

Mi Specialty

# **Package Combined Insurance Policy Wording**

January 2024

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# Welcome

## Introduction to Your Package Combined Insurance

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Welcome to **your Mi Specialty** package combined insurance **policy**. It sets out the details of **your** insurance contract with **us**.

This document, any endorsements, certificates and the **schedule** must be read together as one contract as they form **your policy**.

In return for payment of the premium shown in the **schedule**, **we** agree to insure **you** against:

- loss or **damage you** sustain;
- loss resulting from interruption or interference with the **business** following **damage**, or
- legal liability **you** incur for accidents

happening during the **period of insurance** and in accordance with the terms and conditions contained in or endorsed on this **policy**.

Please read the whole document carefully and keep it in a safe place. **You** should take the time to read all its terms, especially the conditions, which **you** have to fulfil to ensure **your** insurance remains valid, and what **you** have to do when making a claim.

It is important that **you**:

- check that the sections **you** have requested are included in the **schedule**;
- check that the information **you** have given **us** is accurate;
- comply with **your** duties under each section and under the insurance as a whole.

If this **policy** does not meet **your** requirements, or if **your** requirements change, **you** should contact **your** insurance broker at **your** earliest opportunity.

# Important Helplines

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## If you need to make a claim

### Claims for Sections 1-9 and 12-14

If **you** need to make a claim under this **policy**, please contact Broadspire, By Crawford & Company, Second Floor, Ashton House, 400 Silbury Boulevard, Milton Keynes MK9 2AH.

**Your** claims should be notified Broadspire by

Telephone: 01908 302 214 or

Email: [britukproperty@broadspiretpa.co.uk](mailto:britukproperty@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: [newloss@hsbeil.com](mailto:newloss@hsbeil.com)

### Claims for Section 11

**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](http://www.arag.co.uk/newclaims).

In some cases all or part of **your** claim may be handled on **our** behalf by one of **our** trusted partners. **You** can rest assured that **we** will strive to ensure **you** are provided with exceptional service from Brit Syndicates Limited and **our** trusted partners.

It will assist if **you** have details of **your policy** and cover available when telephoning.

**We** would refer **you** also to the Claims Conditions section of this **policy**.

## Telephone Helplines for Section 11 - Legal Expenses

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

## About Mi Specialty and your insurers

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**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 (FCA) FRN: 969896. Mi Specialty Ltd is part of the Lloyd & Whyte Group.

**Sections 1 - 9 and 12 - 13 are underwritten by:**

**Brit Syndicates Limited**

**Proportion 50%**

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Brit Syndicates Limited is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA) under reference number 429642. Brit Syndicates Limited is registered in England No. 824611. Registered office: The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AB.

**Sections 1 – 9 and 12 - 13 are underwritten by:**

**AXIS Managing Agency Ltd**

**Proportion 50%**

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AXIS Managing Agency Ltd is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm Reference Number 754962). AXIS Managing Agency Ltd is the managing agent of AXIS Syndicate 1686 at Lloyd's and subject to the supervision of the Society of Lloyd's. AXIS Managing Agency Ltd is registered at 52 Lime Street, London EC3M 7AF (Company Number 08702952).

**Section 10 – Equipment Breakdown and Section 15 – Cyber are underwritten by:**

**HSB Engineering Insurance Limited**

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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.

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

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

HDI Global Specialty SE 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.  
(FRN: 659331)

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

## **Section 14 is underwritten by: Brit Syndicate 2987 at Lloyd's**

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Brit Syndicate 2987 at Lloyd's is managed by Brit Syndicates Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under reference number 429642. Brit Syndicate 2987 at Lloyd's is registered in England No. 824611. Registered office: The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AB.

## **About your insurance broker**

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**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.

## Your Policy

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This **policy** is a legally binding contract which **you** have made with the Insurers.

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 the premium. The **insurers** will cover or compensate **you** by payment or, at their option, replace reinstate or repair lost, damaged or destroyed property.

**Our** continued acceptance of the risk is based on any changes from the original information presented being advised to and accepted by **us**.

The **Policy** contains many 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. Any expression to which a specific meaning has been attached in the General Definitions Section or in any other Section of this **Policy** will bear that meaning wherever it appears.

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 Section and on the Schedule.

Unless the Insurers and **you** agree otherwise, this **Policy** shall be subject to and construed solely in accordance with the law of England and Wales. 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.

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



James Wheddon  
Director  
Mi Specialty

## Important Information

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### Changes to your circumstances

Please tell **your** insurance broker as soon as reasonably possible if there are any changes to **your** circumstances which could affect **your** insurance.

Please also refer to the General Conditions section of this **policy**.

If **your** circumstances change and **you** do not tell **your** insurance broker, **you** may find that **you** are not covered if **you** need to claim.

### How to cancel your policy

**You** have a statutory right to cancel **your policy** within 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 the later.

If **you** wish to cancel and the insurance cover has not yet began, **you** will be entitled to a full refund of the premium paid. Alternatively, if **you** wish to cancel and the insurance cover has already started, provided **you** have not made a claim, **you** will be entitled to a refund of the premium paid, less a proportional deduction for the time **we** have provided cover.

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 of this statutory cooling off period **you** can cancel this insurance at any time by contacting **your** insurance broker.

If this insurance is cancelled outside the statutory cooling off period, provided **you** have not made a claim and there hasn't been an event that could give rise to a claim, **you** will be entitled to a refund of any premium paid, less 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 6 months, the deduction for the time **you** have been covered will be half the annual premium.

If **we** pay any claim, in whole or in part, then no refund of premium will be allowed.

### How to make a complaint

**Our** aim is 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 any questions or concerns about **your policy** or the handling of a claim **you** should, in the first instance, contact Mi Specialty or the following:

**Sections 1-9 and 12-14:** Please contact Brit Syndicates Limited

**Sections 10 and 15** Please contact HSB Engineering Insurance Limited

**Section 11:** Please contact ARAG plc (the administrator)



If **you** remain dissatisfied and wish to make a complaint, **you** can do so at any time. Making a complaint does not affect any of **your** legal rights. **Our** contact details are:

#### **Sections 1-9 and 12-14**

**Post:** The Complaints Department, Brit Syndicates Limited, The Leadenhall Building, 122 Leadenhall Street, EC3V 4AG.

**Telephone:** +44 (0) 20 385 70000

**Email:** [BGS.Complaints@britinsurance.com](mailto:BGS.Complaints@britinsurance.com)

In the unlikely event that **you** remain dissatisfied and wish to make a complaint **you** can do so at any time by referring the matter to **us** at the above stated address or the Complaints Team at Lloyd's at the following address:

Complaints  
Lloyd's  
One Lime Street  
London EC3M 7HA

Email: [complaints@lloyds.com](mailto:complaints@lloyds.com)

Telephone: +44 (0)20 7327 5693

Fax: +44 (0)20 7327 5225

Website: [www.lloyds.com/complaints](http://www.lloyds.com/complaints)

Details of Lloyd's complaints procedure are set out in a leaflet "Your Complaint - How We Can Help" available at [www.lloyds.com/complaints](http://www.lloyds.com/complaints) and are also available from the above address.

#### **Sections 10 and 15**

**Post:** The Customer Relations Leader, HSB Engineering Insurance Limited, Chancery Place, 50 Brown Street, Manchester M2 2JT

**Telephone:** +44 (0) 330 100 3433

**Email:** [complaints@hsbeil.com](mailto:complaints@hsbeil.com)

**Website:** <https://www.munichre.com/HSBEIL/>

#### **Section 11:**

**Post:** ARAG plc, Customer Relations Department, 9 Whiteladies Road, Clifton, Bristol, BS8 1NN

**Telephone:** +44 (0) 117 917 1561

**Email:** [customerrelations@arag.co.uk](mailto:customerrelations@arag.co.uk)

**Website:** [www.arag.co.uk](http://www.arag.co.uk)

If **you** remain dissatisfied, **you** may be entitled to refer **your** complaint to the Financial Ombudsman Service who will independently consider **your** complaint free of charge. Their contact details are:

**Post:** The Financial Ombudsman Service, Exchange Tower, London E14 9SR

**Telephone:** (Fixed): 0800 0234567 Tel (Mobile): 0300 1239123

Tel (Outside UK): +44 (0) 20 7964 0500

**Email:** [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

**Website:** [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

## Privacy notice

Your information has been, or will be, collected or received by the applicable insurer. They will manage personal data in accordance with data protection law and data protection principles. They require personal data in order to provide good-quality insurance and ancillary services and will collect the personal data required to do this. This may be personal information such as name, address, contact details, identification details, financial information and risk details.

The full Data Privacy Notice can be found on:

### Sections 1-9 and 12-14

#### **Brit Syndicates Limited**

<https://www.britinsurance.com/about/privacy>

#### **AXIS Managing Agency Ltd**

<https://www.axiscapital.com/who-we-are/privacy/rest-privacy/>

### Sections 10 and 15

<https://www.munichre.com/HSBEIL/W-2/service/privacy-statement>

### Section 11

[www.arag.co.uk/cookiepolicy](http://www.arag.co.uk/cookiepolicy)

### All Sections

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

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

### Sections 1-9 and 12-14

Brit Syndicates Limited by writing to:

The Data Protection Officer at the below address:

Data Protection Officer

Brit Syndicates Limited

The Leadenhall Building

122 Leadenhall Street

London EC3V 4AG

AXIS Managing Agency Ltd by email [dpo@axiscapital.com](mailto:dpo@axiscapital.com) or by writing to:

Data Protection Officer

AXIS Managing Agency Ltd

52 Lime Street

London

EC3M 7AF

## Sections 10 and 15

By email [dataprotection@hsbeil.com](mailto:dataprotection@hsbeil.com) or by writing to:

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

## Section 11

By writing to:

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

## All Sections

By writing to:

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

## Employers' Liability Tracing Office (ELTO)

By entering into this insurance **policy you** will be deemed to specifically consent to the use of **your** insurance **policy** data in the following way and for the following purposes.

- a) Certain information relating to **your** insurance **policy** including, without limitation:
  - i) the **policy** number(s);
  - ii) employers' names and addresses (including subsidiaries and any relevant changes of name);
  - iii) dates of cover;
  - iv) employer's reference numbers provided by Her Majesty's Revenue and Customs; and
  - v) Companies House reference numbers (if relevant) will be provided to the Employers' Liability Tracing Office (ELTO) and added to an electronic database (database).
- b) This information will be made available by **us** to ELTO in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure by Insurers Instrument 2011. This information will have regular periodic updating and certification and will be audited on an annual basis.

- c) The database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers carrying on or who carried on business in the UK and who are covered by the employers' liability insurance of their employers (claimants):
  - i) to identify which insurer (or insurers) provided employers' liability cover during the relevant periods of employment; and
  - ii) to identify the relevant employers' liability insurance policies.
- d) The database will be managed by ELTO.
- e) The database and the data stored on it may be accessed and used by claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

### **Financial Services Compensation Scheme (FSCS)**

Mi Specialty Ltd, Brit Syndicates Limited, AXIS Managing Agency 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, 10<sup>th</sup> Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU Tel: 0207 741 4100 Fax: 0207 741 4101 or [www.fscs.org.uk](http://www.fscs.org.uk)

### **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 insurer who for any reason does not satisfy all or part of its obligation.

### **Choice of law and jurisdiction**

In the absence of any agreement to the contrary, the laws of England and Wales will apply and this **policy** will be subject to the exclusive jurisdiction of the courts of England unless, at the beginning of the **period of insurance**, **you** are either:

- a) a resident of; or
- b) a business with its registered office or principal place of business is situated in;

Scotland, Northern Ireland, the Channel Islands or the Isle of Man (in the absence of agreement to the contrary) the law of that country, crown protectorate or dependency will apply and this **policy** will be subject to the exclusive jurisdiction of the courts of that country, crown protectorate or dependency.

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

A person or company who was not party to this **policy** has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this **policy** but this condition does not affect any right or remedy of a third party which exists or is available other than by virtue of this Act and any later amendment to it.

## **Sanction limitation**

This **policy** will not provide any insurance cover or benefit and **we** will not pay any sum if doing so would mean that **we** are in breach of any sanction, prohibition or restriction imposed by any law or regulation applicable to **us**.

## **Tax**

There may be circumstances where taxes may be due that are not paid via **us**. If this occurs then it is **your** responsibility to ensure that these are paid direct to the appropriate authority.

## **Renewal of this insurance**

When **your policy** is due for renewal, Mi Specialty will write to **you** at least 21 (twenty-one) days before the **period of insurance** ends with full details of **your** next year's premium and **policy** terms and conditions. If **you** do not want to renew the **policy**, please contact Mi Specialty. Occasionally, **we** may not be able to offer to renew **your policy**. If this happens, **we** will write to **your** insurance agent at least 21 (twenty-one) days before the expiry of **your policy** to allow enough time for **you** to make alternative insurance arrangements.

## General Definitions

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The following definitions apply in all sections of this **policy** unless otherwise stated. Each time one of the words below is used it will have the same meaning wherever it appears in the **policy** or schedule. To help identify these words they will appear in **bold** in the **policy** wording.

### Alarmed premises

The premises or those parts of the premises protected by the intruder alarm system.

### Bodily injury

Death, injury, illness, disease or nervous shock.

### Buildings

- a) Buildings (being built mainly of brick, stone, concrete or other non-combustible materials unless otherwise stated in the schedule).
- b) Landlords' fixtures and fittings in and on the buildings.
- c) Small outside buildings, extensions, annexes, gangways, canopies, fixed signs, conveniences, lamp posts and street furniture;
- d) Walls, gates and fences, yards, car parks, roads, pathways and loading bays.
- e) Services, meaning telephone, gas and water mains, electrical instruments, meters, piping, cabling and the like extending from the buildings to the perimeter of the premises or to the public mains (including those underground).

### Business

The business stated in the schedule, and carried on in the United Kingdom and additionally for Sections 5 and 6:

- i. Ownership use repair maintenance and decoration of premises occupied by **you**;
- ii. repair or maintenance of vehicles or plant owned or used by **you**;
- iii. the provision and management of canteen, social, sports, educational and welfare organisations for the benefit of any **employee** and first aid, fire, security and ambulance services;
- iv. participation in exhibitions held in member countries of the European Union in connection with the Business specified in the Schedule; and
- v. private work undertaken for **you** by any **employee** or for any director or **employee** with **your** prior consent.

### Computer system(s)

A computer or other equipment or component or system or item which processes, stores, transmits or receives **data**.

### Consequential Loss

Loss resulting from interruption of or interference with the **business** carried on by **you** at the **premises** because of **damage** to property used by **you** at the **premises** for the purpose of the **business**.

### Damage

Physical loss or physical damage.

**Data**

Data of any sort, including but not limited to, tangible or intangible data and any programs of 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, website or any information.

**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 and the generation of excess or non-genuine traffic between and amongst networks and the procurement of those actions or instructions by other **computer systems**.

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

Any person who is

- a) under a contract of service or apprenticeship with **you**;
- b) a labour master or supplied by a labour master;
- c) employed by labour only sub-contractors;
- d) self-employed and working for **you** and under **your** control;
- e) hired to or borrowed by **you**;
- f) supplied to **you** for the purposes of study, work or training experience;
- g) a prospective employee who is undergoing practical work experience whilst being assessed by **you** as to his or her suitability for employment;
- h) a voluntary helper while working under **your** supervision and control in connection with the **business**;
- i) an outworker or homeworker employed under a contract to personally carry out any work in connection with the **business** while they are engaged in that work.

**Excess**

This is the first part of any claim that you will have to pay after the application of all other terms and conditions of the insurance including average (General condition 2).

**Hacking**

Unauthorised access to any **computer system** whether **your** property or not.

**Intruder alarm system**

The component parts including the means of communication used to transmit signals detailed in the alarm specification agreed by **us**.

**Keyholder**

**You** or any **responsible person** or keyholding company **you** authorise

1. to accept notification of faults or alarm signals relating to the **intruder alarm system**; and
2. to attend and allow access to the **premises**.

**Money**

Cash, bank and currency notes, postal and money orders, bankers' drafts, cheques, giro cheques, giro drafts, national giro payment orders, travellers cheques, crossed warrants, bills of exchange, securities for money, postage revenue, current postage stamps and unused postal franking machine units, national insurance and holiday with pay stamps, stamped national insurance and holiday with pay cards, national savings certificates, national savings stamps, saving stamps, war bonds, premium savings bonds, franking machine impressions, credit company sales vouchers, luncheon vouchers, trading stamps, VAT invoices, travel vouchers, travel tickets, airline tickets, uncrossed dividend warrants, consumer redemption vouchers, gift tokens, certificates of deposit and credit cards.

**Offshore**

From the time of embarkation by an **employee** onto a conveyance at the point of final departure to an offshore rig or offshore platform until disembarkation by that **employee** from a conveyance on to land upon return from an offshore rig or offshore platform.

**Period of Insurance**

The period from the effective date shown in the schedule until midnight on the expiry date shown in the schedule.

**Phishing**

any access or attempted access to data or information made by means of misrepresentation or deception.

**Policy**

The **Policy** and Schedule and any endorsements attached or issued.

**Principal**

The other party to a contract or agreement for whom **you** are undertaking work or services where such party is responsible for setting out the terms of the contract or agreement.

**Premises**

The Premises stated in the schedule.

**Pollution**

Pollution or contamination by naturally occurring or man-made substances, forces, organisms or any combination of them whether permanent or transitory and all loss, damage or injury, caused by such pollution or contamination.

**Reinstatement**

- a) the rebuilding or replacement of property damaged which may be carried out in any manner suitable to **your** requirements or on another site as long as **our** liability is not increased; or
- b) the repair or restoration of property damaged.

**Responsible person**

**You** or any person **you** authorise to be responsible for the security of the **premises**.

**Terrorism**

- a) i) For England, Scotland and Wales –  
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 His Majesty's government in the United Kingdom or any other legitimate government or accepted (illegitimate) government.
- ii) For Northern Ireland –  
Any act, including but not limited to, the use of force or violence and/or threat 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 put the public or any section of the public in fear.

- iii) For the Channel Islands and the Isle of Man –  
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 any legitimate government or accepted (illegitimate) government;
- b) Any action in controlling, preventing, suppressing, retaliating against or responding to any act or preparation for action or threat of action described in a) i)-iii) above.

#### **United Kingdom**

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

#### **Unoccupied**

Any building or part of any building which is unoccupied or not in use by **you** or any tenant of **you** for more than 30 (thirty) consecutive days.

#### **Virus or Similar Mechanism**

Program code, programming instruction or any set of instructions intentionally constructed with the purpose and ability, or purposely used, to **damage**, interfere with, adversely affect, infiltrate or monitor **computer systems**, computer programs, **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.

#### **We/ Insurer/ Our/ Us**

Sections 1-9 and 12-13:

Brit Syndicates Limited

AXIS Managing Agency Ltd

Sections 10 and 15:

HSB Engineering Insurance Limited

Section 11:

ARAG plc, Insurer: HDI Global Specialty SE

Section 14:

Brit Syndicate 2987 at Lloyd's

#### **You/your**

The insured named in the schedule and additionally for Section 5 – Employers' Liability and Section 6 – Public and Products Liability only:

- a) any associated or subsidiary company of the insured provided it has been notified to and agreed by us;
- b) at your request:
  - i) any director or employee while acting on behalf of or in course of their employment or engagement with you for liability for which you would have been entitled to cover under this **policy** if the claim against any such person had been made against you;
  - ii) any officer, member or employee of your social, sports or welfare organisation or fire, first aid or ambulance service in their respective capacity as such;

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## Section 1 – Property Damage

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This cover is optional and only applies if stated as covered in the schedule

### Additional definitions

*The following words will have the same meaning wherever they appear in this section of the policy or in the schedule relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions.*

#### All other contents

- a) Personal effects, pedal cycles, tools, instruments and the like belonging to employees, principals, directors, customers and visitors to the extent that they are not more specifically insured.
- b) Computer records, documents, manuscripts and business books.
- c) Patterns, models, moulds, plans and designs.
- d) Money and securities of any description.
- e) Wines, spirits, cigarettes and tobacco other than stock.
- f) Motor vehicles and their contents but only if they are not otherwise insured.
- g) Rare books or works of art;
- h) contents in open yards;
- i) contents in outbuildings;
- j) contents temporarily kept at the private residences of directors and other senior staff.

#### Declared value

Your assessment of the cost of reinstatement of the **property insured** in a condition equal to but not better or more extensive than when new at the level of costs applying at the start of the **period of insurance** (ignoring inflationary factors which may operate subsequently) together with allowance if required for:

- a) the additional cost of reinstatement to comply with public authority requirements;
- b) professional fees; and
- c) debris removal costs.

#### Cooking equipment

All cooking and frying equipment including equipment used for frying by immersing in fat or oil.

#### General contents

Machinery, plant, fixtures and fittings, tenants improvements, alterations, decorations, improvements, closed circuit television and security systems, internal and external glass being part of the **buildings** not owned by **you** but for which **you** are responsible, office equipment and **all other contents**.

#### Other property

Any other items of property not specifically insured above which **you** have advised to **us** and we have specified on the schedule.

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## Section 1 – Property Damage

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### Property insured

**Buildings, general contents, all other contents, stock and other property** at the **premises** (in accordance with any specific exclusions) all as defined below or more fully described in the schedule and all belonging to **you** or for which **you** are responsible but excluding:

- a) property which is more specifically insured; and
- b) unless specifically notified to and accepted by **us** as insured
  - i) land, piers, jetties, bridges, culverts or excavations
  - ii) livestock, growing crops or trees unless they form part of the **general contents**.

### Qualified contractor

A company which is a member of BESA (Building Engineering Services Association) formally B&ES & HVCA.

### Stock

Stock and materials in trade, work in progress, goods held in trust and finished goods for which **you** are responsible.

## Insuring clause

**We** will at **our** option pay for, repair or reinstate any **property insured** that sustains **damage** at the **premises** directly caused by any of the covers listed below provided they are shown as applying in the schedule.

**Our** liability in any one period of insurance will not exceed:

- a) the total sum insured; or
- b) for any item, its sum insured; or
- c) for all other contents, the following limits apply:
  - i) Jewellery, watches, furs, contact lenses, £750 for any one loss, any one person. portable electronic entertainment equipment, cameras or **money**.
  - ii) £250 for any one pedal cycle for any loss, any one person.
  - iii) Computer records, documents, manuscripts and business books £25,000 for any one loss.
  - iv) **Money** and securities of any description £1,000 in total in any one **period of insurance**.
  - v) Wines, spirits, cigarettes and tobacco other than **stock** £1,000 in total in any one **period of insurance** for **damage** by theft (if insured).
  - vi) Rare books or works of art £1,000 in total any one **period of insurance**.
- d) any other stated limit of liability.

