the work being undertaken and used immediately if smoke or smoldering or flames are detected;
 - iii) blow lamps and blow torches are filled in the open and are not lit until immediately before use and are extinguished immediately after use;
 - iv) a person is appointed by You or the contractor who will watch for signs of smoke or smoldering or flames and will take immediate steps to extinguish any smoldering or flames discovered during works and for a period of 60 minutes after works have finished;
- b) use of asphalt, bitumen, tar, pitch or lead heaters if the heating is carried out in the open in a vessel designed for the purpose and, if carried out on a roof, the vessel is placed on a non-combustible heat insulating base;
- c) the Contractor(s) using the application of heat on the Premises shall have in place appropriate Public Liability insurance with an indemnity limit of no less than £2m and shall supply a copy of the insurance certificate to You prior to commencement of work;

otherwise all Damage arising from or caused by the Defined Perils of fire and explosion will be excluded

16A.15 Insurable Interest

The insurable interest in the insurance by this Policy shall not be transferred without the written consent of the Insurers.

16A.16 Interpretation

In this Policy;

- a) reference to any statute or statutory provision and orders or regulation thereunder shall include a reference to that provision, order or regulation as amended, re-enacted or replaced from time to time whether before or after the date of the inception of this Policy;
- b) reference to any statutory or other body shall include the successor to that body;
- c) words importing the singular include the plural and vice versa and references to persons includes bodies corporate or unincorporated. Words importing any gender shall include all genders;
- d) if any term, condition, exclusion or endorsement or part thereof is found to be invalid or unenforceable the remainder shall remain in full force and effect;
- e) the headings are for reference only and shall not be considered when determining the meaning of this Policy other than where they are used to specify to which Sections a particular Condition, Exclusion or other provision may or may not be said to apply.

16A.17 Maintenance and Safety

It is important that You comply with requirements a) - d) below otherwise all Damage arising from or caused by the Defined Perils of fire and explosion will be excluded and cover under Section 10 will not operate.

You must:

- a) if the Premises or any part thereof is let as residential accommodation, comply with current gas safety regulations and laws and at the commencement and throughout the currency of this insurance be in possession of a current Gas Safety certificate issued by a Gas Safe registered engineer. Any necessary repairs and maintenance must be carried out promptly by a Gas Safe registered engineer
- b) if You are responsible for gas installations at commercial Premises, undertake annual maintenance checks and at the commencement and throughout the currency of this insurance be in the possession of a valid gas safety certificate issued by a Gas Safe registered engineer,
- c) At the commencement of this insurance and throughout the currency of this insurance, be in possession of an electrical installation condition report (EICR) that:
 - i) covers the whole of the electrical installation(s);
 - ii) is less than three years old and issued by a contractor approved and registered with one of the following:
 - National Inspection Council for Electrical Installation Contractors (NICEIC)
 - Electrical Contractors Association (ECA)
 - National Association of Professional Inspectors and Testers (NAPIT)
 - Electrical Self -Assessment (ELECSA)
 - iii) documents that all C1 or C2 deficiencies or defects have been remedied

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- d) in respect of any vessel, machinery or apparatus or its contents belonging to You or under Your control which is required to be examined to comply with any Statutory Regulations, such vessel, machinery or apparatus shall be the subject of:
- i) inspection(s) under contract, and
 - ii) regular maintenance schedules;
- and You must be in the possession of such certificates of inspection and evidence of maintenance.

16A.18 Security

It is important that You comply with requirements a) – d) below otherwise all Damage arising from or caused by Defined Perils of fire, explosion, theft and malicious persons will be excluded.

- a) You must ensure that all protections provided for the safety and security of the Premises shall be maintained in good order and shall not be withdrawn altered or varied without Our prior consent and shall be in full and effective operation when the Premises are closed for business or left unattended, and at all other appropriate times.
- b) You must ensure that any alarm and/or system forming part of the protections shall be maintained in full and efficient working order under a contract to provide both corrective and preventive maintenance with the installing company and/or in accordance with the manufacturer's recommendations.
- c) You must ensure that:
 - i) all external entry/exit doors are fitted with at least 5 lever mortice deadlocks complying to BS3621 or fitted with locking bars secured by five lever close shackle padlocks
 - ii) all windows and skylights that are accessible from the ground or basement level or from adjoining roofs, porches, walls, fire escapes or downpipes are either barred, grilled or fitted with key operated window locks.
- d) You must notify Us as soon as possible if You receive notice:
 - i) that the police authority attendance or any contractually provided attendance in response to alarm signals and/or calls from any alarm system may be withdrawn or the level of response reduced or delayed; or
 - ii) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance in respect of any alarm system; or
 - iii) that any alarm system cannot be returned to or maintained in full working order.

