



**COMMUNITY  
GROUP SHEDS  
INSURANCE POLICY**

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# Introduction

## Your Policy

This is your Insurance Policy and confirms the insurance cover agreed between You (the Insured) and Us (the Company).

Your Policy comprises the proposal, similar application form or Statement of Fact when applying for the insurance, this Policy wording and the Policy Schedule and Endorsements applicable; and must be read together as one document.

Please examine this Policy carefully to ensure you understand its terms and conditions and it provides the cover you require. Immediate notification should be made if You think there are amendments to be made or new circumstances arise that would affect Your insurance as stated in General Condition 2

Should you have any query please contact your insurance adviser who arranged this policy.

## Insuring Clause

This Policy has been produced by Pen Underwriting Limited a Managing General Agent of the Insurers listed on Page (4). The Insurers have delegated authority to Pen Underwriting Limited to underwrite Insurance for You on their behalf

## Customer Information

Details about the Regulator and Insurer

Pen Underwriting Limited is authorised and regulated by the Financial Conduct Authority (FCA number 314493). Registered Office: The Walbrook Building, 25 Walbrook, London EC4N 8AW. Registered in England and Wales. Company Number: 5172311. [www.penunderwriting.co.uk](http://www.penunderwriting.co.uk)

China Taiping Insurance (UK) Co. Ltd is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

FCA register number 202690

Registered office: 2 Finch Lane, London. EC3V 3NA.  
Registered in England and Wales

The above firms' FCA details can be checked on the Financial Services Register by visiting the FCA website: [www.fca.org.uk](http://www.fca.org.uk) or by contacting the FCA on 0800 111 6768.

## Complaints procedure

At Pen Underwriting, it is always our intention to provide a first class standard of service. However, it is appreciated that occasionally things go wrong. In a majority of cases the agent who arranged the insurance will be able to resolve any concerns and You should contact them directly in the first instance.

Alternatively You can complain by contacting Pen Underwriting Limited (as per the contact details below) quoting Your Policy and/or Claim number. We will

investigate Your concerns and provide a response as soon as possible.

Address:  
Pen Underwriting Limited Complaints  
7th Floor Spectrum Building  
55 Blythswood Street  
Glasgow  
G2 7AT

Telephone: 0141 285 3539  
Email: [pencomplaints@penunderwriting.com](mailto:pencomplaints@penunderwriting.com)

## If you are not satisfied with the response to your complaint

Should You remain dissatisfied having received a Final Response to Your complaint and You fit the definition of an 'eligible complainant', You may then be able to refer Your complaint to the Financial Ombudsman Service (FOS). Please note that the FOS allow 6 months from the date of the Final Response to escalate Your complaint to them.

Further details on eligibility and the referral process can be found on the FOS Website.

Address:  
The Financial Ombudsman Service  
Exchange Tower  
London E14 9SR

Telephone: 0800 0234567 (for landline users)  
Telephone: 0300 1239123 (for mobile users)  
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)

## Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the Scheme should We be unable to meet Our obligations under this contract. Entitlement to compensation under the Scheme depends on the type of business and circumstances of the claim. Further information about compensation scheme arrangements is available from the Financial Services Compensation Scheme, contactable via:-

FSCS, 10th floor,  
Beaufort House,  
15, St Botolph Street,  
London EC3A 7QU

Telephone: 0800 678 1100 or 0207 741 4100  
from their website: [www.fscs.org.uk](http://www.fscs.org.uk)

## How to Make a Claim

We pride ourselves on our service which provides a prompt and professional handling of claims. Claims are dealt with by knowledgeable and helpful staff who are able to discuss your claim, give you advice and reassurance and ensure that it is handled in a fair and efficient manner.

Where a loss adjuster is appointed to deal with a claim he/she will be required to

- i) act impartially and
- ii) deal with the claim in a courteous and professional manner.

We judge the performance of loss adjusters upon the service they provide to customers.

Should you wish to make a claim under your policy please contact your insurance adviser in the first instance or contact China Taiping Insurance (UK) Ltd Claims Department as soon as possible.

Email: [newclaims@uk.cntaiping.com](mailto:newclaims@uk.cntaiping.com)  
Telephone number: 0207 839 1888

Please quote your policy number in all correspondence

### **Your Right to Cancel**

If this cover does not meet Your requirements, please return all your documents within 14 days of receipt. We will return any premium paid in full provided no claims have been made on the policy during that time.

If after this time You wish to cancel the policy, You may do so at any time subject to a charge being made for the period of cover based on short period rates. However, if any claim has been paid, is outstanding or an incident reported that is likely to give rise to a claim, during the current Period of Insurance, then We reserve the right not to refund any premium. We may cancel this Policy in accordance with the Cancellation Condition 15.

To exercise Your right to cancel, contact the insurance adviser who arranged this cover for You.

### **The Law that Governs this Policy and Jurisdiction**

The parties to this contract are free to choose the law applicable to the contract. Unless specifically agreed to the contrary this insurance Policy shall be subject to English Law.

The indemnity provided by this Policy shall apply only to judgements against the Insured in the Courts of Law of England and Wales, Scotland, Northern Ireland, the Isle of Man and the Channel Islands and not to judgements obtained elsewhere nor to Judgements or orders obtained in the said courts for enforcement of foreign judgements whether by way of reciprocal agreements or otherwise.

The premium for this Policy has been calculated accordingly and no consideration has been paid in respect of sums payable under any other law or the jurisdiction of any other courts.

### **The Law that governs the interpretation of this Policy**

All disputes concerning the interpretation of this Policy are understood and agreed by both the Insured and the Insurers to be subject to English Law. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within England and to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such court.

This Policy should be read carefully and if it is incorrect return it immediately to your insurance advisor for alteration.

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 to retain details of your Employers Liability policy/ certificates for at least 40 years.



Tom Downey  
CEO of Pen Underwriting Limited

# General Definitions and Interpretations

Any word or phrase specified hereunder to which a meaning is given has the same meaning wherever it appears in this Policy or any Schedule Endorsement or notice attached or issued by the Insurers unless specifically amended by any documentation issued by the Insurers

## Act of Terrorism

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

## Business

means business described in the Policy Schedule including

- 1) the ownership (including maintenance) of buildings specifically insured by this Policy
- 2) the provision and management of canteen social sports and welfare facilities for your Employees
- 3) first aid fire and ambulance services
- 4) private work carried out with your consent for you or any of your directors partners or other senior officials of your Business by any of your Employees within the Geographical Limits

## Costs and Expenses

means

- 1) all costs and expenses recoverable by any claimant from you
- 2) the costs and expenses incurred with the written consent of the Insurers for
  - (a) representation at any Coroner's Inquest or Inquiry in respect of any death
  - (b) the defence of proceedings in any court brought against you in respect of breach or alleged breach of statutory duty resulting in Injury
- 3) all other costs and expenses of litigation incurred with the written consent of the Insurers relating to an occurrence which may give rise to indemnity

## Damage

means loss destruction or damage

## Deductible / Excess

means amount shown in the Schedule to any Section of this Policy being the amount of each and every claim which is

not covered and for which you are considered to be your own insurer

## Employee

means

- 1) any person under a contract of service or apprenticeship with you
- 2) any person hired or borrowed by you in the course of their contract of service or apprenticeship with another employer
- 3) any person under a government or other authorised work experience or youth training or similar scheme
- 4) any self employed person
- 5) any labour master or labour only subcontractor or person supplied by any of them whilst engaged in working for the Insured in connection with the Business
- 6) any voluntary worker

## Endorsement

means any additional terms relating to the insurance provided by this Policy which are

- 1) not within the Policy but attached to any Schedule issued by the Insurers or
- 2) within the Policy and stated in the Policy Schedule as applying to this Policy

## Geographical Limits

means United Kingdom, the Channel Islands, the Isle of Man and Northern Ireland and any territory endorsed on Your Policy Schedule

## Glass

means fixed plain plate or sheet glass of ordinary glazing quality lettering thereon wired glass and mirrors

## Injury

means death bodily injury illness disease or shock

## Insured/you/your

means person (s) and/or company(ies) named in the Policy Schedule

## Insurers

means China Taiping Insurance (UK) Co Limited

## Money

means

## COMMUNITY GROUP SHEDS INSURANCE POLICY – GENERAL DEFINITIONS

- 1) current currency
- 2) crossed and uncrossed (where applicable)
  - (a) bankers drafts
  - (b) national giro drafts and payment orders
  - (c) postal and money orders
  - (d) dividend warrants
  - (e) cheques (other than presigned blank cheques)
- 3) travellers cheques
- 4) national savings stamps and certificates
- 5) bus and rail travel cards and passes
- 6) telephone cards
- 7) current postage stamps and unused postal franking machine units
- 8) luncheon vouchers
- 9) gift tokens
- 10) trading stamps
- 11) national insurance stamps and stamped or impressed national insurance cards
- 12) holiday with pay stamps
- 13) premium bonds
- 14) VAT purchase invoices
- 15) credit card cheque card and debit card sales vouchers
- 16) savings stamps
- 17) consumer redemption vouchers
- 2) all loss destruction damage or Injury directly or indirectly caused by such pollution or contamination

### Premises

means address of premises stated in the Schedule to each Section insured by this Policy but where no premises are so stated the address of premises shall be as stated in the Policy Schedule

### Principal

Any public authority, government body, Company, Firm, Organisation or person for whom you are undertaking a contract

### Products

means any commodity or article (including containers labelling instructions or advice provided in connection therewith) manufactured sold supplied repaired serviced tested financed constructed installed or processed by or on behalf of the Insured from or within the Geographical Limits in connection with the Business

### Sanitaryware

means lavatory pans wash-basins cisterns and other sanitaryware for which the insured is responsible

### Schedule

means most current Schedule issued to you by the Insurers

### Us/We/Company

means China Taiping Insurance (UK) Co Limited

### Valuables

means deeds bonds bills of exchange promissory notes stamp collections jewellery watches furs and fur skins precious stones and articles comprising of them

### Period of Insurance

means period of insurance stated in the Policy Schedule and any subsequent period for which premium payment is made by you and is accepted by the Insurers

### Policy

means policy wording together with all Schedules Endorsements and notices attached or issued by the Insurers

### Pollution

means

- 1) pollution or contamination by naturally occurring or manmade substances forces or organisms or any combination of them whether permanent or transitory and however occurring and

# General Exclusions to this Policy

## 1) General

The following Exclusions apply to all Sections of your Policy except Section 8 – Employers' Liability

This Policy does not cover any loss destruction damage consequential loss or liability directly or indirectly caused by or contributed to by or arising from

- (a) Radioactive Contamination
  - (i) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - (ii) the radioactive toxic explosive or other hazardous or contaminating properties of any nuclear installation reactor or other nuclear assembly or nuclear component thereof
  - (iii) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- (b) Pressure Waves
 

pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds
- (c) Pollution
 

as defined in the General Definitions and Interpretations other than Pollution resulting in Damage to property insured by this Policy or interruption of or interference with the Business not otherwise excluded caused by any of the following perils

Fire Explosion Aircraft Earthquake Riot Malicious Damage Storm or Flood Escape of Water Impact Sprinkler Leakage Theft or Subsidence all as defined in Section 1-Buildings and Contents of this Policy

## 2) War And Act Of Terrorism

This Policy does not cover any claim hereunder of whatsoever nature directly or indirectly occasioned by or happening through or in consequence of

- (a) war invasion acts of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war mutiny civil commotion assuming the proportions of or amounting to popular rising military rising insurrection rebellion revolution military or usurped power martial law confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any Government or public or local authority Act of Terrorism or any action taken in controlling preventing suppressing or in any way relating to any of the above

- (b) riot civil commotion and (except in respect of Damage by fire or explosion) strikers locked out workers or persons taking part in labour disturbances or malicious persons in Northern Ireland other than in respect of the insurance provided by Section 8 – Employers Liability Section 9 – Public Liability and Section 10 – Products Liability

In any action suit or other proceedings where the Insurers allege that by reason of Policy Definition Act of Terrorism any claim hereunder is not covered by this Policy the burden of proving that such claim hereunder is covered shall be upon you

This Exclusion shall apply to all Sections of this Policy other than Section 8 – Employers Liability to the extent that it is necessary to comply with the minimum requirements of the law in the United Kingdom of Great Britain and Northern Ireland including the Channel Islands and the Isle of Man relating to compulsory insurance of liability to employees and provided that the maximum Limit of Indemnity for any one claim or series of claims arising from one source or original cause shall not exceed £5,000,000

## 3) Date Recognition Failure

This Policy does not cover

- 1) Damage
- 2) interruption of or interference with the Business
- 3) legal liability other than Employers' Liability
- 4) Costs and Expenses other than in connection with Employers' Liability
- 5) Legal Expenses

directly or indirectly caused by or consisting of or arising from the failure of any computer data processing equipment or media micro chip integrated circuit or similar device or any computer software whether the property of the Insured or not

- (a) correctly to recognise any date as its true calendar date
- (b) correctly to capture save retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- (c) correctly to capture save retain or process any data as a result of the operation of any command which causes the loss of data or the inability correctly to capture save retain or process such data

Provided that (1) and (2) shall not apply to

- (i) subsequent Damage or
- (ii) subsequent interruption of or interference with the Business

not otherwise excluded which results from any of the following perils

Fire Explosion Aircraft Earthquake Riot Malicious Damage Storm or Flood Escape of Water Impact Sprinkler Leakage Theft or Subsidence all as defined in Section 1- Buildings and Contents of this Policy

#### 4) **Electronic Data**

This Exclusion applies to all Sections of this Policy other than Section 9 Employers Liability Section 10 Public Liability and Products Liability

This Policy does not cover loss destruction damage or consequential loss directly or indirectly occasioned by or happening through or in consequence of Computer Virus(es) or from erasure or corruption or alteration of Electronic Data

Computer Virus means a corrupting instruction that propagates itself via a computer system or network

Electronic Data means facts concepts and information converted to a form useable for communications interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment

Provided that this Exclusion shall not apply to Damage or interruption of or interference with the Business not otherwise excluded which results from any of the following perils

Fire Explosion Aircraft Earthquake Riot Storm or Flood Escape of Water Impact or Sprinkler Leakage all as defined in Section 1 – Buildings and Contents and stated as insured in the Schedule applicable to that Section

#### 5) **Epidemic and Pandemic Infectious Disease Exclusion Endorsement**

The following General Exclusion shall apply to all Insured Sections of Your Policy other than Employers' Liability, Public and Products Liability and Property Owners Liability (if insured hereunder)

This Policy does not cover:-

##### **Epidemic and pandemic infectious disease**

Definitions applicable to this exclusion:

##### **Infectious Disease**

means any disease which can be transmitted by means of any substance or agent from any organism

to another organism (including human beings) where:

- a. 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
- b. 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
- c. 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 hereunder.

##### **Epidemic**

means the sudden, unexpected, large-scale manifestation of an initially locally contained, Infectious Disease which spreads with great virulence.

##### **Pandemic**

means a worldwide Epidemic of an Infectious Disease as declared by the World Health Organization.

Notwithstanding any other provision of this Policy to the contrary, this Policy does not provide indemnity for any loss, damage, claim, cost, expense or other sum, directly or indirectly caused by or arising from or in any way connected to an Epidemic or Pandemic Infectious Disease or the fear or threat (whether actual or perceived) of an Epidemic or Pandemic Infectious Disease.

For the purposes of this Exclusion, loss, damage, claim, Costs and Expenses or other sum, includes, but is not limited to

- a. any cost to clean-up, detoxify, remove, monitor or test:
  - i. for an Epidemic or Pandemic Infectious Disease, or
  - ii. any Property Insured hereunder that is affected by such an Epidemic or Pandemic Infectious Disease;
- b. any loss due to interruption to or interference with the Business as defined in the Policy as a result of or in any way connected to the occurrence of an Epidemic or Pandemic Infectious Disease, including but not limited to interruption or inference resulting from any action by, advice of or restriction imposed by any government or any local or public authority.

This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the Policy remain the same.



# General Conditions to this Policy

The following Conditions apply to all Sections of your Policy and you must comply with them or your Policy may not be in force

## Making A Claim

Should you wish to make a claim under your policy please contact your insurance adviser in the first instance or contact China Taiping Insurance (UK) Ltd Claims Department as soon as possible.

Email: [newclaims@uk.cntaiping.com](mailto:newclaims@uk.cntaiping.com)  
Telephone number: 0207 839 1888

Please quote your policy number in all correspondence

### 1) Procedure For Notifying Claims

If any event happens which may give rise to a claim being made under this Policy you must

- (a) notify the Insurers as soon as possible and give full details of the occurrence
- (b) inform the police immediately of any malicious damage or of the theft or loss of any property or Money
- (c) forward to the Insurers immediately on receipt and without answering it any letter claim writ summons or process
- (d) send to the Insurers at your own expense a written claim together with such detailed particulars and proofs certificates or other documents as may reasonably be required by the Insurers and send also details of any other insurance covering the loss destruction damage Injury or liability for which you are claiming indemnity under this Policy within
  - (i) seven days of Damage caused by riot civil commotion strikes labour disturbances or malicious persons
  - (ii) 30 days of the expiry of the Indemnity Period in the event of a claim under the Business Interruption Section of this Policy
  - (iii) 30 days of Damage by any other cause or Injury insured by this Policy
- (e) take all reasonable steps to diminish or avoid the Damage and to minimise any interruption of or interference with the Business
- (f) not negotiate with nor make any admission of liability nor offer payment or promise to any party without the Insurers' written consent

### 2) Duty Of Fair Presentation

The Insured must make a fair presentation of the risk to the Company at inception, renewal and variation of the policy.

- (a) In the absence of such fair presentation, the Company may avoid the policy and refuse to pay any claims where any failure to make a fair presentation is:
  - (i) deliberate or reckless; or
  - (ii) of such other nature that, if the insured had made a fair presentation, the Company not have underwritten the risk

The Company will return the premium paid by the Insured unless the failure to make a fair presentation is deliberate or reckless;

- (b) If the Company would have issued the policy on different terms had the insured made a fair presentation, the Company will not avoid the policy (except where the failure is deliberate or reckless) but the Company may instead:-
  - (i) reduce proportionately the amount paid or payable on any claim, the proportion for which the Company is liable being calculated by comparing the premium actually charged as a percentage of the premium which the Company would have charged had the Insured made a fair presentation; and/or
  - (ii) treat the policy as if it had included such additional terms (other than those requiring payment of premium) as the Company would have imposed had the Insured made a fair presentation

For the purposes of this condition references to:

- 1) avoiding a Policy means treating the policy as if it had not existed from the inception date (where the failure to make a fair presentation of the risk occurs before or at the inception of the policy), the renewal date (where the failure occurs at renewal of the policy), or the variation date (where the failure occurs when the policy is varied);
- 2) refunds of premium should be treated as refunds of premium back to the inception date, renewal date or variation date as the context requires;
- 3) issuing a Policy should be treated as references to issuing the Policy at inception, renew or varying the policy as the context requires

### 3) Changes In Facts

The Insured must notify the Company as soon as possible if there is any alteration in Your ownership in or to the business at the premises including but not limited to:-

- (a) the Business being wound up or carried on by a liquidator or receiver;

- (b) changes in the facts as set out in the proposal or application and declared to the Insurer at inception, renewal or variation of the policy, which materially increases the risk of Injury or Damage
- (c) where the Insured's interest in the property as described in the schedule ceases other than by death;
- (d) in respect of subsidence if applicable, where any construction, demolition or excavation work is being carried out on adjoining sites.