## Covers

- 1. **Fire, lightning and explosion** but not **damage** caused by:
  - i) earthquake, subterranean fire, riot, civil commotion;
  - ii) any heating process or any process involving the application of heat;

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## Section 1 – Property Damage

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- iii) explosion of non – domestic steam pressure machinery or equipment under **your** control.
2. **Aircraft** or other aerial devices or articles dropped from them but not **damage** caused by:
- i) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
  - ii) fire.
3. **Riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances or malicious persons** but not **damage** arising from:
- i) confiscation, requisition or destruction by order of the government or any public authority;
  - ii) stopping work;
  - iii) fire caused by strikers, locked out workers or persons taking part in labour disturbances or malicious persons;
  - iv) theft or attempted theft directly caused by malicious persons to any **building** which is **unoccupied**.
4. **Earthquake or subterranean fire.**
5. **Storm** but not **damage**
- i) caused by lightning, frost, subsidence, ground heave or landslip.
  - ii) for movable property in the open, fences and gates.
6. **Flood** but not **damage**:
- i) attributable solely to change in the water table level.
  - ii) caused by lightning, frost, subsidence, ground heave or landslip.
  - iii) for movable property in the open, fences and gates.
7. **Escape of water** from any tank, apparatus or pipe but not **damage**:
- i) by water discharged or leaking from any automatic sprinkler installation.
  - ii) for any building which is unoccupied.
8. **Accidental escape of water** from any automatic sprinkler installation in the **premises** but not **damage** caused by:
- i) freezing whilst the **building** is **unoccupied**.
  - ii) explosion, earthquake, subterranean fire or heat caused by fire.
9. **Impact** by any road vehicle or animal.
10. **Accidental damage** but not:
- i) **damage** caused by:
    - a) any of the covers specified above;

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## Section 1 – Property Damage

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- b) the causes expressly excluded from the covers specified above whether or not insured;
  - c) inherent vice, latent defect, gradual deterioration, wear and tear, faulty or defective design or materials;
  - d) faulty or defective workmanship, operational error or omission on the part of **you** or any **employee**, but this will not include subsequent **damage** which itself results from a cause not otherwise excluded;
  - e) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
  - f) change in temperature, colour, flavour, texture or finish;
  - g) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunication services;
  - h) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any steam and feed piping connected to them;
  - i) mechanical, electronic, electrical or computer breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates but this will not exclude subsequent **damage** so long as it is not excluded above;
  - j) **pollution**;
  - k) normal settlement or bedding down of new structures;
  - l) acts of fraud or dishonesty;
  - m) disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
  - n) **damage** to a **building** or structure caused by its own collapse or cracking;
  - o) any process of production, packing, treatment, testing, commissioning, servicing or repair;
  - p) nationalisation, confiscation, requisition, seizure or destruction by the government or any public authority.
- ii) **damage** to:
- a) movable property in the open, fences and gates caused by wind, rain, hail, sleet, snow, flood or dust.
  - b) vehicles licensed for road use (including their accessories) caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft.
  - c) property or structures in course of construction or erection and materials or supplies in connection with this other than internal alterations or refurbishments not more specifically insured under a contract works **policy**.

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## Section 1 – Property Damage

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d) glass.

11. i) **Glass breakage** at the **premises** all being plain sheet or plain plate glass unless stated otherwise in the schedule including the cost of:

a) boarding up;

b) any lettering and artwork;

c) repair to associated framework.

ii) **Damage to:**

a) the contents of display windows;

b) windows and doorframes, vitrolite, marble, marmerile and similar materials, intruder alarm foils and other detection devices and circuits;

c) electric light fittings; or

d) neon and illuminated signs

as a direct result of glass breakage as defined under paragraph 11. i) provided that **our** liability will not exceed £10,000 in total in any one **period of insurance**.

12. **Breakage of fixed sanitaryware**, including removal or replacement of fixtures and fittings which may be necessary in connection with the replacement of glass, but not breakage or **damage**:

i) in vehicles, vending machines or to **stock** in trade;

ii) in any **building** which is **unoccupied** unless specifically agreed by **us**;

iii) in transit or while being fitted;

iv) due to settlement, expansion or contraction of frames or fittings in **buildings** under construction and during a period of six months after the date of completion;

v) existing before the start of the **period of insurance**;

vi) of neon and illuminated signs and electric light fittings;

vii) by wear and tear, gradual deterioration, mechanical or electrical breakdown or removal from the fixed position other than by theft or attempted theft;

viii) of bulbs or tubes unless the signs or fittings are also damaged;

ix) caused by fire or explosion.

13. **Theft or attempted theft** but not **damage**:

i) which does not involve:

a) entry to or exit from a building by forcible and violent means; or

b) actual or threatened assault or violence;

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## Section 1 – Property Damage

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- ii) from any part of the **building** not occupied by **you** for the purpose of the **business**;
  - iii) from the open or from any outbuilding not communicating with the main **building** unless otherwise specified;
  - iv) to property in transit;
  - v) to **money** and securities of any description.
14. **Subsidence, ground heave or landslip** of any part of the site on which the property stands but not **damage**:
- i) to yards, car parks, roads, pavements, walls, gates and fences unless also affecting the structure of a building.
  - ii) caused by:
    - a) normal settlement or bedding down of new structures;
    - b) settlement or movement of made up ground;
    - c) coastal or river erosion;
    - d) fire, subterranean fire, explosion, earthquake or the escape of water from any tank apparatus or pipe;
  - iii) which originated before the start of this cover.
  - iv) resulting from:
    - a) demolition, construction, structural alteration or repair of any property; or
    - b) groundwork or excavation at the same **premises**.

### **Special condition to cover 14**

- a) **You** must notify **us** as soon as reasonably practicable **you** become aware of any demolition, groundworks or excavation being carried out on any adjoining site.
- b) **We** will then have the right to vary the terms or cancel this cover.

## **Excess**

An excess applies to the covers under this section as shown in the schedule.

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## Section 1 – Property Damage

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### Extensions – provided as standard

#### 1. Additions

The insurance extends to include

- a) any newly acquired or built property which is not insured elsewhere; and
- b) alterations, additions and improvements to **property insured** but not increases in value anywhere in **the United Kingdom**.

Cover under this clause in any one situation is limited to 10% of the sum insured on **buildings** and **general contents** or £250,000 whichever is the lesser. **You** must advise **us** of all such additional property within 6 months and pay the appropriate additional premium from the date on which the items become **your** responsibility.

Once the premium has been paid for the additional property, the provisions of this clause are reinstated.

#### 2. Professional fees

The sum insured for each **building**, block of flats and machinery item described in the schedule includes an amount for professional fees necessarily incurred in reinstating or repairing the **property insured** following **damage** covered by this section.

**We** will not cover **you** for fees

- i) more specifically insured; or
- ii) incurred in preparing a claim.

#### 3. Changes of temperature

Provided there is no other insurance cover in force, **we** will pay for **damage** to the **property insured** caused by change of temperature resulting from **damage** to the refrigerating plant, air conditioning plant or connected electrical plant or apparatus as a result of the operation of an insured cover.

#### 4. Clearing of drains

**We** will pay for expenses necessarily incurred in clearing, cleaning or repairing drains, gutters, sewers and the like for which **you** are responsible as a result of the operation of an insured cover.

#### 5. Contracting purchaser's interest

If at the time of **damage**, **you** have contracted to sell **your** interest in any **building** insured and the purchase has not been but will be completed, the purchaser on completion will be entitled to benefit under this **policy** without prejudice to the rights and liabilities of **you** or **us** from the date of the damage until completion as long as the purchaser has not otherwise insured the **building** against such **damage**.

#### 6. Customers' goods

If **you** have intimated to **your** customers that **you** have accepted responsibility for **damage** to their goods or goods for which they may be legally responsible and which are temporarily in **your** custody and control, **we** agree that all such goods will be held to be insured by this **policy** as **stock** unless they are more specifically insured elsewhere.



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## Section 1 – Property Damage

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### 7. Debris including stock removal

The sum insured for each item of **property insured** includes costs and expenses **you** necessarily incur with **our** consent for:

- a) removing debris from;
- b) dismantling or demolishing;
- c) shoring or propping up; and
- d) boarding up

those parts of the **property insured** damaged by any cover insured. **We** will not pay more than the sum insured for each item.

**We** will not pay for any costs or expenses:

- i) incurred in removing debris except from the site of property damaged and the area adjacent to it;
- ii) arising from **pollution** of property not insured by this **policy**; or
- iii) for **damage** which occurred before the granting of cover under this insurance.

### 8. Exhibitions

The insurance on **general contents** and **stock** applies also at any exhibition premises and while in transit to and from in the **United Kingdom** with a maximum liability of £50,000 in any one **period of insurance**.

**We** will not be liable for the first £250 of each loss.

### 9. Fire extinguishing expenses

**We** will pay the reasonable costs incurred by **you** for:

- a) refilling fire extinguishing appliances and replacing used sprinkler heads solely following insured **damage**;
- b) extinguishing operations in order to minimise loss;
- c) **damage** to lawns, trees, shrubs and gardens caused by extinguishing operations

### 10. Property at other locations

This insurance applies to the following **property insured** while it is not on the **premises** except that:

- a) the insurance applies only if the property is not otherwise insured;
- b) this extension applies only to **damage** occurring within the **United Kingdom** or the Republic of Ireland  
and
- c) **our** liability for any one loss will not exceed the limit shown.

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## Section 1 – Property Damage

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### Property and location

- A. Computer records, documents, manuscripts and business books at any location and while in transit with a limit of £25,000;
- B. **Stock** (excluding goods held in trust) at any location used by **you** for storage with a limit of
  - i) £25,000 for theft or attempted theft, any one loss; and
  - ii) 15% of the **stock** sum insured but not exceeding £500,000 for other covers in total in any one **period of insurance**.
- C. **Other property** (excluding vehicles licensed for road use) at any location to which the property has been temporarily removed for cleaning, renovation or repair and whilst in transit with a limit of
  - i) £25,000 for losses resulting from theft or attempted theft, any one loss; and
  - ii) £50,000 for all other losses, any one loss.
  - ii) 15% of the stock sum insured but not exceeding £500,000 for other covers in total in any one period of insurance.

### 11. European Union and public authorities

In accordance with the following special conditions, the insurance by this section extends to include the additional cost of reinstatement that may be incurred solely by reason of the necessity to comply with the stipulations of:

- a) European Union legislation, or
- b) building or other regulations under or framed in pursuance of any Act of Parliament or public authority bylaw

for the damaged **property insured** and any undamaged portions but excluding the following:

- i) The cost incurred in complying with the stipulations:
  - a) for **damage** occurring before the start of this clause;
  - b) for **damage** not insured by the section;
  - c) under which notice has been served on **you** before the happening of the **damage**;
  - d) for which there is an existing requirement, which has to be implemented within a given period;or
  - e) for property entirely undamaged by any insured cover.
- ii) 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;
- iii) the amount of any charge or assessment arising out of capital appreciation which may be payable for the property or by its owner by reason of compliance with the stipulations.

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## Section 1 – Property Damage

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### Special conditions

1. The work of reinstatement must begin and be carried out without unreasonable delay, and in any case must be completed within twelve months after the **damage** or within any further time that **we** may allow (during the twelve months), and may be carried out upon another site (if the stipulations require it) with **our** liability under this clause not being increased by his.
2. If **our** liability under any item of the section, apart from this clause, is reduced by the application of any of the terms and conditions of the **policy**, then **our** liability under the clause will be similarly reduced.
3. The total amount recoverable under any item of the section for this clause will not exceed
  - i) for the damaged property:
    - a) 15% of its sum insured;
    - b) where the sum insured by the item applies to property at more than one premises, 15% of the total amount for which **we** would have been liable had the **property insured** at the **premises** where the **damage** has occurred been wholly destroyed; or
  - ii) for undamaged portions of property (other than foundations), 15% of the total amount for which **we** would have been liable had the **property insured** at the **premises** where the **damage** occurred been wholly destroyed.
4. The total amount recoverable under any item of the **policy** will not exceed its sum insured.
5. All the terms and conditions of the **policy**, except where they are varied by this clause, will apply as if they had been incorporated in it.

### 12. Rent

If **we** cover rent of **buildings** which suffer **damage**, **we** will pay:

- a) for rent receivable, the actual reduction in rent received solely because of the **damage**;
- b) for rent payable, the amount of rent which continues to be payable by **you** for the **building** or parts of the **building** whilst unfit for occupation because of the **damage**;

**Our** liability will be limited to the loss suffered within the period of rent insured as shown in the schedule which starts from the date of the **damage**.

For the purpose of average (General condition 2) the total value will be the annual rent receivable or payable at the start of the **period of insurance**. This amount will be proportionately increased where the period of rent insured exceeds twelve months. For example if the indemnity period is 18 months the amount will increase by 50%, if the indemnity period is 24 months it will increase by 100%.

### 13. Theft cover

Any cover for theft includes:

- a) the cost of repairing **damage** to the **buildings** (whether or not the **buildings** are insured under this section) if **you** are responsible for the repairs and the **damage** is not otherwise insured; and
- b) the reasonable expenses incurred in necessarily replacing locks to the **buildings** or safes and strongrooms:

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## Section 1 – Property Damage

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- i) following a hold-up accompanied by violence or threat of violence whilst such keys are in **your** personal custody or that of any of **your** directors, partners or authorised **employees**;
- ii) involving entry to or exit from the **premises** by forcible and violent means; or
- iii) involving entry to or exit from **your** residence or that of any of **your** directors, partners or authorised **employees** by forcible and violent means

### 14. Trace and access

In the event of **damage** resulting from escape of water or oil as covered by this **policy**, **we** will pay:

- a) the costs necessarily and reasonably incurred in locating the source of such **damage** and subsequently making good; and
- b) the cost of repairing or replacing tanks, apparatus, pipes or appliances which have been damaged by freezing.

**We** will not pay more than £25,000 in total in any one **period of insurance**.

### 15. Seasonal stock increase

Any sum insured for **stock** is increased by 30% for the months of November and December and for a period of 30 days preceding Easter Day in each **period of insurance**.

### 16. Additional metered water or oil charges

The insurance covers additional metered water or domestic heating oil charges **you** incur as a result of **damage** by an insured cover to the water installation or fixed heating installation at the **premises** insured by this **policy**.

**We** will calculate the amount to be paid by comparing the charge made by the water suppliers for the period during which the **damage** occurred with the charges for the previous period, adjusted for any relevant factors affecting **your** consumption of water during the periods concerned.

This extension is not in accordance with any condition of average.

**We** will not pay more than £10,000 in total for any one **period of insurance** excluding the cost or value of metered water or heating oil lost when the **premises** are **unoccupied** or not in use.

### 17. Underground services

**We** will pay for:

- a) accidental **damage** not otherwise excluded to underground water, gas, oil, drain or sewer pipes and underground electricity or telephone cables which extend from the **premises** to the public mains and for which **you** have responsibility for repair or reinstatement; and
- b) **costs and expenses** incurred in clearing and cleaning drains, gutters, sewers, drain inspection covers and similar underground service areas for which **you** are responsible because of any cover insured by this section.

**We** will not pay more than £5,000 in any one **period of insurance**.

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## Section 1 – Property Damage

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### 18. Fire brigade damage to gardens

**We** will pay for costs necessarily incurred in reinstating or repairing landscaped gardens and grounds following **damage** caused by fire brigade equipment or personnel attending the **premises** to combat fire.

The maximum **we** will pay is £10,000 in any one **period of insurance**.

**We** will not cover:

- i) the cost of movement of soil with the exception of soil necessary for surface preparation;
- ii) the failure of trees, shrubs or turf to become established following planting or replanting;
- iii) the failure of seeds to germinate.

### 19. Tree felling and lopping

**We** will pay for the cost of lopping or felling trees which are an immediate threat to life or causing **damage** to the **property insured**.

**We** will not pay more than £2,500 any one loss.

### 20. Unauthorised use of electricity, gas or water

**We** will pay up to £25,000 for any one loss, for the cost of metered electricity, gas or water for which **you** are legally responsible arising from its unauthorised use by persons taking possession of, keeping possession of or occupying the **premises** without **your** authority.

Provided that all reasonable steps are taken to terminate the unauthorised use as soon as it is discovered.

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## Section 1 – Property Damage

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### Clauses

#### 1. Designation

For the purpose of determining the heading under which any property is insured **we** agree to accept the designation under which such property has been entered in **your** books.

#### 2. Contract price

If goods sold but not delivered for which **you** are responsible suffer **damage** and as a result the sale contract is cancelled either wholly or to the extent of the **damage**, **our** liability will be based on the contract price for the purpose of average and the value of all goods to which this clause applies will be calculated on the same basis.

#### 3. Re-erection

The insurance within the limits of the sum insured for **general contents** includes the cost of re-erection and fixing machinery and plant because of **damage** covered by this **policy**.

#### 4. Reinstatement

In accordance with the following special conditions, the basis upon which **we** will calculate the amount payable for **property insured** by all items, other than **stock**, motor vehicles and their accessories, pedal cycles and personal effects belonging to **employees**, directors, visitors and guests or rent, will be the **reinstatement** of the property damaged to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

#### Special conditions

1. **Our** liability for the **reinstatement** of property partly damaged will not exceed the amount which would have been payable had such property been wholly destroyed.
2. If at the time of **reinstatement** the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item exceeds its sum insured at the start of any **damage**, **our** liability will not exceed that proportion of the amount of the **damage** which the sum insured will bear to the sum representing the total cost of reinstating the whole of such property at that time.
3. No payment beyond the amount which would have been payable in the absence of this clause will be made:
  - a) unless **reinstatement** starts and proceeds as quickly as possible;
  - b) until the cost of reinstatement will have been actually incurred;
  - c) if the **property insured** at the time of its **damage** will be insured by any other insurance effected by or on **your** behalf which is not upon the same basis of reinstatement.
4. All the other terms and conditions of the **policy** will apply for any claim payable under this clause so far as they are able.

#### 5. Workmen

Workmen and tradesmen are allowed in or about the **premises** for maintenance purposes and for undertaking minor repairs and alterations without affecting this insurance.

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## Section 1 – Property Damage

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### 6. Metal workers

The insurance on **general contents** and **stock** applies to the premises:

- a) of any machine maker, engineer, founder or other metal worker;
- b) of any customer, agent, supplier or exhibition; or
- c) of any sub-contractor

but not any **premises** occupied by **you** in the **United Kingdom** with a limit overall of 10% of the sum(s) insured on these items or £100,000 whichever is the less.

## Conditions

**Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment may be reduced.**

### 1. Fire extinguishing appliances

If **you** maintain fire extinguishing appliances at the **premises**, **you** must ensure all appliances are in efficient working order and remedy promptly any defects.

Providing **you** do this, **we** agree **we** will not invalidate this **policy** because of any defect in any of the appliances due to circumstances unknown to or beyond **your** control.

### 2. Minimum security

**You** must ensure that:

- a) all external doors at the **premises** and any internal doors leading to other premises must be secured by mortise deadlocks and box striking plates which conform to British Standard 3621 specification or by other locking devices agreed by **us**;
- b) all opening sections of external ground floor windows and all other windows which are accessible from roofs, fire escapes or downpipes must be fitted with key operated window locks.

Any door or window officially designated a fire exit by the fire authority is excluded from this condition.

No cover will be in operation for theft or attempted theft involving entry into or exit from the **premises** and malicious damage and fire caused by arson unless:

- a) the **premises** are protected to the minimum standard detailed above;
- b) security devices stipulated are in full and effective operation whenever the **premises** are left unattended; or
- c) the **premises** have been surveyed by one of **our** Risk Control Surveyors and **we** have accepted alternative levels of security.

### 3. Computer system records

**You** must ensure that: computer systems records used in connection with the **business** are backed up on a daily basis with a copy being kept elsewhere than at the **premises**.

### 4. Automatic reinstatement after a loss

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## Section 1 – Property Damage

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Unless **we** advise **you** to the contrary **our** liability will not be reduced by the amount of any loss as long as:

- a) **you** pay the appropriate additional premium for reinstatement of cover; and
  - b) **you** carry out any reasonable recommendations **we** put forward to prevent further loss.
- If the **damage** is by theft (if insured), automatic reinstatement will apply once in each **period of insurance**.

### 5. Non- invalidation

This insurance will not be invalidated by any act, omission or alteration whereby the risk of **damage** is increased unknown to or beyond **your** control, provided that as soon as reasonably practicable after **you** become aware of it **you** tell **us** and pay any additional premium required.

### 6. Electrical wiring inspection

- a) All electrical circuits must be tested at least every five years by a member of the National Inspection Council for Electrical Installation Contracting (NICEIC), or the Electrical Contractors Association (ECA), or the ECA of Scotland (SELECT) to ensure that it meets current IET (The Institution of Engineering and Technology) Regulations and that an inspection certificate is issued following inspection.
- b) Any defects identified must be remedied in accordance with the regulations of the IET within 30 days of the issue of the certificate, or another date as may be agreed by **us** if requested by **you**.

### 7. Mortgagees

The act or neglect of any mortgagor or occupier of any **building** insured which increase the risk of **damage** without the authority or knowledge of any mortgagee will not prejudice the interest of the latter party (parties) in this insurance as long as they notify **us** as soon as reasonably practicable on becoming aware of such increased risk and pay an additional premium if required.

## Exclusions

This section does not cover the following:

### 1. Marine policies

**Damage** to property which is insured by or would but for the existence of this insurance be insured by any marine **policy** or policies except for any excess beyond the amount which would have been payable under the marine **policy** or policies had this insurance not been effected.

### 2. Pollution and contamination

**Damage** caused by **pollution**.

However, **we** will cover **damage** to the **property insured** caused by

- a) **pollution** which itself results from any cover insured (other than cover 10); or
- b) any cover insured (other than cover 10) which itself results from **pollution** provided it is not otherwise excluded.

### 3. Consequential loss



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## Section 1 – Property Damage

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**Consequential loss** of any kind except loss of rent when such loss is included in the cover under this section.

### 4. Property

This **policy** does not cover:

- i) **money**, jewellery, precious stones, precious metals (except where parts of machinery or tools) bullion, bonds, furs, curiosities, rare books, works of art, patterns, models, moulds, plans and designs;
- ii) goods held in trust or on commission, documents, manuscripts, business books, computer systems, records, explosives, video tapes or cassettes for sale or hire; or
- iii) property in transit

unless specifically mentioned.

### 5. Foundations

For any sum insured on **buildings** in accordance with any condition of average, those parts of the foundations and incombustible floors of **buildings** (other than machinery foundations) more than 8 cms below the level of floors of the lowest storeys (whether such floors constitute the flooring of the basements or otherwise) are excluded from this insurance except where they are within a radius of 60 cms around and below any structural column or similar superstructure support.

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## Section 2 – Business Interruption

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This cover is optional and only applies if stated as covered in the schedule

### Additional definitions

*The following words will have the same meaning wherever they appear in this section of the policy or in the schedule relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions.*

#### Note 1

*To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section will be exclusive of such tax.*

#### Note 2

*For the purpose of these definitions any adjustment implemented for current cost accounting will be disregarded.*

#### Annual research expenditure

The total amount of the **research expenditure** incurred during the twelve months before the date of the **incident**. We will adjust the figures as necessary to provide for trends or special circumstances affecting the **business** before or after the **incident** or which would have affected the **business** had the **incident** not occurred.

#### Annual rent receivable

The **rent receivable** during the twelve months before the date of the **incident**.

#### Annual revenue

The **revenue** during the twelve months before the date of the **incident**.

#### Annual turnover

The **turnover** during the twelve months before the date of the **incident**.

#### Book debts

The financial amounts due to **you** but not yet paid for goods or services supplied by **you** to **customers** on a credit or hire purchase basis and for which they have accepted delivery.

#### Customers

The companies, organisations or individuals with whom, at the time of the **incident**, **you** have contracts or trading relationships to supply goods or services.

#### Estimated gross profit

The amount **you** declare to **us** as representing the **gross profit** which **you** anticipate will be earned by the **business** during the financial year most nearly concurrent with the **period of insurance** (proportionately increased where the **maximum indemnity period** exceeds twelve months).

#### Estimated revenue

The amount **you** declare to **us** as representing the **revenue** which **you** anticipate will be earned by the **business** during the financial year most nearly concurrent with the **period of insurance** (proportionately increased where the **maximum indemnity period** exceeds twelve months).

#### Gross profit

The amount of the **turnover** (net of discounts allowed), closing stock and work in progress less the amount of the opening stock, work in progress and **specified working expenses**.