Following any such notice You will be responsible for the first 20% of any Damage caused by or arising from theft or attempted theft subject to a minimum contribution of £2,500 and, We shall have the right to vary terms or cancel cover provided under this Policy.

16A.19 Misrepresentation and Misdescription – Policy Voidable

This Policy may be voidable in the event You have not made a fair presentation of the risks which are relevant to Your Business as set out under the Your obligations section of this Policy, that is to say that there has been a material misrepresentation, misdescription or non-disclosure in such presentation.

However, the Insurers agree not to void the Policy provided that:

- a) such misrepresentation, misdescription or non-disclosure has not been deliberate or reckless;
- b) such misrepresentation, misdescription or non-disclosure has not been of such nature that, if the material particular had been fairly presented, fairly described or had been disclosed, the Insurers would not have entered into the Policy on any terms;
- c) the Insurers shall be entitled to impose appropriate additional terms (other than premium) with effect from inception, or if applicable, the date of the alteration.

If at the time of Damage, claim or loss the premium charged to You would have been higher but for the misrepresentation, misdescription or non-disclosure in any material particular, the liability of the Insurers for any loss amount payable shall be limited to the proportion that the premium charged bears to the higher premium.

16A.20 Observance of Terms

It is a condition precedent to any liability on the part of the Insurers under this Policy that the terms hereof so far as they relate to anything to be done or complied with shall be duly and faithfully observed except in so far as it is necessary to comply with the requirements of any legislation enacted in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man relating to compulsory insurance of legal liability to Employees.

16A.21 Other Insurances

Applicable to Section 1 – Property Damage, 2 – Business Interruption, Section 3 – Goods in Transit and Section 7 – All-Risks (Specified Items)

If in respect of any claim under this Policy there is any other insurance or Indemnity in Your favour in force relative to that claim, or there would be but for the existence of this Policy, Our liability will be limited to the amount in excess of

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that which is or would have been payable (but for the existence of this Policy) in respect of that claim but always limited to the Limit of Indemnity or Sum Insured.

Applicable to Section 5 – Employers’ Liability and Section 6 – Public Liability and Products Liability

If at the time of any claim there is, or but for the existence of this Policy would be, any other insurance in favour of or purchased by You or on Your behalf, applicable to such claim, We shall not be liable under this Policy to pay You in respect of such claim except beyond the amount which would be payable under such other insurance had this Policy not been purchased.

16A.22 Portable Heaters

You must not provide, use or store on the Premises paraffin, portable electric or gas heaters or gas containers unless specifically agreed in writing by Us prior to such use or storage otherwise all Damage arising from or caused by the Defined Perils of fire and explosion will be excluded.

16A.23 Reasonable Precautions

You shall:

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

- a) take all reasonable precautions to prevent occurrences which may give rise to Damage, accidents or legal liability;
- b) take all reasonable steps to comply with statutory requirements, obligations and regulations imposed by any authority;
- c) take immediate steps to make good or remedy any defect or danger which becomes apparent or take such additional precautions as circumstances may require;
- d) when undertaking Renovations to the Property Insured, take all reasonable precautions to prevent Damage. You must not undertake Building Works without Our express written agreement.

otherwise We may refuse to pay Your claim(s) or provide indemnity under this Policy.

16A.24 Several Liability

Our obligations under this Policy are several and not joint and are limited solely to the extent of Our individual subscription. We are not responsible for the subscription of any co-subscribing Insurers who for any reason does not satisfy all or part of its obligation.

16A.25 Sprinkler Maintenance

It is important that You comply with requirements 1- 7 below in respect of any installation(s) of Automatic Sprinklers at Your Premises otherwise all Damage arising from or caused by the Defined Perils of fire and explosion will be excluded.