Upon such notification of alteration to the Company, We may at Our discretion:-

- (a) continue cover on the same terms;
- (b) impose additional terms or restrict cover where relevant;
- (c) alter the premium;
- (d) cancel this Policy

#### 4) Subrogation

In the event of any claim under this Policy you shall at the Insurers' request and expense take and permit to be taken all necessary steps for enforcing rights against any other party in your name before or after any payment is made by the Insurers

#### 5) The Insurers' Rights

If any event happens which may give rise to a claim under this Policy the Insurers will be entitled to

- (a) enter the building where Damage has occurred and to take and keep possession of damaged property insured herein and to deal with the salvage in a reasonable manner and this Condition shall be proof of your consent for such purpose - no property may be abandoned to the Insurers
- (b) exercise sole conduct and control over the defence or settlement of any claim made upon you or any other person covered by this Policy by any other party
- (c) prosecute in your name or the name of any other person covered by this Policy but for the Insurers' benefit any claim for damages or indemnity

#### 6) Other Insurance

If at the time of any Injury or Damage there be any other insurance

- (a) covering the whole or part of such Injury or Damage whether effected by the Insured or not then the Insurers shall not be liable to pay or contribute more than their rateable proportion of the total payment made for such Injury or Damage

- (b) on any of the property insured herein either alone or together with any other property which shall be subject to any condition of average or is limited in respect of the value of any article or the total amount is divided in respect of said property then this Policy may at the option of the Insurers be held to contain the same condition of average limit of value and division of amount pro rata
- (c) which more specifically insures property insured herein this Policy will not apply except in respect of any amount over and above that recoverable under such more specific insurance

This Condition does not apply to any personal accident benefit provided under this Policy in respect of death or injury to any insured person

#### 7) Effect Of Claims On Sums Insured

Except where otherwise provided for under any Section of this Policy

- (a) the Sums Insured in this Policy will be reduced until expiry of the Period of Insurance by the amount of any loss destruction damage interruption or interference with your Business
- (b) if any Sum Insured is subject to an Underinsurance Condition and further claims arise before expiry of the Period of Insurance the application of such Underinsurance Condition may have the effect of increasing the proportion of the loss which you will have to bear
- (c) on request and if not otherwise provided for under any Section of this Policy following a claim the Insurers will consider reinstating the original Sums Insured subject to any additional premium revised terms and further precautions that may be necessary

#### 8) Recovery Of Lost Or Stolen Property

If any lost or stolen property which is the subject of a claim under this Policy is recovered you must inform the Insurers as soon as reasonably possible by recorded delivery letter

If the property is recovered before the payment of the claim for loss of that property you must reclaim such property and the Insurers will then indemnify you under the terms of this Policy for any damage sustained to such property

If the property is recovered after payment of the claim for loss of that property the property will then belong to the Insurers but you will have the option of retaining the property and refunding to the Insurers any claim payment the Insurers have made for the property subject to any appropriate adjustment for damage to the property

#### 9) Arbitration

If the Insurers accept liability for a claim under this

Policy but there is a dispute in respect of the amount to be paid the dispute will be referred to an arbitrator appointed in accordance with the relevant law in force at the time

In these circumstances the arbitrator's award must be made before there is any right of action against the Insurers

#### 10) Average

If the value of the property covered by this Insurance shall, at the time of Damage, be

greater than its sum insured, You shall only be entitled to recover such proportion of

Your claim as the Sum Insured bears to the total value of the property.

#### 11) Observance

The Company shall not be liable for any claim where the Insured haven't complied with any part of any condition to which payment of a claim is subject (a condition precedent) to except for when the concerned condition:-

- (a) relates to a particular Premises only, the Company will pay for a claim arising out of an event occurring at Premises which are not specified in any conditions precedent to liability;
- (b) relates to a particular time only, the Company will pay for a claim arising out of an event if the Insured can prove, on the balance of probabilities, that their non-compliance with such condition precedent to liability did not cause or contribute to the loss, damage or injury occurred in the circumstances in which it occurred;
- (c) relates and aims at reducing particular types of injury, liability, losses or damage only, the Company will pay for a claim arising out of an event if the Insured can prove, on the balance of probabilities, that your non-compliance with such condition precedent to liability did not cause or contribute to the loss, damage or injury in the circumstances in which it occurred;

#### 12) Precautions

You must

- (a) take all reasonable precautions to safeguard any property insured by this Policy against Damage and to prevent Injury or loss or destruction of or damage to other property
- (b) exercise reasonable care in the selection and supervision of your Employees
- (c) take all reasonable steps to comply with all statutory and other obligations and regulations imposed by any authority

- (d) maintain the Premises and all other property insured in a sound condition

#### 13) Workmen And Alteration to the Premises Or Business

Workmen and tradesmen are allowed in or about the Premises for maintenance purposes and for undertaking minor repairs and alterations without affecting this insurance but the Insurers have insured you on the basis of information supplied and cover under this Policy will cease if

- (a) there are changes to the Premises or the building in which it is located or to your Business which may increase the risk of loss destruction damage liability accident or Injury
- (b) there are changes in the occupancy or use of the Premises
- (c) your interest in the Premises or your Business ceases
- (d) your Business is wound up or carried on by a liquidator or receiver or permanently discontinued

unless you have notified the Insurers within a reasonable time and the Insurers have agreed to such changes in writing

#### 14) Premium Adjustment

If any part of the premium is calculated on estimates you shall keep an accurate record containing all relevant particulars and shall at any time allow the Insurers to inspect such record

You shall within one month after the expiry of each Period of Insurance supply particulars and information as the Insurers may require and the premium for such period shall be adjusted subject to any minimum premium

#### 15) Cancellation

The company may cancel this policy by sending thirty days' notice by recorded delivery letter to you at your last known address, unless our reason for cancellation is deliberate or reckless misrepresentation on your part. If we cancel because of deliberate or reckless misrepresentation, then your policy will be cancelled with immediate effect.

Otherwise, notice will be deemed to be on the date of delivery if the notice is delivered by hand, or two working days after posting if notice is sent by post or courier.

If we cancel your policy and you have not made a claim, you will be entitled to a refund of premium for any unexpired period of insurance for which you have paid. However, if we cancel your policy because of deliberate or reckless misrepresentation, then we will not refund any premium.

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

**16) Instalments**

If the premium for this Policy is payable by instalments it is a condition precedent to the Insurers' liability that each instalment shall be paid when due otherwise all benefit under this Policy shall be forfeited from the date when such instalment was due

**17) Tax**

In addition to the premium you will pay to the Insurers any tax due on the premium which the Insurers are required to collect will be incorporated in accordance with current legislation

**18) Data Protection**

**Pen Underwriting Limited Short Form Privacy Notice Wording Effective 1 July 2020**

**How do we maintain your privacy?**

We are the data controller of any personal data you provide to us. We collect and process personal data in order to offer and provide insurance services and policies and to process claims. Personal data is also used for business purposes such as fraud prevention and detection, financial management, to generate risk modelling, conduct analytics including to advise, improve and develop our products and services and to comply with our legal and regulatory obligations. This may involve sharing information with, and obtaining information from, our group companies and third parties such as (re)insurers, other brokers, loss adjusters, credit reference agencies, service providers, professional advisors, our regulators or fraud prevention agencies.

We may record telephone calls to help us to monitor and improve the service we provide as well as for regulatory purposes.

Please see our Privacy Notice for further information on how your personal data is used, shared, disclosed and retained, your rights in relation to your personal data and how to contact our Data Protection Officer. Our Privacy Notice can be found at <https://www.penunderwriting.co.uk/Privacy-Policy>. From time to time we may make important updates to our Privacy Notice and these may in turn affect the way we use and handle your data. Please ensure you review our Privacy Notice periodically to ensure you are aware of any changes.

If you are entering into this agreement in the course of your business, or as a charity, for charitable purposes and providing information on other individuals to us, for example your employees and/ or any other party that would be covered under the insurance policy we may be placing or services we may provide to you, you shall ensure that individuals

whose personal data you are providing to us have been provided with fair processing notices that are sufficient in scope and purpose, and that you have obtained all appropriate consents, where required, or are otherwise authorised, to transfer the personal data to us and enable us to use the personal data and process the personal data for the purposes of this agreement and as set forth in our Privacy Notice. You must not share personal data with us that is not necessary for us to offer, provide or administer our services to you.

**19) 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 1998

**20) Employers Liability Tracing Office (ELTO)**

The Insurer is required by current regulation to make available details of the Employers' Liability insurance provided by this Policy to the Employers' Liability Tracing Office (ELTO). These details will be added to the Employers' Liability Database (ELD) which is managed by ELTO. The data provided will be available for search by registered users, as well as individual claimants, on a limited basis. This is designed to enable them to verify which insurer(s) provided the Employers' Liability insurance cover of an employer for a specific point in time

**21) Several Liability Notice**

The Liability of the Insurers is several and not joint and is limited solely to the extent of their individual proportions. The Insurers are not responsible for the subscription of any co-subscribing Insurers or any other Insurer or Co-Insurer who for any reason does not satisfy all or part of its obligations

**22) Sanctions Clause**

Pen Underwriting Limited (Pen) is committed to complying with financial and trade sanctions legislation and export controls, anti-money laundering and anti-boycott laws applicable to our business (collectively, Sanctions).

Pen is unable to provide underwriting, claims handling, risk consulting or other services or provide any benefit to the extent that the provision of such services or benefit would violate applicable law or expose Pen or its affiliates to any sanction, prohibition or restriction under sanctions laws or regulations. In addition, we are generally restricted from providing broking, claims handling or other services that relate to Cuba and Iran - including because of significant difficulties in processing payments and other commercial and reputational considerations.

No insurers shall be deemed to provide cover and no insurer shall be liable to pay any claim or

provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, law, or regulations of the European Union, United Kingdom or the United States of America.

Any Insurance Intermediary or broker who undertakes any insurance intermediation activity in relation to this policy are required to similarly comply with laws applicable to us in respect of any services provided to PEN or on PEN's behalf.

To comply with Sanctions, Pen may be required to take actions such as freezing the funds of parties subject to Sanctions and making licence applications or notifications to relevant regulators. Other third parties Pen deals with, such as financial institutions, may also apply their own policies or restrictions to comply with Sanctions and Pen will not be liable for this or for similar steps taken by third parties.

# Endorsements to the Policy

The following Endorsements apply only if stated in the Policy Schedule.

## 1) Minimum Security Condition

It is a condition precedent to liability that the following minimum security is installed at the Premises and maintained in efficient working order while the Policy remains in force

- (a) All external doors at the Premises and any internal doors which give access to any part of the building not occupied by the Insured must be of solid construction and fitted with a mortice deadlock that has 5 levers or more conforming to British Standard 3621

Where the doors are double leaf in addition to the said mortise deadlock the first closing leaf must be fitted with internal flush or mortise rack bolts at the top and bottom of the leaf

Any outward opening doors should in addition to the above have each hinge fitted with a hinge bolt

- (b) All accessible opening windows fanlights and skylights including those accessible from decks roofs fire escapes or downpipes must be fitted with key operated window locks except those opening windows protected by solid steel bars grilles expanded metal or weld mesh
- (c) If the external door is non-timber, the following applies
  - i. If Aluminium Door, this should be fitted with a cylinder mortise deadlock
  - ii. If Non-Timber & Non- Aluminium, this should be fitted with a key operated multi point locking device

## 2) Intruder Alarm Condition

It is a condition precedent to Insurers liability that

- (a) the alarmed Premises are protected by the intruder alarm system, designed installed and maintained to British Standard BS4737 or EN50131 including where stipulated by the Company or the local Police Authority Code of Practice DD242, whenever they are closed for business or unattended
- (b) the intruder alarm system is maintained in full and effective working order under a contract to provide both corrective and preventative maintenance with the installing company or such other company agreed by Insurers.

The intruder alarm installation and Maintenance Company must be both

- (i) a member of an Alarm Inspectorate which

is accredited by UKAS to EN 45011 or EN45012 and

- (ii) accredited and operate a Quality Management System in accordance with EN ISO 9000
- (c) no alteration to or substitution of
  - (i) any part of the intruder alarm system
  - (ii) the maintenance contract
  - (iii) the structure of the premises or changes to the layout of the premises which would affect the effectiveness of the intruder alarm system.
  - (iv) the procedures agreed with Insurers for police response or any other response to any intruder alarm system be made without written agreement of Insurers.
- (d) the alarmed premises shall not be left unattended without Insurers agreement
  - (i) unless the intruder system is set in its entirety with the means of communication used to transmit signals in full operation.
  - (ii) if the police have withdrawn their response to alarm activations.
- (e) You shall maintain secrecy of codes for the operation of the intruder alarm system and detail of such codes and all keys to the intruder alarm system shall be removed from the premises when the premises are left unattended
- (f) You shall appoint at least two Key Holders and lodge written details (which must be kept up to date) with the alarm company and either the Police or the Alarm Receiving Centre
- (g) In the event of notification of any activation of the Intruder Alarm System or interruption of means of communication including one or both alarm transmission systems in respect of dual signalling systems during any period the Intruder Alarm System is set a Key Holder shall attend the Premises as soon as reasonably possible
- h) In the event of the You receiving any notification
  - i) the Police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
  - ii) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance

- iii) that the Intruder Alarm System cannot be returned to or maintained in full working order the Insured shall advise Insurers as soon as possible, in any event no later than 10.00 am the next working day, and comply with any subsequent requirements stipulated by Insurers

### 3) Electrical Circuit Maintenance

It is a condition precedent to liability that fixed electrical installations are tested by an NICEIC (National Inspection Council for Electrical Installation Contracting) or ECA (Electrical Contractors Association) registered contractor at least once in every 5 year period and an IEE test certificate is issued showing no deviations.

### 4) Deep Fat Frying Equipment Condition

It is a condition precedent to liability that

1. any frying range together with the connecting flue pipe is securely fixed and well clear of or protected from contact with woodwork or other combustible materials.
2. the equipment is fitted with a thermostat which will prevent the temperature of oil or fat exceeding 205 degrees Celsius (401 degrees Fahrenheit).
3. all extraction hoods, canopies, filters and grease traps are cleaned at least once a week.
4. all extraction ducts are cleaned at least once every three months.
5. crackling oily and greasy waste and cloths are removed from the building at the close of each business day.
6. the following are kept near the frying equipment and maintained in efficient working order
  - a) a fire blanket; and
  - b) a portable fire extinguisher either foam (9 litres), carbon dioxide (2 kgs) or dry powder (4.5. kgs).

### 5) Frying and cooking equipment

It is a condition precedent to liability that;

- a) all frying and other cooking ranges, equipment, flues and exhaust ducting will be kept securely fixed and free from contact with combustible materials
- b) all extraction hoods, canopies, filters and grease traps will be cleaned at least every 2 weeks
- c) all extraction ducts will be cleaned regularly and maintained and checked at least once every 6 months by a specialist contractor

- d) the record of such cleaning and servicing of the extraction ducts will be kept elsewhere other than at the Premises and will be made available for inspection at any time
- e) frying equipment will be installed used and maintained in accordance with the manufacturer's instructions
- f) multi purpose fire extinguishers and at least one fire retardant blanket which conforms to the relevant British Standard suitable for extinguishing oil and fat fires will be kept in close proximity to the working area of the range and maintained ready for use
- g) frying ranges will not be left unattended whilst in use
- h) all naked flames (other than pilot lights) and all electrical elements will be turned off at the close of the working day.

### 6) Long Term Undertaking

A discount of 5 per cent off the premium is allowed in consideration of you having signed an undertaking to offer to continue insurance under this Policy annually in accordance with the terms and conditions applying at the expiry of each Period of Insurance and to pay the premium annually in advance up to and inclusive of the Long Term Undertaking expiry date stated in your Schedule

Provided that

- (a) the Insurers will be under no obligation to accept an offer made in accordance with the undertaking described in this Endorsement
- (b) any Sum Insured may be proportionately reduced at any time to correspond with any reduction in value of any property insured by this Policy or of your Business

The undertaking described in this Endorsement will apply to any policy or policies which may be issued to you by the Insurers as a substitute for this Policy and the same discount of 5 per cent as provided by this Endorsement will be allowed off the premium (net of any tax due under current legislation) for any substituted policy or policies issued to you by the Insurers

### (7) Racks and Stillage

It is a condition precedent to Insurers liability that stock contained in the lowest storey of the Premises is kept on racks or stillages at least 15 centimetres above the surface of the floor.

### 8) Automatic fire alarm

Insurers 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.

It is a condition precedent to our liability 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 Insurers representatives when required;
- (c) advise the installing engineers immediately 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 Insurers representatives when required;
- (d) notify us immediately 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.

**9) Automatic Sprinkler Installations**

Insurers have given you a discount off the premium for this insurance in respect of the automatic sprinklers installed on the premises and we hold details of these.

It is a condition precedent to our liability that you maintain the automatic sprinklers in full working order at all times and you must

- (a) test every day (holidays excepted) to check the condition of the circuit between the alarm switch and the control panel (except where it is continuously monitored or is such that one break of wires will not prevent an alarm signal being transmitted (e.g. a ring circuit).
- (b) make a test at least once a week to check the condition of the connection with the public fire station, central fire alarm depot or public fire brigade control (unless the Fire Brigade have given a written undertaking to carry out this test) the relevant batteries.

Note: Where the circuit concerned is not continuously monitored test a) must be made every working day and have a contract with approved installing engineers providing for the maintenance and half-yearly inspection of the system referred to in a) above and to obtain from them following each inspection certification that it is in satisfactory working order.

- (c) make a test every week to check that the alarm gong is in working order and that the stop valves controlling the individual water supplies and the installation are fully open.
- (d) make a test every week to check that the pump(s) can be started both automatically

and manually and that in respect of any diesel engine driven pump the battery electrolyte level and density are correct, and record the completion of these tests

- (e) 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.
- (f) remedy promptly any defect revealed by such tests.
- (g) display prominently at each sprinklered storage area (as defined by Insurers) a notice of the terms agreed with us which specifies:
  - i) the description of goods which may be stored
  - ii) the maximum height of storage
  - iii) the minimum permitted clearance between goods stored and the sprinkler

deflectors and comply with the terms of the notice.

Notice must be given to Insurers before any installation is rendered inoperative, or immediately in the event of emergency. Insurers shall have access to the premises at all reasonable times for the purpose of inspecting the sprinkler installation(s).

**10) Flat roof condition**

The insurance provided under Cover G – Storm of Section 1 of the policy is subject to the following condition. All flat felted roofs forming part of the building covered under the item(s) indicated in the schedule shall be subject to inspection no less than once every 2 years by a qualified builder or surveyor and any defects identified by that inspection shall be repaired within 30 days of inspection.

**11) Unoccupied property condition**

The following are conditions precedent to liability in respect of any unoccupied or vacant Premises or parts of Premises which are unoccupied or vacant.

1. All mains services must be turned off at the main inlet, switches and stop-cocks as appropriate and the water systems (other than sprinkler installations) drained down.
2. All external openings at ground or street level and all basements shall be secured against unauthorised entry.
3. The Premises and their adjacent surrounding areas must be kept clear of all loose combustible materials.
4. The Premises must be inspected at least once every week by you or your duly appointed representative, a record of all visits maintained by you and any defects in the above requirements rectified immediately.