**N.B.** For the purpose of this definition **gross profit** is as defined but the words and expressions used will (in accordance with Note 2 above) have the meaning attached to them in **your** usual accounting methods, due provision being made for depreciation of stock and work in progress.

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## Section 2 – Business Interruption

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### Incident

**Damage** to property used by **you** at the **premises** for the purpose of the **business**.

### 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** will be affected because of the **incident**.

However, under extension 7 - Additional expenses – employees’ lottery win indemnity period means the period during which the **business** results are affected due to an **employee** or group of **employees** resigning from their posts within **your business** as a direct consequence of their securing a win in a lottery, starting from the date of their first departure

### Insured amount per week

One-fiftieth part of the **research expenditure** incurred during the financial year before the date of the **incident**.

### Lottery

- a) UK National Lottery prize draws including scratchcards.
- b) UK National Football Pools (Littlewoods and Vernons).
- c) Euro Millions lottery.
- d) Irish National lottery.
- e) UK Premium Bond prize draws.

### Maximum indemnity period

As stated in the schedule other than for extension 7 – Additional expenses – employees’ lottery win, which is 1 month.

### Other property

Any other items of property not specifically insured which **you** have advised to **us** and **we** have specified on the schedule.

### Outstanding debit balances

Where there are monthly declarations, the total declared under the last statement adjusted for:

- a) bad debts;
- b) amounts debited(or invoiced but not debited) and credited to customer accounts in the period between the date to which the statement applied and the date of **damage**; and
- c) any abnormal trade condition which had or could have a material effect on the **business**

OR

A reasonable estimate of the total outstanding debits at the date of the **damage** after adjustment for bad debts and as agreed between **you** and **us** provided that this estimate does not exceed 75% of the sum insured as set out in the schedule.

### Rate of gross profit

The rate of gross profit earned on the **turnover** during the financial year before the date of the **incident**.

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## Section 2 – Business Interruption

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### Research expenditure

The total expenditure on research by **you** at the **premises** less the relative cost of raw materials consumed.

### Rent receivable

The **money** paid or payable to **you** for accommodation and services provided in course of the **business** at the **premises**

### Revenue

The **money** paid or payable to **you** for the work done or services rendered in the course of the **business**.

### Specified working expenses

- a) 100% of purchases (less discounts received).
- b) 100% of discounts allowed.
- c) 100% of bad debts written off.

### Standard rent receivable

The **rent receivable** during that period in the twelve months before the date of the **incident** which corresponds with the **indemnity period**.

**We** will adjust the figures as necessary to provide for trends or special circumstances affecting the **business** before or after the **incident** or which would have affected the **business** had the **incident** not occurred.

### Standard revenue

The **revenue** during that period in the twelve months before the date of the **incident** which corresponds with the **indemnity period**. **We** will adjust the figures as necessary to provide for the trends or special circumstances affecting the **business** before or after the **incident** or which would have affected the **business** had the **incident** not occurred.

### Turnover

The **money** paid or payable to **you** for goods sold or delivered and for services rendered in course of the **business** at the **premises**.

## Insuring clause

If any **building** or **other property** used by **you** at the **premises** for the purpose of the **business** suffers **damage** by any of the covers specified in the schedule and there is a **consequential loss**, **we** will pay **you** for each item in the schedule the amount of the loss provided that

1. at the time of the **damage** there is in force an insurance covering **your** interest in the property at the **premises** against such **damage** and that:
  - a) payment has been made or liability admitted; or
  - b) payment would have been made or liability admitted but for the operation of a clause in such insurance excluding liability for losses below a specified amount.
2. **our** liability under this section will not exceed:
  - a) in the whole the total sum insured or for any item its sum insured or any other limit of liability stated in schedule at the time of the **damage**;
  - b) the sum insured remaining after deduction for any other **consequential loss** occurring during the same **period of insurance** unless **we** have agreed to reinstate any such sum insured.

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## Section 2 – Business Interruption

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### Basis of claims settlement A – Gross profit (declaration-linked basis)

The insurance by this item is limited to loss of **gross profit** not exceeding the limit of liability due to:

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

and the amount payable will be:

1. for reduction in **turnover**, the sum produced by applying the **rate of gross profit** to the amount by which the **turnover** during the **indemnity period** will because of the **incident** fall short of the **standard turnover**
2. for increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **turnover** which but for that expenditure would have taken place during the **indemnity period** because of the **incident** but not exceeding the total of:
  - a) the sum produced by applying the **rate of gross profit** to the amount of reduction thereby avoided; plus
  - b) 25% of the sum insured by this item (but not more than £250,000)

less any sum saved during the **indemnity period** for such charges and expenses of the **business** payable out of **gross profit** as may cease or be reduced because of the **incident**.

Additional increased cost of working (if insured) is limited to additional expenditure because of the **incident** in excess of the amount recoverable under clause b) above, necessarily and reasonably incurred to maintain the **business** during the **indemnity period**.

### Limit of liability

133.33% of the **estimated gross profit** stated in the schedule and 100% of the sums insured on other items.

### Basis of claims settlement - B Gross revenue (declaration-linked basis)

The insurance by this item is limited to loss of **revenue** not exceeding the limit of liability due to:

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

and the amount payable will be:

1. for reduction in **revenue** the amount by which the actual **revenue** during the **indemnity period** will because of the **incident** fall short of the **standard revenue**;
2. for increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **revenue** which but for that expenditure would have taken place during the **indemnity period** because of the **incident** but not exceeding the total of:
  - a) the amount of reduction in **revenue** thereby avoided; plus

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## Section 2 – Business Interruption

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- b) 25% of the sum insured by this item (but not more than £250,000)

less any sum saved during the **indemnity period** for such charges and expenses of the **business** payable out of **revenue** as may cease or be reduced because of the **incident**.

Additional increased cost of working (if insured) is limited to additional expenditure because of the **incident** in excess of the amount recoverable under clause b) above necessarily and reasonably incurred to maintain the **business** during the **indemnity period**.

### Limit of liability

133.33% of the **estimated revenue** stated in the schedule and 100% of the sums insured by other items.

## Basis of claims settlement C – Additional cost of working

The insurance by this item is limited to additional cost of working due to additional expenditure and costs necessarily and reasonably incurred in order to minimise any interruption or interference with the **business** during the **indemnity period** but not exceeding the sum insured stated in the schedule.

## Basis of claims settlement D - Rent receivable

The insurance by this item is limited to loss of **rent receivable** not exceeding the sum insured stated in the schedule due to:

- a) loss of **rent receivable**; and
- b) increase in the cost of working

and the amount payable as indemnity will be

1. for loss of **rent receivable**, the amount by which the **rent receivable** during the **indemnity period** will because of the **incident** fall short of the **standard rent receivable**.
2. for increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **rent receivable** which but for that expenditure would have taken place during the **indemnity period** because of the **incident** but not exceeding the reduction in **rent receivable** thereby avoided

less any sum saved during the **indemnity period** for such of the charges and expenses of the **business** payable out of **rent receivable** as may cease or be reduced because of the **incident**.

However, if the sum insured by this item is less than the **annual rent receivable** (proportionately increased where the **maximum indemnity period** exceeds twelve months) the amount payable will be proportionately reduced.

## Basis of claims settlement E – Research expenditure

The insurance by this item is limited to the loss sustained by **you** for

- a) **research expenditure** and
- b) increase in cost of working

and the amount payable will be:

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## Section 2 – Business Interruption

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1. for **research expenditure**, for each working week in the **indemnity period** during which the activities of the **business** are because of the **incident**:
  - a) totally interrupted or totally given over to the re-working of projects affected by the **incident** the **insured amount per week**; or
  - b) partially interrupted or partially given over to the re-working of projects affected by the **incident**, an equitable proportion of the **insured amount per week** based upon the time rendered ineffective because of the **incident**
2. for increase in cost of working, the additional expenditure necessarily and reasonably incurred solely because of the **incident** in order to minimise the interruption but the amount payable under this heading will not exceed the additional amount that would have been payable under paragraph 1 above for loss of **research expenditure** if no such increase in cost of working had been incurred

less any sum saved during the **indemnity period** for such of **research expenditure** as may cease or be reduced because of the **incident**.

However, if the sum insured by this item is less than the **annual research expenditure** (proportionately increased where the **maximum indemnity period** exceeds twelve months) the amount payable under paragraphs 1 and 2 above will be proportionately reduced.

### Basis of claims settlement F – Loss of book debts

The insurance by this item is limited to the loss not exceeding the sum insured sustained by **you** for:

- a) loss of **book debts**; and
- b) additional expenditure

and the amount payable as indemnity will be:

1. for loss of **book debts**, the amount of total **outstanding debit balances** less the total of amounts of **outstanding debit balances** traced or received.
2. for additional expenditure, the amount necessarily and reasonably incurred solely because of the **incident** in order to trace and establish the amount of customer debit balances but the amount payable under this heading will not exceed the additional amount that would have been payable under a) loss of **book debts** if no such increase in additional expenditure had been incurred.

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## Section 2 – Business Interruption

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### Covers

1. **Fire, lightning and explosion** but not **consequential loss** caused by:
  - i) earthquake, subterranean fire, riot, civil commotion;
  - ii) any heating process or any process involving the application of heat;
  - iii) explosion of non – domestic steam pressure machinery or equipment under **your** control.
2. **Aircraft** or other aerial devices or articles dropped from them but not **consequential loss** caused by:
  - i) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
  - ii) fire.
3. **Riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances or malicious persons** but not **consequential loss** arising from:
  - i) confiscation, requisition or destruction by order of the government or any public authority;
  - ii) stopping work;
  - iii) fire caused by strikers, locked out workers or persons taking part in labour disturbances or malicious persons;
  - iv) theft or attempted theft directly caused by malicious persons to any **building** which is **unoccupied**.
4. **Earthquake** or **subterranean fire**.
5. **Storm** but not **consequential loss**:
  - i) caused by lightning, frost, subsidence, ground heave or landslip;
  - ii) for movable property in the open, fences and gates.
6. **Flood** but not **consequential loss**:
  - i) attributable solely to change in the water table level;
  - ii) caused by lightning, frost, subsidence, ground heave or landslip;
  - iii) for movable property in the open, fences and gates.
7. **Escape of water** from any tank, apparatus or pipe but not **consequential loss**:
  - i) by water discharged or leaking from any automatic sprinkler installation.
  - ii) for any **building** which is **unoccupied**.
8. **Accidental escape of water** from any automatic sprinkler installation in the **premises** but not **consequential loss** caused by:
  - i) freezing whilst the **building** is **unoccupied**;



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## Section 2 – Business Interruption

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- ii) explosion, earthquake, subterranean fire or heat caused by fire.
9. **Impact** by any road vehicle or animal.
10. **Accidental damage** but not:
- i) **consequential loss** caused by:
    - a) any of the covers specified above;
    - b) the causes expressly excluded from the covers specified above whether or not insured;
    - c) inherent vice, latent defect, gradual deterioration, wear and tear, faulty or defective design or materials;
    - d) faulty or defective workmanship, operational error or omission on the part of **you** or any **employee** but this will not include subsequent **consequential loss** which itself results from a cause not otherwise excluded;
    - e) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
    - f) change in temperature, colour, flavour, texture or finish;
    - g) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services;
    - h) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any steam and feed piping connected to them;
    - i) mechanical, electronic, electrical or computer breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates but this will not exclude subsequent **consequential loss** so long as it is not excluded above;
    - j) **pollution**;
    - k) normal settlement or bedding down of new structures;
    - l) acts of fraud or dishonesty;
    - m) disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
    - n) **damage** to a **building** or structure caused by its own collapse or cracking;
    - o) any process of production, packing, treatment, testing, commissioning, servicing or repair.
    - p) nationalisation, confiscation, requisition, seizure or destruction by the government or any public authority
  - ii) **consequential loss** for:
    - a) movable property in the open, fences and gates caused by wind, rain, hail, sleet, snow, flood or dust;

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## Section 2 – Business Interruption

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- b) vehicles licensed for road use (including accessories) caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;
  - c) property or structures in course of construction or erection and materials or supplies in connection with this other than internal alterations or refurbishments not more specifically insured under a contract works **policy**;
  - d) glass.
11. a) **Glass breakage** at the **premises** all being plain sheet or plain plate glass unless stated otherwise in the schedule including the cost of boarding up and any lettering and artwork.
- b) **Damage to:**
- i) the contents of display windows;
  - ii) windows and doorframes, vitrolite, marble, marmerile and similar materials, intruder alarm foils and other detection devices and circuits;
  - iii) electric light fittings; or
  - iv) neon and illuminated signs
- as a direct result of glass breakage as defined under paragraph 11a) provided that **our** liability will not exceed £10,000 in total in any one **period of insurance**.
12. **Breakage of fixed sanitaryware** but not breakage or **consequential loss**:
- i) in vehicles, vending machines or to stock in trade;
  - ii) in any **building** which is **unoccupied** or not in use for more than 30 days unless specifically agreed by **us**;
  - iii) in transit or while being fitted;
  - iv) due to settlement, expansion or contraction of frames or fittings in **buildings** under construction and during a period of six (6) months after the date of completion;
  - v) existing before the start of the **period of insurance**;
  - vi) of neon and illuminated signs and electric light fittings;
  - vii) by wear and tear, gradual deterioration, mechanical or electrical breakdown or removal from the fixed position other than by theft or attempted theft;
  - viii) of bulbs or tubes unless the signs or fittings are also damaged;
  - ix) caused by fire or explosion.
13. **Theft or attempted theft** but not **consequential loss**:
- i) which does not involve:
    - a) entry to or exit from a **building** by forcible and violent means; or
    - b) actual or threatened assault or violence.

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## Section 2 – Business Interruption

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- ii) from any part of the **building** not occupied by **you** for the purpose of the **business**;
  - iii) from the open or from any outbuilding not communicating with the main **building** unless otherwise specified;
  - iv) to property in transit;
  - v) to **money** and securities of any description;
14. **Subsidence, ground heave or landslip** of any part of the site on which the property stands but not **consequential loss**:
- i) to yards, car parks, roads, pavements, walls, gates and fences unless also affecting the structure of a **building**;
  - ii) caused by:
    - a) normal settlement or bedding down of new structures;
    - b) settlement or movement of made up ground;
    - c) coastal or river erosion;
    - d) fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe;
  - iii) which originated before the start of this cover;
  - iv) resulting from:
    - a) demolition, construction, structural alteration or repair of any property; or
    - b) groundwork or excavation at the same **premises**.

### **Special condition applicable to cover 14**

- a) **You** must notify **us** as soon as reasonably practicable when **you** become aware of any demolition, groundworks or excavation being carried out on any adjoining site.
- b) **We** will then have the right to vary the terms or cancel this cover.

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## Section 2 – Business Interruption

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### Extensions – included as standard

#### 1. Prevention of access

**Consequential loss** as a result of **damage** to property near the **premises** which prevents or hinders the use of the **premises** or access to them will be deemed to be an **incident**, provided that **our** liability for any one occurrence will not exceed 10% of the sum insured (or 133.33% of the estimated amount) shown in the schedule or £250,000 whichever is the less.

#### 2. Utilities

**Consequential loss** as a result of the failure of the supply due to Damage of electricity, gas or water at the **premises** or at the premises of any supply undertaking or as a result of **damage** to any of their pipes, stopcocks, meters, cabling and the like at the **premises** will be deemed to be an **incident**, provided that **our** liability under this clause for any one occurrence will not exceed 10% of the sum insured (or 133.33% of the estimated amount) shown in the schedule or £250,000 whichever is the less.

This extension excludes:

- i) **consequential loss** brought about by the deliberate act of any supply authority or by the exercise of any supply authority of its power to withhold or restrict supply;
- ii) telecommunications, where the failure is for a period of less than 24 hours;
- iii) electricity, gas or water, where the failure is for a period of less than 4 hours;
- iv) failure of any satellite;
- iv) strikes or any labour or trade dispute;
- v) any amount recoverable under the terms of a service level agreement;
- vii) drought, atmospheric or weather conditions but this will not exclude failure due to **damage** to equipment caused by these conditions;
- viii) **consequential loss** arising from the provision of extranets or access to or presence on the internet or access to applications and related services over the internet.

#### 3. Suppliers and customers

**Consequential loss** as a result of **damage** at any customer's or supplier's premises within member countries of the European Union, Norway, Switzerland and Iceland will be deemed to be an **incident**, provided that **our** liability under this clause will not exceed 10% of the sum insured (or 133.33% of the estimated amount) shown in the schedule or £250,000 whichever is the less.

#### 4. Temporary removal

**Consequential loss** as a result of **damage**:

- a) at any premises not occupied but used by **you** solely for storage purposes; or
- b) to computer systems, other records, machinery and plant (but not motor vehicles) removed for cleaning, renovation, repair or other similar purposes, patterns, models, moulds, plans and designs

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## Section 2 – Business Interruption

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whilst temporarily removed from the **premises** and in transit by road, rail or inland waterway to and from the **premises**

in the **United Kingdom** or the Republic of Ireland will be deemed to be an **incident**, provided that **our** liability will not exceed 15% of the total of the sums insured (or 133.33% of the estimated amount) or £250,000 whichever is the less.

### 5. **Murder or public health closure**

Loss resulting from interruption of, or interference with, the **business** by:

- a) murder, suicide or serious crime at the **premises**;
- b) closure, in whole or in part, of the **premises** by a competent public authority following defects in drains or other sanitary arrangements at the **premises**; or
- c) food or drink poisoning contracted at the **premises**

will be deemed to be an **incident**, provided that **our** liability under this extension for each claim will not exceed the sum insured stated for this sub section in the schedule or £100,000 whichever is the less.

### 6. **Professional accountants**

**We** will pay for professional accountants' charges you reasonably incur for producing and certifying any particulars, details, information or evidence that **we** may require under the terms of the claims conditions provided that the amount payable under this memorandum together with the amount otherwise payable under this section does not exceed the limit of liability.

### 7. **Additional expenses - employees' lottery win**

**We** will cover **you** for any additional expense **you** incur to prevent or limit a reduction in income during the **indemnity period** due to an **employee** or group of **employees** resigning from their posts within **your business** as a direct consequence of their securing a win in a lottery, including but not limited to:

- a) recruitment and additional overtime costs; and
- b) the cost of employing temporary staff for amounts in excess of permanent full time rates of payment.

**We** will not cover **you unless** the **employee** or group of **employees** resign within 14 (fourteen) days from the date of the successful lottery win; and

**We** will not pay under this extension more than £50,000 in any one **period of insurance**.

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## Section 2 – Business Interruption

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### 8. Essential personnel

We will pay for the additional costs and/or expenses **you** necessarily and reasonably incur solely to prevent or limit a reduction in **turnover** during the **indemnity period** which but for the additional costs and/or expenses would have taken place following:

- a) the death of any of **your** principals, or
- b) the total and permanent disablement of any of **your** principals, which prevents them from attending to their normal occupation, due to injury caused by accidental and violent means.

The maximum **we** will pay in total in any one **period of insurance** is £25,000.

### 9. Failure of utilities supply – terminal ends

We will pay for **consequential loss** following accidental failure of the public supply undertaking of:

- a) electricity used by **you** at the terminal ends of the supply authority service feeders at the **premises**;
- b) gas, used by **you** at the supply authorities meters at the **premises**;
- c) water used by **you** at the supply authorities main stop cock serving the **premises**; or
- d) telecommunications used by **you** at the incoming line terminals or receivers at the **premises**

within the **United Kingdom**.

The maximum **we** will pay for any one loss is £250,000. This extension excludes:

- i) **consequential loss** brought about by the deliberate act of any supply authority or by the exercise of any supply authority of its power to withhold or restrict supply;
- ii) telecommunications, where the failure is for a period of less than 24 hours;
- iii) electricity, gas or water, where the failure is for a period of less than 4 hours;
  - a. failure of any satellite;
  - b. strikes or any labour or trade dispute;
  - c. any amount recoverable under the terms of a service level agreement;
- iv) drought, atmospheric or weather conditions but this will not exclude failure due **damage** to equipment caused by these conditions;
- vi) **consequential loss** arising from the provision of extranets or access to or presence on the internet or access to applications and related services over the internet.

### 10. Contract sites

**Consequential loss** as a result of **damage** at any site in the **United Kingdom** which **you** do not occupy but where **you** are carrying out a contract will be deemed to be an **incident** provided that **our** liability under this clause for any one occurrence will not exceed:

- a) the percentage of the total sum insured (or 133.33% of the estimated amount); or

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## Section 2 – Business Interruption

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b) the amount shown in the schedule as the limit.

### 11. Specified customers

**Consequential loss** as a result of **damage** at the premises of **customers** detailed in the schedule will be deemed to be an **incident** provided that **our** liability under this clause for any one occurrence will not exceed:

a) the percentage of the total sum insured (or 133.33% of the estimated amount); or

b) the amount shown in the schedule as the limit.

### 12. Specified suppliers

**Consequential loss** as a result of **damage** at the premises of suppliers detailed in the schedule will be deemed to be an **incident** provided that **our** liability under this clause for any one occurrence will not exceed:

a) the percentage of the total sum insured (or 133.33% of the estimated amount); or

b) the amount shown in the schedule as the limit.

### 13. Transit

**Consequential loss** as a result of **damage** to **your** property whilst in transit by road, rail or inland waterway in Great Britain or Northern Ireland will be deemed to be an **incident** provided that **our** liability under this clause for any one occurrence will not exceed:

a) the percentage of the total sum insured (or 133.33% of the estimated amount); or

b) the amount shown in the schedule as the limit.

**We** will not be liable for any loss arising from delay or loss of use of the conveying road or rail vehicle or waterborne craft.

## Clauses

### 1. Alternative premises

If during the **indemnity period** goods are sold or services carried out elsewhere than at the **premises** for the benefit of the **business** either by **you** or by others on **your** behalf, **we** will take into account the **money** paid or payable for such sales or services in arriving at the **turnover, rent receivable or revenue** (as applicable) during the **indemnity period**.

### 2. Automatic reinstatement after loss

The sums insured stated in the schedule will not be reduced by the amount of any claim unless **we** or **you** give written notice to the contrary. However, **you** must pay the additional premium required to reinstate the sum insured.

### 3. Departments

If the **business** is conducted in departments and their trading results can be calculated separately, clauses a) and b) of the item on **gross profit or revenue** will apply separately to each department affected.

### 4. Payments on account

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## Section 2 – Business Interruption

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Payments on account will be made at **our** discretion during the **indemnity period** if desired.

### 5. Return of premium

If the **rent receivable** earned (proportionately increased where the **maximum indemnity period** exceeds twelve months) during the accounting period of twelve months most nearly concurrent with any **period of insurance** as certified by **your** auditors is less than the sum insured, **we** will make a pro rata return of premium not exceeding 50% of the premium paid on such sum insured for such **period of insurance**. If any **incident** will have occurred giving rise to a claim under this section, the return of premium will be made in respect only of so much of the difference as is not due to the **incident**.

### 6. Uninsured standing charges

If any standing charges of the **business** are not insured by this section (having been deducted in arriving at the **gross profit**), then in calculating the amount recoverable as increase in cost of working that proportion only of any additional expenditure will be brought into account which the **gross profit** bears to the sum of the **gross profit** and the uninsured standing charges.



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## Section 2 – Business Interruption

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### Conditions

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment may be reduced.

#### 1. Removal of computer disks and tapes

It is a condition of liability for any claim for **damage** to computer disks, tapes or other recording materials (excluding paper records) under this **policy** that copies of all computer disks, tapes or other recording materials are made each day and the copies removed from the **premises** and kept at a secure location on a daily basis.

#### 2. Renewal

Before each renewal **you** must tell **us** the **estimated gross profit** or **estimated revenue** (as applicable) for the financial year most nearly concurrent with the next **period of insurance**.