You must:

1. make a test every week for the purpose of ascertaining that the Alarm Gong is in working order and that the Stop Valve controlling the individual water supplies and the installation are fully open;
2. make quarterly or half-yearly test if required by Us to do so for the purpose of ascertaining that each water supply is in order and record the particulars of each test;
3. make a test every weekday (holidays excepted) of:
 - i) the Brigade connection;
 - ii) the circuit between the alarm switch and the control unit; and
 - iii) the batteries in respect of each approved system for the transmission of alarm signals from sprinkler installations to a Fire Brigade;

Note 1: It is permissible for test i) to be carried out by the Fire Brigade if the latter are prepared to give a written undertaking to perform the duty.

Note 2: Where the circuits in i) and ii) are continuously monitored tests need only be made once per week.

1. remedy promptly any defect revealed by such tests;
2. notify Us before any installation is rendered inoperative or immediately in the event of an emergency;
3. allow Us access to the Premises at all reasonable times for the purpose of inspecting the sprinkler installation
4. have in force during the Period of Insurance a contract with approved installing engineers providing for the maintenance of and half-yearly inspection of the installations(s) and to obtain from them following each inspection certification that they are in satisfactory working order.

16A.26 Subjectivity

- a) If the Policy is issued with subjectivity it will clearly state in the Schedule if the cover provided by the Policy is subject to You:
 - i) providing the Insurers with any additional information requested by the required date;
 - ii) completing any actions agreed between You and the Insurers by the required dates; or
 - iii) allowing the Insurers to complete any actions agreed between You and the Insurers.
- b) If required by the Insurers You must allow access to the Premises and the Business to carry out surveys within 60 days of the inception or renewal date, unless agreed otherwise in writing.

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If cover under this Policy is subject to You completing risk improvements and complying with the risk improvements for the currency of the Policy then the risk improvements identified must be completed within the individual timescales specified and complied with for the currency of the Policy.

Following the above actions the Insurers reserve the right to:

- a) modify the premium;
- b) change the terms and conditions of the Policy;
- c) require You to make alterations to the Premises insured by required dates;
- d) cancel the Policy in accordance with General Condition 16A.5;
- e) leave the Policy terms, conditions and premium unaltered.

You will be advised of the Insurers decision and any required actions and dates. The effective date of any changes will apply unless and until the Insurers agree otherwise in writing.

If You disagree with the Insurers decision You must make Your comments in writing and the Insurers will attempt to negotiate a resolution with You. If this is unsuccessful You have the right to cancel the Policy and, subject to no claims, a proportionate part of the premium will be refunded to You.

The above conditions do not affect the Insurers right to void the Policy in accordance with General Condition 16A.19 if information material to their acceptance of Your Proposal is discovered.

16A.27 Subrogation

Any claimant under this Policy shall, at the request and at the expense of the Insurers, take and permit to be taken all necessary steps for enforcing rights against any other party in Your name before or after any payment is made by the Insurers. The Insurers shall be entitled to take over and conduct in Your name the defence or settlement of any claim or to prosecute in Your name, at its own expense and for its own benefit, any claim for indemnity or damages or otherwise.

16A.28 Unattended Building

If the Building is left unattended for a period in excess of 48 hours at any time between the 1 November and 31 March, You must ensure that a suitable heating system is in operation so that the temperature within the Building does not fall below 5°C otherwise all Damage arising from or caused by the following Defined Perils

- i) overflowing, discharge or leaking of any sprinkler apparatus; and/or
- ii) escape of water from any tank, apparatus or pipe,

as a result of freezing weather conditions will be excluded.

16A.29 Unattended Machinery

You must ensure that Machinery, Plant or Equipment designed for the purpose of manufacturing or finishing is not operating when the Premises are left unattended otherwise all Damage arising from or caused by the Defined Perils of fire and explosion will be excluded.

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Sub Section 16B – Special Conditions and Clauses

These Special Conditions and Clauses only apply if they are shown as operative on the Schedule. The General Conditions in Sub-Section 16A apply to all Sections of the Policy unless stated otherwise. Other Conditions are contained within the Sections of the Policy where they apply.