**12) All Risks Terrorism Extension**

Notwithstanding any provisions to the contrary within this Policy the insurance in respect of all items insured by the Applicable Sections is extended to include Terrorism Insurance as specified below

This Policy includes Damage or loss resulting from Damage to the Property Insured and consequential loss resulting therefrom insofar and to the extent that it is insured by this Policy in the Territories stated below caused by or resulting from an Act of Terrorism

provided always that Terrorism Insurance is

- A subject to Exclusions 1 – 3 specified below
- B not subject to any other exclusion stated in this Policy

provided also that the Company's liability in any one period of insurance shall not exceed

- A in the whole the total sum insured
- B in respect of any item its sum insured or any other stated limit of liability specified in the Schedule or elsewhere in the Policy

whichever is the lower subject always to the limit(s) applying to Terrorism Insurance shown against the Territories stated below after application of all the provisions of the insurance including any Insured's Contribution

Territory	Limit of Liability
1. Great Britain	As otherwise specified in this Policy
2. a) The Channel Islands	As otherwise specified in this Policy but not exceeding
b) The Isle of Man	in total £10,000,000
c) Northern Ireland	
3. Elsewhere in the world	Not insured

**Exclusions**

Terrorism Insurance does not cover

**1. Riot Civil Commotion War and Allied Risks**

any loss whatsoever or any consequential loss directly or indirectly occasioned by or happening through or in consequence of riot civil commotion war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

**2. Electronic Risks**

any loss whatsoever or any expenditure resulting or

arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from Damage to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of the Insured or not where such Damage is caused by Virus or Similar Mechanism or Hacking or Denial of Service Attack

**3. Nuclear Risks and Chemical Biological and Radiological Contamination**

in respect of property situated in the Channel Islands and the Isle of Man, Residential Property insured in the name of a Private Individual

any loss whatsoever or any expenditure resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from

- a) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- b) ionising radiation or contamination by radioactivity or from the combustion of any radioactive material chemical and/or biological and/or radiological irritants contaminants or pollutants

**Definitions**

**Damage** means

accidental loss destruction or damage

**Act of Terrorism** means

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

**Great Britain** means

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

**Virus or Similar Mechanism** means

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

The definition of Virus or Similar Mechanism includes but is not limited to trojan horses worms and logic bombs

**Hacking** means

unauthorised access to any computer or other equipment

or component or system or item which processes stores or retrieves data whether the property of the insured or not

**Denial of Service Attack** means

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

The definition of Denial of Service Attack includes but is not limited to the generation of excess traffic into network addresses and the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

**Residential Property** means

houses and blocks of flats and other dwellings (including household contents and person effects of every description)

**Private Individual** means

any person other than

- a) a Trustee or body of Trustees where insurance is arranged under the terms of a trust
- b) a person who owns Residential Property for the purpose of their business as a sole trader

The definition of Private Individual shall include two or more persons where insurance is arranged in their several names and/or the title of the Insured includes the name of a bank or building society or other financial institution for the purpose of noting their interest in the Property Insured

**Special Conditions**

1. In any action suit or other proceedings where the Company alleges that any Damage or loss resulting from Damage is not covered by this Policy the burden of proving that such Damage or loss is covered shall be upon the Insured
2. Any terms in this Policy which provide for adjustments of premium based upon declarations on expiry or during the period of insurance do not apply to Terrorism Insurance
3. If this Policy is subject to any Long Term Agreement/ Undertaking it does not apply to Terrorism Insurance

**(L1) Manual Work Away Exclusion**

Insurers shall have no liability under this Policy to provide any indemnity or benefit for any legal liability under Sections 8 or 9, directly or indirectly resulting from or in consequence of manual work undertaken away from the Insured's premises other than delivery and collection

**(L2) Bona Fide Sub-Contractors Condition**

It is a condition precedent to liability that all sub-contractors that You engage maintain employers' liability and public liability policies that provide:

- Employers' liability coverage with a limit of indemnity of not less than £10,000,000 any one occurrence
- Public liability coverage with an indemnity limit of not less than the limits provided by this Policy
- An indemnity to the Insured as principal

It is further agreed by the Insured that they do not assume by agreement any liability or potential liability that would not have attached to them in the absence of such agreement, including but not limited to, the assumption of any liability or potential liability on behalf of any bona fide sub-contractor, or the waiver of any rights of recourse against any bona fide sub-contractor.

**(L3) Heat Work Away Exclusion**

Insurers shall have no liability under this Policy to provide any indemnity or benefit for any legal liability under Section 9, directly or indirectly resulting from or in consequence of the performance of work involving the application of heat other than on premises owned, leased or rented by the Insured.

**(L4) Height Limit Exclusion (10 metres)**

Insurers shall have no liability under this Policy to provide any indemnity or benefit for any legal liability under Sections 8 or 9 directly or indirectly resulting from or in consequence of work undertaken by any person employed at a height above 10 metres from the surrounding floor or ground level.

**(L5) Depth Limit Exclusion (3 metres)**

Insurers shall have no liability under this Policy to provide any indemnity or benefit for any legal liability under Sections 8 or 9, directly or indirectly resulting from or in consequence of any work carried out at depths exceeding 3 metres.

**(L6) Underground Services Condition (Applicable to Section B)**

In respect of loss of or damage to cables, pipes or other services located underground, it is a condition precedent to liability that prior to undertaking any digging, boring or excavation, the Insured has:

- taken or caused to be taken all reasonable measures to identify the location of such cables, pipes and services before any work is commenced which may involve a risk of damage. Reasonable measures include contacting the appropriate authorities if there is any possibility that cables, pipes or services are under the site
- retained a written record of the measures that were taken to locate such cables, pipes and services
- conveyed the location of such cables, pipes or services to those who are carrying out such work on behalf of the Insured

Indemnity under this Policy shall be restricted to the actual cost of repair or replacement of such cables, pipes or

services as assessed by an independent surveyor and shall not extend to cover any additional costs for loss of use, consequential loss or damage, or penalties and/or fines, which are imposed on the Insured by the relevant authorities as a result of any damage.

#### **(L7) High Risk Location Exclusion**

Insurers shall have no liability under this Policy to provide any indemnity or benefit for any legal liability arising out of or in connection with work undertaken on or at any of the following locations or premises:

- refineries, bulk storage or production premises in the oil, gas or chemical industries.
- offshore structures and work underground or underwater.
- aircraft, hovercraft, aerospace systems or watercraft (other than at docks, harbours, boatyards or inland waterways not involving the use of heat).
- railways or airports.

#### **(L8) Personal Protective Equipment Condition**

It is a condition precedent to the liability of Insurers that the use or wearing of Personal Protective Equipment by any Person Employed is rigorously enforced and that Personal Protective Equipment is supplied to the Person Employed and that a formal record is maintained confirming receipt of such equipment.

#### **(L9) Heat Work Away other than by BFSC Exclusion**

Insurers shall have no liability under this Policy to provide any indemnity or benefit for any legal liability under Section 9, directly or indirectly resulting from or in consequence of the performance of work involving the application of heat other than on premises owned, leased or rented by the insured or work being carried out by Bona Fide Subcontractors.

#### **(L10) Toxic/Hazardous Goods Exclusion**

Insurers shall have no liability under this Policy to provide any indemnity or benefit for any legal liability arising out of or in connection with the carriage, dumping or disposal of toxic, corrosive, explosive and/or hazardous goods by the Insured.

#### **(L11) Plant Hire Condition**

It is a condition precedent to liability that all plant and/or equipment hired out will be subject to the following conditions:

- (a) All plant and/or equipment hired out will be subject to the current Contractors Plant Association or Scottish Plant Operators Association Conditions of Hire unless otherwise agreed and a copy of the Insured's standard hiring conditions lodged with Insurers
- (b) All plant and/or equipment is maintained in a safe and sound condition and is examined by the Insured

prior to and at the end of each hire period and any defects rectified.

#### **(L12) Safety Harness Condition**

It is a condition precedent to liability that all persons employed shall be issued with and shall wear fall-arrest equipment consisting of a full body harness, shock absorbing lanyard and connecting hook which conforms to CEN standards when working at heights exceeding 5 metres above the ground.

This condition shall not apply when the work area, including any access platform or scaffolding, has edge protection consisting of:

- (a) a main guard rail of at least 910mm above the edge;
- (b) a toe board of at least 150mm high;
- (c) an intermediate guard rail or other barrier so that there is no gap of more than 470mm.

#### **(L13) Work Above Ground Level Exclusion**

Insurers shall have no liability under this Policy to provide any indemnity or benefit for any legal liability under Sections 8 or 9 directly or indirectly resulting from or in consequence of work undertaken from above the surrounding floor or ground level by any person employed.

#### **(L14) Aerial and Underwater Filming Exclusion**

Insurers shall have no liability under this Policy to provide any indemnity or benefit for any legal liability directly or indirectly resulting from or in consequence of work involving aerial or underwater filming or photography.

#### **(L15) Work in a Confined Space Exclusion**

Insurers shall have no liability under this Policy to provide any indemnity or benefit for any legal liability directly or indirectly resulting from or in consequence of any work undertaken in a confined space, as defined by the Confined Space Regulations 1997.

#### **(L16) Health and Safety Policy Condition**

It is a condition precedent to the liability of Insurers that the Insured has an up to date Health and Safety Policy in force and that it is communicated to, and acknowledged by, all employees.

#### **(L17) 1m Depth Limit Exclusion**

Insurers shall have no liability under this Policy to provide any indemnity or benefit for any legal liability under Section 8 or 9, directly or indirectly resulting from or in consequence of any work carried out at depths exceeding 1 metre.

# Section 1 – Buildings

This Section applies only if stated as INSURED in the Policy Schedule

## Insuring Clause

If the Buildings is lost destroyed or Damaged

- 1) by any Peril shown in the Schedule applicable to this Section
- 2) during the Period of Insurance

Insurers will pay to you an amount calculated in accordance with the Basis of Payment or at their option will reinstate or replace Your Building or any part of it which is destroyed or damaged

## Definitions to the Buildings Section

### Buildings

The Buildings at the Premises including

- 1) landlords' fixtures and fittings
- 2) outbuildings extensions annexes and gangways
- 3) walls gates and fences
- 4) yards and car parks
- 5) telephone gas water and electric installations piping ducting cables wires and associated control gear and accessories extending to the public mains which you are responsible to repair or reinstate

### Perils

means perils shown in the Schedule applicable to this Section

### Perils Definitions

#### A Fire

means

- 1) fire
  - excluding loss or destruction of or damage to property caused by
    - (a) explosion resulting from fire
    - (b) earthquake
    - (c) any property's
      - (i) own spontaneous fermentation or heating or
      - (ii) undergoing any heating process or any process involving the application of heat

- 2) lightning
- 3) explosion
  - (a) of boilers
  - (b) of gas
    - used for domestic purposes only
    - excluding Damage caused by earthquake

#### B Explosion

means for the purposes of this Section explosion excluding Damage by

- 1) fire resulting from explosion
- 2) explosion
  - (a) of boilers
  - (b) of gas
    - used for domestic purposes only

#### C Aircraft

means aircraft or other aerial devices or articles dropped from them

excluding Damage by fire

#### D Earthquake

means earthquake

#### E Riot

means riot civil commotion strikers lockedout workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation

excluding Damage

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

#### F Malicious Damage

means Damage caused by malicious persons excluding Damage

- 1) arising from cessation of work

- 2) by fire
- 3) by theft
- 4) caused by persons acting on behalf of or in connection with any political organisation

**G Storm or Flood**

means storm or flood excluding Damage by lightning frost subsidence ground heave or landslip

**H Escape of Water**

means escape of water from any tank apparatus or pipe

excluding Damage by water from any automatic sprinkler installation

**I Impact**

means impact by any road vehicle or animal

**J Theft**

means theft of Property (including loss or destruction of or damage to your Buildings or Contents caused in the course of theft or attempted theft) while the Property is within any building (or part thereof) occupied by You at the Premises

excluding

- 1) theft which does not involve
  - (a) entry to or exit from the building or attempt thereof by forcible and violent means
  - (b) holdup accompanied by violence or threat of violence at the Premises
- 2) Damage caused by any person lawfully on the Premises
- 3) loss or destruction of or damage to
  - (a) property in any open space or in any outbuilding not communicating with the main building at the Premises
  - (b) Money manuscripts plans patterns models moulds designs coin or tokenoperated gaming amusement or vending machines or the contents of any of them or documents of title unless specifically stated as insured in the Schedule applicable to this Section
  - (c) any cash register when the Premises are closed for business unless the drawer has been left open

**K Accidental Loss**

means accidental loss destruction or damage

excluding Damage

- 1) by any Peril Defined herein other than Accidental Loss
- 2) which would not be insured as a consequence of any of the exclusions to the Defined Perils herein

**L Subsidence**

means subsidence or ground heave of any part of the site on which the Premises stands or landslip

excluding Damage

- 1) to yards carparks roads pavements walls gates or fences unless also affecting buildings insured by this Section
- 2) caused by or consisting of
  - (a) settlement or movement of madeup ground
  - (b) coastal or river erosion
  - (c) defective design or workmanship or the use of defective materials
  - (d) fire explosion earthquake or the escape of water from any tank apparatus or pipe
- 3) which originated prior to the inception of this cover
- 4) resulting from
  - (a) demolition construction structural alterations or repair of any property at the Premises
  - (b) groundworks or excavation at the Premises

**M Sprinkler Leakage**

means accidental escape of water from any automatic sprinkler installation at the Premises

excluding Damage caused by

- 1) freezing while the Premises are (in so far as they are in your ownership or tenancy) empty or not in use
- 2) explosion earthquake or heat caused by fire

**Basis of Payment**

Insurers' liability under this Section will not exceed

- 1) the Sum Insured for each Item
- 2) in total the Total Sum Insured

in the Schedule applicable to this Section

## Exclusions to the Buildings Section

This Section does not cover

### 1) Deductible

the first £250 of each and every claim, but increased to £1,000 each and every claim in respect of peril L Subsidence unless otherwise stated in the Policy Schedule.

### 2) Inbuilt defect wear tear and defective workmanship

Damage to property caused by or consisting of

- (a) inbuilt or latent defect gradual deterioration wear and tear its own faulty or defective design or materials
- (b) faulty or defective workmanship operational error or omission on your part or that of any of your Employees

but subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy is covered under this Section

### 3) Frost

Damage caused by or consisting of frost

but subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy is covered under this Section

### 4) Corrosion or change in temperature

Damage caused by or consisting of

- (a) corrosion rust wet or dry rot shrinkage evaporation contamination loss of weight dampness
- (b) dryness marring scratching denting vermin or insects
- (c) change in temperature colour flavour texture or finish

but the following is covered under this Section

- (i) such Damage not excluded elsewhere in this Section or Policy which itself results from any Specific Peril or from any other accidental cause
- (ii) subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy

### 5) Joint leakage or breakdown

Damage consisting of

- (a) joint leakage or failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or

any range of steam or feed piping connected to them

- (b) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which breakdown or derangement originates.

but the following is covered under this Section

- (i) such Damage not excluded elsewhere in this Section or Policy which itself results from any Specific Peril
- (ii) subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy

### 6) Subsidence ground heave or landslip

Damage caused by or consisting of subsidence ground heave or landslip unless resulting from Fire Explosion Earthquake or Escape of Water except in so far as Subsidence may be insured by this Section

### 7) Change in the water table level

Damage attributable to change in the water table level

### 8) Settlement of new structures

Damage caused by or consisting of normal settlement or bedding down of new structures

### 9) Theft fraud or dishonesty

Damage caused by or consisting of theft or attempted theft where any person in your employment or service or any member of your family is concerned as principal or accessory

### 10) Collapse of buildings

Damage to a building or structure caused by its own collapse or cracking unless resulting from a Specific Peril

### 11) Property in the open

Damage to moveable property in the open fences or gates caused by theft wind rain hail sleet snow flood or dust.

### 12) Processing

Damage to any property (other than by Fire or Explosion) resulting from its undergoing any process of production packing treatment testing commissioning servicing cleaning dyeing or repair

### 13) Empty Buildings

Damage in respect of any Buildings which are empty or not in use caused

- (a) by freezing

- (b) by escape of water from any tank apparatus or pipe
- (c) by malicious persons (other than by Fire or Explosion)
- (d) in the course of Theft or attempted Theft

**14) Riot or civil commotion**

caused by riot or civil commotion except in so far as Riot is insured by this Section

**15) Excluded Property**

- (a) unless specifically stated as insured in the Schedule applicable to this Section
  - (i) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection
  - (ii) land roads pavements piers jetties bridges culverts or excavations

**16) Steam pressure apparatus**

Damage caused by or consisting of the bursting of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to you or under your control

but subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy is covered under this Section

**17) Selfignition of electrical apparatus**

to any electrical apparatus or wiring caused by its own selfignition

but this Exclusion shall only apply to that part of the electrical apparatus or wiring in which the selfignition occurs

**18) Property insured by other insurance**

any property which at the time of Damage is insured by a more specific insurance

**Special Conditions to this Section**

**1) Reinstatement Basis of Payment**

Subject to the undernoted provisions the basis upon which the amount payable in respect of any Item to which this Condition applies is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose reinstatement means

- (a) the rebuilding or replacement of property lost or destroyed which provided the liability of the Insurers is not increased may be carried out

- (i) in any manner suitable to your requirements
- (ii) upon another site

- (b) the repair or restoration of property damaged

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

Provided that

- (i) The liability of the Insurers for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed
- (ii) 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 insured by any Item subject to this Condition exceeds its Sum Insured at the commencement of any Damage the liability of the Insurers shall not exceed that proportion of the amount of the Damage which the said Sum Insured shall bear to the sum representing the whole of such property at that time
- (iii) No payment beyond the amount which would have been payable in the absence of this Condition shall be made
  - (a) unless reinstatement commences and proceeds without unreasonable delay
  - (b) until the cost of reinstatement shall have been actually incurred
  - (c) if the property insured by any Item at the time of its Damage shall be insured by any other insurance effected by or on your behalf which is not upon the same basis of reinstatement

**2) Index Linking**

This Condition only applies when Index Linking (IL) is stated against any Item in the Schedule applicable to this Section

The Sum Insured (and the Declared Value where appropriate) on any Item will be increased by a percentage determined by the Insurers and such revised Sum Insured (and Declared Value) in the absence of advice from you to the contrary will be deemed to apply for the ensuing Period of Insurance

**3) Subrogation Waiver**

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

- (a) any company

- (i) in the relation of holding company or subsidiary to you
  - (ii) which is a subsidiary of a parent company of which you are yourself a subsidiary in each case within the meaning of the relevant companies' legislation current at the time of the Damage
- (b) the tenant of any Building insured by this Section provided that
- (i) the Damage did not result from a breach of the terms of the lease by the tenant
  - (ii) the Damage did not result from a criminal fraudulent or malicious act of the tenant
  - (iii) the tenant contributes to the cost of insuring the Buildings against the event which caused the Damage

**4) NonInvalidation**

The insurance by this Section will not be made invalid by any act omission or alteration which unknown to you or beyond your control increases the risk of Damage provided that you

- (a) notify the Insurers immediately you become aware of such act omission or alteration
- (b) pay any additional premium that Insurers may require

**5) Automatic Reinstatement of Sum Insured**

In the event of Damage the Sums Insured by this Section will be automatically reinstated from the date of the Damage unless written notice is given to the contrary either by the Insurers or by you provided always that in the event of reinstatement you will

- (a) pay any such additional premium as may be requested for such reinstatement from that date
- (b) give effect to any additional protective devices at the Premises which the Insurers may reasonably require

**6) General Interests Clause**

The interests of the Lessee of each individual property and their Mortgagees (if any) are noted in the Insurance provided by Section 1 with such interest to be disclosed in the event of a claim for Damage arising hereunder

**In addition the Insurers will provide cover under this section as follows**

**Professional Fees**

Necessary architects' surveyors' consulting engineers' legal and other fees you incur in reinstating your Property following its Damage as insured by this Section but not for preparing any claim

Provided that the Insurers' liability for Damage and professional fees will not exceed in total the Sum Insured for each Item in the Schedule applicable to this Section during any one Period of Insurance

**Debris Removal Costs**

Necessary costs and expenses you incur with the Insurers' consent in

- 1) removing debris from
- 2) dismantling and/or demolishing
- 3) shoring up or propping

Provided that the Insurers' liability for Damage and debris removal costs will not exceed in total during any one Period of Insurance the Sum Insured stated for each Item in the Schedule applicable to this Section

**European Public Authorities**

Additional costs of rebuilding or reinstatement of lost destroyed or damaged Property which you incur solely to comply with Building or other Regulations under or framed in pursuance of any European Union Legislation Act of Parliament or with ByELaws of any Public Authority

excluding

- 1) any such costs where the Item is not subject to the Reinstatement Basis of Payment (Special Condition (1))
- 2) the cost incurred in complying with any of the aforesaid Regulations or ByELaws
  - (a) in respect of Damage occurring before this cover was granted
  - (b) in respect of Damage not insured by this Section
  - (c) under which notice was served upon you before the date of Damage
  - (d) in respect of undamaged Property or undamaged portions of Property forming any part of the Property sustaining Damage except for undamaged foundations (unless foundations are specifically excluded from cover by endorsement to this Policy)
- 3) the additional cost exceeding that which would have been required to make good property which sustained Damage to a condition equal to its condition when new had it not been necessary to comply with any one of the above Regulations or ByELaws
- 4) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the Property or by its owner in order to comply with any of the above Regulations or ByELaws



Provided that

- (a) the work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the date of the Damage or within such further time as the Insurers may allow (during the said 12 months) and may be carried out upon another site (if Regulations or Byelaws require) subject to the Insurers' liability not being increased by this additional cover
- (b) if apart from this additional cover the Insurers' liability for Property is reduced by the application of any terms and conditions of this Policy then the Insurers liability in respect of any such costs will be reduced in like proportion
- (c) the total amount payable for Property will not exceed the Sum Insured for it stated in the Schedule applicable to this Section

### Alterations and Additions to Premises

This Section extends to include cover for capital additions, alterations, improvements and newly acquired and/or newly erected Buildings provided they are not otherwise insured anywhere within the Geographical limits, subject to the following conditions:

- a) the Insured shall declare to the Insurers the date and value of such capital additions, alterations, improvements and newly acquired and/or newly erected Buildings as soon as practicable but not exceeding 30 days from the date you acquired an interest in the premises and shall pay an appropriate additional premium from the time such additional cover applies;
- b) the maximum additional cover granted by this Extension for capital additions, alterations and improvements shall not exceed 10% (ten per cent) or £100,000 of the Total Sum Insured under Buildings and Contents whichever is the less amount;
- c) the maximum additional cover granted by this Extension for newly acquired and/or newly erected Buildings shall not exceed £100,000;
- d) this Extension does not include cover for appreciation in value

### Contracting Purchasers

If at the time of loss or destruction of or damage to Property you have contracted to sell your interest in any Buildings covered by this Section and the purchase is not completed but will be completed at a later date the purchaser will on completion of the purchase (in so far as the Property is not insured elsewhere against such Damage by or on his behalf) be entitled to benefit under this Policy until completion of the purchase without affecting your rights and liabilities under this Policy or those of the Insurers

### Trace and Access

The reasonable costs incurred in locating the source of Damage at the Premises caused by escape of water or oil as insured by this Section subject to a limit of £10,000 each and every claim

### Additional Metered Water Charges

Additional water charges You incur as a result of damage by an insured peril to the water installation at the Premises Insured by this policy.