#### 3. Premium adjustment

The first and annual premiums for **gross profit** or **revenue** (as applicable) are provisional and are based on the **estimated gross profit** or **estimated revenue** (as applicable) for the financial year most nearly concurrent with the **period of insurance**.

Within 6 (six) months of the expiry of each **period of insurance**, **you** must give **us** a declaration of the **gross profit** or **revenue** (as applicable) earned during the financial year most nearly concurrent with the **period of insurance** as confirmed by **your** auditors.

If any **incident** has occurred giving rise to a claim for loss of **gross profit** or **revenue** (as applicable), **we** will increase the declaration for the purpose of premium adjustment by the amount by which the **gross profit** or **revenue** (as applicable) was reduced during the financial year solely because of the **incident**.

If the declaration (adjusted as above and proportionately increased where the **maximum indemnity period** exceeds twelve months):

- a) is less than the **estimated gross profit** or **estimated revenue** (as applicable) for the relative **period of insurance**, **we** will allow a pro rata return of premium not exceeding 50% of such premium.
- b) is greater than the **estimated gross profit** or **estimated revenue** (as applicable) for the relative **period of insurance**, **you** will pay a pro rata additional premium.

#### 4. Book debts declaration

Within 30 (thirty) days of the end of each calendar month, **you** must advise **us** in writing of the total amount of **outstanding debit balances** as shown in **your** accounts. If **you** do not advise **us**, **we** will take the maximum sum insured as the total amount declared.

At the end of each **period of insurance** the actual premium will be calculated on the average amount insured i.e. the total of the amounts declared divided by the number of declarations. If the actual premium is greater than the first or annual premium paid, **you** must pay **us** the difference. If it is less **we** will refund the difference to **you** but only up to one half of the first or annual premium paid.

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## Section 2 – Business Interruption

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### 5. Fire resisting cabinets (Book debts basis of claims settlement)

**You** must ensure that:

- a) **your** books of account and other business books or records in which **you** record customer accounts are kept in fire resisting safes or cabinets when not in use; and
- b) **you** must calculate the total of outstanding customers' accounts every month and keep a record of each month's total (including back-up copies of computer data) in a place other than at the **premises**.

## Exclusion

### 1. Pollution and contamination

**We** will not be liable for loss resulting from **pollution**. However, **we** will cover **consequential loss** caused by

- a) **pollution** which itself results from any cover insured (other than cover 10); or
- b) any cover insured (other than cover 10) which itself results from **pollution**

provided it is not otherwise excluded.

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## Section 3 – Goods In Transit

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This cover is optional and only applies if stated as covered in the schedule

### Additional definitions

The following words have the same meaning wherever they appear in this section of the **policy** or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.

#### High value property

Cigars, cigarettes and tobacco, non-ferrous metals, wines and spirits, clocks and watches, photographic equipment, furs, jewellery, gold, silver, precious stones and precious metals, radio, TV, hi-fi and video equipment, computers, mobile phones, video tapes, cassettes, CDs and DVDs, antiques and works of art belonging to **you** or for which **you** are responsible.

#### In transit

The period of time beginning when the **property insured** comes under the control of the carrier and ending when it is delivered.

This will include loading, temporary housing en route for a period not exceeding 30 days and unloading. This will also include return transits to **you** from **your** customers.

#### Property insured

Goods or merchandise belonging to **you** or for which **you** are responsible incidental to the **business**. This excludes any property carried for hire or reward.

#### Territorial limits

The **United Kingdom** and the Republic of Ireland including direct sea or air transit between these territories

#### Vehicle

Vehicle including any trailer attached to it.

### Insuring clause

**We** will at **our** option cover **you** by payment or reinstatement for accidental damage to the **property insured** while **in transit** within the **territorial limits** from any of **your premises** whilst being carried by **vehicles** operated by **your** hauliers, rail or by parcel post.

**We** will not pay more than the limits shown in the schedule and **you** will be responsible for any **excess** that applies.

### Extensions – automatically included

**We** will extend this section to cover the following:

1. extra costs and expenses necessarily incurred in reloading onto any vehicle any **property insured** which has fallen from the **vehicle** and removing debris of the **property insured** following **damage** which is not excluded or following accident to the **vehicle**.

**Our** limit of liability will not exceed £5,000 for any one loss.

2. **damage** to containers, tarpaulins, ropes, chains and other fastenings owned by **you** or in **your** charge and control while carried on any **vehicle**;

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## Section 3 – Goods In Transit

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**Our** limit of liability will not exceed £1,000 for any one loss.

3. **damage** to the personal effects of the driver and his attendant up to a maximum amount of £500 per person in total in any one **period of insurance**. **We** will not be responsible for the first £25 of each claim.
4. **We** will not cover **you** or **your** driver for **damage** to any item insured by any other insurance **policy**.
5. expenses reasonably incurred for which **you** are responsible in transferring the **property insured** to any other vehicle following fire, collision, overturning or impact of the **vehicle** including carrying the **property insured** to the original destination or to place of collection;

**Our** limit of liability will not exceed £5,000 for any one loss.

5. costs and expenses reasonably incurred by **you** in re-securing the **property insured** following a dangerous movement of the load **in transit**.

**Our** limit of liability will not exceed £5,000 for any one loss.

6. any vehicle used temporarily in substitution of any **vehicle** referred to in the schedule applicable to this section whilst it is out of use for maintenance, repair or official vehicle testing. Any substitute vehicle will be in accordance with the terms applicable to the original **vehicle**.

**Our** limit of liability will not exceed £5,000 for any one loss.

## Conditions

**Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment may be reduced.**

### A. **Due care**

**You** must ensure that:

1. for any **vehicle you** own or operate under **your** control that:
  - a) it is maintained in an efficient and roadworthy condition and is regularly serviced with particular attention to the roadworthiness of steering, brakes, tyres, lights and all security devices fitted;
  - b) all protective devices specified in the schedule and all other security devices fitted are properly maintained and not changed without **our** written agreement; and
  - c) whenever the **vehicle** containing the **property insured** is left unattended
    - i) all doors and boot are locked and all windows and other openings are securely closed; and
    - ii) all protective devices are put into operation.
2. **you** take all reasonable care in the selection and employment of drivers and should obtain satisfactory written references as to their ability, integrity and honesty from two previous employers before **property insured** is entrusted to them;

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## Section 3 – Goods In Transit

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3. **you** ensure the reasonable monitoring of the performance of **your** drivers and attendants is carried out;
4. **you** take due care to make sure that each package or parcel insured is securely and adequately packed according to the nature of the goods and that each package or parcel is correctly and fully addressed. **You** should obtain proper receipts from the postal and rail authorities and any other carrier and keep them for **our** inspection at any time.

### Claims condition

**Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment may be reduced.**

- a) **You** should keep any merchandise or package for which **you** are making a claim together with its packaging as far as possible in the same state as delivered so **we** or any person authorised by **us** can inspect it.
- b) **You** will assist **us** at **our** expense in providing details of any claim against carriers or others for any **damage** for which **we** will be liable.
- c) If **we** ask, **you** will assign the claim against the carriers or others to **us** so **we** can make the claim in **our** own name.
- d) Once a claim has been paid, any compensation recovered from the carriers or others for any **damage** will belong to **us**, except that any amount recovered in excess of the sum paid by **us** as compensation will belong to **you**.
- e) Once a claim has been paid, the property for which payment is made will belong to **us**.

### Exclusions

**We** will not be liable for **damage**:

1. to **money**, deeds, bonds, documents, manuscripts, business books and computer system records, patterns, moulds, models, designs, plans;
2. to **high value property** unless specifically insured;
3. to livestock or other living creatures;
4. to explosives or goods of a dangerous nature;
5. to tools of trade;
6. caused by deterioration due to change in temperature of **property insured** carried in a chilled, refrigerated, frozen or insulated condition unless caused by an accident to the **vehicle**;
7. caused by:
  - a) wear and tear, gradual deterioration, contamination, depreciation, evaporation, leakage spillage or shortage of weight, inherent vice, insects, mildew, vermin or nature of the **property insured**

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## Section 3 – Goods In Transit

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- b) normal atmospheric conditions where the **property insured** is on an open vehicle unless it is properly protected;
  - c) mechanical, electrical, electronic, computer breakdown, failure or derangement unless external **damage** occurs first to the **property insured**;
  - d) delays, loss of market or other **consequential loss**;
  - e) not making full and complete declarations or not getting receipts for parcels, packages or consignments.
8. resulting from theft or attempted theft or unexplained disappearance:
- a) from an unattended **vehicle** unless the item stolen is stored in a locked boot; or
  - b) of **property insured** which is unattended unless there is forcible and violent entry or exit.
9. caused by strikes, riots, civil commotion and malicious damage in Northern Ireland;
10. to **property insured** carried on vehicles other than those listed in the schedule;
11. to **property insured** in any **vehicle you** own or which is in **your** custody or control while it is being used for private purposes outside the normal course of **your business**;
12. caused by nationalisation, confiscation, requisition or destruction by order of any government; public or local authority;
13. to **property insured** arising as a result of packing which was inadequate to withstand normal handling during transit or from overloading of the **vehicle**;
14. to **property insured** more specifically insured.

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## Section 4 – Money and Personal Injury (robbery)

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This cover is optional and only applies if stated as covered in the schedule

### Part 1 – Loss of Money

#### Additional definitions

*The following words will have the same meaning wherever they appear in this section or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.*

#### Business hours

The usual working hours (including overtime) during which **you** or **your employees** entrusted with **money** are on the **premises** for the purpose of the **business**.

#### Estimated annual amount of money

**Money** excluding stamped National Insurance Cards, crossed cheques, crossed bankers drafts, crossed warrants, National savings certificates, premium savings bonds, franking machine impressions, credit company sales vouchers and VAT invoices.

#### Limits any one loss

As stated in the schedule for the following:

1. stamped national insurance cards, crossed cheques (including crossed giro cheques and drafts but excluding pre-signed blank cheques) crossed money orders, crossed postal orders, crossed bankers draft, crossed warrants, national savings certificates, premium savings bonds, unused units in franking machines, credit company sales vouchers and VAT invoices.
2. **money** other than as described in item 1 not contained in locked safes:
  - a) in **your premises** outside **business hours**;
  - b) in the private houses of **your** principals or authorised **employees** or the premises of solicitors or authorised agents to the extent that **money** is not otherwise insured;
  - c) in the custody of collectors for twenty four hours from the time of receipt or until the next working day whichever is the later.
3. **money** other than as described in item 1 from locked safes outside **business hours**. **We** will not be liable for loss of **money** from any safe or strongroom not listed in the schedule above a limit of £1,500 in total in any one **period of insurance**;
4. any other loss of **money** other than as described in item 1 insured by this section.

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## Section 4 – Money and Personal Injury (robbery)

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### Insuring clause

We will cover **you** for the following:

1. loss of or damage to **money, your** property or for which **you** are responsible, in the course of the **business** up to the **limit any one loss** stated in the schedule:
  - a) in transit;
  - b) in the custody of collectors for twenty four hours from time of receipt or until the next working day whichever is the later;
  - c) on sites of contracts where **employees** are working;
  - d) on the **premises**;
  - e) at the private houses of **your** principals or authorised **employees** or the premises of solicitors or authorised agents, to the extent that **money** is not otherwise insured, up to a maximum amount of £500 for any one loss or any higher limit shown in the schedule for any one loss;
  - f) deposited in any bank night safe and within bank premises until removed by a bank official, up to a maximum amount of £5,000 for any one loss or any higher limit shown in the schedule for any one loss;
  - g) on the **premises** outside of **business hours** as shown in the schedule;
  - h) on the **premises** outside of **business hours** in a locked safe or strongroom as shown in the schedule.
2. loss of or damage following robbery or attempted robbery to any safe or strongroom at the **premises**, any container, case, bag or waistcoat used for the carriage of **money** or any stamp franking machine used for **your business**.
3. **damage** to clothing and personal effects (including up to £25 per person for personal **money**) belonging to **you** or any of **your** directors, partners or **employees** following robbery or any attempted robbery with a limit any one person of £500.

### Conditions

**Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment may be reduced.**

#### A. Safe security

**You** must ensure that outside **business hours** the safes are kept locked and the keys of the safes are not be left on the **premises** unless:

1. the **premises** are occupied by **you** or an authorised **employee**, in which case such keys if left on the **premises** must be kept in a secure place not in the vicinity of the safes; or
2. if the **premises** are **unoccupied**, the keys to the safe(s) detailed under item 3 on the schedule are placed in a separate locked safe or strongroom and the keys to this removed from the



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## Section 4 – Money and Personal Injury (robbery)

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**premises.** In this event **our** maximum liability will not exceed the limit of liability stated in the schedule under item 3 or £5,000 whichever is the less for loss of **money**.

If **you** do not comply with this condition A, **we** will deal with any loss of **money** under Item 2 i) of the schedule (**money** not contained in locked safes in **your premises** outside **business hours**), provided that **our** maximum liability will not exceed the **limit any one loss** stated in the schedule.

### B. Intruder alarm

*(Applies only if stated in the schedule)*

**You** must ensure that:

1. the **alarmed premises** are protected by the **intruder alarm system** whenever they are closed for business or left unattended;
2. the **intruder alarm system** is maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or such other company agreed with;
3. no alteration to or substitution of:
  - a) any part of the **intruder alarm system**;
  - b) the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**; or
  - c) the maintenance contractwill be made without **our** written agreement.
4. no structural alteration of or changes in the layout to the **premises** that could affect the operation of the **intruder alarm system** will be made without **our** written consent;
5. the **alarmed premises** will not be left without at least one **responsible person** on them without **our** agreement unless the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals in full operation.
6. all keys to the **intruder alarm system** are removed from the **premises** when they are left unattended;
7. the **keyholders** will keep all codes for the operation of the **intruder alarm system** secret and will not leave details of them on the **premises**;
8. **you** will appoint at least two **keyholders** and lodge written details (which must be kept up to date) with the police and the alarm company who are contracted to maintain the alarm;
9. if the **intruder alarm system** is activated or the communication signal interrupted then, unless alternative procedures have been agreed with **us** in writing, a **keyholder** will attend the **premises** as soon as reasonably possible following notification and will not leave without there being at least one **responsible person** on the **premises** until the provisions of paragraph 5 have been complied with;
10. in the event of **you** receiving any notice:

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## Section 4 – Money and Personal Injury (robbery)

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- a) that police response to alarm signals/calls from the **intruder alarm system** may be withdrawn or the level of response reduced or delayed;
- b) from a local authority or magistrate imposing any requirements for abatement of a nuisance; or
- c) from the installing company or other such company as agreed by **us** that the **intruder alarm system** cannot be returned to or maintained in fully working order

**you** will advise **us** as soon as possible and in any event not later than 10.00 am on the next working day and comply with all **our** subsequent requirements.

### Special provision

**You** must ensure that before **we** agree the alarm specification and maintenance contract arrangements **you** will comply with all the requirements detailed above as if **we** had agreed the specification and maintenance arrangements.

### C. Money in transit

Money in transit must be carried by the number of able bodied and responsible adults or by the security carrier described below:

- a) up to £2,500 one responsible adult;
- b) greater than £2,500 up to £5,000 two responsible adults;
- c) greater than £5,000 up to £7,500 three responsible adults;
- d) greater than £7,500 up to £10,000 four responsible adults;
- e) greater than £10,000 approved security carrier.

## Exclusions

**We** will not be liable for losses from the following:

1. by theft by any of **your** directors, partners or **employees**:
  - a) not discovered within fourteen working days of its occurrence; or
  - b) more specifically insured by any other **policy** or policies except for any excess beyond the amount payable under such other **policy** or policies;
2. arising elsewhere than in the **United Kingdom**;
3. from an unattended vehicle unless the vehicle is stolen at the same time or the vehicle is securely locked and **money** stored out of sight at the time of the loss;
4. due to the dishonest acts of any person in **your** employment or service not discovered within fourteen days of the actual occurrence;
5. due to falsification of accounts;

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## Section 4 – Money and Personal Injury (robbery)

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6. more specifically insured under another **policy** except for any amount in excess of the amount payable under this **policy**;
7. arising from shortages due to error, omission, depreciation in value or the use of counterfeit **money**;
8. of **money** or contents from any gaming or vending machine in excess of £500;
9. arising from **consequential loss** of any kind;
10. **damage to money** during transit by post (other than registered post).

## Part 2 – Personal Injury (robbery)

### Additional definitions

*Each time one of the definitions below is used in this section it has the same meaning wherever it appears in this section or in the schedule in relation to this section. To help identify these words they appear in **bold** in this section wording. Please also refer to the General definitions.*

#### **Bodily injury**

Injury resulting solely and directly from accident caused by outward, violent and visible means which will directly and independently of any other cause result in death or disablement.

#### **Insured person**

**You** or any director, principal, partner or **employee**.

#### **Loss of limb**

- A. in the case of an upper limb, the physical severance of four fingers through or above the meta-carpo phalangeal joints or permanent total loss of use of an entire arm or hand.
- B. in the case of a lower limb, the physical severance at or above the ankle or permanent total loss of use of an entire leg or foot.

#### **Loss of sight**

Permanent and total loss of sight which will be considered as having occurred:

- A. in both eyes if the **insured person's** name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist.
- B. in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the **insured person** should see at 60 feet).

#### **Medical expenses**

The cost of medical, surgical or other remedial attention, treatment or appliances given or prescribed by a qualified member of the medical profession and all hospital, nursing home or ambulance charges.

#### **Permanent total disablement**

**Bodily injury** (not resulting in **loss of limbs** or **loss of sight**) which is the sole and direct cause of the **insured person** being totally disabled and prevented from attending to any business or occupation, with proof satisfactory to **us** that such disablement has continued for 104 weeks from the date of the occurrence and will in all probability continue for the remainder of the life of the **insured person**.

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## Section 4 – Money and Personal Injury (robbery)

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### **Temporary total disablement**

**Bodily injury** which is the sole and direct cause of the **insured person** being totally disabled and prevented from attending to their business or occupation.

### **Temporary partial disablement**

**Bodily injury** which is the sole and direct cause of the **insured person** being partially disabled and prevented from attending to a substantial part of their business or occupation.

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## Section 4 – Money and Personal Injury (robbery)

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### Insuring clause

- a) We will pay the benefits stated in the schedule for **bodily injury** sustained by the **insured person** as a result of robbery or attempted robbery arising in the course of the **business** and within two (2) years resulting in the following:
1. Death.
  2. **Loss of sight.**
  3. **Loss of limbs.**
  4. **Permanent total disablement** (other than by **loss of limbs** or **loss of sight**).
  5. **Temporary total disablement .**
  6. **Temporary partial disablement.**
  7. **Damage** to clothing or personal effects belonging to **you** or any of **your employees** with a limit of £500 any one person.
- b) We will reimburse **you** for **medical expenses** necessarily incurred in the treatment of the **insured person** up to 15% of any amount paid under benefit 5 and 6.

### Benefits

The benefits applicable are as stated in the schedule.

### Limits of amounts payable

1. The benefit under item 5 and 6 will not be payable for more than 104 weeks for any one injury calculated from the date of start of disablement.
2. If and when benefit becomes payable under any of items 1, 2 or 3, any weekly benefit being paid in connection with the same injury will cease.
3. **Permanent total disablement** will have lasted for 104 weeks and have been proved to **our** satisfaction to be permanent and without expectation of recovery before benefit under item 4 becomes payable.
4. Payment of a claim under one of the items 1, 2, 3 or 4 will end the cover granted that applies to the **insured person** concerned.
5. No benefit will be payable for more than one of the items 1, 2, 3 or 4 for the same injury.
6. No benefit will be payable for death or disablement consequent upon aggravated or prolonged by any pre-existing physical or mental defect, infirmity, pregnancy or childbirth.

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## Section 4 – Money and Personal Injury (robbery)

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### Conditions

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment may be reduced.

- A. The cover under this part of the section applies only to persons aged 16 or over, up to and including persons aged 70.
- B. **Bodily injury** must occur in the **United Kingdom**.

### Claims conditions

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment may be reduced.

- a) **You** will provide all certificates, information and evidence required by **us** in the form prescribed by **us** at **your** expense. The **insured person** will as often as required submit to medical examination on **our** behalf and expense in connection with any claim. In the event of the death of an **insured person**, **we** are entitled to have a post mortem examination at **our** own expense.
- b) **We** will not be affected by notice of any trust, charge, lien, assignment or other dealing with this section and **our** liability will be discharged when **you** or **your** personal representative receive any compensation payable.
- c) The **insured person** or their personal representative will have no right to claim from or sue **us**.
- d) If more than one party has an interest in the **insured person**, the benefit will represent the total amount payable for that **insured person** for all interests covered by this insurance.

### Exclusions

**We** will not be liable for the following:

- 1. loss arising elsewhere than in the **United Kingdom**;
- 2. loss more specifically insured under another **policy** except for any amount in excess of the amount payable under this **policy**;
- 3. loss arising from **consequential loss** of any kind.

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## Section 5 – Employers’ Liability

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This cover is optional and only applies if stated as covered in the schedule

### Additional definitions

The following words have the same meaning wherever they appear in this section of the **policy** or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.

#### Costs and Expenses

- a) Claimants costs and expenses arising for any claim against **you** which may be the subject of cover under this **policy**.
- b) All cost and expenses incurred by **you** with **our** written consent for any claim against **you** which may be the subject of cover under this **policy**.

### Insuring clause

We will cover **you** against:

- a) all sums which **you** will become legally liable to pay as damages; and
- b) **costs and expenses** in the event of **bodily injury** sustained by any **employee** which arises out of and in the course of their employment by **you** in the **business** and which is caused:
  - 1. in the **United Kingdom**; or
  - 2. elsewhere in the world for temporary non-manual visits by any **employee** provided that such **employee** is normally resident in the **United Kingdom**.

### Limit of liability

- 1. The amount specified in the schedule.

The maximum payable to any claimant or any number of claimants for or arising out of any one event or all events of the series consequent on or attributable to one source or original cause will not exceed the limit of liability.

The limit of liability will be the maximum amount payable including **costs and expenses**.

- 2. Regardless of anything contained in paragraph 1 above, **our** liability under this section for damages and **costs and expenses** payable for any one claim arising out of any one event, or all events of a series consequent on or attributable to one source or original cause, and arising out of **terrorism** or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use or exposure to asbestos or materials or products containing asbestos, will not exceed £5,000,000.

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## Section 5 – Employers’ Liability

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### Employers’ liability compulsory insurance

The compensation granted by this section is deemed to be in accordance with the provisions of any law enacted in the **United Kingdom** relating to compulsory insurance of liability to **employees**.

If however, **we** pay any sum which would not have been paid but for the provisions of such law, then **you** must repay such sum to **us**.

### Extensions – Automatically included

These extensions are in accordance with all other terms of this **policy** so far as they can apply unless otherwise stated.

#### 1. Unsatisfied court judgements

If:

- a) a judgement for damages is obtained against any company or individual operating from premises within the **United Kingdom** by any **employee** for **bodily injury** caused during any **period of insurance** arising out of and in the course of their employment by **you** in the **business** and
- b) it remains unsatisfied in whole or in part six (6) months after the date of such judgement

**we** will cover the **employee** or their personal representative up to the limit of liability for the amount of damages and awarded costs which remain unsatisfied as long as

- i) there is no appeal outstanding;
- ii) any payment made by **us** will only be for **bodily injury** which would otherwise be within the scope of cover of this section of the **policy**;
- iii) any payment made by **us** will only be for liability for which **you** would have been entitled to cover under this section of the **policy** if the judgement had been made against **you**; and
- iv) **we** will be entitled to take over and prosecute for **our** own benefit any claim against any other party and **you**, the **employee** or their personal representatives will give all information and assistance required.