16B.1 Subsidence Ground Heave and Landslip

Notwithstanding Exclusion 5a) of Section 1 and [Exclusion 7a) of Section 7] the insurance by Sections 1 and [7] extends to cover Damage or Business Interruption caused by subsidence or ground heave of any part of the site on which the property stands or landslip excluding:

- a) the Excess state in the schedule for each and every loss in respect of Section 1 at each separate Premises as ascertained after the application of any Condition of Average.
- b) Damage to and Business Interruption in respect of yards, car parks, roads, pavements, walls, gates and fences unless also affecting a Building insured by this Policy.
- c) Damage or Business Interruption caused by or consisting of:
 - i) the normal settlement or bedding down of new structures;
 - ii) the settlement or movement of made-up ground;
 - iii) coastal or river erosion;
 - iv) defective design or workmanship or the use of defective materials; or
 - v) fire, subterranean fire, explosion, earthquake or the escape of water from any tank apparatus or pipe.
- d) Damage or Business Interruption which originated prior to the inception of this cover.
- e) Damage or Business Interruption resulting from:
 - i) demolition construction structural alteration or repair of any property; or
 - ii) groundworks or excavation at the Premises.

Special Conditions for Subsidence Ground Heave and Landslip Clause:

Insofar as this insurance relates to Damage or Business Interruption caused by subsidence ground heave or landslip:

- a) You shall notify the Insurers immediately if You become aware of any demolition groundworks excavation or construction being carried out on any adjoining site;
- b) the Insurers shall then have the right to vary the terms or cancel this cover.

16B.2 Financial Loss

The indemnity provided by 6a and Section 6b of this Policy is extended to indemnify You against all such sums that You shall become legally liable to pay as damages and costs and expenses of claimants in respect of accidental financial loss; but the Indemnity will only apply to:

- a) a claim which is first made in writing against You during the Period of Insurance; and
- b) which is notified to the Insurers during the same Period of Insurance or within 30 days after the expiry of such Period of Insurance.

Provided that:

- a) the liability of the Insurers under this extension for all damages and claimants costs and expenses arising out of all claims first made against You during any one Period of Insurance shall not in the aggregate exceed the sum of £250,000 which is part of, and not in addition to, the Limit of Indemnity shown on the Schedule ; and
- b) You shall be responsible under this extension for the first 10% of all damages and claimants costs and expenses payable in respect of each and every claim made against You subject to You being responsible for a minimum amount of £5,000 in respect of each and every such claim.

Exclusions to Clause 16B.3 Financial Loss:

The indemnity provided by this extension will not apply to legal liability:

- a) in respect of:
 - i) Injury to any person;
 - ii) loss of or damage to material property;
 - iii) nuisance, trespass, obstruction, loss of amenities or interference with any right of way, air, light or water; or
 - iv) wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy.
- b) arising under contract whether by virtue of express agreement or otherwise.
- c) for the actual cost or value of any Products Supplied or replacement, repair, removal or reinstatement of any Products Supplied;
- d) for:
 - i) liquidated damages, fines, penalties or payments to any statutory authority arising out of the enforcement of any statutory requirement or duty;
 - ii) libel, slander or passing off or infringement of patent, copyright, trademark or trade name;

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- iii) financial loss sustained by any Employee arising out of or in the course of employment by You.
- e) caused by or arising from:
 - i) breach of professional duty or service or any error or omission in estimates or advice given by You or on Your behalf in a professional capacity or in design, plan, drawings or specification for which a fee is charged or would normally be charged;
 - ii) property in the custody or under the control of You or any Employee or failure to return such property;
 - iii) the storage, processing or transmission by You or on Your behalf of computer data;
 - iv) delay, non-completion or non delivery;
 - v) any act of fraud or dishonesty by You or any Employee; or
 - vi) any circumstances known to You at inception of this extension which may give rise to a claim for financial loss.
- f) arising:
 - i) outside Great Britain, Northern Ireland, the Isle of Man or the Channel Islands;
 - ii) out of any cause giving rise to financial loss happening before the Retroactive Date which, unless specified to the contrary, shall be the inception date of this Policy.

The indemnity provided under this extension is subject otherwise to the terms Exclusions and Conditions of Section 6 of this Policy.