Insurers shall calculate the amount to be paid by comparing the charge made by the 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.

Insurers liability shall not exceed 10% of the sum insured by this section or £5,000 whichever is the less.

## Section 2 – Contents

### INSURING CLAUSE

If any Property being operative to Stock, Tenants Improvements, Trade Contents and any other property named in the schedule suffers Damage

- 1) by any Peril shown in the Schedule applicable to this Section
- 2) during the Period of Insurance

Insurers will pay to you an amount calculated in accordance with the Basis of Payment or at their option will reinstate or replace Your Property or any part of it which is lost destroyed or damaged

### Definitions to the Contents Section

#### Stock

means stock and materials in trade, being your property or held by You in trust or on commission for which you are responsible.

#### Tenants Improvements

means Tenants Improvements and Interior decorations, being Your property or for which You are responsible

#### Trade Contents

means tools, machinery, plant, Premises front (excluding glass), fixtures and fittings, signs, blinds, patterns, models, moulds, plans, designs, site huts and all other contents (other than Stock and Tenants Improvements) all belonging to You or held by You in trust for which You are responsible.

#### Perils

means perils shown in the Schedule applicable to this Section

#### Perils Definitions

##### A Fire

means

- 1) fire

excluding loss or destruction of or damage to property caused by

- (a) explosion resulting from fire
- (b) earthquake
- (c) any property's
  - (i) own spontaneous fermentation or heating or
  - (ii) undergoing any heating process or any process involving the application of heat

- 2) lightning
- 3) explosion
  - (a) of boilers
  - (b) of gas
    - used for domestic purposes only
    - excluding Damage caused by earthquake

##### B Explosion

means for the purposes of this Section explosion

excluding Damage by

- 1) fire resulting from explosion
- 2) explosion
  - (a) of boilers
  - (b) of gas
    - used for domestic purposes only

##### C Aircraft

means aircraft or other aerial devices or articles dropped from them

excluding Damage by fire

##### D Earthquake

means earthquake

##### E Riot

means riot civil commotion strikers locked out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation

excluding Damage

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

##### F Malicious Damage

means Damage caused by malicious persons excluding Damage

- 1) arising from cessation of work

- 2) by fire
- 3) by theft
- 4) caused by persons acting on behalf of or in connection with any political organisation

**G Storm or Flood**

means storm or flood excluding Damage by lightning frost subsidence ground heave or landslip

**H Escape of Water**

Means escape of water from any tank apparatus or pipe excluding Damage by water from any automatic sprinkler installation

**I Impact**

means impact by any road vehicle or animal

**J Theft**

means theft of Property (including loss or destruction of or damage to your Buildings or Contents caused in the course of theft or attempted theft) while the Property is within any building (or part thereof) occupied by You at the Premises

excluding

- 1) theft which does not involve
  - (a) entry to or exit from the building or attempt thereof by forcible and violent means
  - (b) holdup accompanied by violence or threat of violence at the Premises
- 2) Damage caused by any person lawfully on the Premises
- 3) loss or destruction of or damage to
  - (a) property in any open space or in any outbuilding not communicating with the main building at the Premises other than when temporarily removed to a recognised site of work
  - (b) Money manuscripts plans patterns models moulds designs coin or tokenoperated gaming amusement or vending machines or the contents of any of them or documents of title unless specifically stated as insured in the Schedule applicable to this Section
  - (c) any cash register when the Premises are closed for business unless the drawer has been left open

**K Accidental Loss**

means accidental loss destruction or damage excluding Damage

- 1) by any Peril Defined herein other than Accidental Loss
- 2) which would not be insured as a consequence of any of the exclusions to the Defined Perils herein

**L Subsidence**

means subsidence or ground heave of any part of the site on which the Premises stands or landslip

excluding Damage

- 1) to yards carpark roads pavements walls gates or fences unless also affecting buildings insured by this Section
- 2) caused by or consisting of
  - (a) settlement or movement of madeup ground
  - (b) coastal or river erosion
  - (c) defective design or workmanship or the use of defective materials
  - (d) fire explosion earthquake or the escape of water from any tank apparatus or pipe
- 3) which originated prior to the inception of this cover
- 4) resulting from
  - (a) demolition construction structural alterations or repair of any property at the Premises
  - (b) groundworks or excavation at the Premises

**M Sprinkler Leakage**

means accidental escape of water from any automatic sprinkler installation at the Premises

excluding Damage caused by

- 1) freezing while the Premises are (in so far as they are in your ownership or tenancy) empty or not in use
- 2) explosion earthquake or heat caused by fire

## Basis of Payment

Insurers' liability under this Section will not exceed

- 1) in respect of documents, manuscripts and business books, the value of materials as stationery, together with the cost of clerical labour expended in writing up, but not for the value to You of the information contained in them, subject to a limit any one document, manuscript or business book of £1,000
- 2) in respect of computer systems records, the cost of clerical labour and computer time expended in reproducing such records, subject to a limit any one claim of £10,000
- 3) in respect of all other trade contents and tenant improvements shall be the cost of replacement or repair in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition as new.
- 4) in respect of all other property insured by this Section, on the basis of indemnity.

## Exclusions to the Contents Section

This Section does not cover

### 1) Deductible

The first £250 of each and every claim, but increased to £1,000 each & every claim in respect of peril L subsidence or unless otherwise stated in policy schedule.

### 2) Inbuilt defect wear tear and defective workmanship

Damage to property caused by or consisting of

- (a) inbuilt or latent defect gradual deterioration wear and tear its own faulty or defective design or materials
- (b) faulty or defective workmanship operational error or omission on your part or that of any of your Employees

but subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy is covered under this Section

### 3) Frost

Damage caused by or consisting of frost

but subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy is covered under this Section

### 4) Corrosion or change in temperature

Damage caused by or consisting of

- (a) corrosion rust wet or dry rot shrinkage evaporation contamination loss of weight dampness

- (b) dryness marring scratching denting vermin or insects
- (c) change in temperature colour flavour texture or finish

but the following is covered under this Section

- (i) such Damage not excluded elsewhere in this Section or Policy which itself results from any Specific Peril or from any other accidental cause
- (iii) subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy

## 5) Joint leakage or breakdown

Damage consisting of

- (a) joint leakage or failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam or feed piping connected to them
- (b) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which breakdown or derangement originates.

but the following is covered under this Section

- (i) such Damage not excluded elsewhere in this Section or Policy which itself results from any Specific Peril
- (ii) subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy

## 6) Subsidence ground heave or landslip

Damage caused by or consisting of subsidence ground heave or landslip unless resulting from Fire Explosion Earthquake or Escape of Water except in so far as Subsidence may be insured by this Section

## 7) Change in the water table level

Damage attributable to change in the water table level

## 8) Settlement of new structures

Damage caused by or consisting of normal settlement or bedding down of new structures

## 9) Theft fraud or dishonesty

Damage caused by or consisting of theft or attempted theft where any person in your employment or service or any member of your family is concerned as principal or accessory

**10) Collapse of buildings**

Damage to a building or structure caused by its own collapse or cracking unless resulting from a Specific Peril

**11) Property in the open**

Damage to moveable property in the open fences or gates caused by theft, wind, rain, hail, sleet, snow, flood or dust.

**12) Processing**

Damage to any property (other than by Fire or Explosion) resulting from its undergoing any process of production packing treatment testing commissioning servicing cleaning dyeing or repair

**13) Empty Buildings**

Damage in respect of any Buildings which are empty or not in use caused

- (a) by freezing
- (b) by escape of water from any tank apparatus or pipe
- (c) by malicious persons (other than by Fire or Explosion)
- (d) in the course of Theft or attempted Theft

**14) Riot or civil commotion**

caused by riot or civil commotion except in so far as Riot is insured by this Section

**15) Excluded Property**

- (a) unless Damage is caused by a Specific Peril
  - (i) valuables precious stones precious metals bullion curiosities works of art or rare books
  - (ii) property in transit
  - (iii) glass china earthenware marble or other fragile or brittle objects
  - (iv) Money bonds credit cards or securities of any description
- (b) unless specifically stated as insured in the Schedule applicable to this Section
  - (i) vehicles licensed for road use (and accessories on them) caravans trailers railway stock watercraft or aircraft
  - (ii) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection

- (iii) land roads pavements piers jetties bridges culverts or excavations

- (iv) livestock growing crops or trees

**17) Steam pressure apparatus**

Damage caused by or consisting of the bursting of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to you or under your control

but subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy is covered under this Section

**18) Selfignition of electrical apparatus**

to any electrical apparatus or wiring caused by its own selfignition

but this Exclusion shall only apply to that part of the electrical apparatus or wiring in which the selfignition occurs

**19) Property insured by other insurance**

any property which at the time of Damage is insured by a more specific insurance

**Special Conditions to the Contents Section**

**1) Reinstatement Basis of Payment**

Subject to the undernoted provisions the basis upon which the amount payable in respect of any Item to which this Condition applies (other than stock, motor vehicles and their accessories Employees' directors' visitors' and guests pedal cycles and personal effects) is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose reinstatement means

- (a) the rebuilding or replacement of property lost or destroyed which provided the liability of the Insurers is not increased may be carried out
  - (i) in any manner suitable to your requirements
  - (ii) upon another site
- (b) the repair or restoration of property damaged

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

Provided that

- (i) The liability of the Insurers for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed

- (ii) 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 insured by any Item subject to this Condition exceeds its Sum Insured at the commencement of any Damage the liability of the Insurers shall not exceed that proportion of the amount of the Damage which the said Sum Insured shall bear to the sum representing the whole of such property at that time
- (iii) No payment beyond the amount which would have been payable in the absence of this Condition shall be made
  - (a) unless reinstatement commences and proceeds without unreasonable delay
  - (b) until the cost of reinstatement shall have been actually incurred
  - (c) if the property insured by any Item at the time of its Damage shall be insured by any other insurance effected by or on your behalf which is not upon the same basis of reinstatement

#### 4) Index Linking

This Condition only applies when Index Linking (IL) is stated against any Item in the Schedule applicable to this Section

The Sum Insured on any Item will be increased by a percentage determined by the Insurers and such revised Sum Insured in the absence of advice from you to the contrary will be deemed to apply for the ensuing Period of Insurance

#### 5) Subrogation Waiver

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

- (a) in the relation of holding company or subsidiary to you
- (b) which is a subsidiary of a parent company of which you are yourself a subsidiary

in each case within the meaning of the relevant companies' legislation current at the time of the Damage

#### 6) NonInvalidation

The insurance by this Section will not be made invalid by any act omission or alteration which unknown to you or beyond your control increases the risk of Damage provided that you

- (a) notify the Insurers immediately you become aware of such act omission or alteration and
- (b) pay any additional premium that the Insurers may require

#### 7) Automatic Reinstatement of Sum Insured

In the absence of written notice by the Insured or the Insurers to the contrary within 30 days of the occurrence of any Damage the Sums Insured by this Section shall not be reduced by the amount of any loss and the Insured shall pay the appropriate premium for such automatic reinstatement of cover provided that

- (a) the Insured shall carry out any reasonable recommendations put forward by the Insurers to prevent further loss
- (b) in respect of Damage by Theft (if insured) the automatic reinstatement shall apply on the first occasion only in each Period of Insurance

#### In addition the insurers will provide cover under this section as follows

##### Alterations and Additions to Premises

This Section extends to include cover for capital additions, alterations, improvements and newly acquired and/or newly acquired or built property provided they are not otherwise insured anywhere within the Geographical limits, subject to the following conditions:

- a) the Insured shall declare to the Insurers the date and value of such capital additions, alterations, improvements and newly acquired or built property as soon as practicable but not exceeding 30 days from the date you acquired an interest in the premises and shall pay an appropriate additional premium from the time such additional cover applies;
- b) the maximum additional cover granted by this Extension for capital additions, alterations and improvements shall not exceed 10% (ten per cent) or £100,000 of the Total Sum Insured under Contents whichever is the less amount;
- c) the maximum additional cover granted by this Extension for newly acquired and/or newly built property shall not exceed £100,000
- d) this Extension does not include cover for appreciation in value

##### Underground services and sanitary fixtures

Insurers will pay for accidental damage to underground services, pipes, electricity and telephone cables and wash basins and sanitary fixtures at the Premises for which You are responsible as tenant but not as owner.

##### Damage by Thieves

Insurers will pay for the damage to Buildings at the Premises for which you are responsible as a result of theft or attempted theft of property insured by this section involving forcible and violent entry to or exit from the Premises.

**Replacement of Locks**

The cost of replacement of locks following theft of keys to the Premises

- 1) following a holdup 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
- 2) involving entry to or exit from the Premises by forcible and violent means
- 3) involving entry to or exit from your residence or that of any of your directors partners or authorised Employees by forcible and violent means

Provided that the Insurers liability for this cover will not exceed £500 any one premises, £2,500 in the aggregate in any one Period of Insurance.

**Trade Contents Temporary Removal**

Property whilst temporarily removed for cleaning renovation repair or similar purposes to premises you do not occupy and whilst in transit to and from such premises

excluding

- 1) property lost destroyed or damaged by theft whilst in transit
- 2) losses occurring outside the Geographical Limits
- 3) motor vehicles licensed for road use and not at the Premises
- 4) any Property comprising Stock

The amount payable for Property will not exceed the lesser of

- (a) the amount which would have been payable had the loss occurred in that part of the Premises from which the Property is temporarily removed or
- (b) 10% of the Sum Insured for the relevant Property

**Damage to Landscape Gardens**

The cost of restoring any damage done to landscape gardens by the Emergency Services in attending the premises as a result of the operation of any peril insured by this Section subject to a limit of £1,000 any one occurrence, £2,500 in any one Period of Insurance.

**Paintings or other works of art**

In so far as they are not insured elsewhere, Trade Contents extends to include paintings, curios or other works of art, subject to a limit of £1,000 any one item and £2,500 total sum insured unless otherwise agreed.

**Exhibitions**

Damage to Stock and Trade Contents for a period not exceeding 15 days whilst at any exhibition premises within the United Kingdom, Channel Islands, Isle of Man and Northern Ireland and in transit to and from the exhibition premises up to an amount of £2,000 any one premise unless otherwise agreed.

**Outside Catering Equipment**

Damage to Stock and Trade Contents up to an amount of £2,000 occurring in any building where You are providing outside catering.

**Employees' Personal Effects**

Insofar as they are not insured elsewhere, Trade Contents extends to include the pedal cycles and personal effects of any of your employees for an amount not exceeding £250 for any one pedal cycle and £750 for all other personal effects to any one employee, excluding the first £25 of each and every claim.

## Section 3 – Business Interruption

### Insuring Clause

If any building or other property used by you at the Premises for the purpose of your Business

- 1) suffers Damage caused by any Peril shown in the Schedule applicable to this Section during the Period of Insurance and
- 2) in consequence your Business as carried on by you at the Premises suffers Business Interruption as defined below

the Insurers will indemnify you for

- (a) loss resulting in Business Interruption
- (b) reasonable charges payable by you to your professional accountants for producing any particulars or details or any other proof information or evidence that may be required by the Insurers under the terms of General Condition (1) of this Policy but not for preparing any claim

Provided that at the time of Damage giving rise to Business Interruption your interest in the property at the Premises is insured against such Damage and

- (i) payment has been made or liability admitted for it by the insurers of property or
- (ii) payment would have been made or liability admitted but for the operation of a deductible or other proviso excluding liability for losses below a specified amount.

### Definitions to the Business Interruption Section

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

#### Business Interruption

means interruption of or interference with your Business as carried on by you at the Premises in consequence of Damage caused by any Peril shown in the Schedule applicable to this Section

#### Gross Profit

means Takings, less the net cost relating to it

#### Takings

Means money paid or payable to You for goods sold and delivered and for services rendered in the course of the business at the premises

#### Indemnity Period

means the period beginning with the occurrence of Damage and ending no later than the maximum indemnity period

stated in the Policy schedule during which the income of the business shall be affected in consequence of Damage.

#### Rate of Gross Profit

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

#### Annual Takings

means Takings during the twelve months immediately either before the date of the Damage.

#### Standard Takings

means Takings during the period twelve months immediately before the date of Damage which corresponds with the Indemnity Period, appropriately adjusted where the Indemnity Period exceeds 12 months

to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business, either before or after damage, or which would of affected the Business had Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be practicable, the results which, but for the Damage would have been obtained during the relevant period after Damage

### Basis of Payment

#### 1. Reduction in Takings

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

#### 2. Additional Expenditure

the additional expenditure necessary and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Takings which, but for that expenditure, would have taken place during the Indemnity Period in consequence of Damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of reduction thereby avoided.

Less any sum saved during the indemnity period in respect of charges and expenses payable out of Gross Profit as may reduce in consequence of Damage.