#### 2. Contractual liability

Notwithstanding General exclusion 3, **we** will cover **you** under this section against liability for **bodily injury** assumed by **you** to the extent that any contract or agreement entered into by **you** with any **principal** so requires provided that

- a) the liability arises out of the performance by **you** of such contract or agreement;
- b) the conduct and control of claims is vested in **us**;
- c) the cover granted will apply only for liability to any **employee**; and
- d) nothing in this extension will increase **our** liability to pay any amount in excess of the limit of liability under this section.



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## Section 5 – Employers’ Liability

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### 3. Cross liabilities

If the policyholder named in the schedule comprises more than one party, **we** will treat each party as though a separate **policy** had been issued to each of them.

However, nothing in this extension will increase **our** liability to pay any amount in excess of the limit of liability Under this section.

### 4. Compensation for court attendance

In the event of any of **your** directors, partners or **employees** attending court as a witness at **our** request in connection with a claim for which **you** are entitled to compensation under this **policy**, **we** will provide compensation at the following rates for each day on which attendance is required.

- a) Any director or partner £500 per day
- b) Any **employee** £250 per day

## Conditions

**Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment may be reduced.**

1. It is a condition to **our** liability that **you** do not manufacture, mine, process, distribute, test, remediate, remove, store, dispose of, sell or use asbestos or materials or products containing asbestos.

## Exclusions

1. **We** will not cover **you** under this section against liability for **bodily injury** to an **employee** in circumstances where compulsory insurance or security is required by Road Traffic Act legislation.
2. **We** will not cover **you** under this section against liability arising **offshore**.

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## Section 6 Public and Products Liability

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This cover is optional and only applies if stated as covered in the schedule

### Additional definitions

*The following words have the same meaning wherever they appear in this section of the **policy** or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.*

#### Contract work executed

Work carried out by **you** or on **your** behalf away from **your** normal place of business or that of the party who carried out the work on **your** behalf and which at the time of the event giving rise to a claim under this insurance is no longer **your** property and not under the control of **you** or of any **employee**.

#### Costs and expenses

- a) Claimants costs and expenses arising for any claim against **you** which may be the subject of cover under this section.
- b) All cost and expenses incurred by **you** with **our** written consent for any claim against **you** which may be the subject of cover under this section.

#### Products

Any tangible products or goods (including containers, labelling, instructions or advice provided in connection therewith) which are manufactured, sold, supplied, erected, repaired, altered, treated, designed, tested, installed, formulated, constructed, or serviced by **you** in the course of the **business**.

#### Property

Property which is both material and tangible.

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## Section 6 Public and Products Liability

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### Sub-Section 6(a) – Public Liability

#### Insuring clause

We will cover **you** under this section of the **policy** against:

- a) all sums which **you** will become legally liable to pay as damages; and
- b) **costs and expenses**

in the event of

- 1. accidental **bodily injury** to any person other than any **employee**;
- 2. accidental **damage to property**; or
- 3. obstruction, loss of amenities, trespass, nuisance or interference with any right of way, light, air or water

occurring during the **period of insurance** and arising out of **your business**

- a) in the **United Kingdom**;
- b) elsewhere in the world other than the United States of America or Canada arising out of business visits by directors or non-manual **employees** ordinarily resident in the **United Kingdom**.

#### Limit of liability

- 1. **Our** liability for all claims arising out of one original cause will not exceed the limit of liability detailed in the schedule irrespective of the number of claims or claimants.
- 2. **Costs and expenses** are payable in addition to the limit of liability detailed in the schedule apart from any claim brought in the United States of America or Canada or any territory within their jurisdiction where the limit of liability will be the maximum amount payable including **costs and expenses**.

#### Extensions – Automatically included

These extensions are in accordance with all other terms of this **policy** so far as they can apply unless otherwise stated.

##### 1. Defective premises

We will cover **you** against liability for **bodily injury** or **damage to property** arising for any premises disposed of by **you**. This cover does not apply to any **costs or expenses** incurred in repairing, replacing or making any refund for any such premises.

##### 2. Leased premises

We will cover **you** against liability for **damage** to premises or its fixtures or fittings which are leased to **you**. This cover does not apply for liability for:

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## Section 6 Public and Products Liability

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- i) **damage** if the liability is assumed under any tenancy or other agreement and would not have attached in the absence of such an agreement; or
- ii) the first £250 of such **damage**.

### 3. Contingent liability (non-owned vehicles)

**We** will cover **you** for legal liability for **bodily injury** and **damage to property** arising out of the use of any motor vehicle, which is not **your property** or leased or hired to **you** and is not provided by **you**, while being used in connection with the **business**.

This cover does not apply for:

- i) **damage** to such vehicle;
- ii) **bodily injury** or **damage to property** while such vehicle is being driven by **you**;
- iii) liability arising from circumstances in which it is compulsory for **you** to insure or provide security for such vehicle as a requirement of relevant Road Traffic Act legislation; or
- iv) a vehicle being used outside the **United Kingdom**.

For the purposes of this extension “**you**” is restricted to paragraphs a) and b) of Definitions only.

### 4. Overseas personal liability

Where **you** or any of **your** directors or **employees** are temporarily visiting a country outside the **United Kingdom** in connection with the **business**, **we** will provide cover to **you** and to

- a) any of **your** directors or **employees**; or
- b) any spouse or child of **your** director or **employee** accompanying them

against liability incurred in a personal capacity for accidental **bodily injury** or **damage to property** occurring during such visit. The cover will not apply to legal liability:

- i) arising out of the ownership or occupation of land or buildings; or
- ii) for which any person referred to above is entitled to cover under any other insurance.

### 5. Car park and cloakroom liability

**We** will provide cover against legal liability for accidental **damage** to vehicles or personal effects of other persons which **you** hold in trust or in **your** custody or control as long as

- a) they are not being stored by **you** for a fee or other consideration; and
- b) they are not held in trust by **you** or in **your** custody or control for the purpose of work being carried out on such property.

### 6. Wrongful arrest

**We** will cover **you** against all sums **you** will become legally liable to pay as damages for wrongful arrest, malicious prosecution, false imprisonment, defamation or assault of any person (other than an **employee**) occurring during the **period of insurance** and arising out of any theft or suspicion of theft at the **premises**.

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## Section 6 Public and Products Liability

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### Exclusions

We will not cover **you** under this section against liability for the following:

1. **damage to property** belonging to **you** or in the custody or control of **you** or any **employee** other than:
  - i) **property** including motor vehicles belonging to an **employee** or visitor; or
  - ii) any premises including contents (not being premises leased to **you**) which are temporarily occupied by **you** for the purpose of carrying out work in or to such premises.
2. arising from the ownership, possession or use under the control of **you** or any **employee** of any mechanically propelled vehicle in circumstances where compulsory insurance or security is required under any Road Traffic Act legislation;
3. arising out of the ownership, possession or use by **you** or on **your** behalf of any aircraft or other aerial devices, hovercraft, **offshore** installation or watercraft (other than hand - propelled or wind - powered watercraft whilst on inland waterways);
4. arising from any **products** after they have ceased to be in **your** custody or control other than food or drink for consumption on **your premises**;
5. caused by or arising out of:
  - i) advice, design or specification given by **you** for a fee; or
  - ii) professional services rendered by **you** or on **your** behalf;
6. for damage to **contract work executed**;
7. for the costs incurred by anyone in:
  - i) recalling or making refunds for any **products** or **contract work executed**; or
  - ii) remedying any defects or alleged defects in land or buildings or structures or other premises disposed of by **you**.

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## Section 6 Public and Products Liability

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### Sub-Section 6(b) – Products Liability

#### Insuring clause

We will cover **you** under this section of the **policy** against:

- a) all sums which **you** will become legally liable to pay as damages; and
- b) **costs and expenses**

in the event of

- 1. accidental **bodily injury** to any person; or
- 2. accidental **damage to property**

occurring anywhere in the world during the **period of insurance** and caused by any **products**.

#### Limit of liability

- 1. **Our** liability for all sums payable for any one **period of insurance** will not exceed the limit of liability detailed in the schedule.
- 2. **Costs and expenses** are payable in addition to the limit of liability under this section.

#### Exclusions

We will not cover **you** under this section against liability for the following:

- 1. caused by or arising out of any **products** which:
  - a) to **your** knowledge are for delivery or use in the United States of America or Canada; or
  - b) are sold, supplied, erected, repaired, altered, treated, installed in or for use in any aircraft, aerospace device, hovercraft or waterborne craft or for marine or aviation purposes.
- 2. for the costs incurred in the repair, reconditioning, replacement, removal or breaking out of any **products** or **product** parts;
- 3. arising out of **damage to products**;
- 4. for the costs incurred by anyone in recalling or making refunds for any **products**;
- 5. caused by or arising out of:
  - a) advice, design or specification given by **you** for a fee; or
  - b) professional services rendered by **you** or on **your** behalf.

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## Section 6 Public and Products Liability

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### 1. Contractual liability

Notwithstanding General exclusion 3, **we** will cover **you** under this section against liability for **bodily injury** or **damage** to **property** assumed by **you** to the extent that any contract or agreement entered into by **you** with any **principal** so requires provided that

- a) the liability arises out of the performance by **you** of such contract or agreement;
- b) the conduct and control of claims is vested in **us**; and
- c) nothing in this extension will increase **our** liability to pay any amount in excess of the limit of liability under this section.

### 2. Cross liabilities

If the policyholder named in the schedule comprises more than one party, **we** will treat each party as though a separate **policy** had been issued to each of them.

However, nothing in this extension will increase **our** liability to pay any amount in excess of the limit of liability under this section.

### 3. Compensation for court attendance

In the event of any of **your** directors, partners or **employees** attending court as a witness at **our** request in connection with a claim for which **you** are entitled to compensation under this **policy**, **we** will provide compensation at the following rates for each day on which attendance is required.

- a) Any director or partner £500 per day
- b) Any **employee** £250 per day

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## Exclusions applicable to Section 5 – Employers’ Liability and Section 6 Public and Products Liability

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We will not cover **you** under this section against liability for the following:

1. any judgement award or settlement made within countries which operate under the laws of the United States of America or Canada or to any order made anywhere in the world to enforce such judgement award or settlement in whole or in part;
2. caused by or arising out of the deliberate, conscious or intentional disregard of **your** obligation to take all reasonable steps to prevent **bodily injury** or **damage to property**;
3. caused by or arising out of liquidated damages clauses, penalty clauses or performance warranties unless such liability would have attached in the absence of such clauses or warranties;
4. caused by or arising out of **pollution**.

But **we** will cover **you** against liability for accidental **bodily injury** or accidental **damage to property** caused solely by **pollution** which results from a sudden, identifiable, unintended and unexpected incident and such incident takes place in its entirety at a specific and identified time and place during the **period of insurance** provided that:

- a) all **pollution** which arises out of any one incident will be deemed to have occurred at the time such incident takes place;
- b) **we** will not cover **you** against liability for **pollution** happening anywhere in the United States of America or Canada; and
- c) nothing in these provisos will increase **our** liability to pay damages, costs, fees and expenses in excess of the limit of liability in the schedule in total for any one **period of insurance**.



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## Prosecution Defence Costs Extension

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### Prosecution Defence Costs are applicable to Section 5 Employers Liability, and Section 6 Public & Products Liability

#### Additional definitions

The following words have the same meaning wherever they appear in this section of the **policy** or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.

#### Applicable legislation

- a) Health and Safety at Work etc. Act 1974 including the Control of Substances Hazardous to Health Regulations 2002 concerning the risk from exposure to legionella;
- b) Management of Health and Safety at Work Regulations 1999;
- c) Corporate Manslaughter and Corporate Homicide Act 2007;
- d) Health and Safety Inquiries (Procedure) Regulations 1975;
- e) Protection from Harassment Act 1997,
- f) Part II of the Consumer Protection Act 1987 and Part II of the Food Safety Act 1990

or similar legislation in force in the **territorial limits**.

#### Appointed advisor

The solicitor, accountant, mediator or other suitably qualified person, who has been appointed to act for an **insured person** in accordance with the terms of this section.

#### Costs and expenses

Reasonable legal costs, fees and disbursements reasonably and proportionately incurred by the **appointed advisor** on the **standard basis** and agreed in advance by **us**.

#### Insured person

- a) **You** and **your** directors, partners, managers, officers and the **employees of your business**.
- b) The estate, heirs, legal representatives or assigns of any persons mentioned in a) in the event of the person dying.
- c) Any other person who is contracted to perform work for **you**, who in all other respects **you** have arranged to insure on the same basis as **your** other **employees** and who performs work under **your** supervision.

#### Reasonable prospects of success

In criminal prosecution claims where the **insured person**:

- i) pleads guilty, a greater than fifty per cent chance of the **insured person** successfully reducing any sentence or fine;
- ii) pleads not guilty, a greater than fifty per cent chance of that plea being accepted by the court.

Where it has been determined that reasonable prospects of success as set out above do not exist, the **insured person** will be liable to pay any legal costs incurred should they pursue or defend their claim irrespective of the outcome

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## Prosecution Defence Costs Extension

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### Standard basis

The basis of assessment of costs where the court only allows recovery of costs which are proportionate to the claim and which have been reasonably incurred.

### Insuring clause

- a) We will pay the **insured person's costs and expenses** up to £1,000,000 in total (but up to the sum insured shown in the schedule for the Corporate Manslaughter and Corporate Homicide Act 2007); during the **period of insurance** for all claims related by time or original cause including the cost of appeals, for:
  - b) the defence of any criminal proceedings brought against **you** for an offence or breach, whether actual or alleged, of any **applicable legislation**;
  - c) any prosecution costs awarded against **you** arising from those proceedings described in a) above;
  - d) **costs and expenses** incurred with **our** consent for **your** legal representation at an inquiry ordered under any applicable legislation;
  - e) appeals against improvement and prohibition notices incurred with **our** consent.

Provided that:

1. the claim arises in connection with **your business** and occurs within the **territorial limits**;
2. the claim always has **reasonable prospects of success**; and
3. the prosecution or proceedings relate to an offence alleged to have been committed during the **period of insurance**.

### Conditions

**Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced.**

1. **Acts of parliament, statutory instruments, civil procedure rules and jurisdiction**

All legal instruments and rules referred to within this section of the **policy** include equivalent legislation in Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any later amendment or replacement legislation.

2. **Consent**

- a) The **insured person** must agree to **us** having sight of the **appointed advisor's** file relating to the **insured person's** claim. The **insured person** is considered to have provided consent to **us** or **our** appointed agent to have sight of the **appointed advisor's** file for auditing and quality and cost control purposes.
- b) An **insured person** must have **your** agreement to claim under this **policy**.

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## Prosecution Defence Costs Extension

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### 3. Freedom to choose an appointed advisor

- a) **We** will choose the **appointed advisor**, however, the **insured person** is free to choose an **appointed advisor** if they wish.
- b) Where the **insured person** wishes to exercise their right to choose, they must write to **us** (by e-mail or letter) with their preferred representative's contact details. If the **insured person** does choose their own **appointed advisor**, the amount payable for their services will be on the basis of **our** standard terms of appointment for legal representation or other reasonable terms of appointment to which **we** agree, **our** agreement not to be unreasonably withheld.
- c) If the **insured person** 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 the **insured person**, cover will end with immediate effect.

### 4. Barrister's opinion

At any time **we** may seek an independent barrister's opinion as to the **reasonable prospects of success** in defending the prosecution.

If the opinion is that a "not guilty" plea does not have a **reasonable prospect of success** then **we** will advise **you** of that opinion.

Should **you** elect to continue with a "not guilty" plea then **we** will withdraw **our** support for the **insured person's** defence and be under no further obligation to cover **you** for any costs incurred from the date of **your** refusal to accept that opinion; unless **you** obtain an independent barrister's opinion at **your** own expense which contradicts the opinion that **we** have obtained; in which case **we** will ask the chairperson or vice-chairperson of the bar council to appoint a King's counsel to give a final opinion, at **our** expense, as to the prospects of success in defending the prosecution.

If the opinion of the King's counsel agrees with the **insured person's** barrister's opinion then **we** will continue to support the **insured person's** defence, but if it does not **we** will withdraw **our** support for the **insured person** and be under no further obligation to cover the **insured person's** costs incurred from the date of the queen's counsel final opinion.

This does not affect the **insured person's** right under the Arbitration clause contained within the Claims Conditions section.

### 5. The insured person's responsibilities

An **insured person** must:

- a) tell **us** as soon as is practicably possible of anything that may make it more costly or difficult for the **appointed advisor** to resolve a claim in their 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 recover **costs and expenses** and pay them to **us**; and
- d) keep **costs and expenses** as low as reasonably possible.

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## Prosecution Defence Costs Extension

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### Exclusions

We will not cover **you** for:

1. **costs and expenses** incurred without **our** consent;
2. fines or penalties of any kind;
3. any actual or alleged act, omission or dispute happening before, or existing at the start of the **policy**, and which the **insured person** knew or ought reasonably to have known could lead to a claim; and
4. costs and expenses incurred as a result of any criminal proceedings, appeals or inquiries which arise independently of any legal liability **you** may have to pay damages.

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## Data Protection and Privacy Cover

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### Data Protection and Privacy Cover is only applicable to Section 5 Employers Liability and Section 6 Public & Products Liability

#### THIS COVER IS ONLY OPERATIVE WHEN COVER IS NOT AVAILABLE UNDER SECTION 15 - CYBER

This cover operates on a claims-made basis. This means that **we** will only provide cover for claims or circumstances made against **you** and notified to **us** during the **period of insurance**.

### Additional definitions

*The following words have the same meaning wherever they appear in this section or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.*

#### Costs and expenses

- a) All cost and expenses incurred by **you** with **our** written consent for any claim against **you** which may be covered under this endorsement.
- b) Claimants costs and expenses arising for any claim against **you** which may be covered under this **policy**.

#### GDPR

General Data Protection Regulation 2018 and any enabling data protection legislation.

### Insuring clause

**We** will cover **you** for **your** liability to pay compensation including **costs and expenses** directly arising from a claim made against **you** for breach of the **GDPR**, Sections 168 and 169 of the Data Protection Act 2018 or any amending legislation, caused in connection with the **business** during the **period of insurance**.

Provided that the claim is first made against **you** and notified to **us** during the **period of insurance**.

### Limit of Liability

**We** will pay **£250,000** for all claims made including **costs and expenses** during the **period of insurance**.

### Conditions

**Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.**

1.
  - a) For the purposes of this Data Protection and Privacy cover, any Other insurance clause contained in **your policy** will not apply and will instead be replaced by either b) or c) as shown below, as may be applicable:
  - b) **We** will have no liability to pay any sum under this additional cover if cover for that sum is payable under another **policy** issued to **you** by **us** (or would be but for the exhaustion of the limit of liability or the application of the excess amount under that other **policy**).
  - c) If the liability which is being claimed for under this additional cover is covered by any other Insurer (other than legal expense insurance) **we** will not pay more than **our** proportionate share.

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## Data Protection and Privacy Cover

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2. **You** must have in place an appropriate procedure to detect, report and investigate a personal data breach;

only make a claim under this Data Protection and Privacy cover where a) and b) above have been complied with.

### Exclusions

**We** will not cover any claim arising from or relating to:

1. compensation, costs or expenses covered by any Legal Expenses insurance or Section 15 - Cyber (Condition 1 c) will not apply);
2. the costs of rectifying, rewriting, replacing, reinstating or erasing personal data as defined in the **GDPR**;
3. the payment of fines or penalties;
4. refund of monies paid to **you** by any claimant;
5. liability arising solely because **you** did not comply with **your** legal obligations set out under the **GDPR**;
6. any cover relating to the Data Protection Act 1998 or Data Protection Act 2018 which may have applied or does apply to a previous or concurrent **policy** which is referenced under a DIC/DIL (Difference in Cover / Difference in Limits) clause or similar, which is in excess of the cover available under this endorsement;
7. any actual or alleged act, omission or dispute happening before, or existing at the start of this Data Protection and Privacy cover, and which **you** knew or ought reasonably to have known could lead to a claim;
8. any deliberate act by **you** or any director, partner or **employee** of **yours**;
9. indirect or consequential loss.

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## Section 7 – All Risks (Specified Items)

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**This cover is optional and only applies if stated as covered in the schedule**

### Additional definitions

*The following words have the same meaning wherever they appear in this section or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.*

#### Property insured

Property belonging to **you** or for which **you** are responsible as set out in the schedule.

#### Territorial limits

The limits chosen by **you** and shown in the schedule attaching to this **policy**.

- A. At **your business premises**;
- B. Anywhere in the UK;
- C. Anywhere in the EU; or
- D. Anywhere in the world.

### Insuring clause

**We** will cover **you** for **damage** by any cause not specifically excluded to **property insured** set out in the schedule anywhere in the **territorial limits**, provided the **damage** occurs within the **period of insurance** and up to the limits specified in the schedule.

### Reinstatement

In accordance with the following special conditions, the basis upon which **we** will calculate the amount payable for **property insured** by all items, other than stock or rent, will be the **reinstatement** of the property damaged to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

### Special conditions

1. **Our** liability for the repair or restoration of property partly damaged will not exceed the amount which would have been payable had such property been wholly destroyed.
2. If at the time of **reinstatement** the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item exceeds its sum insured at the start of any **damage**, **our** liability will not exceed that proportion of the amount of the **damage** which the sum insured will bear to the sum representing the total cost of reinstating the whole of such property at that time.
3. No payment beyond the amount which would have been payable in the absence of this clause will be made:
  - a) unless **reinstatement** starts and proceeds as quickly as possible;
  - b) until the cost of **reinstatement** will have been actually incurred;

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## Section 7 – All Risks (Specified Items)

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- c) if the **property insured** at the time of its **damage** will be insured by any other insurance effected by or on **your** behalf which is not upon the same basis of reinstatement.
- 4. All the other terms and conditions of the **policy** will apply for any claim payable under this clause so far as they are able.

**NB:** This clause does not apply to claims for **employees**, principals' or directors' personal effects.

### Exclusions

We will not pay for the following:

- 1. any **consequential loss**;
- 2. financial loss caused by the loss of use or malfunction of the **property insured**;
- 3. **damage** arising from:
  - a) faulty or defective design materials, inherent vice or latent defect;
  - b) mechanical, electrical, electronic, computer breakdown, failure or derangement;
  - c) wear and tear, gradual deterioration, the action of light, atmospheric conditions or other gradually operating cause;
  - d) process of cleaning, restoring or repairing;
  - e) process of production, packing, treatment, testing or commissioning;
  - f) confiscation or detention by Customs or government officials;
  - g) disappearance or shortage identified only by stocktaking;
  - h) riot, civil commotion occurring elsewhere than in the **United Kingdom**.
- 4. **damage** resulting from theft or attempted theft or unexplained disappearance or shortages:
  - a) from an unattended vehicle unless the item stolen is stored in a locked boot; or
  - b) of **property insured** which is unattended unless there is forcible and violent entry or exit.
- 5. **damage** to:
  - a) **property insured** loaned or hired out by **you**;
  - b) glass and other fragile or brittle materials unless as a direct result of fire, theft or accident to the vehicle in which the **property insured** was being transported;
  - c) **property insured** left in the open by theft, attempted theft, storm or flood;
  - d) **property insured** carried on the outside of vehicles unless as a direct result of collision or overturning.
- 6. **damage** caused by **pollution**.