16B.3 Alarm Clause

It is a condition precedent to liability under Sections 1, 4 and 7 in respect of loss or damage following entry or attempted entry to or exit from the Premises by forcible and violent means that:

- a) the Premises are protected by an Intruder Alarm System designed installed and maintained to British Standard BS 4737 including Code of Practice DD243 or EN 50131 by an intruder alarm installation and maintenance company who are both:
 - i) a member of an Alarm Inspectorate which is accredited by UKAS to EN 45011 or EN 45012; and
 - ii) accredited and operate a Quality Management System in accordance with EN ISO 9000.
- b) the Intruder Alarm System shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance, as per the requirements of BS 4737 or EN 50131, with the installing company or such other company as agreed with the Insurers.

Where remote alarm signalling is required the signal transmission must be transmitted to an Alarm Receiving Centre fully compliant with BS 5979:2000 and operated by a company accredited and operating to a Quality Management System in accordance with EN ISO 9000.

- c) no alteration to or substitution of:
 - i. any part of the Intruder Alarm System;
 - ii. the maintenance contract;
 - iii. the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System; or
 - iv. the procedures agreed with the Insurers for Police or any other response to any activation of the Intruder Alarm System;be made without the written agreement of the Insurers.
- d) the Alarmed Premises shall not be left unattended without the agreement of the Insurers:
 - i. unless the Intruder Alarm System is set in its entirety with the means of communication used to transmit signals in full operation;
 - ii. if the Police have withdrawn their response to alarm activations.
- e) You shall maintain secrecy of codes for the operation of the Intruder Alarm System and detail of such codes and all keys to the Intruder Alarm System shall be removed from the Premises when the Premises are left unattended.
- f) You shall appoint at least two Key Holders and lodge written details (which must be kept up to date) with the alarm company and either the Police or the Alarm Receiving Centre.
- g) in the event of notification of any activation of the Intruder Alarm System or interruption of means of communication during any period the Intruder Alarm System is set a Key Holder shall attend the Premises as soon as reasonably possible.
- h) in the event of You receiving any notification:
 - i. the 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. from a Local Authority or Magistrate imposing any requirement for abatement of nuisance;
 - iii. that the Intruder Alarm System cannot be returned to or maintained in full working order;You shall advise the Insurers as soon as possible and comply with any subsequent requirements stipulated by the Insurers.

Definitions for 16B.4 Alarm Clause:

Intruder Alarm System

The component parts including the means of communication used to transmit signals to and from the Premises.

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Alarmed Premises

The Premises or those portions of the Premises protected by the Intruder Alarm System.

Key Holder

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

Premises

The Buildings occupied by You or under Your control (unless stated otherwise in the Schedule).