### Exclusions to the Business Interruption Section

This Section does not cover loss resulting from interruption of or interference with your Business

- 1) arising from deliberate falsification of any records used for your Business



- 2) due to any Damage excluded by Exclusions to the Buildings & Contents Section of this Policy all of which are incorporated into and must be read as applying to this Section
- 3) due to any cost incurred in the cleaning repair replacement recall or checking of any property or in making any refund
- 4) arising directly or indirectly from
  - (a) erasure loss distortion or corruption of information on computer systems or other records programs or software caused deliberately by rioters strikers lockedout workers persons taking part in labour disturbances or civil commotions or malicious persons
  - (b) other erasure loss distortion or corruption of information on computer systems or other records programs or software unless resulting from a Peril shown in the Schedule applicable to this Section in so far as it is not otherwise excluded
  - (c) accidental breakdown of computer or data processing equipment
- 5) caused by or consisting of the bursting of any vessel machine or apparatus (not being a boiler or economiser on the Premises or a boiler used for domestic purposes only) in which internal pressure is due to steam only and belonging to you or under your control but this will not exclude subsequent loss which itself results from a cause not excluded elsewhere in this Section or Policy

### Special Conditions to the Business Interruption Section

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

### Extensions to the Business Interruption Section

The following Extensions are applicable to this Section

#### 1) Alteration

The insurance by this section shall be avoided if

- (a) the Business is wound up, carried on by a liquidator or permanently discontinued; or
- (b) Your interest ceases otherwise than by death that any time after the commencement of this insurance unless Insurers agree it may continue.

#### 2) Accounts Receivable

Insurers agree that if any of the Insured's books of account or other business books or records at the premises be so destroyed or damaged as to render it impossible for the insured to obtain from customers all sums due to them and outstanding at the date of the insured event then Insurers will pay.

- (a) the amount of Outstanding Debit Balances which cannot be traced
- (b) additional expenditure incurred with the Insurers previous consent in tracing and establishing Outstanding Debt Balances after Damage has occurred.
- (c) reasonable charges payable by you to your professional accountants for producing information required by Insurers and reporting that such particulars or details are in accordance with your books of account or other records used for your business.

Insurers liability in respect of any one loss shall not exceed £10,000 in any period of Insurance or unless stated otherwise in the Policy Schedule.

### Special Conditions

#### 1) Fireresisting safes

If there are fireresisting safes or cabinets at the Premises your books or records used for your Business in which Customers' Accounts are shown must be kept in such safes or cabinets when not in use

#### 2) Record of Outstanding Customers' Accounts

You must calculate the total of outstanding Customers' Accounts every month and keep a record of each month's total (including backup copies of computer data) in a place other than at the Premises

#### 3) Prevention of Access

Interruption of or interference with your Business in consequence of Damage as insured by this Section shall include loss resulting from Damage to property in the vicinity of the Premises which shall prevent or hinder the use of the Premises or access thereto whether the property of the Insured at the Premises shall be damaged or not.

Insurers liability shall not exceed the sum insured or £100,000 whichever is the lesser.

#### 4) Public Utilities

Interruption of or interference with your Business in consequence of Damage as Insured by this section as a result of the accidental failure of the supply 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 shall be deemed to be an Insured event

Insurers liability under this clause in respect of any one occurrence does not exceed the sum insured shown in the schedule or £100,000 whichever is the lesser.

This extension does not cover Interruption of or interference

- (a) brought about by the deliberate act of any supply authority, by the exercise of any such authority of its power to withhold or restrict supply or by drought; or
- (b) following any failure which does not involve a total cessation of supply for at least 30 minutes.

### 5) Unspecified Suppliers or Customers

Interruption of or interference with your Business in consequence of Damage as insured by this Section shall include loss resulting from Damage at the premises of any supplier or customer within the United Kingdom, the Channel Islands, the Isle of Man and Northern Ireland and provided that the term suppliers or customers means those companies organisations or individuals with whom at the time of the Damage you had contracts or trading relationships to receive or supply goods or services.

Insurers liability shall not exceed 10% of the sum insured £25,000 whichever is the lesser or unless stated otherwise in the Policy Schedule.

### (6) Murder Disease or Public Health Closure

Interruption of or interference with your Business in consequence of Damage as insured by this Section shall include

- (a) murder, suicide or serious crime at the Premises;
- (b) contagious or infectious human disease (excluding acquired immune deficiency syndrome (Aids) or an Aids related condition), an outbreak of which a competent public authority has stipulated shall be notified to them, manifested by any person whilst at the premises or within a 25 mile radius of it;
- (c) 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
- (d) food or drink poisoning contracted at the premises

Insurers liability under this extension in respect of each and every claim shall not exceed 10% of the sum insured or £100,000 whichever is the less or unless stated otherwise in the Policy Schedule.

### 7) Additional Expenses – Employees’ Lottery Win

Insurers will indemnify You in respect of 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.

Insurers will not indemnify you unless

- a) the Employee or group of employees resign within fourteen days from the date of the successful lottery win; and
- b) the amount won by any one Employee is not less than £100,000.

Insurers will not pay under this extension more than £50,000 in any one Period of Insurance.

For the purposes of this extension only.

1. 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.
2. Maximum indemnity period means one month.
3. Lottery means
  - 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.

## Section 4 – Money

### Insuring Clause

In the event of Damage up to £3,000 any one occurrence unless otherwise agreed and stated in the policy schedule

- 1) to Money belonging to you or for which you are responsible which is in transit in your custody and control or that of your Authorised Representative or with authorised collectors or sent by registered post or within
  - (a) the Premises
  - (b) a bank night safe awaiting removal by bank official

Insurers will also indemnify you up to
- 2) £250,000 any one occurrence against loss of any cause of crossed cheques, crossed postal orders, crossed money orders and credit card sales vouchers from the premises or whilst in transit.
- 3) Your private residence or that of any of your Employees with your consent up to limit of £500 any one loss unless otherwise specified in the policy schedule
- 4) whilst at the Premises out of Business Hours or whilst the Money is left unattended is limited to £500 increasing to £1,000 whilst secured in a locked safe or unless otherwise specified in the policy schedule.
- 5) from any vending or gaming machine on the Premises up to £500 any one loss
- 6) by theft or attempted theft of or to any safe or strongroom at the Premises or any case bag or waistcoat in which Money is contained or any stamp franking machine used for your Business up to a limit of £500 any one loss
- 7) to clothing and personal effects belonging to any of your directors partners or Employees following theft or attempted theft of Money insured under this Section up to a limit of £500 any one loss

during the Period of Insurance and within the Geographical Limits the Insurers will indemnify you at their option by payment repair or reinstatement

### Definitions to the Money Section

#### Authorised Representative

means any of your Employees with your consent or any person employed by a professional security company under contract with you to carry Money on your behalf

#### Business Hours

means the usual hours of your Business and all hours during which you or your directors partners or Employees entrusted

with Money are on the Premises for the purpose of your Business

### Basis of Payment

The liability of the Insurers will not exceed the Limits stated above unless otherwise agreed and as state in the schedule

In respect of any safe or strongroom or any case bag waistcoat or stamp franking machine insured by this Section the liability of the Insurers will consist of the cost of repair or if beyond economic repair the cost of replacement but in either case to a condition substantially the same as but not better or more extensive than its condition when new

### Exclusions to the Money Section

This Section does not cover

- 1) the first £100 each and every claim
- 2) any loss of Money that is not discovered within 14 days of its occurrence
- 3) loss or destruction of or damage to
  - (a) Money during transit by post (other than registered post)
  - (b) the contents of any machine operated by notes coins or tokens
- 4) any loss or shortage due to error or omission or any depreciation in value
- 5) any loss suffered by you as an immediate result of a business transaction
- 6) loss of Money from any unattended vehicle
- 7) loss caused by the use of counterfeit Money

### Special Conditions to the Money Section

- 1) Money in the care of collectors must be delivered to the Premises or to the bank or post office within 24 hours of receipt
- 2) All keys and/or notes of combination lock codes for safes and strong rooms containing Money (except those deposited with a bank) must be held in the personal custody of an authorised person and must not be left in the Premises at any time
- 3) You shall keep a complete record of Money in transit and on the Premises and such record shall be kept in a place other than with the Money

### Money Section Condition

It is a condition precedent to liability that Money in transit (other than nonnegotiable Money defined in C of the Schedule applicable to this Section) is accompanied by

able bodied Employees aged between 20 and 60 years in accordance with the following unless specified elsewhere by Endorsement to this Policy

Amount in Transit	Minimum Number of Employees
up to £3,000	One
£3,001 to £6,000	Two
£6,001 or over	as specially agreed by the Insurers and stated in the Schedule applicable to this Section

This condition shall not apply to Money in transit by professional security company

### Personal Injury Insuring Clause

If any Insured Person independently of any other cause suffers death Permanent Disablement or Temporary Disablement by violent external and visible means

- 1) caused by actual or attempted robbery or holdup
- 2) while engaged in duties connected with your Business
- 3) within the Geographical Limits
- 4) during the Period of Insurance

Insurers will pay the Benefits applicable to this Section below, provided that such death or disablement occurs within 24 months of the incident.

Item	Description	Compensation
1	Death	£10,000
2	Loss of limb or loss of eye	£10,000
3	Permanent Disablement	£10,000
4	Temporary Disablement	£100
6	Medical Expenses	Reimbursement up to 15% of item 3 and 4 above
7	Damage to Clothing or Personal effects	£500 per person

### Definitions to Personal Injury Cover

#### Insured Person

means any of your directors partners or Employees under 70 years of age

#### Permanent Disablement

means

- 1) total loss of use or physical severance of a limb at or above the wrist or ankle

- 2) loss of an eye or total and irrecoverable loss of sight in one or both eyes or loss of speech or hearing
- 3) permanent and total disablement from engaging in or giving attention to a profession business or occupation of any kind

### Temporary Disablement

means disablement other than Permanent Disablement preventing the Insured Person from engaging in or giving attention to their usual business profession or occupation

#### 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.

### Exclusion To Personal Injury Cover

The Insurers will not be liable for death Permanent Disablement or Temporary Disablement caused by or arising entirely or partly from any physical condition defect or infirmity existing before the incident for which a claim is being made under this Section

### Special Conditions To Personal Injury Cover

- 1) The Insurers shall not be liable under more than one of Benefits stated in items 1, 2, 3 above
- 2) Benefit in respect of Temporary Disablement
  - (a) will not be payable for more than 104 weeks in respect of disablement arising from any one occurrence
  - (b) will become payable when the total amount is agreed or at your request in arrears at intervals of four weeks
- 3) The Insured Person will submit to a medical examination at the request and expense of the Insurers

## Section 5 – Glass

### Insuring Clause

In the event of breakage of glass fixed in the Premises including shelves and mirrors for which you are liable, from any cause whatsoever. In addition Insurers will indemnify you for;

- 1) the cost of repairing window frames and fittings
- 2) for temporary boarding up pending replacement of the broken glass
- 3) for Damage to the window display goods caused by breakage of glass in the shop front and Damage to lettering and artwork on the glass

Insurers liability under this Section shall not exceed £2,500 any one claim and £1,000 in respect of Damage to any artwork or lettering on the glass or unless otherwise agreed and stated in the policy schedule.

### Definitions to the Glass Section

#### Glass

means fixed plain plate or sheet glass of ordinary glazing quality

#### Basis of Payment

The Insurers' liability will not exceed for each Item the Sum Insured stated in the Schedule applicable to this Section

Insurers' liability applicable to this Section in respect of Damage

- 1) to glass fixed in the Premises including shelves and mirrors for which you are liable shall not exceed £2,500 any one claim or unless otherwise agreed and stated in the schedule
- 2) to foil lettering painting silvering or other ornamental work shall not exceed £1,000
- 3) to window frames and window contents shall not exceed £1,000
- 4) requiring temporary boarding up shall be the reasonable cost incurred by you

### Exclusions to the Glass Section

This Section does not cover

- 1) the first £100 of each and every claim
- 2) Damage to Glass other than fracture extending through its entire thickness
- 3) Damage caused by fire lightning explosion earthquake or subsidence or any resulting preventive or salvage operation

- 4) Damage occasioned whilst the Premises are empty or disused
- 5) Damage occasioned by or traceable to alterations to the Premises or to the Glass whereby the risk of Damage is increased
- 6) property that was cracked or broken when this Section was effected
- 7) Damage caused by or consisting of mechanical or electrical breakdown
- 8) Damage arising from chipping scratching wear and tear or any other gradually operating cause

## Section 6 – Goods In Transit

### Insuring Clause

If any Goods are lost destroyed or damaged by any accidental cause not excluded during the Period of Insurance and within the Geographical Limits the Insurers will indemnify you for such Damage by payment reinstatement replacement or repair at the Insurers' option

### Definitions to the Goods In Transit Section

#### Goods in Transit

means Property Insured belonging to You or for which you are responsible

#### Property Insured

means tools and stock and Trade Contents appertaining to the Business

#### Vehicle

means vehicle(s) owned operated or leased by You including any trailer attached thereto

### Basis of Payment

- 1) The liability of the Insurers shall not exceed £2,500 in respect of Property Insured in transit by Vehicles or unless otherwise agreed in the policy schedule

### Exclusions to the Goods In Transit Section

This Section does not cover

- 1) the first £100 of each and every loss
- 2) Damage to Property Insured by theft from a Vehicle owned or operated by you
  - (a) after the completion of any working day of the driver
  - (b) whilst any such Vehicle is left unattended between 9pm and 6am unless the Vehicle is kept in either
    - (i) a securely locked building of substantial construction
    - (ii) a locked compound surrounded by secure walls and fences
    - (iii) a constantly supervised vehicle compound or park
- 3)
  - (a) livestock or other living creatures
  - (b) explosives or any other goods of a dangerous nature
  - (c) Money securities documents manuscripts business books computer systems records patterns models moulds plans and designs

- (d) bullion, precious metals precious stones or works of art  
unless specifically mentioned as insured by this Section
- 4) loss of market loss of profits delay indirect loss or any consequential loss
- 5) property carried by or despatched by you for hire or reward
- 6) Damage to Property Insured arising as a result of packing which was inadequate to withstand normal handling during transit or from overloading of the Vehicle
- 7) Damage to Property Insured caused by or consisting of
  - (a) natural deterioration
  - (b) gradual deterioration insects mildew vermin wear and tear or inherent vice
  - (c) making up packing or processing of the Property Insured whilst temporarily housed in the course of transit
- 8) Damage to Property Insured caused by or consisting of
  - (a) contamination depreciation in value evaporation leakage spillage or shortage of weight
  - (b) electrical or mechanical breakdown failure or derangement  
unless caused by fire theft collision or overturning of the conveying Vehicle
- 9) deterioration of Property Insured conveyed under frozen chilled or insulated conditions due to
  - (a) breakdown or malfunctioning of refrigerated and/or cooling machinery
  - (b) insufficient insulation
  - (c) incorrect setting or operation of the equipment
  - (d) faulty stowage  
unless caused by fire theft collision or overturning of the conveying Vehicle
- 10) Damage to china glass statuary marble plasterwork earthenware pictures or scientific instruments unless caused by fire theft collision or overturning of the conveying Vehicle
- 11) Damage to Property Insured more specifically insured

- 12) Property Insured temporarily housed or stored at a rental or under a contract for storage and/or distribution
- 13) Damage to Property Insured in or on open Vehicles owned by or operated by you caused by atmospheric or climatic conditions or theft
- 14) any unexplained shortage or disappearance

### **Special Conditions to the Goods In Transit Section**

- 1) You must maintain in efficient condition any security protections stipulated by the Insurers
- 2) In so far as the Vehicles are within your control you must exercise all reasonable care in
  - (a) selecting steady sober and competent drivers and attendants and
  - (b) reasonable monitoring of the performance of your drivers and attendants

### **In addition the insurers will provide cover under this section as follows**

In respect of any Vehicle owned or operated by you this Section extends to include

- 1) costs and expenses reasonably incurred by you in
  - (a) the removal of debris and site clearance of Property Insured damaged whilst in transit from the immediate area of the site where the Damage occurred
  - (b) reloading onto any Vehicle any Property Insured which has fallen from the Vehicle
  - (c) transferring the Property Insured to any other Vehicle including conveying the Property Insured to the original destination or returning the Property Insured to the place of despatch following Damage to the Property Insured or fire collision or overturning of the conveying Vehicle
  - (d) re-securing the Property Insured following a dangerous movement of the load in transit for an amount not exceeding £500 any one event
- 2) Damage to tarpaulins ropes and sheets owned by you or for which you are legally responsible whilst carried on such Vehicle for an amount not exceeding £500 any one event
- 3) any Vehicle used temporarily in substitution of any Vehicle referred to in the Schedule applicable to this Section whilst such Vehicle is out of use for maintenance repair or official vehicle testing subject to the terms applicable to the original Vehicle

# Section 7 – The Charity And Charity Trustees / Directors And Officers Indemnity

## Insuring Clause

The Insurers will indemnify any Insured Person against the loss incurred in respect of any of the insured incidents stated below arising in connection with the Business provided that:-

1. The Wrongful Act is notified to the Insurers during the period of insurance and arises within the Geographical Limits;

## Definitions to the Charity and Charity Trustees / Directors and Officers Indemnity

### Bail Costs

Costs incurred with Insurers prior written agreement to pay for a bond or other financial instrument to guarantee an Insured Person's bail or equivalent in any other jurisdiction.

### Claim

Any written demand or civil, criminal, regulatory or arbitration proceeding made against an Insured Person seeking monetary Damages or other legal relief alleging a Wrongful Act.

### Defence Costs

Costs incurred with Insurers prior written agreement (not to be unreasonably withheld) to investigate, settle or defend any claim made against an Insured Person or to fund an appeal (including any premium paid for an appeal bond or similar bond obtained in relation to it) arising from any judgment, decision or award in relation to any claim.

### Employee

Any person under a contract of service with You or any person directly engaged by You with or without payment including any volunteer solely whilst under Your control in connection with Your business.

### Employment Claim

A claim by any Employee for any actual or alleged wrongful, unfair or constructive dismissal, discharge or termination of employment, breach of written or implied contract, employment related misrepresentation, wrongful deprivation of a career opportunity, failure to grant tenure, negligent employee evaluation, harassment, unlawful discrimination, failure to provide adequate employee procedures and policies, invasion of privacy or any other claim as a result of the employment or non-employment by You of any current, former or potential Employee.

### Extradition Proceeding

Any proceeding commenced under the provisions of the United Kingdom Extradition Act 2003 or its equivalent in any other jurisdiction including any associated appeals.

## Health and Safety/Manslaughter Claim

Any claim against any Insured Person alleging involuntary, constructive or gross negligence manslaughter or any claim under the provisions of the Health & Safety at Work etc. Act 1974 or its equivalent in any other jurisdiction.

## Insured Person

1. Any natural person who was, is or during the Period of Insurance becomes a trustee, committee member, volunteer, director or officer of You;
2. Any de facto director whilst acting in such capacity for You;
3. Any shadow director as defined under Section 250 of the Companies Act 2006 or equivalent legislation in any other jurisdiction;
4. Any employee of You;
5. The lawful spouse, civil or unmarried partner of any person within 1, 2, 3 and 4 above solely because of their spousal, civil or unmarried partner relationship following a claim against that person;
6. Any trustee of any pension or employee benefit scheme operated or administered by You;
7. The estates, heirs or legal representatives of any person in 1, 2, 3, 4 or 5 above who has died or become incapacitated, insolvent or bankrupt but only for a claim against that person.

Insured Person does not include any person acting in their capacity as a liquidator, external or statutory auditor, receiver, administrator or administrative receiver.

## Investigation

An official examination, official enquiry or official investigation into You or any Insured Person conducted by any regulator, government department or other body legally empowered. Investigation does not include routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation which is not solely related to Your or any Insured Person's conduct.

## Legal Representation Costs

Reasonable and necessary legal costs, fees, charges and expenses for which any insured person is legally liable, incurred with Insurers prior written consent (not including remuneration of any insured person or other additional costs of Yours) for legal representation directly in relation to an investigation.

## Loss

The amount any Insured Person becomes legally liable to pay in respect of a claim including Defence Costs, legal



representation costs, awards of Damages (including punitive and exemplary damages where legally permissible), awards of costs, settlements with Insurers prior written agreement (which shall not be unreasonably withheld). Loss does not include:

- a. any civil, regulatory or criminal fines or penalties, taxes, remuneration or employment related benefits;
- b. punitive and exemplary damages in relation to an employment claim;
- c. the multiplied portion of any damages award unless awarded for defamation.