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## Section 7 – All Risks (Specified Items)

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However **we** will cover **damage** to the **property insured** caused by:

- a) **pollution** which itself results from fire, lightning, explosion, aircraft or other aerial devices dropped therefrom, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any pipe, tank or apparatus, sprinkler leakage or impact by any road vehicle or animal; or
  - b) any of the above named covers which itself results from **pollution** provided it is not otherwise excluded.
7. **damage** occurring outside the **territorial limits**;
  8. the **excess** shown in the schedule.

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## Section 8 – Personal Accident

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This cover is optional and only applies if stated as covered in the schedule

### Additional definitions

The following words have the same meaning wherever they appear in this section or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.

**Bodily injury** (replaces the General Definition for this section only).

Death or injury caused by accidental, violent, external and visible means occurring within 24 (twenty-four) months from the date of the accident when the injury is caused.

### Insured person

Any person or category of person who has been declared to and accepted by us.

### Operative time

24 hours per day when the **insured person** is engaged in any activity not excluded by this section.

### Total disablement

Any other permanent disablement which lasts without interruption for more than 12 (twelve) months from the date of the incident and prevents the **insured person** from pursuing any occupation.

## Insuring clause

If any **insured person**, independently of any other cause, suffers **bodily injury** during the **operative time**, we will pay the benefit shown below.

Benefits	Bodily injury causing	Per Insured Person
1.	Death.	£10,000
2.	Total and permanent loss of sight in one or both eyes.	£5,000
3.	Total and permanent loss of hearing in one or both ears.	£5,000
4.	Total and permanent loss of speech.	£5,000
5.	Total loss of one or more limbs.	£5,000
6.	Total disablement	£5,000

### Limit of liability

We will pay the compensation stated in the table above (unless otherwise stated in the **schedule**) with the weekly benefit being paid at 4 weekly intervals; Where we pay compensation for benefits 1-6:

- i. any weekly benefit being paid for the same injury will stop; and
- ii. this insurance will end for the **insured person**.

We will not pay any amount in excess of the maximum accumulation limit of £1,000,000 for any one accident.

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## Section 8 – Personal Accident

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If the total amount of all units of compensation payable exceed the maximum accumulation limit, the compensation payable to each **insured person** will be proportionately reduced until the total of all compensation payable does not exceed the maximum accumulation limit.

### Extensions – automatically included

#### 1. Disappearance

If during the **period of insurance** an **insured person** goes missing and sufficient evidence is produced to confirm that the **insured person** sustained an injury likely to have caused death, it will be presumed after 12 (twelve) months that death has occurred. However if the **insured person** is later found alive, any amount already paid will be refunded to **us**.

#### 2. Exposure

If during the **period of insurance** an **insured person** suffers unavoidable exposure to the elements during the **operative time** that within 24 (twenty-four) months solely and independently of any other cause results in death or disablement **we** will pay **you** in accordance with the benefits stated in the table above.

### Conditions

**Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.**

#### 1. Examinations

- a) The **insured person** will, as often as required and at **our** expense, submit to examination by a medical practitioner of **our** choice.
- b) **We** will be entitled to conduct a post mortem examination at **our** own expense in the event of the death of an **insured person**.

#### 2. Minimising loss

The **insured person** must take all practical steps to minimise any **bodily injury**.

#### 3. Transferring your rights under this policy

This section is not assignable and no person other than **you**, or in the case of **your** death **your** legal personal representative, will have any right against **us** either as assignee or transferee of any interest or any right to receive monies payable either before or after loss and whether admitted or not or in any other case.

### Exclusions

**We** will not cover **you** for:

1. **bodily injury** sustained while under the influence of or due wholly or partly to the taking of alcohol or drugs, other than drugs taken as directed and prescribed by a qualified and registered medical practitioner;

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## Section 8 – Personal Accident

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2. the treatment of drug addiction
3. **bodily injury** caused or contributed to by the **insured person** engaging in or taking part in armed forces service or operations;
4. **bodily injury** resulting from an **insured person's** own criminal act or taking part in civil commotion;
5. **bodily injury** resulting from an **insured person** taking part in or practising for:
  - a) abseiling, boxing, caving, hunting, ice hockey, judo, martial arts, polo, pot-holing, professional sports, sub aqua diving, water skiing, speed or time trials, winter sports or wrestling;
  - b) flying and aerial activities of any kind other than as a fare paying passenger (not carrying out any duties in connection with the flight) in a properly certified or licensed aircraft constructed to carry passengers;
  - c) mountaineering or rock-climbing which would normally necessitate the use of ropes or guides; or
  - d) racing of any kind other than on foot or swimming where there are no obstacle courses involved;
6. **bodily injury** resulting from the use by an **insured person** of:
  - a) a motorcycle (as driver or passenger); or
  - b) fixed power driven woodworking machinery;
7.
  - a) the first 14 days of disablement;
  - b) the first 28 days of disablement resulting from playing any type of football, rugby or field hockey;
8. **bodily injury** arising from:
  - a) any pre-existing defect, infirmity, medical condition or chronic or recurring ailment of which an **insured person** is aware or could reasonably be expected to have been aware unless it has been declared in writing to and accepted by **us**; or
  - b) pregnancy or childbirth;
9. **bodily injury** resulting solely in the inability to take part in sports or pastimes;
10. an **insured person** committing or attempting to commit suicide, self- inflicted **bodily injury**, or the **insured person** being in a state of insanity;
11. **bodily injury** sustained by any **insured person** under 16 or over 75 years of age at the start of the **period of insurance**;
12. **bodily injury** caused by or contributed to by the actual or threatened malicious use of pathogenic or poisonous, biological or chemical materials;
13. wilful exposure to danger except in an attempt to save human life.

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## Section 9 – Directors and Officers Liability

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### **This cover is optional and only applies if stated as covered in the schedule**

This cover operates on a claims-made basis. This means that **we** will only provide cover for **claims** or circumstances made against **you** and notified to **us** during the **period of insurance**. **We** will not cover any **claim** or circumstances arising from an act, error or omission that occurred before the **retroactive date**

### **Additional definitions**

*The following words have the same meaning wherever they appear in this section or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.*

#### **Change of control**

Where any person, entity or group:

- a) acquires more than 50% of **your** share capital;
- b) acquires the majority of the voting rights in **you**;
- c) assumes the right to appoint or remove the majority of **your** board of directors or equivalent positions;
- d) assumes control pursuant to written agreement with other shareholders over the majority of the voting rights in **you**;
- e) merges with **you** such that **you** are not the surviving entity; or where
- f) a trustee in bankruptcy, receiver, liquidator or administrator or similar official or person is appointed to **you**.

#### **Circumstance(s)**

Any verbal or written complaint made against **you** or an **insured person** that could give rise to a **claim**.

#### **Claim(s)**

- a) A written demand for compensation, monetary damages or non-monetary relief alleging any **wrongful act**;
- b) a civil proceeding, suit or counter-claim for compensation, monetary damages or non-monetary relief commenced by the service of a claim form or similar pleading alleging any **wrongful act**;
- c) a formal notice of a criminal proceeding alleging any **wrongful act**;
- d) a formal notice of an arbitration proceeding alleging any **wrongful act**;
- e) a formal administrative or regulatory proceeding started by the service on any **insured person** of a notice of charges or similar document against any **insured person** alleging any **wrongful act**; or
- f) an investigation of an **insured person** in their insured capacity when an **insured person** is identified in writing by any investigating authority as a person against whom a criminal, administrative or regulatory proceeding may begin.

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## Section 9 – Directors and Officers Liability

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Provided that a claim will not include any labour or grievance arbitration or other proceeding pursuant to an employment collective bargaining or union agreement.

All claims arising out of the same set of facts or **circumstances** will be considered as one **claim** made in the **period of insurance** in which the **claim** is first made or considered to be made against the **insured person**.

### Continuity date

The date from which **you** have maintained uninterrupted Directors & Officers Liability cover.

### Defence costs

Reasonable and necessary fees, costs, charges and expenses incurred by an **insured person** with **our** written consent in the **investigation**, defence, adjustment, settlement or appeal of any **claim** made or brought against that **insured person**.

Provided that defence costs will not include **investigation costs** and will not include remuneration payable to any **insured persons** or **employees** of any company, cost of their time or costs or overheads of any company.

### 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 person(s)

- a) Any natural person who was, is, or during the **period of insurance** becomes a director, partner, member or officer of **you**;
- b) any de facto director of **you** whilst acting in that capacity for **you**;
- c) any shadow director as defined under Section 250 of the Companies Act 2006 or equivalent legislation in any other jurisdiction;
- d) any **employee** of **you**;
- e) the lawful spouse, civil or unmarried partner of any person above solely because of their spousal, civil or unmarried partner relationship following a **claim** against that person; or
- f) the estates, heirs or legal representatives of any person above who has died or become incapacitated, insolvent or bankrupt but only for a **claim** against that person.

### Investigation(s)

An official examination, official enquiry or official investigation into **your** business activities conducted by any regulator, government department or other body legally empowered. Investigation does not include

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## Section 9 – Directors and Officers Liability

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routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the business activities of **your** industry which is not solely related to **your** or any **insured person's** conduct.

### **Litigation**

Includes, but is not limited to, any civil or criminal proceeding as well as any administrative or regulatory proceeding or official **investigation** or arbitration or adjudication

### **Loss**

For a **claim** the amount any **insured person** becomes legally liable to pay for **defence costs**, awards of damages including punitive and exemplary damages where legally permissible, awards of costs including claimants legal costs and expenses and settlements with **our** written consent

### **Not-for-profit entity**

A registered charity, trade association or other non-profit organisation within the **United Kingdom**.

### **Retroactive date**

Is the **continuity date**.

### **Subsidiary company**

Any entity in which **you**:

- a) own directly or through one or more of **your** subsidiaries more than 50% of the share capital or a majority of the voting rights or have the right to appoint or remove a majority of the entity's board of directors; or
- b) control a majority of its voting rights under a written agreement with other shareholders or members.

### **Transaction**

Any of the following events:

- a) **you** consolidate or merge with any other person, entity or group of persons, and/or entities acting in concert; or
- b) **you** become a subsidiary of another entity by virtue of any applicable law.

### **Wrongful act**

Any actual or alleged act, error, omission, mis-statement, misleading statement, misleading conduct, neglect or breach of duty (excluding an **employment practice violation**) made or committed by any **insured person**

All related or continuous or repeated wrongful acts will be considered to be one wrongful act for the purpose of the cover provided by this section.

## **What is covered**

### **A Claims against an insured person**

**We** will pay on behalf of the **insured person** the **loss** arising from a **claim** against any **insured person** for any **wrongful act** within the **United Kingdom**.

Provided that:

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## Section 9 – Directors and Officers Liability

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- i) the **claim** is first made and notified to **us** during the **period of insurance**; and
- ii) the **loss** is not recoverable by the **insured person** from the company (in which case cover B below will apply).

### **B Company reimbursement**

**We** will pay on **your** behalf the **loss** which **you** are legally obliged or allowed to pay on behalf of an **insured person** arising from a **claim** against an **insured person** for a **wrongful act** within the **United Kingdom**.

Provided that:

- i) the **claim** is first made and notified to **us** during the **period of insurance**;
- ii) the **loss** is not recoverable by the company from another source, including but not limited to any more specifically relevant and collectable insurance **policy**;
- iii) **you** pay the relevant **excess** shown in the schedule.

If **you** fail for reasons other than insolvency to pay the **insured person** to the fullest extent permitted or required by law for the **loss** covered under this section **we** will pay the **loss** on behalf of the **insured person**. **We** will then be entitled to obtain reimbursement from **you** for all payments made by **us** that would not have been made if the cover had been provided by **you**.

### **Limit of liability (costs inclusive basis)**

1. The most **we** will pay in total for all **loss** including **defence costs** which **you** become legally liable to pay arising from any one **claim**, and all **claims** that **you** first knew of during the **period of insurance** is the limit of liability of £50,000 or as otherwise shown in the **schedule**.
2. The amount **we** will pay for **claims** and their **defence costs** includes any amount **we** pay on behalf of an **insured person** as a director of an outside entity, and on **your** behalf, and for **claims** against an **insured persons'** spouse, civil or unmarried partner.
3. Each **claim** will be treated as first made when **we** receive notice of the first **claim**. However, **defence costs** relating to an **investigation** will be treated as first made when attendance of an **insured person** is first notified as being required at the **investigation**.
4. **We** will pay **defence costs** above any **excess** and where covered by this section on an ongoing basis before the final resolution of any **claim**. **You** and/or any **insured person** must reimburse **us** for any **defence costs** paid where it is determined there is no entitlement under this section.
5. At any stage of a **claim**, **we** can pay the **insured person** the applicable limit of liability or what remains after any earlier payment from that limit. **We** will then have no further liability for any **claim** or **loss**.



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## Section 9 – Directors and Officers Liability

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### Conditions

Included here are the conditions of this section of cover that you need to meet as your part of this policy. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced.

#### 1. Defence and Settlement

We will not assume any duty to defend any **claim** brought against an **insured person** that is covered by this section. The **insured person** will defend and contest any **claim** made against them, however **we** are entitled to effectively associate with **you** and the **insured person** in defence of any **claim** that appears likely to involve them including but not limited to effectively associating in the negotiation of any settlement.

In relation to any **claim** the **insured person** must not incur any **defence costs** without obtaining **our** written consent. Only those settlements, stipulated judgments and **defence costs** which have been consented to by **us** will be recoverable as **loss**.

#### 2. General terms

The Conditions, Claims conditions and Exclusions together with the Important Information applicable to this **policy** will apply equally to each **insured person** and to **you**. However, conditions relating to the payment of the **policy** premium only apply to **you**.

#### 3. Information provided by an insured person

All information which any **insured person** provided before **we** agreed to insure **you** will be considered as a separate application for each **insured person** and the knowledge of or any statement made by an **insured person** will not be imputed to any other **insured person** for the purposes of determining whether cover is available for any **claim** against the other **insured person**.

#### 4. Takeovers and mergers

If there is a **change of control** during the **period of insurance** then the cover provided by this section only applies to **wrongful acts** happening before the effective date of that **change of control**. **You** must give written notice to **us** of the **change of control** as soon as reasonably practicable.

### Exclusions

We will not cover any **claim**;

#### 1. Bodily injury or property damage

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;

#### 2. Breach of professional duty

based upon, attributable to or arising out of any **claim** relating to a breach of or failure to provide professional duties or services.

This exclusion will not apply to a **claim** by any of **your** shareholders including any shareholder derivative proceedings in **your** name without **your** or any **insured person's** voluntary solicitation, assistance or

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## Section 9 – Directors and Officers Liability

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participation arising from any actual or alleged failure to supervise the performance of any professional services;

### 3. Claims outside the applicable courts

based upon, attributable to or arising out of any **claim** or **investigation** brought outside the courts of England (and as otherwise stated in the Choice of Law and Jurisdiction clause contained under the Important Information section);

### 4. Claims brought by you

brought or maintained in whole or in part by or on behalf of the company or any **insured person**.

This exclusion does not apply to:

- a) any **claim** which the company is ordered to bring by a legally empowered official body;
- b) any **claim** brought in the name of the company by one or more persons who are not **insured persons** and who bring and maintain the **claim** without the solicitation, assistance or active participation of the company or any **insured person**;
- c) any **claim** brought by or at the instigation of any **insured persons** if the **claim** results from a covered **claim** brought by any third party and the third party could have brought the **claim** directly against an **insured person** not named in the independent claim;
- d) any **claim** brought by any former **insured person**;
- e) **defence costs**;

### 5. Cyber publication

based on, arising from or attributable to:

- a) any omission of **yours** to remove publications from any internet, Intranet or Extranet following a complaint or notice in relation to the publication from any third party; or
- b) any publication made to any internet, Intranet or Extranet site on which content can be published by any party without registration, by **you** or any **employee** or third party;

### 6. Dishonest or fraudulent acts

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 **your insured person** was not legally entitled, however, this exclusion only applies if the conduct has been established by final adjudication to have, in fact, occurred.

It is agreed that **defence costs** will be provided until the final adjudication but may then be recovered from each **insured person** as a debt by **us** if this exclusion is to apply;

### 7. Employment benefits

arising from or because of any violation or infringements of any responsibilities, obligations or duties imposed by statute, common law, rule or regulation for employers liability, disability benefits, working time

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## Section 9 – Directors and Officers Liability

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regulations, redundancy pay, benefits, unemployment benefits, social security, retirement benefits, disability benefits, health and safety or any similar law, rule or statute or portion of any law, rule or statute.

Provided that this exclusion does not apply to any allegation of retaliation or retaliatory treatment of the claimant by **you** on account of the claimant's exercise of rights pursuant to any statute, law, rule or regulation;

### 8. **Employment practice violations**

arising from or in any way connected to an **employment practice violation** made or committed by **you** or any **insured person**;

### 9. **Intellectual property rights**

based on, arising from or attributable to any actual or alleged infringement, misappropriation or violation of any copyright, patent, trademarks, service marks, trade secrets, title or other proprietary or licensing rights or intellectual property of any products, technologies or services by **you** only;

### 10. **Matters insurable elsewhere**

any matter for which **you** or the **director** is (or but for the existence of this section would be) entitled to cover under any other **policy**, except where that other insurance is written as excess insurance to provide cover in excess of the amount payable under this section. This section will only apply in excess of another **policy** to the extent of that part of the limit of liability or any applicable sub-limit exceeds the other **policy**;

### 11. **Mechanically propelled vehicles**

based upon, attributable to or arising out of the use of any mechanically propelled vehicle for which compulsory insurance is required under any legislation;

### 12. **Personal debt**

arising from or because of:

- a) any actual or alleged contractual liability of any **insured person** pursuant to any contract, agreement or legal requirement of any kind;
- b) any debt of any **insured person**;

### 13. **Pollution**

arising out of, based upon, attributable to, or in any way involving the actual, alleged, imminent or threatened discharge, dispersal, seepage, release or escape of pollutants, or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise pollutants, nuclear material or nuclear waste;

### 14. **Prior litigation**

based on, arising from, resulting from or in any way involving:

- a) any prior and/or pending litigation or other proceeding involving an **insured person** or an **not-for-profit entity** as at the **retroactive date**; or

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## Section 9 – Directors and Officers Liability

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- b) any fact, circumstance, situation, transaction or event underlying or alleged in any prior and/or pending litigation.

### 15. Prior wrongful acts, investigations and circumstances

based on, arising from or attributable to any **wrongful act, investigation**, circumstance or situation which has been or should have been the subject of notice given under any **policy** existing or expired before or on the start date of this **policy**;

### 16. Privacy breach under GDPR

made under this section due to the failure of the **insured person** or **you** to arrange insurance or adequate insurance for any liability arising under the EU General Data Protection Regulation (GDPR), 2018.

If any claim arises under another insurance **policy** for any liability arising under the EU General Data Protection Regulation (GDPR), 2018, where the available limit of liability is exhausted, there will be no recourse available under this section to recover any excess payment.

### 17. Profit or advantage

arising from or because of any **insured person** having gained actual profit or advantage to which they had no legal entitlement;

### 18. Securities

in connection with any **claim** made against an **insured person** 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;

### 19. Shareholders

in connection with any **claim** made against an **insured person** 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;

### 20. Takeovers and mergers

based upon, attributable to or arising out of any **claim** for a **wrongful act** committed by an **insured person** after a **change of control**.

In the event of a **subsidiary company** ceasing during the **period of insurance** to be a **subsidiary company** cover under this section will be amended to apply solely to **loss** arising out of any **claim** for a **wrongful act** committed by an **insured person** before the effective date of sale or dissolution.

### 21. Trustee

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;

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## **Section 9 – Directors and Officers Liability**

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### **22. Union and collective bargaining**

arising from or because of any actual or alleged violation of the responsibilities, obligations, or duties imposed by any statute or common law that governs the rights of employees to engage in or to refrain from engaging in union or other collective activities or the enforcement of any collective bargaining agreement including but not limited to grievance and arbitration proceedings;

### **23. USA/Canada**

arising out of any legal action or litigation brought in a court within the USA or Canada or out of any legal action or litigation brought in a court outside of the USA or Canada to enforce a judgment handed down in a court within the USA or Canada whether by way of reciprocal agreement or otherwise.

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## Section 10 – Equipment Breakdown

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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.

### Additional definitions

The following words have the same meaning wherever they appear in this section or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions

### 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

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## Section 10 – Equipment Breakdown

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- (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
- (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

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## Section 10 – Equipment Breakdown

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f) smart phones

**Verified** means:

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

### Insuring Clause

**We** 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 **our** liability 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

### 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 Insurer 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

**Our** liability 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) we shall be liable for costs incurred in reinstating data lost or damaged in consequence of an **accident** to or **derangement** of **computer equipment**

**Our** liability shall not exceed £50,000 any one **accident**

Provided that

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

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

**Our** liability 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 **we** shall be liable for financial loss caused by or resulting from an **accident** to **covered equipment**

**Our** liability in any one Period of Insurance shall not exceed £100,000 under this extension

we 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



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## Section 10 – Equipment Breakdown

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regulates the construction or repair of buildings, or establishes zoning or land use requirements, **we** 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

**we** 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**, **we** shall be liable for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement.

**Our** liability shall not exceed £20,000 for any one **accident** under this extension.

### 6. Hire of Substitute Item

If **covered equipment** is damaged as a result of an **accident** **we** 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

**Our** liability 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

**Our** liability shall not exceed £10,000 any one **accident** under this extension

### 8. Damage to Own Surrounding Property due to steam explosion

we will pay for damage to property at the premises belonging to You or in their custody and control and for which they are responsible directly resulting from the **explosion** or **collapse** of any **covered equipment** operating under steam pressure

**Our** liability 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 **we** 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**

**Our** liability shall not exceed £20,000 any one **accident** under this extension

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## Section 10 – Equipment Breakdown

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### 10. Debris Removal

we shall be liable under this extension for costs incurred in the removal of debris and protection of **covered equipment** following an accident

Our liability shall not exceed £25,000 any one **accident**

### 11. Repair Costs Investigation

With **our** prior written agreement **we** 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**

**We** 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

### 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. **We** 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. **We** 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. **We** will not be liable for loss or damage caused by:
  - a) depletion deterioration corrosion erosion wear and tear or other gradually developing conditions

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## Section 10 – Equipment Breakdown

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b) any condition which can be corrected by resetting calibrating realigning tightening adjusting or cleaning or by the performance of maintenance

But if loss or damage from an **accident** results **we** will be liable for that resulting loss or damage

4. **We** will not be liable for loss or damage recoverable under any maintenance agreement or any warranty or guarantee

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## Section 11– Legal Expenses

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**This cover only applies if stated as covered in the schedule**

### **Additional definitions**

*The following words have the same meaning wherever they appear in this section or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions.*

#### **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**.

#### **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 the **insured** 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) 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 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 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 11e) Executive suite and 13 Crisis communication.

#### **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.


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## Section 11– Legal Expenses

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- 2) In criminal prosecution claims where the **insured**
  - i) pleads guilty, a greater than 50% chance of successfully reducing any sentence or fine or
  - ii) 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 Incidents 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](https://europa.eu/european-union/index_en)
- 2) For all other Insured Incidents 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 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
    - 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 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 is considered to be reported to **us** when **we** have received the **insured's** fully completed claim form.

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## Section 11– Legal Expenses

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### 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**
- b) related legal rights.

**You** can claim under this **Policy** as soon as all internal procedures as set out in the

- ACAS Code of Practice for Disciplinary and Grievance Procedures, or
- Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland

have been or ought to have been concluded.

#### ***What is not covered under Insured Incident 1***

Any claim:

Any claim 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 that is notified to **employees** within 180 days of the start of this **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) Employment Tribunal fees under Schedule 3 of the Employment Tribunals and the Employment Tribunal Fees Order 2013 awarded against **you** by a tribunal or
- c) an amount agreed by **us** in settlement of a dispute.