16B.4 Composite Panels

- a) It is a condition precedent to liability of the Insurers in respect of any building containing composite panels with combustible cores that:
- i) the existence and extent of the composite panels has been fully disclosed to the Insurers prior to inception of the Policy;
 - ii) all wiring passing through composite panels is, and will continue to be, encased in metal conduits and sealed with rubber grommets;
 - iii) when services, which pierce any composite panels, are removed, the openings will immediately be capped by metal plates;
 - iv) any ductwork or services that pass through composite panels and which may get hot are, and will continue to be, sleeved in non-combustible insulation sufficient to prevent any transfer of heat to the composite panels through which they pass;
 - v) no repairs will be made to composite panels that involve welding, grinding, cutting or other obvious ignition sources; and
 - vi) heat sources will be kept a minimum distance of 2 metres away from all composite panels.
- b) It is a condition precedent to the liability of the Insurers in respect of any building containing composite panels that:
- i) fire extinguishers and fire blankets, suitable both in number and type, are supplied for all cooking areas;
 - ii) at least weekly inspections are undertaken by You to check for Damage to composite panels or panel joints;
 - iii) any defects which are found during the course of the inspections referred to at ii) are rectified or the defective panel(s) replaced by a panel(s) with a non-combustible core without delay and in any event within 7 days; and
 - iv) there is no external storage of combustible waste, stock, packaging, pallets, or skips or bins containing such items within 10 metres of any building containing composite panels.
- c) Where work involving the application of heat is to be carried out in any building containing composite panels with combustible cores, the following condition applies:
- It is a condition precedent to the liability of the Insurers under the Policy that;
- i) any work involving the application of heat is only carried out by a suitably experienced contractor;
 - ii) the contractor carrying out the work has public liability insurance in force at least to the same level as the Sums Insured shown on the Schedule to this Policy and that You confirm the same through sight of the certificate of insurance;
 - iii) You do not waive any subrogation rights against the contractor at any time;
 - iv) the area in which the work is to be carried out must be cleared of any loose debris and all movable combustible materials removed to a distance of not less than 6 metres from the area of the proposed work prior to its commencement;
 - v) if work is to be carried out overhead, the area beneath that work must be cleared of any loose debris and all movable combustible materials removed to a distance of not less than 6 metres from the area of the proposed work prior to its commencement;
 - vi) any combustible materials within a 6 metre radius of the area of the proposed work which cannot be moved, including any composite panels, are to be fully covered and protected by fire-proof blankets and/or screens. [For the avoidance of doubt, the condition at a) (vi) will still apply such that under no circumstances must hot works be carried out within 2 metres of any composite panels];
 - vii) the ground or floor or other horizontal surface (including any gutters) directly beneath the area of the proposed work is to be liberally covered with sand to a distance of not less than 50cm all around the area of the proposed work;
 - viii) a suitable number of fire extinguishers with a total capacity of not less than 20 litres must be kept available for immediate use and located no more than 2 metres from the area of work;
 - ix) a dedicated person, with no other responsibilities, must be in attendance to keep a constant fire watch and to damp down the area of the proposed works whilst the hot work is being carried out and for at least 15 minutes following any interruption to and/or cessation of the hot work;
 - x) blow lamps and blow torches shall be lit for as short a time as possible before use and extinguished immediately after use;
 - xi) lighted blow lamps and torches must not be left unattended;
 - xii) any work involving the application of heat will cease at least 1 hour before the Premises close for Business for the day;
 - xiii) a thorough examination of the area in which the work was carried out, including an examination of the other side of any roof or partition to the side on which the hot works were being carried out, shall be made 30 minutes

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- and 60 minutes after hot works have ceased or been interrupted for 30 minutes or more, and immediately prior to the Premises closing for Business on any day during which hot works have been carried out; and
- xiv) You obtain written confirmation from the contractor prior to the start of work that the precautions stated on Your Hot Work Permit will be adhered to.

16B.5 Frying and Cooking Equipment

It is a condition precedent to liability of the Insurers in respect of any frying and/or other cooking range in the Premises that:

- a) a flame failure device is fitted if the range is gas or oil fired;
- b) all cooking equipment used for deep fat frying shall be fitted with a thermostat to prevent fat or oil exceeding 205° centigrade and a high temperature non-self resetting limit control to shut off the heat source if fat or oil exceeds 230° centigrade;
- c) all frying and other cooking ranges, equipment, flues and exhaust ducting will be kept securely fixed and free from contact with combustible materials;
- d) frying equipment will be installed, used and maintained in accordance with the manufacturer's instructions;
- e) where ducts pass through any combustible material, it should be cut away to a distance of at least 150mm from the duct and the space filled with non-combustible insulation;
- f) extraction of heat, fumes and/or combustion products be via an integral duct, or an overhead canopy and duct system, vented direct to the open;
- g) all ducts be constructed of and supported by galvanised or stainless steel;
- h) all extraction hoods, canopies, filters and grease traps will be cleaned at least once each week;
- i) all extraction ducts will be cleaned regularly and maintained and checked at least once every six months by a specialist contractor;
- j) the record of such cleaning and servicing of the extraction ducts will be kept elsewhere other than at the Premises and will be made available for inspection at any time;
- k) multi-purpose fire extinguishers and at least one fire retardant blanket which conforms to the relevant British Standard suitable for extinguishing oil and fat fires will be kept in the close proximity to the working area of the range and maintained ready for use;
- l) frying ranges will not be left unattended whilst in use;
- m) all naked flames (other than pilot lights) and all electrical elements will be turned off at the close of the working day.