### **Pollutant**

Any contaminant, irritant or other substance including, but not limited to, asbestos, lead, smoke, vapour, water, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals, waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed).

### **Pollution**

Actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any Pollutant or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify or neutralise any Pollutant.

### **Retired Trustee**

Any insured person no longer acting in such capacity.

### **Subsidiary**

Any entity in which You:

1. 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
2. control a majority of its voting rights under a written agreement with other shareholders or members.

If an entity ceases to be a subsidiary during the Period of Insurance, cover will continue but only for a claim against You or an Insured Person arising from a wrongful act committed before it ceased to be a subsidiary.

### **Wrongful Act**

Any actual or alleged act, error or omission committed or attempted by an Insured Person arising from the performance of the

Insured Person's duties in their capacity as Your trustee, committee member, volunteer, director, officer or employee including:

1. breach of any duty, including fiduciary or statutory duty;

2. breach of trust;
3. negligence, negligent misstatement, misleading statement or negligent misrepresentation;
4. defamation;
5. wrongful trading under section 214 of the Insolvency Act 1986 (or equivalent legislation);
6. breach of warranty of authority;
7. any other act, error or omission attempted or allegedly committed or attempted by an Insured Person solely because of their status as a director, officer or Employee of You.

### **You/Your**

Also includes:

1. a subsidiary, and any subsidiary created or acquired during the Period of Insurance provided that the newly created or acquired subsidiary:
  - a. is not domiciled in the United States of America or
  - b. does not trade any of its securities on any United States of America exchange,
2. any pension or employee benefit scheme or trust fund,

but only for a claim against an insured person arising from a wrongful act committed after the date of creation or acquisition of such subsidiary.

## **What is Covered**

### **Claims Against an Insured Person**

The Insurer will pay on behalf of any Insured Person the loss arising from a claim first made during the Period of Insurance against any Insured Person for any Wrongful Act within the Geographical Limits.

### **Charity/'Not for Profit' Body Reimbursement**

The Insurer will pay on Your behalf the loss which You are legally obliged or permitted to pay on behalf of an Insured Person arising from a claim first made during the Period of Insurance against an Insured Person for a Wrongful Act within the Geographical Limits. You must pay the Excess (if any) shown in the Schedule.

If You are permitted or obliged to provide such payment but fail to do so for any reason other than Your insolvency, We will pay the amount of the claim regardless of whether You advanced payment or indemnified an Insured Person for such loss.

### **Employment Claims**

The Insurer will pay on behalf of an Insured Person the loss arising from an employment claim first made against an

Insured Person during the Period of Insurance brought by a current, former or potential Employee of yours. This cover does not apply if the Insured Person is covered under the Employment practices liability section of this Policy.

### Extradition Proceedings

The Insurer will pay on Your behalf the loss arising from any extradition proceeding against any Insured Person during the Period of Insurance.

### Health and Safety/Manslaughter

The Insurer will pay on Your behalf loss which You are legally obliged or permitted to pay on behalf of an Insured Person arising from a health and safety/manslaughter claim against an Insured Person for a Wrongful Act within the Geographical Limits.

### Pension/Employee Benefit Schemes Claims

The Insurer will pay on Your behalf loss in respect of a claim arising from an Insured Person's operation or administration of any pension or employee benefit scheme or trust fund.

### Pollution Claims

The Insurer will pay on Your behalf loss in respect of a claim arising from Pollution.

### Representation Costs

- a. The Insurer will pay on behalf of any Insured Person the legal representation costs arising from an investigation where Your or an Insured Person's attendance is required during the Period of Insurance;
- b. The Insurer will pay on Your behalf the legal representation costs arising from an investigation where an Insured Person's attendance is required which You are legally obliged or permitted to pay on behalf of the Insured Person first notified as being required during the Period of Insurance.

### Bail Costs

The Insurer will pay on behalf of any Insured Person bail costs arising from a claim against an Insured Person for a Wrongful Act within the Geographical Limits. The limit provided under this cover shall be 10% of the total limit shown on the schedule or £250,000 whichever is the lesser. This limit shall form part of the total aggregate limit for this section shown in the Schedule.

### Crisis Containment Costs

The Insurer will pay on behalf of any Insured Person the crisis containment costs arising from a claim. The limit provided under this cover shall be limited to a maximum of £25,000 per Policy. This limit shall be in addition to the total aggregate limit for this section shown in the Schedule.

### What is Not Covered

The Insurer will not make any payment for any claim, loss or investigation:

1. based upon, attributable to or arising out of:
  - a. a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation committed by any Insured Person;
  - b. an act intended to secure or which does secure a personal profit or advantage to which any Insured Person was not legally entitled;
  - c. an act intended to secure or which does secure a profit for any other company where an insured person is a director, officer or Employee of such company. This exclusion will only apply after a judgment or other final adjudication or an admission by an Insured Person that such act did occur;
2. based upon, attributable to or arising out of an act which an insured person knew, or must be assumed to have known, was not in the interests of the charity or where the Insured Person did not care whether it was in Your best interests or not;
3. based upon, attributable to or arising out of any claim, investigation or circumstance which You were aware of, or that has been reported under any Policy existing or expired, prior to the start of the Period of Insurance;
4. based upon, attributable to or arising out of any prior or pending litigation or proceedings (including allegations deriving from the same or essentially the same facts) involving an Insured Person or You initiated prior to the date shown under the prior and pending litigation date in the Schedule;
5. based upon, attributable to or arising out of an Insured Person's operation or administration of any defined benefit pension scheme or their breach of any legislation or regulation relating to these activities;
6. based upon, attributable to or arising out of any Wrongful Act committed or attempted in the United States of America;
7. based upon, attributable to or arising from mental or emotional distress (except an employment claim), sickness, disease, Bodily Injury or death suffered by anyone, or the loss, damage or destruction of any tangible property including loss of use of such property unless arising directly from any designs, plans, specifications, formulae, directions or advice prepared or given by You. This exclusion shall not apply to any health and safety/manslaughter claim;
8. based upon, attributable to or arising out of any claim for a Wrongful Act committed by an insured person after You merge or consolidate with another company. In the event of a subsidiary ceasing during the period of insurance to be a subsidiary cover under this section shall be amended to apply solely to loss arising out of any claim for a wrongful act committed by an Insured Person prior to the effective date of sale or dissolution.

## Basis of Payment

The most Insurers will pay for the total of all claims and their defence costs and all legal representation costs is the limit of indemnity shown in the Schedule irrespective of the number of claims made.

Each claim shall be treated as first made when the Insurer receive notice of the first claim. Legal representation costs shall be treated as first made when attendance of an Insured Person is first notified as being required at an investigation.

You must pay the relevant excess shown in the schedule.

## Paying Out The Limit of Indemnity

At any stage of a claim, the Insurer can pay the Insured Person the applicable limit of indemnity or what remains after any earlier payment from that limit. The Insurer will then have no further liability for any claim or loss.

## Your Obligations

1. The Insurer will not make any payment under this section unless You notify Us promptly of the following within the Period of Insurance or at the latest within 45 days after it expires:
  - a. the Insured Person's first awareness of any Wrongful Act. If the Insurer accepts the Insured Person's notification the Insurer will regard any subsequent claim as notified to this insurance;
  - b. any claim or threatened claim against the Insured Person or the Insured Person's lawful spouse, civil or unmarried partner;
  - c. any investigation into You;
  - d. the start of any disqualification proceedings against any Insured Person;
  - e. any threat to start proceedings against any Insured Person for pollution;
2. You may notify the Insurer of any circumstance You reasonably expect to give rise to a claim giving reasons for such expectation and including full particulars as to the dates and persons involved;
3. If any Insured Person prior to the Period of Insurance had knowledge of a material misstatement in or omission from the information provided to the Insurer upon which the Insurer agreed to insure You, that Insured Person will have no cover under this section.

## Control of Defence and Payment of a Claim

You and any Insured Person must give the Insurer the information and co-operation which the Insurer may reasonably require and take all reasonable steps to defend any claim. You and the Insured Person should not do anything which may prejudice the Insurers position.

Any Insured Person may with the Insurers prior written approval appoint legal representation. However, where a claim is made against more than one Insured Person the

same legal representative should be used unless there is a material conflict of interest between Insured Persons.

If it is not possible to obtain the Insurers consent prior to incurring defence costs the Insurer will give retrospective consent provided the Insurers consent is obtained within 14 days of first incurrence of such defence costs.

The Insurer shall have the right to participate fully in the defence of any claim including negotiation of any settlement. The Insurer shall have the right to defend any claim brought by You.

Where there is a dispute between the Insurer and You and/or any Insured Person over cover, proposed settlement or continuing the defence of a claim, You or the Insurer may request the obtainment of an opinion from a mutually agreed Queens Counsel or equivalent in a different jurisdiction. Such opinion shall be binding on the Insurer and You and any Insured Person and will establish whether Policy cover exists, defence of said claim will continue or settlement will be agreed. The costs of such opinion shall be met by the Insurer.

The Insurer shall pay defence costs above any excess and covered by this section on an ongoing basis prior to the final resolution of any claim. You and/or any Insured Person must reimburse the Insurer for any defence costs paid where it is determined there is no entitlement under this section.

If a claim is made which is not wholly covered by this section and/or is also made against You and any other person who is not an Insured Person, the Insurer, You and the Insured Person shall use our best endeavours to agree a fair allocation between loss that is covered and loss not covered by this section.

## Section 8 – Employers’ Liability

### Insuring Clause

In the event of Injury to any Employee caused during the Period of Insurance and arising out of and in the course of their employment by you in connection with your Business within the Geographical Limits the Insurers will indemnify you against all sums that you shall become legally liable to pay as compensation in respect of such Injury together with Costs & Expenses

### Definitions to the Employers’ Liability Section

#### Offshore

means from the time of embarkation by an Employee onto a conveyance at the point of final departure to either an offshore rig or offshore platform until disembarkation by an Employee from a conveyance onto land upon return from either an offshore rig or offshore platform

#### Basis Of Payment

The liability of the Insurers for compensation and Costs and Expenses will not exceed the Limit of Indemnity stated in the Schedule applicable to this Section for any one claim or series of claims arising from one source or original cause

The Insurers may at any time pay to You or anyone else entitled to indemnity under this Section

- 1) the amount stated as the Limit of Indemnity in the Schedule applicable to this Section after deducting any sum or sums already paid as compensation and any Costs and Expenses paid by the Insurers or
- 2) any lesser amount for which any claim or claims can be settled

and upon such payment the Insurers will relinquish conduct and control of and be under no further liability in connection with such claim or claims except for Costs and Expense incurred or which can be recovered in respect of action taken before the date of Insurers’ payment under this Section

Any sum paid will be inclusive of all Costs and Expenses incurred and no further sums will be payable by the Insurers

### Exclusions to the Employers’ Liability Section

There will be no indemnity under this Section for

#### Work Offshore

- 1) you or anyone claiming indemnity under this Section in respect of liability arising Offshore  
Indemnity for directors partners and Employees
- 2) liability of any of your directors partners or Employees for which you would not have been entitled to indemnity if the claim had been made against you

### Fines or Penalties

- 3) the payment of fines or penalties

### Mechanically propelled Vehicles

- 4) Injury to any Employee whilst
  - (a) carried in or upon
  - (b) entering or getting on to or alighting from  
any mechanically propelled vehicle in circumstances where any road traffic legislation requires insurance or security

### Asbestos

- 5) liability arising out of 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, except to the extent that an indemnity is deemed to be required in accordance with the provisions of any law relating to compulsory insurance of liability to employees, in which case a sub- Limit of Indemnity of £5,000,000 shall apply. It is a condition precedent to the liability of the Insurers that the Insured do not manufacture mine process distribute test remediate remove store dispose sell or use asbestos or materials or products containing asbestos.

### Special Condition to the Employers’ Liability Section

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

### In addition the insurers will provide indemnity under this section as follows

#### Indemnity to Others

- 1) If you so request
  - (a) any of your directors partners or Employees in respect of liability for which you would have been entitled to indemnity under this Section if the claim for which indemnity is being sought had been made against you
  - (b) any officer or member of your social sports and welfare organisations or fire first aid or ambulance services while acting in their respective capacities as such
- 2) The legal personal representatives of any deceased person who was entitled to claim indemnity under

this Section in respect of liability incurred by that person

- 3) Where any contract or agreement entered into by you so requires any principal in like manner to you in respect of the principal's liability arising from the contract or agreement but only so far as concerns liability to an Employee

Provided that they observe the terms of this Policy as far as they can apply

### Contractual Liability

Subject to Exclusion (3) of this Section where any contract or agreement entered into by you so requires liability assumed by you by virtue of such contract or agreement but only in so far as concerns liability to an Employee

### Cross Liabilities

If the Insured comprises more than one party the Insurers will provide indemnity to each in the same manner and to the same extent as if a separate Policy has been issued to each provided that the total amount payable in respect of any one claim or series of claims arising from some source or original cause shall not exceed the Limit of Liability stated in the Schedule applicable to this Section

### Health and Safety at Work and Corporate Manslaughter Defence Costs

In the event of

- 1) any act omission or incident or alleged act omission or incident leading to criminal proceedings brought in respect of a breach of the Health and Safety at Work Act 1974 Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation in the United Kingdom or
- 2) an incident which results in an enquiry ordered under the Health and Safety Inquiries (Procedure) Regulations 1975

the Insurers will provide indemnity against Costs and Expenses incurred in representing you in such proceedings including appealing the results of such proceedings as long as the proceedings relate to an act omission or incident or alleged act omission or incident which has been committed during the Period of Insurance within the United Kingdom and in the course of your Business

Provided that

- (a) the Insurers total liability in respect of Costs and Expenses shall not exceed £1,000,000 in the aggregate during any one Period of Insurance
- (b) the Insurers will only indemnify you where Costs and Expenses arise as a result of any matter which is the subject of indemnity under this Policy
- (c) the Insurers will only be liable for Costs and Expenses incurred in respect of legal representation appointed by them
- (d) if there is any other insurance or indemnity in force

covering the same Costs and Expenses the Insurers liability shall be limited to a proportionate amount of the total Costs and Expenses but subject always to the limit of indemnity of £1,000,000

- (e) this indemnity will not apply
- (i) in respect of fines or penalties of any kind
  - (ii) to proceedings consequent upon any Injury deliberately caused by you
- (iii) to persons other than you or any of your directors partners proprietors or Employees

### Compensation for Court Attendance

In the event of the following persons attending court at the request of the Insurers in connection with a claim under this Section the Insurers will compensate you at the rate of each person's wages or salary or at the following rates whichever is the less for each day on which attendance is required

- 1) by you or any of your directors or partners £250 per day
- 2) by any of your Employees £100 per day

### Unsatisfied Court Judgements

In the event of a judgement for damages being obtained against someone other than you

- 1) under the jurisdiction of a court in England Scotland Wales Northern Ireland the Channel Islands or the Isle of Man by any Employee or their representative
- 2) in respect of Injury arising out of and in the course of your Employee's employment or engagement by you

which remains unsatisfied in whole or in part six months after the date of such judgement the Insurers will at your request pay to your Employee or representative the amount of any damages or awarded costs to the extent that they remain unsatisfied

Provided that

- (a) there is no appeal outstanding
- (b) the judgement relates to injury to injury which would otherwise be covered under this section
- (c) any payment made by the Insurers will be only in respect of liability for which you have been entitled to Indemnity under this Section had judgement been made against you
- (d) the Insurers are entitled to take over and prosecute for their own benefit any claim made against any other person and You and Your Employee or their representative must provide all information and assistance required by Insurers

**Geographical Limits**

The Geographical Limits shall extend to include elsewhere in the world for visits made in connection with the Business by you or any of your directors partners or Employees in a nonmanual capacity provided that such persons usually reside within the Geographical Limits

# Section 9 – Public / Products Liability

## Insuring Clause

In the event of

- 1) accidental Injury to any person
- 2) accidental loss of or accidental damage to material property
- 3) accidental loss of amenities nuisance trespass or interference with any right of way light air or water occurring during the Period of Insurance and arising in connection with
  - (a) your Business
  - (b) the occupation of the Premises
  - (c) goods sold supplied, repaired, altered, serviced, installed or treated

including collection and delivery within the Geographical Limits the Insurers will indemnify you in respect of your liability at law for compensation together with Costs and Expenses

## Basis of Payment

The liability of the Insurers for compensation and Costs and Expenses will not exceed the Limit of Indemnity stated in the Schedule applicable to this Section in respect of any one occurrence or series of occurrences consequent upon or attributable to one source or original cause but not exceeding the Limit of Indemnity stated in the Schedule in the aggregate in any one period of insurance arising from goods sold, supplied, repaired, altered, serviced, installed or treated.

In addition the Insurers will pay Costs and Expenses

## Exclusions to the public / products liability section

This Section does not cover

### Deductible

- 1) the first £250 of each and every third party property damage claim

### Fines liquidated damages or penalties

- 2) liability for fines liquidated damages or penalties of any kind or for punitive exemplary restitutionary or multiplied damages

### Injury to Employees

- 3) liability to any Employee for Injury arising out of and in the course of their employment by you

### Property in your custody or control

- 4) physical loss of or damage to

- (a) property belonging to you or in your custody or under your control or that of any Employee (other than property belonging to your visitors directors partners or Employees)
- (b) that part of any property on which you or any of your Employees or agents are or have been working where the physical loss or damage results from such work

### Deliberate acts

- 5) liability caused by or arising from any deliberate act or omission by or on behalf of any person claiming indemnity under this Section and which could reasonably have been expected of such person having regard to the nature and circumstances of such act or omission

### Contractual liability

- 6) liability which attaches itself solely by virtue of a contract or agreement but any liability which would have attached in the absence of such contract or agreement is covered under this Section

### Advice and professional services

- 7) liability caused by or arising from
  - (a) any advice design or specification given by you or on your behalf for a fee
  - (b) professional services rendered by you or on your behalf

### North American risks

- 8) liability caused by or arising from any operations domiciled or registered in the United States of America or Canada or any territory within their jurisdiction or arising from any Products known by You to be for use or integrated within any other Products for the use in or supply to the United States of America or Canada or any territory within their jurisdiction.

### Aircraft hovercraft and watercraft

- 9) liability caused by or arising from the ownership possession or use by you or on your behalf of any aircraft hovercraft or watercraft (other than watercraft eight metres in length or less) or liability caused by or arising from any Products known by You to be for the use in or on any aircraft, aero spatial device hovercraft or waterborne craft or for marine or aviation purposes

### Mechanically propelled vehicles

- 10) liability caused by or arising from the ownership possession or use by or on behalf of you of any mechanically propelled vehicle (or trailer attached to it) if being used in circumstances for which

compulsory insurance or security is required under any legislation governing the use of the vehicle

**Replacement or repair of defective Products**

- 11) liability for the cost of making good repairing altering removing or replacing any defective or incorrect Products or making any refund

**Recall of Products**

- 12) liability arising out of the recall of any Product or part thereof

**Cyber Liability**

- 13) liability arising directly or indirectly out of

- (a) loss of alteration of or damage to
- or
- (b) reduction in the functionality availability or operation of

any computer system or programme hardware data information repository microchip integrated circuit or similar device in computer equipment or non-computer equipment as a result of your E-activities

For the purpose of this Exclusion E-activities means any use of electronic networks including the internet and private networks intranets extranets electronic mail worldwide web and similar medium carried out by you or by any person persons partnership firm or company acting for you or on your behalf

**Asbestos**

- 14) liability arising from the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to asbestos or materials or products containing asbestos whether or not there is another cause to loss which may have contributed concurrently or in consequence of a loss.