Provided that:

- i) **reasonable prospects of success** exist for a wholly successful defence throughout and
- ii) compensation is
  - agreed through mediation or conciliation or under a settlement approved by **us** or
  - awarded by a tribunal judgment after full argument unless given by default.

#### ***What is not covered under Insured Incident 2***

Compensation awards and settlements relating to:

- 1) trade union membership or non-membership, industrial or labour arbitration, collective bargaining agreements, trade union recognition or matters concerning a European Works Council
- 2) money due to an **employee** under a contract or a statutory provision relating thereto
- 3) 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

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## Section 11– Legal Expenses

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- 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 aspect or full 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 Insured under Insured Incident 4***

Any claim 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 Specialist Investigations Branch of HM Revenue & Customs
- 3) 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 relating to:

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

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## Section 11– Legal Expenses

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- 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 and 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.

### **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.

### **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.



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## Section 11– Legal Expenses

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### *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 to buy, sell, hire or lease goods or services or to rent **your** business premises, 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) disputes with a tenant or lease where **you** are the landlord or lessor
- 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.

### *What is not insured under Insured Incident 13*

Any claim relating to:

1. matters that should be dealt with through **your** normal complaints procedures.

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## Section 11– Legal Expenses

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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 activitiesexcept 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 Incident 1), 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 Incident 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 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.

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## Section 11– Legal Expenses

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### Clauses & Conditions that apply to Section 11 – Legal Expenses

#### 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 the **insured’s** 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 **insurer**
- d) keep **legal costs & expenses** as low as possible
- e) allow the **insurer** 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 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**.
- 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 **insurer** 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**, the **insurer’s** liability in respect of that claim will end immediately.
- f) In respect of a claim under Insured Incident 12 **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**. This does not affect **your** right under Arbitration below.

#### 11.5 Other Insurance

The **insurer** 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** Section of this **policy** if this Section did not exist.

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## Section 11– Legal Expenses

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### 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](http://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.

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## Section 11– Legal Expenses

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### 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.

### 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.

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## Section 12 – Deterioration of Stock

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This cover is optional and only applies if stated as covered in the schedule

### Additional definitions

The following words have the same meaning wherever they appear in this section or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions

#### Breakdown

1. Mechanical or electrical failure of any part of the **refrigerating plant** requiring repair or replacement before it can resume working.
2. Sudden and unforeseen internal explosion causing **damage to refrigerating plant**. This does not cover the failure of flanged, screwed or flat joints of any description.
3. **Damage** by frost to the condenser, cylinder, compressor and any water jackets if such **damage** renders the **refrigeration plant** inoperative.

#### Refrigerating plant

All working parts, frames and bedplates including motor compressors, pumps, condensers, evaporators, valves, piping, automatic controls, thermostats and wiring all forming part of the refrigerating unit.

#### Average

If at the time of any loss or damage the value of the Property Insured under any item is greater than its Sum Insured **you** will be considered as being **your** own insurer for the difference and will bear a rateable share of the loss accordingly.

### Insuring clause

**We** will cover **you** for **damage** to stock which belong to **you** or are held by **you** in trust or on commission for which **you** are responsible whilst contained:

- a) in the **refrigerating plant** detailed in the schedule; and
- b) elsewhere in **your premises** which, but for the occurrence of an incident covered by this section, would have been placed in **your refrigerating plant**

by deterioration, contamination or putrefaction caused by or arising from:

- a) rise or fall in temperature as a result of
  - i) **breakdown** or inherent defect in the **refrigerating plant**.
  - ii) non-operation of the thermostatic or automatic controlling devices forming part of the **refrigerating plant**.
  - iii) failure of the supply due to Damage of electricity.
  - iv) accidental **damage** to the **refrigerating plant**.
- b) accidental leakage of refrigerant or refrigerant fumes from the **refrigerating plant**.

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## Section 12 – Deterioration of Stock

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### Conditions

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment may be reduced.

#### 1. Maintenance

On the expiry of any guarantee period, you will:

- a) effect a maintenance contract on any of the **refrigerating plant** which does not have hermetically sealed motors and compressors;
- b) maintain the maintenance contract throughout the **period of insurance**; and
- c) keep a proper record of all examinations, adjustments and replacements carried out.

In the event of a claim or possible claim under this section, we will not be liable for further **damage** relating to the defective **refrigerating plant** until it has been repaired to our satisfaction

### Exclusions

#### 1. We will not be liable for loss resulting from:

- a) any interruption to the supply of electricity which does not exceed 60 (sixty) consecutive minutes;
- b) any interruption to the supply of electricity brought about by the deliberate act of any supply authority or by the exercise by any such authority of its power to withhold or restrict supply;
- c) wear and tear, deterioration or gradually developing flaws or defects, partial fractures in the **refrigerating plant** or incorrect setting of thermostats and automatic controls;
- d) the **refrigerating plant** itself;

#### 2. 10% of each loss (minimum £100) after the application of the General condition of average in the event of **damage** involving **refrigerating plant** over 5 (five) years old at the time of such **damage**.

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## Section 13 – Loss of Licence

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**This cover is optional and only applies if stated as covered in the schedule**

### **Additional definitions**

*The following words have the same meaning wherever they appear in this section or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions*

#### **Licence**

The justices licence in force for the retail sale of excisable liquors at the **premises** and issued in accordance with the following core legislation as appropriate to the location of the **premises** or any subsequent amending or replacing legislation:

- a) The Licensing Act 1964 (England and Wales); or
- b) The Licensing (Scotland) Act in 1976.

#### **Loss of licence**

- a) Forfeiture due to licencing regulations; or
- b) refusal to renew by the licencing authority

due to causes beyond **your** control.

### **Insuring clause**

Following **loss of licence** **we** will pay **you** for the amount of depreciation in value of **your** interest in the **premises** or the **business**.

**We** will also pay for all costs and expenses **you** incur with **our** written consent in connection with any appeal against any forfeiture, suspension or withdrawal of the **licence**.

### **Limit of liability**

The maximum **we** will pay in any one **period of insurance** is the limit of liability stated in the schedule.

Should there be more than one insured, as stated in the schedule, **we** will cover each in terms of this section as if the other was not included as an insured provided that the total amount payable does not exceed the limit of liability



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## Section 13 – Loss of Licence

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### Conditions

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.

You must give us written notice within 48 (forty-eight) hours of receiving information whether oral or written of:

1. **Action against the licence holder**

any action against the licence holder, manager, tenant or other occupier of the **premises** for any breach of the licensing law, or any other matter where the integrity of the person concerned is brought into question.

2. **Change in tenancy**

a change in tenancy or management of the **premises**;

3. **Complaints**

complaints about the **premises** or about the conduct or control of the **business**.

4. **Endangering the licence**

any objection to renewal of the **licence**, or any other reason which could endanger the **licence** or its renewal;

5. **Transfer to the licence**

any transfer or proposed transfer of the **licence**;

### Exclusions

We will not pay where:

1. **you** can obtain statutory compensation for **loss of licence**;

2. where the **loss of licence** arises out of:

- a) any town or country planning, improvement or redevelopment;
- b) compulsory purchase or surrender;
- c) reduction or redistribution of licences;
- d) a change in the law.

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## Section 14 - Terrorism

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### This cover is optional and only applies if stated as covered in the schedule

The following cover is added to section 1. Material Damage, and if shown as covered in the schedule, sections 2. Business Interruption, 3. Goods in Transit 4. Money (part 1 loss of money), and 7. All Risks (specified items).

#### Additional definitions

*The following words have the same meaning wherever they appear in this section or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions*

#### 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 His Majesty's government in the United Kingdom or any other government de jure or de facto.

#### Computer Systems

Computer Systems means a computer or other equipment or component or system or item which processes, stores, transmits or receives Data.

#### Cyber Risks

Cyber Risks means any loss or losses whatsoever directly or indirectly caused by or 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 Assured/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**.

#### Data

Data means 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

Denial of Service Attack means 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 Attack includes but is not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **computer systems**

#### Excluded Property

Excluded Property means:

1. any land or building which is insured in the name of an individual unless:
  - (a) the **property** is of sole commercial use; or
  - (b) it is insured in the name of a sole trader or a trustee or an executor and is not solely occupied as the private residence of the sole trader, or the trustee or the executor or a beneficiary of a trust or will; or
  - (c) it is partially occupied as private residence and the commercially occupied portion of the **property** exceeds 20% and it is insured under the same **policy** as the remainder of the building which is not a private residence;
2. 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**;
3. solely in respect of the **cyber risks** exclusion 4 above
  - (a) any money, currency, electronic cryptographic or virtual currency including Bitcoin or anything similar,

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## Section 14 – Terrorism

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negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever;  
(b) any **data**;

4. **property** excluded in the Insurance to which this Extension attaches.

### Hacking

Hacking means 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;
- 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.

### Phishing

Phishing means any access or attempted access to **data** made by means of misrepresentation or deception.

### Property

Property means means all property whatsoever other than **excluded property**.

### Virus or Similar Mechanism

Virus or Similar Mechanism means 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.

### War and Allied Risks

War and Allied Risks means loss or losses occasioned by riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

## Cover

Subject to payment of Premium, and subject also to the following additional terms, conditions, limitations, exclusions and definitions, the Insurance to which this Extension attaches is extended for the Period of Insurance stated above to include:

A. loss of or damage to **property** insured, as stated in the **schedule** to this Insurance, situated in the United Kingdom other than Northern Ireland (meaning England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987); and

B. where applicable under this Insurance business interruption resulting from damage to **property** insured;

occasioned by or happening through or in consequence of an **act of terrorism** duly certified as such by His Majesty's Government or HM Treasury or any successor or other relevant authority.

## Limitations

1. Underwriters' liability in respect of all losses arising out of any one occurrence and, where applicable under this Insurance, in total in any one Period of Insurance, shall not exceed the limits as otherwise specified in this Insurance.

2. Irrespective of the currency in which this Insurance is expressed, the Limit of Liability and the Premium for the Terrorism Insurance provided by this Extension will be determined in Pounds Sterling.

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## Section 14 – Terrorism

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3. The cover provided by this Extension does not apply to any Long Term Agreement / Undertaking to which this Insurance is subject.

4. The cover provided by this Extension does not apply to any terms in this Insurance that provide for adjustments of premium based upon declarations on expiry or during the period of insurance.

### Conditions

1. In any action, suit or other proceedings where the Underwriters allege that any loss or damage is not covered by this Extension, the burden of proving that such loss or damage is covered shall be upon the Assured/Insured. However, this condition shall not apply in respect of subparagraph (c) of Exclusion 4.

2. The only exclusions applicable to this Extension are those stated under Exclusions below.

### Exclusions

This Extension does not cover:

1. any **excluded property**;
2. any losses whatsoever arising under Marine, Aviation, Transit, Motor or Bankers Bond policies or any form of reinsurance **policy** or agreement.
3. **war and allied risks**;
4. **cyber risks**.

However, losses otherwise falling within this exclusion of **cyber risks** will not be treated as excluded solely to the extent that such loss:

(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 systems**; and

(b) comprises:

- i. the cost of reinstatement, replacement or repair in respect of damage to or destruction of the **property** insured by the Assured/Insured; or
- ii. the amount of business interruption loss suffered directly by the Assured/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 the **property** insured by that Assured/Insured or as a direct result of denial, prevention or hindrance of access to or use of the **property** insured by the Assured/Insured by reason of an **act of terrorism** causing damage to other **property** within one (1) mile of the **property** insured by the Assured/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 the type of **property** not excluded by this Insurance and any additional costs or charges reasonably and necessarily paid by the Assured/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.

Irrespective of the exclusion of **data** from the application of this Exclusion as per the definition of **excluded property**, to the extent that damage to or destruction of any **property** within the meaning of subparagraph (b) above indirectly results from any alteration, modification, distortion, erasure or corruption of **data** due to the occurrence of one or more of the matters referred to in subparagraph (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 subparagraphs (a) and (b) above from being recoverable under this Insurance. In no circumstances other than as provided in this paragraph, however, will any loss or losses directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of **data** be recoverable under this Insurance.

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## Section 15 – Cyber

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This cover is optional and only applies if stated as covered in the schedule

### Additional definitions

The following words will have the same meaning wherever they appear in this section or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording. Please also refer to the General definitions

### 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.

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## Section 15 – Cyber

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### 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**.

### 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.

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## Section 15 – Cyber

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### 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.

## 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 **you** have failed to keep to **your data privacy obligations**, **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.

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## Section 15 – Cyber

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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 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 if anyone 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



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## Section 15 – Cyber

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**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 act of a utility supplier

Loss of **business income** or any other cost resulting from a deliberate act or decision of a gas or electricity supplier, grid operator or telecommunications operator, except where that act or decision was necessary to protect life or prevent **damage** to property.

#### 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.

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## Section 15 – Cyber

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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. Excess

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.

### 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.

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### 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 2 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.

### 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.

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### 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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## Section 15 – Cyber

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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. Abandonment

**You** are not entitled to abandon **your hardware** whether or not **we** have taken possession of it.

#### 7. 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

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## Section 15 – Cyber

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- cancel **your policy**

### 8. 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.

**Your computer system** must also be protected by a firewall on all external gateways to the internet, and that firewall must be maintained.

### 9. 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.

### 10. 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**.

### 11. 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.5 Cancellation)

### 12. 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.

### 13. Tax

Any claim **we** pay will not include VAT, unless **you** cannot recover part or all of the VAT **you** have paid.

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## Section 16 – Policy Conditions

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### Sub-Section 16A – General Conditions

These are the conditions of the cover and apply throughout your policy. There may be additional conditions under each section of cover and in any attaching endorsements.

If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.

If you are unsure about any of these conditions or whether you need to notify us about any matter, please contact Your Insurance Broker.

#### 16A.1 Statutory requirements, maintenance and reasonable precautions

You will at **your** own expense:

- a) take all reasonable precautions to prevent or reduce **damage**;
- b) cease any activity which may give rise to liability under this **policy**;
- c) maintain all buildings, furnishings, ways, works machinery, caravans and vehicles in sound condition;
- d) exercise care in the selection and supervision of **employees**;
- e) remedy any defect or danger as soon as possible after discovery and in the meantime take such additional precautions as the circumstances may require; and
- f) comply with all statutory requirements and other safety regulations imposed by any authority.

#### 16A.2 Average (*Applicable to Sections 1-4 and 7*)

Wherever a sum insured is stated to be affected by average, if at the time of any **damage** such sum insured on any item of the property insured is less than the total value of such property, **you** will be considered as being **your** own insurer for the difference and will bear a rateable share of the loss accordingly.

#### 16A.3 Change in circumstances or alteration to the risk

If **you** would like to make changes to **your policy** please contact **your** insurance broker.

If **you** are aware of any material changes to the information provided or if **you** become aware of any material changes **you** must tell **us** about those changes. **You** must take care when answering any questions **we** ask by ensuring that all information provided is accurate and complete.

If **you** need to change the information **you** have given **us** please contact **your** insurance broker as soon as reasonably practicable on becoming aware of that change. Examples where **we** would need **you** to notify **us** of a change:

- If any **sums insured you** have declared to **us** have increased or decreased;
- There is a change to the business **you** undertake that **we** do not know about;
- **You** move premises or make alterations to the **premises you** occupy;
- The security and fire protections **you** have declared to **us** change;

These are just some examples and there may be other circumstances **we** would want **you** to tell **us** about. If **you** are in any doubt, please contact **your** Insurance Broker directly as failure to notify **us** of any changes could lead to **your policy** being cancelled, or a claim rejected or not fully paid.

If **you** are unsure whether a change to the information **you** have given **us** is material please contact **your** Insurance Broker.

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## Section 16 – Policy Conditions

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In addition **you** must notify **us** of any alteration to the information provided at the start, renewal or occurring during the **period of insurance** at which time **we** may apply an additional premium or other additional terms or conditions.

**It is important to remember that you have a duty to make a fair presentation of the risk to us at the start of the policy, when any mid-term changes are notified and at the renewal of the policy.**

### 16A.4 Remedies following a breach in your duty of fair presentation

#### Before this policy was entered into

If **you** have breached **your** duty to make a fair presentation of the risk to **us** before this **policy** was entered into, then:

- a) where the breach was deliberate or reckless, **we** may avoid this **policy** and refuse all claims, and keep all premiums paid;
  - b) where the breach was neither deliberate nor reckless, and but for the breach:
    - i) **we would not have agreed to provide cover under this policy on any terms:**  
**we** may avoid this **policy** and refuse all claims, but will return any premiums paid;
    - ii) **we would have agreed to provide cover under this policy but on different terms** (other than premium terms):  
**we** may require that this **policy** includes those different terms with effect from its start;  
  
and/or
    - iii) **we would have agreed to provide cover under this policy but would have charged a higher premium,**
      - a. if the discovery of the breach arose because of a claim, at **your** option:
        - i. **we** will reduce proportionately the amount paid on a claim. **We** will pay only X% of what **we** would otherwise have been required to pay, where X = premium actually charged divided by the higher premium that would have been charged x 100; or
        - ii. **we** will pay the claim in full provided that **you** pay to **us** the additional premium that **we** would have charged, but for **your** breach of the duty of fair presentation, calculated from the start of the **period of insurance**.
- NOTE: In the case of underinsurance option ii. is not available.
- b. If the discovery of the breach did not arise because of a claim **you** must pay to **us** the additional premium that **we** would have charged, but for **your** breach of the duty of fair presentation, calculated from the start of the **period of insurance**.

#### Before a variation was agreed

If **you** have breached **your** duty to make a fair presentation of the risk to **us** before any variation to this **policy** was agreed, then:

- a) If the breach was deliberate or reckless, **we** may terminate this **policy** with effect from the date of the variation, and keep all premiums paid;



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b) where the breach was neither deliberate nor reckless, and but for the breach:

i) **we would not have agreed to the variation on any terms:**

**we** may treat this **policy** as though the variation was never made, but will return any additional premiums paid in relation to the variation;

ii) **we would have agreed to the variation but on different terms** (other than premium terms): **we** may require that the variation includes those different terms with effect from the date the variation was made; and/or

iii) **we would have agreed to the variation but would have increased the premium, or would have increased it by more than we did, or would not have reduced it or would have reduced it by less than we did:**

a. if the discovery of the breach arose because of a claim, at **your** option:

i. **we** may reduce proportionately the amount paid on a claim arising out of events after the variation. In those circumstances, **we** will pay only Y% of what **we** would otherwise have been required to pay, where  $Y = \frac{\text{total premium actually charged}}{\text{premium that would have been charged}} \times 100$ ; or

ii. **we** will pay the claim in full provided that **you** pay to **us** the additional premium that **we** would have charged, but for the breach of the duty of fair presentation, calculated from the date the variation was entered into.

NOTE: In the case of underinsurance option ii. is not available.

b. If the discovery of the breach did not arise because of a claim, **you** must pay to **us** the additional premium that **we** would have charged, but for the breach of the duty of fair presentation, calculated from the date the variation was entered into.

iv) **where we would have agreed to the variation but on different terms and we would also have increased the premium, or would have increased it by more than we did, or would not have reduced it or would have reduced it by less than we did**

a. **we** may require that the variation includes those different terms with effect from the date the variation was made; and

b. before a variation was agreed b) iii) as shown above will also apply

### 16A.5 Cancellation – our rights

**We** may at any time cancel this **policy** by sending 30 days' notice by recorded delivery letter to **you** at **your** last known address and in such event the premium will be adjusted on a pro-rata basis for the unexpired **period of insurance**.

Valid reasons for cancelling **your policy** include but are not limited to:

- non-payment of premium
- non- co-operation or failure to supply any information or documentation **we** request; or
- a change in risk occurring which means that **we** can no longer provide **you** with insurance cover;
- threatening or abusive behaviour or the use of threatening or abusive language to our staff or appointed

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## Section 16 – Policy Conditions

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officials/professionals;

- reasonable suspicion of fraud.

Where a claim has been made during the current **period of insurance**, the full annual premium will still be payable despite cancellation of cover and **we** reserve the right to deduct this from any claim payment.

### 16A.6 Excess

**We** will not be liable for the amount of the **excess** stated in the schedule for each loss calculated after the application of all other terms and conditions of this **policy**.

### 16A.7 Adjustment of premium

If the premium has been calculated on estimates given by **you**, **you** must keep an accurate record of all relevant particulars which will be available to **us** for inspection.

Within a reasonable time after the end of each **period of insurance**, **you** will supply to **us** an accurate statement in the form required so that the premium for that period can be calculated and the difference paid by or returned to **you**.

If **you** do not supply such a statement within a reasonable time after the end of the **period of insurance**, **we** will be entitled to charge an additional premium for that **period of insurance**.

**16A.8 Index linking** (*applicable to Section 1 – Property Damage and Section 7 – All risks if stated in the schedule*).

#### a) **Renewal**

Where the schedule states that index linking applies, **we** will adjust the amounts insured to take into account movements in the appropriate index shown below:

##### i) *Building and tenants improvements items*

The General Building Cost Index issued by the Building Cost Information Service of the Royal Institute of Chartered Surveyors.

##### ii) *Other items*

The Producer Price Index for Home Sales of Manufactured Products issued by the Department of Trade and Industry.

NOTE: *If either of the above indices is not available, we may select a suitable alternative.*

In the event of a negative index **we** will retain **your** existing amounts insured, unless **you** advise **us** otherwise

#### b) **Claims**

For claims settlement purposes the adjustments set out above will continue during the **period of insurance** and the period of repair, replacement or reinstatement as long as the work is carried out and completed without undue delay.

### 16A.9 Unoccupied property

**We** must be notified in writing as soon as reasonably practicable of any **unoccupied** building or **unoccupied** portion of a building insured that becomes occupied or any occupied building which becomes **unoccupied** or partially **unoccupied**. An additional premium and terms will be applied if required.

### 16A.10 Security of unoccupied property

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## Section 16 – Policy Conditions

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**You** must ensure that for property **unoccupied** for more than 30 days the following conditions are complied with unless otherwise agreed by **us**.

- a) The gas, electricity (other than power required for an intruder alarm or fire alarm system) and water supplies are turned off at the mains and all water pipes, apparatus and tanks are drained down.
- b) All devices for preventing access to the buildings are in full and effective operation at all times.
- c) The **premises** and yards are clear of all waste materials and redundant contents.
- d) All accessible windows and doors are securely boarded over.
- e) The letter box is permanently sealed shut or a non-combustible receptacle is permanently fixed to the letter box.
- f) The **premises** are inspected at least once a week by a responsible person to ensure that there is no deterioration in the fabric of the building and that compliance with conditions a) - e) continues.

### **16A.11 Interests of other parties**

If requested to do so by **you**, **we** will note the interest of a Lender (for example a bank or other financial institution) under **your policy**. This does not convey any right to the Lender to enforce the **policy** or entitle it to payment of the proceeds of an insurance claim however **we** will agree to notify the Lender if:

- a) this **policy** is cancelled or not renewed;
- b) any cover provided by this **policy** is reduced or restricted by **us**;
- c) **we** suspend or avoid the cover provided by this insurance **policy**, or
- d) **we** become aware of any act or omission which may invalidate all or part of any insurance or claim. In the event of a claim, any other interested party should declare the nature and extent of its interest.

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**These conditions are optional and only apply if shown in the schedule**

### Sub Section 16B – Optional Conditions and Clauses

These are the conditions of the cover and apply throughout your policy. There may be additional conditions under each section of cover and in any attaching endorsements.

If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.

If you are unsure about any of these conditions or whether you need to notify us about any matter, please contact Your Insurance Broker.

#### 16B.1. Automatic fire alarm

We have given you a discount off the premium for this insurance because there is an automatic fire alarm installed on the premises and you undertake to keep the installation in efficient working order.