16B.6 Waste Removal – A (Oily/Greasy Waste, Weekly Removal)

It is warranted that all oily and/or greasy waste and used cleaning cloths which remain in the buildings overnight will be kept in metal receptacles with close fitting metal lids and removed from the buildings at least once a week.

16B.7 Waste Removal – B (Combustible Waste, Daily Removal)

It is warranted that all combustible trade waste and refuse will be removed from the buildings every night.

16B.8 Waste Removal – C (Combustible Waste, Weekly Removal)

It is warranted that all combustible trade waste and refuse will be swept up daily and kept in bags or bins and removed from the buildings at least once a week.

16B.9 Stillage

You must ensure that all Stock stored on the Premises is stored on racks, shelves or stillage not less than 15 centimetres above floor level otherwise all Damage arising from or caused by the Defined Perils of escape of water from any tank, apparatus or pipe, storm and flood will be excluded.

Section 17 – General Exclusions

These Exclusions apply to all Sections of the Policy unless stated otherwise.

Other Sections of the Policy may include additional Exclusions specific to those Sections

17.1 Applicable to all Sections other than Section 14 - Terrorism

War & Similar Risks

The insurance by this Policy does not cover:

Damage or Business Interruption or legal liability directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection, military or usurped power, or confiscation, or nationalisation, or requisition, or destruction of or damage to property by or under the order of any government or public or local authority.

Nuclear Energy Risks

We will not indemnify You in respect of Nuclear Energy Risks whether such risks are written directly and/or via Pools and/or Associations.

For the purpose of this Policy, Nuclear Energy Risks shall be defined as all first party and or third party insurances in respect of:

- i) nuclear reactors and nuclear power stations or plant;
- ii) any other premises or facilities whatsoever related to or concerned with:
 - a) the production of nuclear energy or
 - b) the production or storage or handling of nuclear fuel or nuclear waste
- iii) any other premises or facilities eligible for insurance by any local Nuclear Pool and/or Association.

Terrorism

We will not indemnify You against: loss, Damage, cost, or expense or Your legal liability directly or indirectly caused by or arising out of or in connection with Terrorism or any loss, Damage, costs or expenses directly or indirectly caused by or arising out of any action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

If We allege that by reason of this exclusion, any loss, Damage, cost or expense or liability is not covered by this Policy, the burden of proving the contrary shall be upon You. In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

This Terrorism Exclusion does not apply to Extension 3 (Terrorism) of Section 5 (Employers' Liability) to the extent that Extension 3 (Terrorism) provides cover.

17.2 Applicable to all Sections other than Section 5

Building Works

We will not indemnify You against any Damage or Your legal liability in respect of any loss, cost or expense caused by or arising out of Building Works at the Premises.

17.3 Applicable to all Sections other than Section 5 – Employers' Liability, Section 6 Public Liability and Products Liability, Section 8 – Personal Accident and Section 14 - Terrorism

Computer Systems

We will not Indemnify You against Your legal liability arising out of failure of any Computer System, whether or not Your Property, to be date or time compliant including failure of any correction, attempted correction, conversion, renovation, rewriting or replacement of any Computer System relating to date or time compliance.

17.4 Applicable to Sections 6- Public and Products Liability

1. This Policy does not insure any liability, loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the actual or perceived fear or threat of a Communicable Disease.

2. For the purposes of this Exclusion, liability, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, contain, detoxify, remove, monitor or test:

- 2.1. for a Communicable Disease, or
- 2.2. any property insured hereunder that is affected by such Communicable Disease.

Section 17 – General Exclusions

3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism and includes the substance or agent which transmits the disease, where:

- 3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- 3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
- 3.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.

17.5 Applicable to all Sections other than Section 10 – Equipment Breakdown, [Section 11 – Legal Expenses], Section 14 – Terrorism and Section 15 - Cyber

Cyber and Data Exclusion

1) Notwithstanding any provision to the contrary within this Policy or any endorsement thereto, this Policy excludes any:

- i) Cyber Loss, unless subject to the provisions of paragraph 2;
- ii) loss, Damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data, unless subject to the provisions of paragraph 3;

regardless of any other cause or event contributing concurrently or in any other sequence thereto. Save that in respect of any liability arising under Section 5 where application of this Exclusion may be prohibited by the Employers' Liability (Compulsory Insurance) Act 1969 and/or the Employers Liability (Compulsory Insurance) Regulations 1998, We shall provide indemnity and You agree to repay to Us that part of any loss that We would not otherwise have been liable to pay under the Policy in accordance with the 'Rights of Recovery' condition within Section 5.

2) Subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, this Policy covers physical loss or physical damage to Property Insured under this Policy caused by any ensuing fire or explosion which directly results from a Cyber Incident, unless that Cyber Incident is caused by, contributed to by, resulting from, arising out of or in connection with a Cyber Act including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act.

3) Subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, should Data Processing Media owned or operated by the Insured suffer physical loss or physical damage insured by this Policy, then this Policy will cover the cost to repair or replace the Data Processing Media itself plus the costs of copying the Data from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling the Data. If such media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank Data Processing Media. However, this Policy excludes any amount pertaining to the value of such Data, to You or any other party, even if such Data cannot be recreated, gathered or assembled.

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

5) This Exclusion supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss, Data or Data Processing Media, replaces that wording.

17.6 Applicable to all Sections other than Section 5 – Employers' Liability, 6- Public and Products Liability and Section 14 – Terrorism

Pollution

We will not indemnify You against loss, Damage or expense directly or indirectly caused by or contributed by or arising from Pollution.

This exclusion does not apply if such loss or Damage arises as a direct and sole consequence of one or more of the Defined Perils

Micro-Organism Exclusion

Section 17 – General Exclusions

We will not indemnify You against any loss Damage claim cost expenses or other sum directly or indirectly arising out of or relating to mould, mildew, fungus, spores or other micro-organism of any type, nature or description including but not limited to any substance whose presence poses an actual or potential threat to human health.

This Exclusion applies regardless whether there is;

- i) any physical loss or Damage to Insured Property;
- ii) any Defined Peril or cause whether or not contributing concurrently or in any sequence;
- iii) any loss of use occupancy or functionality;
- iv) any action required including but not limited to repair, replacement, removal, clean-up, abatement, disposal, relocation or steps taken to address medical or legal concerns or to comply with the advice or orders of any competent public or governmental authority or body.

This Exclusion replaces and supersedes any provision in this Policy that provides insurance, in whole or in part, for these matters.

Northern Ireland Overriding Exclusion

We will not indemnify You against loss or destruction of or Damage to any property in Northern Ireland or loss resulting there from caused by or happening through or in consequence directly or indirectly of:

- i) civil commotion;
- ii) any unlawful, wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any Unlawful Association.

In any action suit or other proceedings where We allege that by reason of the provisions of this exclusion any loss, destruction or Damage or Consequential Loss is not covered by this Policy the burden of proving that such loss is covered shall be upon You.

Sonic Bangs Exclusion

We will not indemnify You against Damage caused by pressure waves caused by Aircraft or other aerial devices travelling at sonic or supersonic speed.

Disease Exclusion

We will not indemnify You against any Damage or Your legal liability in respect of any loss, cost or expense caused directly or indirectly by any one or more of the following, whether or not acting in any sequence with any other cause:

Disease, epidemic or pandemic, (including in all cases any contagious disease that affects animals) or any limitation or prevention of the use of objects because of hazards or potential hazards to human or animal health.

Asbestos

Save to the extent provided in Sections 1, We will not indemnify You against any Damage or Your legal liability in respect of any loss, cost or expense directly or indirectly arising out of, resulting from or in respect of which a link has been or is established to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or been operative in the sequence of events resulting in a loss.

This Asbestos Exclusion does not apply to Section 5 (Employers' Liability). Please see Section 5 for the relevant section specific exclusion.

Radioactivity

We will not indemnify You against loss, Damage, expense or Your legal liability directly or indirectly caused by or contributed by or arising from;

- i) ionising radiation 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;
- iii) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- iv) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes; or

Section 17 – General Exclusions

- v) any chemical, biological, bio-chemical, or electromagnetic weapon.

This Radioactivity Exclusion does not apply to Section 5 (Employers' Liability) or Section 6 Public and Products Liability. Please see Section 5 and Section 6 for the relevant section specific exclusion.