**Mildew Mould Spore(s) or Allergens**

- 15) liability directly or indirectly occasioned by, happening through, arising out of, resulting from or in connection with any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens; or

any costs or expenses associated, in any way, with the abatement, mitigation, remediation, containment, detoxification, neutralization, monitoring, removal, disposal, or any obligation to investigate or assess the presence or effects of fungus of any kind whatsoever, including but not limited to mildew, spore(s), or allergens; or

any obligations or duty to defend any actions directly or indirectly occasioned by, or happening through, arising out of, resulting from or in connection with any fungus of any kind whatsoever, including but not limited to mildew mould spore(s) or allergens

Irrespective of the cause of such fungus, mildew, mould, spore(s) or allergens, and whenever or wherever occurring.

**Component Building Material**

- 16) liability directly or indirectly caused by, resulting from or in connection with any component building material that must be removed, encapsulated, or otherwise abated because its presence or release is a hazard to human health.

**In addition the insurers will provide indemnity under this section as follows**

**Indemnity to Others**

- 1) If you so request
  - (a) any of your directors partners or Employees in respect of liability for which you would have been entitled to indemnity under this Section had the claim for which indemnity is being sought been made against you
  - (b) any officer or member of your social sports or welfare organisations or fire first aid or ambulance services while acting in their respective capacities as such
- 2) The legal personal representatives of any deceased person who was entitled to claim indemnity under this Section in respect of liability incurred by that person
- 3) Any principal in like manner to you where any contract or agreement entered into by you for the performance of work so requires in respect of the principal’s liability arising from the performance of work by you

**Cross Liabilities**

If the Insured comprises more than one party the Insurers will provide indemnity to each in the same manner and to the same extent as if a separate Policy has been issued to each provided that the total amount payable in respect of any one claim or series of claims arising from one source or original cause shall not exceed the Limit of Liability stated in the Schedule applicable to this Section

**Compensation for Court Attendance**

In the event of the following persons attending court at the request of the Insurers in connection with a claim under this Section the Insurers will compensate you at a rate of each person’s wages or salary or at the following rates whichever is the less for each day on which attendance is required

- 1) by you or any of your directors or partners £250 per day
- 2) by any of your Employees £100 per day



**Health and Safety at Work and Corporate Manslaughter Defence Costs**

In the event of

- 2) any act omission or incident or alleged act omission or incident leading to criminal proceedings brought in respect of a breach of the Health and Safety at Work Act 1974 Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation in the United Kingdom or
- 3) an incident which results in an enquiry ordered under the Health and Safety Inquiries (Procedure) Regulations 1975 the Insurers will provide indemnity against Costs and Expenses incurred in representing you in such proceedings including appealing the results of such proceedings as long as the proceedings relate to an act omission or incident or alleged act omission or incident which has been committed during the Period of Insurance within the United Kingdom and in the course of your Business

Provided that

- (a) the Insurers total liability in respect of Costs and Expenses shall not exceed £1,000,000 in the aggregate during any one Period of Insurance
- (b) the Insurers will only indemnify you where Costs and Expenses arise as a result of any matter which is the subject of indemnity under this Policy
- (c) the Insurers will only be liable for Costs and Expenses incurred in respect of legal representation appointed by them
- (d) if there is any other insurance or indemnity in force covering the same Costs and Expenses the Insurers liability shall be limited to a proportionate amount of the total Costs and Expenses but subject always to the limit of indemnity of £1,000,000
- (e) this indemnity will not apply
  - (i) in respect of fines or penalties of any kind
  - (ii) to proceedings consequent upon any Injury deliberately caused by you
  - (iii) to persons other than you or any of your directors partners proprietors or Employees

**Food Safety Act Defence Costs**

You and also at your request any of your directors partners or Employees for legal costs and expenses incurred

- 1) in defending any prosecution for breach of duty
- 2) with the Insurers' consent in an appeal against a conviction resulting from prosecution

under Part II of the Food Safety Act 1990 committed or alleged to have been committed during the Period of Insurance where circumstances may otherwise give rise to a claim under this Section excluding legal costs and

expenses in connection with any breach of duty arising from a deliberate or premeditated act event or omission which any person claiming indemnity under this Section knows or should have known would be likely to constitute an offence under the above Act

**Defective Premises Act**

Liability arising under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of the disposal of any premises which were occupied and/or owned by you in connection with your Business

excluding any liability for

- 1) the cost of making good replacement or reinstatement of any defect or workmanship giving rise to such liability
- 2) any physical loss of or damage to such premises

**Leased and Rented Premises**

Exclusion 4(a) of this Section does not apply to physical loss or damage to premises leased or rented to you in connection with your Business

**Wrongful Arrest**

Legal liability to pay compensation together with Costs and Expenses following any charge of wrongful arrest or malicious prosecution made against you during the Period of Insurance in respect of any allegation of theft or the improper conduct by any person (other than your Employees) at the Premises

**Overseas Personal Liability**

You and if you so request

- 1) any of your directors partners or Employees
- 2) your spouse or child or any spouse or child of your director partner or Employee accompanying you or accompanying such director partner or Employee

against liability at law for compensation together with Costs and Expenses for liability incurred in a personal capacity while you or any of your partners or Employees are visiting a country anywhere in the world in connection with your Business

excluding any liability

- (a) arising from any contract or agreement unless liability would have existed otherwise
- (b) arising out of the ownership or occupation of land or buildings
- (c) arising from the carrying on of any trade or profession
- (d) where indemnity is provided by any other insurance
- (e) arising from the ownership possession or use of

wild animals firearms (other than sporting guns)  
mechanically propelled vehicles aircraft or watercraft

### Data Protection Act

Liability arising under the Data Protection Act 1998

Provided that

- 1) you have applied for Registration in the required manner to the Data Protection Registrar and your application has not been withdrawn or refused
- 2) the liability of the Insurers for compensation payable in respect of any one claim or series of claims arising from one source or original cause will not exceed £100,000 in any one Period of Insurance excluding any liability
  - (a) arising from the recording processing or provision of data for reward or to determine the financial status of any person
  - (b) in relation to any act of defamation
  - (c) in connection with any breach of duty arising from a deliberate or premeditated act event or omission which any person claiming indemnity under this Section knows or should have known would be likely to constitute an offence under the above Act

### Contingent Liability for Employee's Vehicles

Exclusion (10) of this Section excludes mechanically propelled vehicles but the Insurers will indemnify you for liability caused by or in connection with any vehicle owned by an Employee which is being used in the course of your Business excluding any liability

- 1) arising when such vehicle is being driven
  - (a) by you
  - (b) with your consent by anyone whom you know does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- 2) for physical loss of or damage to any such vehicle
- 3) for any use outside the Geographical Limits

### Sudden and Unintended Pollution

Pollution is excluded by General Exclusion 1(c) of this Policy but this Section provides Pollution cover subject to all other provisions of this Policy for liability in respect of Injury or loss of or damage to property caused solely by Pollution

- 1) which results from a sudden identifiable unintended and unexpected incident and
- 2) such incident occurs entirely at a specific and identified time and place while the Policy remains in force

Provided that

- (a) all Pollution which arises out of any one incident will be deemed to have happened at the time such incident takes place
- (b) the Insurers will not indemnify you against liability in respect of Pollution happening anywhere in the United States of America or Canada
- (c) the total liability of the Insurers for compensation will not exceed the Limit of Indemnity stated in the Schedule applicable to this Section for this additional cover and for any claim otherwise payable under this Section arising from the same source or original cause

### Geographical Limits

The Geographical Limits shall extend to include elsewhere in the world for visits made in connection with your Business in a nonmanual capacity provided that such persons usually reside within the Geographical limits

## Section 10 – All Risks On Specified Items

This Section applies only if stated as INSURED in the Policy Schedule

### Insuring Clause

If any Specified Item is lost destroyed or damaged by any accidental cause

- 1) during the Period of Insurance
- 2) at the Premises or within the Geographical Limits stated in the Schedule applicable to this Section

the Insurers will indemnify you for such Damage by payment reinstatement replacement or repair at their option

### Definition to the all risks on specified items section

#### Specified Item

means the property described and for which a Sum Insured is stated in the Schedule applicable to this Section

#### Basis of Payment

The Insurers' liability under this Section will not exceed

- 1) the Sum Insured for each Item
- 2) in total the Total Sum Insured

stated in the Schedule applicable to this Section

### Exclusions to the all risks on specified items section

This Section does not cover

- 1) the first £250 of each and every claim
- 2) Damage to
  - (a) Valuables coins manuscripts rare books plans patterns models moulds designs or documents of title
  - (b) tobacco goods wines spirits or livestock
  - (c) Money or securities for Money gaming machines juke boxes vending or beverage machines
  - (d) production machinery requiring statutory inspection
  - (e) stock
  - (f) mainframe computers or data processing equipment
  - (g) glass

unless described as a Specified Item in the Schedule applicable to this Section

- 3) Damage caused by
  - (a) mechanical or electrical breakdown or derangement or its own overrunning short circuiting or selfheating
  - (b) corrosion rust wet or dry rot shrinkage evaporation contamination loss of weight dampness marring scratching vermin or insects
  - (c) depreciation
  - (d) change in temperature colour flavour texture or finish
  - (e) any process of cleaning dyeing repairing restoring alteration or adjusting
  - (f) atmospheric or climatic conditions or action of light
  - (g) inherent vice latent defect gradual deterioration wear and tear frost its own faulty or defective design workmanship or materials
- 4) any unexplained loss shortage or disappearance
- 5) Damage resulting from theft or attempted theft contained in any unattended vehicle unless
  - (i) the item is stored in a locked boot and all vehicle doors, windows and access points are closed and locked and any security devices are set to operate and all keys to the doors and ignition removed to a place of safety.
  - (ii) during the hours of 9.00pm to 6.00am the vehicle is in a securely locked building or guarded security park and all vehicle doors, windows and access points are locked and all keys to the doors and ignition removed to a place of safety.
- 6) Property Insured carried on the outside of the vehicle or in any open sided vehicle by theft, storm or flood
- 7) any property which at the time of Damage is insured by a more specific insurance
- 8) Depreciation, contamination or consequential loss of any description.
- 9) Financial loss caused by the loss of use malfunction of the property insured.

### Special conditions to the all risks on specified items section

- 1) Reinstatement Basis of Payment

This Condition only applies when Reinstatement Basis of Payment is stated against any Item in the Schedule applicable to this Section

In the event of Damage to any Specified Item the basis upon which the amount payable under each of the said Items is to be calculated shall be the reinstatement of the property subject to Damage

For the purpose of this Section reinstatement shall mean

- (a) where the property is lost or destroyed its replacement by similar property to a condition equivalent to but not better or more extensive than its condition when new
- (b) where property is damaged the repair of the damage and the restoration of that portion of the property to a condition substantially the same as but not better or more extensive than its condition when new

Provided that

- (i) when any property is damaged or destroyed in part only the liability of the Insurers shall be limited to the sum representing the cost which the Insurers could have been called upon to pay for reinstatement if such property had been wholly destroyed
- (ii) if the cost of reinstating the whole of the property covered by an Item to which this Condition applies exceeds its Sum Insured at the commencement of Damage the amount payable by the Insurers will not exceed that proportion of the amount of such Damage which the said Sum Insured compares to the total cost of reinstating the whole of such property at that time

## 2) Index Linking

This Condition only applies when Index Linking is stated against any Item in the Schedule applicable to this Section

The Sum Insured on any Item will be increased by a percentage determined by the Insurers and such revised Sum Insured in the absence of advice from you to the contrary will be deemed to apply for the ensuing Period of Insurance

## Section 11 – Hired In Plant

This Section applies only if stated as INSURED in the Policy Schedule

### Insuring Clause

The Insurer will insure You against Damage occurring during the Period of Insurance to:

- a. hired in plant contained in the location;
- b. hired in plant temporarily elsewhere, including while in transit.

### Definition to the Hired In Plant Section

#### Hired in Plant

Tools and equipment, site huts and other temporary accommodation hired by the Insured and for which You are responsible under the terms of their hiring agreement or otherwise but not plant on hire purchase or subject to a lease agreement or on free loan.

#### Basis of Payment

The amount payable under this Section will not exceed the Limit of Indemnity stated in the Schedule applicable to this Section

### Exclusions to the Hired In Plant Section

This Section does not cover:

1. Damage caused by:
    - a. wear and tear, inherent defect, rot, fungus, mould, vermin or infestation, or any gradually operating cause;
    - b. dryness or humidity, being exposed to light or extreme temperatures, unless the damage is caused by storm or fire;
    - c. coastal or river erosion;
    - d. a rise in the water table;
    - e. the use of crane(s) unless lifting operation complies with the requirements of BS7121 or any other British or International standard which may replace it;
    - f. vehicles which require a Road Fund Licence or Certificate of Motor Insurance;
    - g. tyres caused by punctures or bursts or the application of brakes;
    - h. bands, belts, cables, flexible hoses or non-metallic linings unless requiring replacement as a result of Damage to other parts of the Insured Property;
  2. Damage to any electrical or mechanical plant or directly resulting from its own breakdown, explosion or collapse;
  3. unexplained loss or disappearance or inventory shortage;
  4. consequential or financial losses of any kind;
  5. Damage directly or indirectly caused by, resulting from or in connection with Terrorism or any action taken to control, prevent or respond to Terrorism;
  6. war, confiscation and nuclear risks.
  7. the Excess (if any) shown in the Schedule.
- i. clothing and personal effects;
  - j. abandonment or any Damage caused as a result of abandonment;
  - k. alterations, maintenance, repairs or any process of cleaning or restoring;
  - l. faulty workmanship, defective design or the use of faulty materials;
  - m. delay, confiscation or detention by order of any government or public authority;
  - n. theft from an unattended vehicle unless the item is out of sight in a locked boot;

## Section 12 – Personal Accident

This Section applies only if stated as INSURED in the Policy Schedule

### Insuring Clause

In the event of Insured or any Employee suffering bodily injury during the Period of Insurance, Insurers will pay the benefit shown below for the number of units stated in the Policy Schedule.

### Definition to the Personal Accident Section

#### Insured Person

means person(s) and or company(ies) named in the Policy Schedule and any Employee

#### Bodily Injury

means Injury caused by

- 1) accidental, violent, external and visible means; or
- 2) exposure to the elements following a misfortune to any aircraft, vessel, in which an Insured person is travelling, excluding any illness or disease.

#### Benefits

Bodily Injury causing	One unit of Benefit
1. death	£15,000
2. total and irrecoverable loss of all sight in one or both eyes rendering the Insured Person absolutely blind in the eye or eyes beyond remedy by surgical or other treatment	£15,000
3. total loss by physical severance or complete and irrecoverable loss of use of either one or both hands or one or both feet	£15,000
4. permanent total disablement (other than as provided by benefits 2 and 3) entirely preventing the Insured Person from engaging in or giving attention to any occupation	£15,000
5. temporary total disablement entirely preventing the Insured Person from engaging in or giving attention to their usual occupation	£50 per wk
6. temporary partial disablement which prevents the Insured Person from attending to a substantial part of their usual occupation	£25 per wk
7. medical expenses necessarily incurred in the in the treatment of the Insured Person reimbursement up to 15% for items 5 and 6.	

### Exclusions

This section does not cover

- 1) the first 14 days of disablement
- 2) the first 28 days of disablement resulting from playing any type of football rugby or field hockey.
- 3) Bodily Injury resulting from an Insured Person taking part in or practicing for
  - (a) abseiling, boxing, caving, hunting, ice hockey, judo, martial arts, polo, potholing, professional sports, sub aqua diving, water skiing, 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.
- 4) 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.
- 5) 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 Insurers; or
  - b) pregnancy or childbirth.
- 6) Bodily Injury sustained while under the influence of or due wholly or partly directly or indirectly to the taking of alcohol or drugs, other than drugs taken as directed and prescribed by a qualified and registered medical practitioner, but not for the treatment of drug addiction.
- 7) An Insured Person committing or attempting to commit suicide.
- 8) Self-inflicted Bodily Injury.
- 9) Willful exposure to danger except in an attempt to save human life.

- 10) Bodily Injury sustained by any Insured Person under 16 or over 75 years of age at the commencement of the Period of Insurance.
- 11) Bodily Injury resulting solely in the inability to take part in sports or pastimes.
- 12) Bodily Injury resulting from an Insured Person's own criminal act or taking part in civil commotion.
- 13) Bodily Injury resulting from use of nuclear, chemical or biological weapons of mass destruction, howsoever these may be distributed or combined.

Use of nuclear weapons of mass destruction means the use of any explosive nuclear weapon or device or the emission, discharge, dispersal or escape of fissile material emitting a level of radioactivity capable of causing incapacitating disablement or death amongst people or animals.

Use of chemical weapons of mass destruction means the emission, discharge, dispersal, release or escape of any solid, liquid or gaseous chemical compound which, when suitably distributed, is capable of causing incapacitating disablement or death amongst people or animals.

Use of biological weapons of mass destruction means the emission, discharge, dispersal, release or escape of any pathogenic (disease producing) micro-organism(s) and chemically synthesised toxin(s) (including genetically modified organisms and chemically synthesised toxins) which are capable of causing incapacitating disablement or death amongst people or animals.

5. a) The Insured Person shall, as often as required and at Insurers expense, submit to examination by a medical practitioner of Insurers choice.
- b) Insurers shall be entitled to a post mortem examination at Insurers own expense in the event of the death of an Insured person.
6. You must inform Insurers in writing as soon as possible
  - a) of any change in an Insured Person's occupation, habits, leisure pursuits or bodily powers; or
  - b) after receipt of a renewal invitation of any Bodily Injury or change in state of health not already notified to Insurers suffered since the previous renewal date.
7. This section is not assignable and Your receipt or Your legal representatives' receipt shall be a valid discharge of Insurers liability.
8. You must inform Insurers in writing as soon as possible if other insurance (other than temporary travel) against Bodily Injury is affected on behalf of an Insured Person.
9. General Condition (2) (Duty of Fair Presentation) sets out the obligations upon the Insured to make a complete and accurate presentation of the risk, and the Company's rights and remedies in the event of a breach of this duty. The Company hereby agrees that in the event that such a breach arises solely from misrepresentation by or on behalf of an Insured Person in connection with this Section, that the rights and remedies of the Company shall only apply in respect of the cover for that Insured Person, and the remainder of the policy will be unaffected.

## Special Conditions

1. Claims shall not be payable under more than one of benefits 1 to 6 in respect of the same Bodily Injury or the same period of disablement, except that payment may be made under benefits 5 or 6 for any period prior to being made under benefits 1, 2, 3 or 4, provided that the amount already paid under benefits 5 or 6 shall be deducted from the payment due under benefits 1, 2, 3 or 4.  
  
After a claim has been paid under one of benefits 1, 2, 3 or 4, no further liability shall attach to **us** in respect of the Insured Person.
2. Benefit 4 shall be payable only on certification by a medical referee of permanent total disablement and not before the expiry of 104 consecutive weeks disablement.
3. Benefits 5 or 6 shall be payable up to but not exceeding in all 104 weeks in respect of any period(s) of disablement resulting from any one Bodily Injury and shall be paid at the end of any period of disablement or, at Your request, at periodic intervals of not less than 4 weeks.
4. The Insured Person shall take all practical steps to minimise any Bodily Injury.

## Secton 13 – Theft By Employee

This Section applies only if stated as INSURED in the Policy Schedule

### Insuring Clause

In the event of direct loss of Money or other property belonging to or legally held by You by any act of fraud or dishonesty committed by any Employee during the Period of Insurance and discovered no later than 24 months after the termination

1. this Insurance; or
2. the Insurance in respect of any Employee specified by name or position

Whichever occurs first.

### Definitions to the Theft By Employee Section

#### References

Means written or fully documented verbal references obtained directly from 1 to 5 below for the period of 2 years immediately preceding the commencement of employment of the Employee with the Insured.