You must ensure that you:

- a) make a test every day (holidays excepted) for the purpose of checking the condition of the batteries, the brigade connection and all detector circuits;
- b) obtain promptly a quarterly report from the installing engineers and remedy any defect revealed and make the report available to our representatives when required;
- c) advise the installing engineers as soon as practicable of any serious disablement, disconnection or temporary disuse of the installation (except during actual testing) and keep a note of this together with a note of the length of time the installation was not working for examination by our representatives when required;
- d) notify us as soon as reasonably practicable of the removal of any automatic fire alarm installation for which a discount has been allowed and undertake to return a pro rata share of the discount for the unexpired time.

Providing you do this, we agree we will not invalidate this policy because of any defect in the automatic fire alarm installation due to circumstances unknown to or beyond your control.

#### 16B.2A. Day one basis (non-adjustable)

The insurance by the item(s) indicated in the schedule is in accordance with the following.

1. The premium on each item has been calculated on the **declared value** calculated by you.
2. At the beginning of each **period of insurance**, you will notify us of the declared value of the **property insured** by each of the item(s). In the absence of such declaration, we will take the last amount declared by you as the declared value for the next **period of insurance**.
3. Special conditions 2 and 4 of the Reinstatement clause are restated as follows.
  - 2.If at the time of **damage** the **declared value** of the property covered by such item is less than the cost of the reinstatement at the start of the **period of insurance** then our liability for the **damage** will not exceed that proportion which the declared value bears to the cost of reinstatement.

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4. All the other terms and conditions of the policy will apply for any claim payable under this clause so far as they are able except that where claims are payable as if this clause had not been incorporated the sum(s) insured will be limited to 115% of the declared value(s).

### 16B.2B. Day one basis (adjustable)

The insurance by the item(s) indicated in the schedule is in accordance with the following.

1. The premium on each item has been calculated on the declared value calculated by **you**.
2. At the beginning of each **period of insurance**, **you** will notify **us** of the declared value of the **property insured** by each of the item(s). In the absence of such declaration, **we** will take the last amount declared by **you** as the declared value for the next **period of insurance**.
3. The premium calculated on the items is provisional. On expiry of each **period of insurance**, **we** will adjust the premium by 50% of the difference between:
  - a) the provisional premium at the beginning of the **period of insurance**; and
  - b) the premium calculated for the subsequent **period of insurance**based on the terms which have applied during the period under adjustment.
4. For the purpose of paragraph 3 of this clause only:
  - a) If **you** cancel or do not renew the **policy** or any of the items, **you** will tell **us** the declared value of the **property insured** by each of the item(s) which apply at the date of cancellation or non-renewal;
  - b) If property has not been reinstated following **damage**, **you** will tell **us** the declared value as though the property had not been damaged;
  - c) If **you** do not tell **us** the declared value, **we** will charge an additional premium of up to 7.5% of the provisional premium.
5. Special conditions 2 and 4 of the Reinstatement clause are restated as follows:
  2. If at the time of **damage** the declared value of the property covered by such item is less than the cost of the reinstatement at the start of the **period of insurance**, then **our** liability for the **damage** will not exceed that proportion which the declared value bears to the cost of reinstatement;
  4. All the other terms and conditions of the policy will apply for any claim payable under this clause . Where claims are not payable under this clause the sum(s) insured will be limited to 102% of the declared value(s).

### 16B.3. Sprinkler installations and fire extinguishing appliances maintenance

**We** have given **you** a discount off the premium for this insurance because there are automatic sprinklers and fire extinguishing appliances installed on the **premises** and **we** hold details of these.

**You** must ensure that **you** maintain both the automatic sprinklers and fire-extinguishing appliances in full working order at all times and **you** must:

- a) arrange a weekly test to check that the alarm gong is working and that the stop valves controlling the individual water supplies and the installation are fully open;

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- b) arrange quarterly or half-yearly tests if **we** require for the purpose of checking that each water supply is in order. **You** must record the results of each test;
- c) arrange a weekly test to check the condition of the fire brigade connection and the batteries for each approved system for sending alarm signals from sprinkler installations to the fire brigade;
- d) test every day (holidays excepted) to check the condition of the circuit between the alarm switch and the control panel;
- e) remedy promptly any defect revealed by such tests.

Providing **you** do this, **we** agree **we** will not invalidate this **policy** because of any defect in any of the automatic sprinklers or appliances due to circumstances unknown to **you** or beyond **your** control.

### 16B.4 Stock declaration

The insurance by the item(s) indicated in the schedule is in accordance with the following;

The first and annual premiums are provisional and at the end of each **period of insurance** the actual premium will be calculated as follows:

- a) **You** will tell **us** in writing as soon as possible the value of the property on the last day of each calendar month or each quarter as agreed with **us**. If **you** do not tell **us**, **we** will take the maximum sum insured as the value declared.
- b) At the end of each **period of insurance** the actual premium will be calculated on the average amount insured i.e. the total of the values declared divided by the number of declarations. If the actual premium is greater than the first or annual premium paid, **you** will pay **us** the difference. If it is less, **we** will refund the difference to **you** but only up to one third of the first or annual premium paid.

**We** will not reduce the sum insured by the amount of any loss as long as **you** pay the extra premium on the amount of the loss from the date it occurred to the date of the expiry of the **period of insurance**.

### 16B.5A. Intruder alarm

**You** must ensure that:

1. the **alarmed premises** are protected by the **intruder alarm system** whenever they are closed for business or left unattended;
2. the **intruder alarm system** is maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or such other company agreed with **us**;
3. no alteration to or substitution of:
  - a) any part of the **intruder alarm system**;
  - b) the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**; or
  - c) the maintenance contract.

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will be made without **our** written agreement;

3. no structural alteration of or changes in the layout to the **premises** that could affect the operation of the **intruder alarm system** will be made without **our** written consent;
5. the **alarmed premises** will not be left without at least one **responsible person** on them without **our** agreement:
  - a) unless the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals in full operation; or
  - b) if the police have withdrawn their response to alarm calls.
6. all keys to **the intruder alarm system** are removed from the **premises** when they are left unattended;
7. the **keyholders** will keep all codes for the operation of the **intruder alarm system** secret and will not leave details of them on the **premises**;
8. **you** will appoint at least two **keyholders** and lodge written details (which must be kept up to date) with the police and the alarm company who are contracted to maintain the alarm;
9. if the **intruder alarm system** is activated or the communication signal interrupted then (unless alternative procedures have been agreed with **us** in writing) a **keyholder** will attend the **premises** as soon as reasonably possible following notification and will not leave without there being at least one **responsible person** on the **premises** until the provisions of paragraph 5 have been complied with;
10. in the event of **you** receiving any notice:
  - a) that police response to alarm signals/calls from the **intruder alarm system** may be withdrawn or the level of response reduced or delayed;
  - b) from a local authority or magistrate imposing any requirements for abatement of a nuisance; or
  - c) from the installing company or other such company as agreed by **us** that the **intruder alarm system** cannot be returned to or maintained in fully working order

**you** will advise **us** as soon as possible and in any event not later than 10.00 am on the next working day and comply with all **our** subsequent requirements.

### Special provision

**You** must ensure that before **we** agree the alarm specification and maintenance contract arrangements, **you** will comply with all the requirements detailed above as if **we** had agreed the specification and maintenance arrangements.

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### 16B.5B Alarm

*(Applies only to Section 7 All Risks (Specified Items))*

We will not be liable for any **damage** by theft or attempted theft from any unattended **vehicle** unless the alarm system

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

### 16B.6. Fireproof doors

**You** must ensure that all fireproof doors and shutters are kept closed except during working hours and will be kept in efficient working order during the **period of insurance**.

### 16B.7. Portable space heater

**You** must ensure that any portable space heater:

- a) is not sited in passageways and other places where it is liable to be overturned or affected by mechanical damage;
- b) is not sited in areas where flammable atmospheres are habitually or intermittently present;
- c) is not sited on combustible floors or surfaces; and
- b) is kept clear of combustible materials and is provided with a guard to maintain a clear space of at least 1 metre around it.

### 16B.8. Premises inspection

**You** must ensure that:

- a) the **buildings** are examined at the end of each business day for smouldering matches, tobacco or other material;
- b) the **employee** detailed to make the examination signs a daily report; and
- c) the management checks these reports at least once a week.

### 16B.9A. Oily and/or greasy waste

**You** must ensure that all oily and/or greasy waste and used cleaning cloths which remain in the **buildings** overnight are kept in metal receptacles with metal lids and removed from the **building** at least once a week.

### 16B.9B. Combustible trade waste – nightly removal

**You** must ensure that all combustible trade waste and refuse is removed from the **buildings** every night.

### 16B.9C. Combustible trade waste – weekly removal

**You** must ensure that all combustible trade waste and refuse is swept up daily and kept in bags or bins and removed from the **buildings** at least once a week.



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## Section 16 – Policy Conditions

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### 16B.9D. Combustible trade waste – storage

**You** must ensure that any combustible trade waste including oily and/or greasy wipes and cloths which remain in the **buildings** overnight are kept in metal receptacles having metal lids.

### 16B.9E. Sawdust, shavings and other refuse

**You** must ensure that all sawdust, shavings and other refuse is removed from the **buildings** every night

### 16B.10. Cooking equipment

If in relation to any claim for **damage** to the **property insured** caused by or resulting from fire or explosion, **you** have failed to fulfil any of the following conditions, **you** will lose **your** right to cover or payment for that claim.

Where **cooking equipment** is located within the **premises**:

- a) all **cooking equipment** must be installed, operated and maintained in accordance with the manufacturer's instructions;
- b) no **cooking equipment** using fats, oils or coals must be left without a competent person remaining continuously near the **cooking equipment**, either in full view of it or positioned where they are able to take action to prevent, extinguish or control a fire starting from such equipment while the heat source is operating;
- c) all equipment used for frying by immersing in fat or oil must be fitted with:
  - i) a cooking thermostat which prevents the temperature of fat or oil exceeding 205 degrees centigrade (401 degrees Fahrenheit);
  - ii) a separate high temperature limit thermostat without automatic resetting, which must be immersed in oil to ensure it works as required, to shut off the heat source if the temperature of fat or oil exceeds 225 degrees centigrade (440 degrees Fahrenheit), and gas heated equipment is additionally fitted with a flame failure cut-off device;
- d) an emergency shut-down device for the fuel supply and the extraction system is fitted in a position remote from the **cooking equipment**;
- e) all **cooking equipment** including flues and extract system ducting, must be kept from contact with and not in close proximity to combustible material including any such material within or forming part of the **buildings**;
- f) suitable fire extinguishers and/or blankets must be kept in the frying and cooking area and staff are fully trained how to use them;
- g) all extract hoods, canopies, canopy exhaust plenums, filters and grease traps must be thoroughly cleaned over their entire internal and external areas by the removal of all greasy and oily deposits and other waste materials at least every month. A record of all cleaning must be kept;
- h) the entire internal area of all flues and extract system ducting, including extraction motors and fans must be thoroughly cleaned in accordance with the "HVCA Guide to Good Practice TR/19 - Internal Cleanliness of Ventilation Systems" by a **qualified contractor**, who must provide a written report with photographs to evidence the condition of the ductwork before

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## Section 16 – Policy Conditions

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and after cleaning, together with the removal of all greasy and oily deposits and other waste materials, at least annually or at a frequency recommended by a **qualified contractor**;

- i) if the entire internal areas of all flues and extract system ducting, including extraction motors and fans, have not been so cleaned within six months before the start of this insurance or the addition of this condition, then they must be so cleaned within thirty days of the start of this insurance or the addition of this special condition, and at least annually thereafter or at a frequency recommended by a **qualified contractor**.

### **16B.11. Composite panels**

Where composite panels are present in the construction of any **buildings**, it is **your** duty to ensure that:

- a) all hot ductwork and heater flues passing through the panels are fitted with a fire collar or sleeve of non-combustible material;
- b) any damaged panels are repaired with sheet metal with a minimum thickness equal to the original to ensure that the insulation material is not exposed;
- c) a Hot Work permit system is agreed with **us** and is in full and effective operation.

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## Section 17 – General Exclusions

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This **policy** does not cover the following:

1. **Asbestos** *Not applicable to Section 5- Employers' liability*  
liability caused by or arising from the actual, alleged or suspected presence or release of **asbestos** or exposure to or inhalation of **asbestos**.
2. **Cyber terrorism**  
digital or cyber risks, that is:
  - a) any loss caused by or contributed to, by, or arising from or occasioned by or resulting from:
    - i) the alteration, modification, distortion, corruption of or **damage** to any computer or other equipment or component or system or item which processes stores transmits or receives **data** or any part of it whether tangible or intangible (including but without limitation any information or programs or software); or
    - ii) any alteration, modification, distortion, erasure or corruption of **data** processed by any computer or other equipment or component or system or item; whether **your** property or not, where the loss is caused by a **virus or similar mechanism, phishing or hacking or denial of service attack**,
  - or
  - b) any legal liability or financial loss or expense, including but not limited to **consequential loss**, caused by or contributed to, by, or arising from or occasioned by or resulting from a **virus or similar mechanism, phishing or hacking or denial of service attack**.
3. **Date recognition**  
**damage** caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date or to process **data** or to operate properly due to failure to recognise any given date.  
  
But **we** will cover resulting **damage** not otherwise excluded, providing **damage** is covered elsewhere in the **policy**.
4. **Excess**  
the **excess** shown in **your schedule**.
5. **Mould**  
loss, cost or expense arising out of, resulting from or in any other manner related to **fungal pathogens**, whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.
6. **Northern Ireland - civil commotion**  
civil commotion in Northern Ireland. **Damage** is excluded regardless of any other cause, event or intervention that contributes concurrently or in any sequence to the **damage**.
7. **Radioactive contamination**  
**bodily injury**, disablement or **damage** to any property, or any resulting loss or expense or any legal liability caused by, contributed to or arising from:
  - a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;

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## Section 17 – General Exclusions

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- b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or its nuclear components; or
- c) any weapon of war employing atomic or nuclear fission or fusion or other like reaction or radioactive force or matter.
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this exclusion d) will not apply to radioactive isotopes other than nuclear fuel when those isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other peaceful purposes.

When applying to Section 5– Employers’ liability this exclusion will only apply to an **employee** when **you** have, under a contract of agreement agreed to:

- i) cover another party; or
- ii) assume the liability of another party, for **bodily injury**.

### 8. **Terrorism** *Not applicable to Section 14 - Terrorism*

**Damage**, legal liability or financial loss or expense, occasioned by or happening through or following **terrorism**. In any action suit or other proceedings where **we** allege that any **damage** is not covered by this **policy** the burden of proving that **damage** is covered will be upon **you**.

This exclusion does not apply to Section 8 - Employers’ liability to the extent that it is necessary to comply with the minimum requirements of the law in the **United Kingdom**, relating to compulsory insurance of liability to **employees** and provided that the maximum limit for any one loss or series of losses arising from one source or original cause will not exceed **£5,000,000**.

### 9. **War**

any event which is the result of any of the following, or anything connected with any of the following, whether or not the event has been contributed to by any other cause or event:

- a) war, hostile or warlike action in time of peace or war (whether or not declared) including action in hindering, combating or defending against an actual, impending or expected attack;
  - i) by government or sovereign power (legal or illegal) or by any authority maintaining or using military, naval or air forces, or any other armed forces or militia; or
  - ii) by military, naval or air forces, or any other armed forces or militia; or
  - iii) by an agent of any government, power, authority or force;
- b) any weapon of war employing nuclear or radioactive force or contamination whether in time of peace or war (whether or not declared), whether or not its discharge was accidental;

This exclusion will not apply to **damage** or **consequential loss** occasioned by the detonation of munitions of war or their parts within 1,000 metres of the **premises** provided that the presence of munitions does not result from a state of war current at the time of detonation.

- c) insurrection, rebellion, or action taken by government authority in hindering, combating, or defending against an occurrence, seizure or destruction.

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## Section 17 – General Exclusions

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This general exclusion does not apply under Section 15 Cyber 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**.

10. **Communicable Disease**

***Not applicable to Sections 5-6 and 8-15***

1. This **policy** does not insure any 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 fear or threat (whether actual or perceived) of a Communicable Disease.

2. For the purposes of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, 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.

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 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.

4. This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

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## Section 18 – Claims Procedure

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### 1. Arbitration

If any dispute between **you** and **us** arises from this **policy**, **you** can make a complaint to **us** as described under **our** How to make a complaint clause under Important Information. **We** will try and resolve the matter however, if **we** are unable to satisfy **your** concerns and the matter can be dealt with by the Financial Ombudsman Service (FOS), **you** can ask them to arbitrate over the complaint.

If a dispute relating to the amount to be paid under this **policy** (liability being otherwise admitted) can't be dealt with by the Financial Ombudsman Service, it can be referred to independent arbitration to a qualified person agreed by both parties.

If **we** fail to agree on a suitable person to arbitrate the matter **we** will ask the President of the relevant Law Society to nominate.

The arbitration will be subject to the Arbitration Acts and the arbitrator's decision will be binding on both parties.

Whether **we** or **you** bear the costs of the arbitration or these are shared by **us** and **you** will be determined at the discretion of the arbitrator.

### 2. Claims co-operation

**You** must provide all help and assistance and co-operation required by **us** in connection with any claim.

### 3. Claims procedures

Things **you** must do:

**You** must comply with the following conditions. If **you** fail to do so, **we** may not pay **your** claim, or any payment could be reduced.

- a) **You** must notify **us** as soon as reasonably practicable giving full details of what has happened for any accident or incident which may give rise to a claim.
- b) **You** must provide **us** with any other information **we** may require.
- c) **You** must forward **us** as soon as reasonably practicable, if a claim for liability is made against **you**, any letter, claim, writ, summons or other legal document **you** receive.
- d) **You** must inform the police as soon as reasonably practicable following any loss caused by malicious acts, violent disorder, riots or civil commotion, theft, attempted theft or lost property.
- e) **You** must not admit liability or offer or agree to settle any claim without **our** written permission.
- f) **You** must take, or allow others to take, practical steps to prevent further **damage** or **bodily injury**, recover property lost and otherwise minimise the claim.

### Claims for Sections 1-9 and 12-14

If **you** need to make a claim under this policy, please contact Broadspire, By Crawford & Company, Second Floor, Ashton House, 400 Silbury Boulevard, Milton Keynes MK9 2AH.

**Your** claims should be notified to Broadspire by

Telephone: 01908 302 214 or

Email: [britukproperty@broadspiretpa.co.uk](mailto:britukproperty@broadspiretpa.co.uk)

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## Section 18 – Claims Procedure

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### 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: newloss@hsbeil.com

### Claims procedure applicable to Section 11 – Legal Expenses only

We have appointed ARAG plc to deal with all claims under this section on **our** behalf. If the **insured** needs to make a claim they must notify ARAG plc as reasonably practicable.

1. Under no circumstances should the **insured** instruct their own lawyer as **we** will not pay any costs incurred without **our** written consent;
2. The **insured** can request a claim form between 9am and 5pm Monday to Friday (except bank holidays) by telephoning **0117 917 1698** or anytime by downloading one at [www.arag.co.uk/newclaims](http://www.arag.co.uk/newclaims);
3. Where the **insured** is making a claim to repossess an **insured property**, they must have issued the necessary notices informing their tenant of their intention to repossess the **insured property**;
4. **We** will issue the **insured** with a written acknowledgement within one working day of receiving their claim form.
5. Within five working days of receiving all the information needed to assess the availability of cover under this section of the **policy**, **we** will write to the **insured** either:
  - a) confirming the appointment of a qualified representative who will promptly progress the claim for them; or
  - b) if the claim is not covered, explaining in full why and whether **we** can assist in another way.

When a lawyer is appointed they will try to resolve the **insured's** 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.

#### 4. Discharge of liability

Where in **our** opinion, the amount of any claim may exceed the available limit of liability or sum insured **we** will be entitled at **our** discretion, to discharge **our** liability by paying the available limit of liability or sum insured to **you** or on **your** behalf and pay defence costs up to the date of that payment. In this situation, if at the time of payment **we** are conducting the defence of the claim, **we** will also relinquish that conduct.

#### 5. Excess

Where stated in the **schedule** **you** will be responsible for paying an **excess** in relation to each claim made by **you** under this **policy**.

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## Section 18 – Claims Procedure

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### 6. Fraudulent claims

If **you** or anyone acting on **your** behalf makes a fraudulent claim under **your policy**, including providing fraudulent information or documentation, **we** may:

- a) refuse to pay the claim;
- b) seek to recover any costs already incurred by **us** relating to the fraudulent claim;
- c) also have the option to cancel the **policy** from the date of the discovery of the fraud;  
and
- d) keep any premium paid to **us**.

This will not affect claims already made unless they too were fraudulent.

### 7. Multiple insureds

The most **we** will pay is the relevant amount shown the **schedule**.

If more than one insured is named in the **schedule**, the total amount **we** will pay will not exceed the amount **we** would be liable to pay to any one of **you**.

**You** agree that the insured named in the **schedule**, if there is more than one insured named in the **schedule** the first of them, is authorised to receive all notices and agree any changes to the **policy**.

### 8. Other Insurance

If the **damage** or liability which is being claimed for under this **policy** is covered by any other insurance **we** will not pay more than **our** proportionate share.

If the other insurance is subject to a condition of Average and this **policy** is not, then this **policy** will become subject to the same condition of Average.

If the other insurance is subject to any provision excluding proportional payment (whether in whole or part) or from contributing rateably, **our** liability will be limited to that proportion of the loss, destruction, **damage** or liability which the sum insured under this **policy** bears to the value of the **property insured**.

### 9. Salvage

**We** may enter the **premises** where **damage** has occurred and take possession of or require to be delivered to **us** any **property insured** and deal with it in a reasonable manner\* (depending upon the type of salvage) but the property may not be abandoned to **us**.

*\*where appropriate to do so, **we** may use a third party who will sell the salvage at auction on **our** behalf.*

### Brands and labels



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## Section 18 – Claims Procedure

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Following **damage** to **property insured** bearing a brand or trademark, or which in any way carries or implies the guarantee or the responsibility of the manufacturer or **you**, the salvage value of that **property insured** will be determined after removal in the customary manner, at **our** expense, of all brands or trademarks or other identifying characteristics.

**You** may at **our** expense stamp “salvage” on the merchandise or its containers or may remove or obliterate the brands or labels from the merchandise if stamp removal or obliteration will not physically further damage the merchandise, provided that **you** re-label the merchandise or containers in compliance with the requirements of the law.

### Control of damaged merchandise

**You** may retain control and have full right to the possession of all merchandise manufactured, sold or distributed by **you** which sustains **damage**, Exercising reasonable discretion, **you** will with **our** consent following **damage**, judge as to whether the merchandise sustaining **damage** is fit for consumption, sale or use. Any merchandise deemed by **you** to be unfit for consumption, sale or use will not be sold or otherwise disposed of except by **you** or with **your** consent, but **you will** give **us** any salvage proceeds **you** obtain on any sale or other disposition of merchandise.

### 10. Subrogation

**We** are entitled to:

- a) take over and conduct the defence or settlement of any claim in **your** name or on **your** behalf at **our** discretion;
- b) take steps to enforce rights against any other party before or after payment is made by **us**.

### 11. Subrogation waiver

In the event of a claim for **damage** arising under Sections 1 or 4 of this **policy**, **we** agree to waive any rights, remedies or relief to which **we** might become entitled by subrogation against:

- a) any company standing in the relation of parent to subsidiary (subsidiary to parent) to **you** as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**; or
- b) any company which is a subsidiary of a parent company of which **you** are a subsidiary as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**.