- 1) previous employers in respect of any period(s) of employment confirming the dates and honesty of the Employee
- 2) the accountant and one other customer in respect of any period(s) of self employment confirming the dates and honesty of the Employee
- 3) the school, college or similar in respect of any period(s) of full-time education confirming the dates and not indicating dishonesty by the Employee
- 4) the Job Centre in respect of any period(s) of unemployment of the Employee
- 5) where the Employee has been discharged from HM Forces the Insured should take a copy of the original discharge papers as evidence of the dates of service.

The maximum gap between two consecutive references without a further reference for the gap should be 28 days.

If the INSURED cannot obtain a reference for any period, the INSURED must obtain evidence of what the EMPLOYEE was doing, which must not indicate dishonesty (for example for overseas travel the evidence might be a copy of the passport).

#### Theft

Means any act of fraud or dishonesty by an Employee committed with the clear intent of obtaining an improper financial gain for themselves or for other person or organisation intended by the Employee to receive such gain other than salaries fees commissions or other employee benefit earned in the normal course of employment.

### Basis of Payment

The liability of Insurers will not exceed the limit stated in the Policy Schedule to any one Employee and in respect of all claims during the period of Insurance

### Exclusions to the Theft By Employee Section

This Section does not cover

1. the first £250 of each and every claim
2. loss of interest or consequential loss of any kind
3. any loss which proof is dependent upon an inventory or a profit and loss computation.

### Special Conditions to the Theft By Employee Section

1. any money of the Employee held by You or any Money or assets which, but for the act of fraud or dishonesty have been due to the Employee shall be deducted from the amount of loss.

Any subsequent recovery shall be shared in the proportion that the amount of the loss borne by Insurers and You bears to the total amount of loss.

2. In the event of any claim You shall identify, by name, the Employee who has committed the acts Insured against giving rise to the loss which is the subject of such claim.
3. Immediately following discovery by You or any other person responsible for supervising Employees of any act of fraud or dishonesty committed by an Employee, this Insurance shall cease in respect of any further acts of fraud or dishonesty by such Employee.
4. You should retain REFERENCES for all EMPLOYEES as You will need to produce them for each EMPLOYEE involved or implicated in a claim who was engaged on or after the commencement date of this Insurance.

### In addition the insurers will provide cover under this section as follows

#### Auditors fees

Insurers will indemnify You against the cost of auditors' fees incurred with Insurers written consent solely to substantiate a claim under this Section, provided that the indemnity so provided shall not increase the limit of liability provided.



# Section 14 – Legal Expenses

This Section applies only if stated as INSURED in the Policy Schedule

**NB:** The insurance provided by this Section is on a “claims made” basis, which means that for there to be a valid claim under this cover, the claim must be reported to the Insurers within the Period of Insurance.

## Insuring Clause

The Insurers will indemnify the Insured or an Insured Person against Legal Expenses incurred in respect of any of the insured incidents stated below arising in connection with the Business provided that:-

1. the insured incident is notified to the Insurers during the period of insurance and arises within the Territorial Limits;
2. any legal proceedings will be dealt with by a court or other body which the Insurers agrees to within the Territorial Limits; and
3. in civil claims it is always more likely than not that the Insured or an Insured Person will recover damages (or obtain other legal remedy which the Insurers have agreed to) or make a successful defence.

## Definitions to the Legal Expenses Section

### Arbitration

means a method of settling a Dispute by asking an independent lawyer to consider it. They will be chosen by the Insurers and the Insured or an Insured Person jointly or (if agreement cannot be reached) by the president of The Law Society. Whoever loses the argument must usually pay the lawyer’s costs. If the Insured or an Insured Person lose, these costs are not covered by this insurance.

### Dispute

means any situation involving a disagreement with or action by someone in which the Insured or an Insured person’s legal rights need to be protected, whether by legal proceedings or otherwise.

### Legal Advice Service

means a professional legal advisory service provided on behalf of the Insurers, for advice and guidance in relation to the insurance provided by this section. In certain instances seeking and following their advice prior to taking action is a condition of the insurance. Their contact details are stated at the end of this section.

### Legal Expenses

means

1. Legal costs all reasonable and necessary costs chargeable by the Nominated Representative and the costs incurred by opponents in civil cases if the Insured or an Insured Person has been ordered to

pay them or the Insurers has agreed to pay them.

2. Accountants costs - all costs reasonably incurred by the Nominated Representative .
3. Attendance expenses – for each day that an Insured Person is required to attend any court or tribunal at the request of a Nominated Representative, the Insurers will pay the actual loss of the salary of an Insured Person for the time that they are off work; provided that:-
  - a) such salary or wages are not recoverable from the relevant court, tribunal or other party;
  - b) the Insurers will not pay for any loss incurred before an Insured Person makes a claim;
  - c) the Insurers will not pay for any claim where the Insured is unable to support their loss.

### Nominated Representative

means a lawyer, accountant or other suitably qualified person who has been appointed by the Insurers to act for the Insured or an Insured Person in accordance with the terms of this section.

### Territorial Limits

means

- a) For insured incidents 2) (Legal Defence) and 3)b) Injury, The European Union, the Channel Islands, the Isle of Man, Albania, Bosnia Herzegovina, Croatia, Gibraltar, Iceland, Liechtenstein, Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey (west of the Bosphorus ).
- b) For all other insured incidents, the United Kingdom, the Channel Islands, the Isle of Man and Northern Ireland.

### Insured Incidents

#### 1) Employment Disputes And Compensation Awards

##### a) Employment Disputes

The Insurers will pay Legal Expenses in relation to the defence of legal proceedings in an Employment Tribunal arising from or relating to a breach of an Employee’s contract of service or their statutory rights under employment legislation;

Provided that:-

- i) in the event of any issues that could give rise to a legal Dispute with an Employee, the Insured or Insured Person has contacted the Legal Advice Service and followed the advice provided to them.

- ii) the Insured Person seeks and continues to follow all advice from the Legal Advice Service as to the steps to be taken in the following situations:-
  - A) before taking any disciplinary action or commencing a disciplinary procedure;
  - B) before dismissing an Employee;
  - C) upon receipt of notification of any form of grievance by an Employee or a complaint of discrimination;
  - D) before starting any redundancy process or making an Employee redundant;
  - E) before seeking to make a material change to an Employee's contract, which is likely to have a negative impact on that Employee;
  - F) upon becoming aware of a situation that could give rise to a potential claim for constructive dismissal by any Employee.

### Exclusions to Employment Disputes

- i) any claim in respect of damages for injury or damage to property;
- ii) any claim arising from or relating to any transfer of business which falls within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006 and any subsequent amendment to them;
- iii) any claim relating to disciplinary hearings or internal grievance procedures;
- iv) the costs of any Disputes relating to a settlement agreement;
- v) any Dispute relating to a shareholding, partnership or directors contract;
- vi) any claim relating to future contracts of employment;
- vii) any claim relating to unpaid wages or commission or deductions from wages or commission;
- viii) any claim relating to benefits due under a contract of employment;
- ix) any claim relating to payment in relation to redundancy.

### b) Compensation Awards

The Insurers will pay any basic and / or compensatory award which is awarded to an Employee by either a tribunal or through the Advisory, Conciliation and

Arbitration Service (ACAS) Arbitration Scheme, or an amount agreed by the Insurers in settlement of a Dispute.

Provided that the basic and /or compensatory award follows a claim which the Insurers have accepted under Insured Incident 1) a) (Employment Disputes) above.

### Exclusions To Compensation Awards

Any basic or compensation award relating to the following:-

- i) any award arising out of the Insured Person's failure to provide any Employee with written reasons for their dismissal;
- ii) any award made as a result of the Insured Person's failure to provide a contract of employment or statement of terms and conditions of employment;
- iii) any award relating to any contractual rights to which the Employee is entitled;
- iv) any claim in relation to equal pay or the minimum wage employment legislation.

### c) Service Occupancy

The Insurers will pay Legal Expenses in relation to the Insured's legal rights against an employee or ex-employee to recover possession of premises owned by the Insured or for which the Insured is responsible.

### Exclusion to Service Occupancy

Any claim relating to defending the Insured's legal rights, other than defending a counter-claim.

## 2) Legal Defence

The Insurers will pay Legal Expenses in relation to:-

- a) defending the Insured's or an Insured Person's legal rights following:-
  - i) an event which leads to the Insured or an Insured Person being prosecuted in a court of criminal jurisdiction arising out of health and safety at work, occupational hygiene, food safety hygiene, food legality or the supply of safe goods;
  - ii) civil action taken against the Insured or an Insured Person for compensation under section 22 or 23 of the Data Protection Act 1998 and the Insurers will also pay any compensation award made against the Insured or an Insured Person under section 22 or 23 of the Data Protection Act 1998 and any subsequent amendment to it.
- b) defending the Insured or an Insured Person's legal rights following civil action taken against

the Insured or an Insured Person for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the period of insurance.

- c) defending an Insured Person's legal rights if
- i) an event arising from their work as an employee leads to civil action being taken against them under legislation for unlawful discrimination on the grounds of age, race, sex, sexual orientation, disability, religious belief or political opinion; or
  - ii) civil action is taken against them as a trustee of a pension fund set up for the benefit of the Insured's employees.
- d) representing the Insured or an Insured Person in appealing against the imposition or terms of an Improvement or Prohibition Notice or a Suspension Notice or an Order of Enforcement or an Enforcement Deregistration or Transfer Prohibition Notice under any of the following legislation.
- i) Health and Safety at Work etc Act 1974;
  - ii) Food Safety Act 1990;
  - iii) Fair Employment (Northern Ireland) Act 1989;
  - iv) Data Protection Act 1998;
  - v) Consumer Protection Act 1987; or
- any subsequent amendment to them.
- e) representing the Insured in appealing against the refusal of the Information Commissioner to register the Insured's application for notification under the Data Protection Act 1998 and any subsequent amendment to it.

Provided that

- i) insofar as proceedings under the Health and Safety at Work etc Act 1974 and any subsequent amendment to it are concerned the Territorial Limits shall be any place where the Act applies; and
- ii) in respect of paragraph a) ii) above, the Insured have registered with the Information Commissioner.

### Exclusion to Legal Defence

Any claim which leads to the Insured or an Insured Person being prosecuted for infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

## 3) Property Protection And Injury

### a) Property Protection

The Insurers will pay Legal Expenses in relation to the Insured's legal rights in any civil action relating to material property which is owned by the Insured or for which the Insured is responsible following:

- i) any event which causes or could cause physical damage to such material property; or
- ii) any nuisance or trespass.

### Exclusions to Property Protection

Any claim relating to the following.

1. a contract entered into by the Insured
2. goods in transit.
3. goods at premises other than those occupied by the Insured, unless the goods are at such premises for the purpose of installation or use in work to be carried out by the Insured .
4. mining subsidence.
5. a motor vehicle owned by, hired or leased to or used by the Insured or an Insured Person, other than damage to motor vehicles, where the Insured are engaged in the business of selling motor vehicles.

### b) Injury

The Insurers will pay Legal Expenses in relation to the pursuit of a claim arising from an incident causing bodily injury or death to an Insured Person.

### Exclusions to Injury

Any claim relating to the following.

1. any injury which develops gradually or is not caused by a specific or sudden accident;
2. defending any Insured Person's legal rights, other than defending a counter-claim;
3. a motor vehicle owned by, hired or leased to or used by the Insured or an Insured Person;
4. any actual or alleged clinical, medical or dental negligence.

## 4) Tax Protection

The Insurers will pay Legal Expenses in relation to defending the Insured during an investigation by HM Revenue and Customs::

- a) following the commencement of a Tax Enquiry or Cross-Tax Enquiry
- b) an investigation of the Insured's compliance with Pay As You Earn regulations;
- c) an appeal to a VAT tribunal following an assessment by HM Revenue and Customs.

Provided that:

- i) the Insured has taken reasonable care to ensure that accounts and tax affairs and record have been properly maintained
- ii) all returns to HM Revenue and Customs have been completed, are correct and submitted on time.

### Exclusions to Tax Protection

Any claim relating to the Insured's prosecution or to the extent of anything done or to be done

1. after any matter first becomes referred to or dealt with by any Special Office, Investigation Division or Collection Investigation Unit of HM Revenue and Customs;
2. in an official investigation before the government department has first expressed its dissatisfaction with the books and records the Insured are required to produce for in-depth examination;
3. before the commencement of VAT enforcement proceedings against the Insured;
4. only because of some earlier official investigation into the Insured's tax affairs or some earlier VAT enforcement proceedings against the Insured, or their failure to register for VAT;
5. in preparing, challenging, appealing or otherwise processing any tax computation, assessment, demand or payment which the Insured would necessarily deal with, notwithstanding that official investigation or Dispute;
6. in connection with or arising from a tax avoidance scheme.

### Limit of Liability

The Insurers' liability shall not exceed

1. for all claims which result from one or more events arising at the same time and from the same original cause £100,000; nor
2. for all claims which are notified to the Insurers during the period of insurance, £500,000

### Exclusions to the Legal Expenses Section

This Section does not cover the following;

- a) any Legal Expenses incurred before the written acceptance of a claim by the Insurers.
- b) any claim (or any circumstances which might lead to a claim) of which the Insured were or should have been first aware outside the period of insurance.
- c) fines, penalties, compensation or damages which the Insured or an Insured Person are ordered to pay by a court or other authority order, other than compensation awards as covered under insured incidents 1. b) Compensation awards.
- d) Any claim relating to patents, copyright, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
- e) any claim relating to franchise rights or agency rights where the Insured have the legal capacity to alter legal relations of another.
- f) any insured incident deliberately or intentionally solicited by the Insured or an Insured Person.
- g) a Dispute with the Insurers not otherwise dealt with under Special condition 10 of this Section.
- h) any claim relating to a shareholding or partnership share in the Insured,.
- i) an application for judicial review.
- j) any legal action the Insured or an Insured Person take which the Insurers has not agreed to or where the Insured or an Insured Person do anything that hinders the Insurers or the Nominated Representative .
- k) any claim if, either at the commencement or during the course of a claim notified under this sub section, the Insured is bankrupt, have filed a bankruptcy or winding up petition, have made an arrangement with creditors, have entered into a deed of arrangement, are in liquidation or part or all of the Insured's affairs or property is in the care or control of a receiver or administrator.

### Special Conditions Applicable to this Section

- 1) It is a condition precedent to the Insurers' liability to meet any claim that the Insured or an Insured Person shall:
  - a) give notice to the Insurers in writing during the period of insurance immediately upon becoming aware of any insured incident or event which may give

- rise to a claim under this sub section;
    - b) give the Insurers, as soon as possible, all the information, documents and assistance they need to deal with any claim under this section;
    - c) give the Insurers the reason for wishing to appeal against any decision given in legal proceedings which must be done immediately and in any event before the deadline for lodging the appeal;
    - d) forward to the Insurers immediately upon receipt every form ET1, and ET3 issued by an Employment Tribunal to the Insured or an Insured Person.
  - 2) the Insured or an Insured Person shall
    - a) take reasonable steps to keep any amount the Insurers have to pay to a minimum; and
    - b) send everything the Insurers ask for in writing.
  - 3)
    - a) the Insurers must have accepted the claim in writing before they can deal with it.
    - b) the Insurers will accept the claim when they are satisfied that:
      - i) the Insurers has all the information that they need;
      - ii) the Insured or an Insured Person can identify any person with whom the Insured are in Dispute; and
      - iii) it is reasonable for the Insured or an Insured Person to pursue or defend their legal rights (taking into account a reasonable estimate of the Insured or an Insured Person's total Legal Expenses ) and the Insured or an Insured Person will probably achieve a worthwhile result.
  - 4)
    - a) the Insurers may appoint a lawyer or other suitably qualified person working for them to represent, pursue or defend the Insured's or an Insured Person's rights.
 

In the event of any legal proceedings or if there is a conflict of interest, the Insured or an Insured Person have the right to choose their own Nominated Representative . The Insured must send the Insurers the name and address of such person before the commencement of any legal proceedings.
    - b) In other situations or if the Insurers thinks that the Insured or an Insured Person needs one to help to protect the Insured's or the Insured Person's rights, they will appoint a Nominated Representative to act on behalf of the Insured or an Insured Person.
  - c) The Insurers can take over and conduct and negotiate in the name of the Insured or an Insured Person any claim or legal proceedings at anytime.
  - d) The Nominated Representative must co-operate fully with the Insurers at all times.
  - e) The Insurers will have direct contact with the Nominated Representative .
  - f) The Insured or an Insured Person must cooperate fully with the Insurers and the Nominated Representative and must keep the Insurers uptodate with the progress of the claim.
  - g) The Insured or an Insured Person must give the Nominated Representative any instructions that the Insurers requires.
- 5) If, following legal proceedings to which the Insurers has consented, the Insured or an Insured Person wish to appeal or defend an appeal, the grounds for such appeal should be submitted to the Insurers immediately or as soon as practicable. Before any Legal Expenses towards the appeal are paid, the Insurers must agree that it is always more likely than not that the appeal will be successful.
  - 6)
    - a) the Insured or an Insured Person must tell the Insurers if anyone offers to settle a claim.
    - b) If the Insured or an Insured Person do not accept a reasonable offer to settle a claim, the Insurers may refuse to pay any further Legal Expenses.
    - c) The Insurers may decide to pay the Insured or an Insured Person the amount of damages that the Insured Person is claiming or is being claimed against them, instead of starting or continuing legal proceedings.
  - 7)
    - a) If the Insurers asks, the Insured or an Insured Person must tell the nominated representative to have Legal Expenses taxed, assessed or audited.
    - b) The Insured or an Insured Person must take every step to recover Legal Expenses that the Insurers have to pay and must pay the Insurers any Legal Expenses that are recovered.
  - 8) If any Nominated Representative refuses to continue acting for the Insured or an Insured Person or if the Insured or an Insured Person dismisses a Nominated Representative , the cover the Insurers provides will end at once unless the Insurers agrees to appoint another Nominated Representative .
  - 9) If the Insured or an Insured Person settle a claim or withdraw their claim without the Insurers' agreement or do not give suitable instructions to a Nominated Representative , the cover the Insurers provides will end at once and the Insurers will be entitled to re-claim any Legal Expenses paid.

- 10) If the Insurers and the Insured or an Insured Person agree, Arbitration can be used to settle any unresolved Dispute about anything said in this policy or anything to do with the claim. If Arbitration is used, the Insured or an Insured Person may still take that Dispute to court or try to settle it in another way.
- 11) The Insurers may, at their discretion, require the Insured or an Insured Person to obtain an opinion from counsel at the Insured's or an Insured Person's expense as to the merits of a claim or proceedings. If counsel's opinion indicates that there are reasonable grounds for the pursuit or defence of a claim or proceedings, the cost of obtaining the opinion will be paid for by the Insurers.
- 12) The Insurers will not pay any claim covered under any other policy or any claim that would have been covered by any other policy if this section did not exist.
- 13) All Acts of Parliament within the wording of this sub section shall include equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man as the case may be.

### **Legal Advice Service**

The Insurers provide this service 24 hours per day seven days a week during the period of insurance.

To help the Insurers check and improve service standards all calls are recorded.

The Insurers will give the Insured confidential legal advice over the phone on any commercial legal problem affecting the Business under the laws of the United Kingdom, the Channel Islands, the Isle of Man and Northern Ireland.

The Insurers will not accept responsibility if the helpline services fail for reasons outside of the Insurers' control.

Legal advice service MSL Legal Expenses Ltd  
Telephone: 0161 495 4493

Quoting reference: China Taiping

### **How To Make A Claim**

For the purposes of this section, claims are handled on the Insurers' behalf by MSL Legal Expenses Limited and in the event of an incident that may arise in a claim they should be contacted in writing at the address shown below. Reference to the Insurers' in this section in relation to the control and handling of any claim the Insured make may refer to either the Insurers or MSL Legal Expenses Limited acting on Insurers' behalf.

MSL Legal Expenses Ltd 1 Lakeside Cheadle Royal Business Park, Cheadle, Cheshire SK8 3GW

In all communications with the Insurers, please quote Your policy number.

