

**AEGIS MANAGING AGENCY LIMITED**  
**110 FENCHURCH STREET, LONDON, EC3M 5JT**  
**UNITED KINGDOM**  
**(“THE COMPANY”)**

**AUTHORISED AND REGULATED BY THE FINANCIAL SERVICES AUTHORITY**  
**REGISTRATION NUMBER 204967**

**ON BEHALF OF**  
**AEGIS SYNDICATE 1225 (“UNDERWRITERS”)**

<b>LEISURE COMBINED POLICY</b>
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**IMPORTANT NOTICE TO THE INSURED** - Please read this Policy carefully to ensure that it is in accordance with your requirements and that you understand its terms and conditions. The Company should be contacted immediately if any correction is necessary.

**DISCLOSURE UNDER THE DATA PROTECTION ACT 1998** - The Company records and holds data in accordance with the Data Protection Act 1998 and follows strict security procedures in the storage and disclosure of information provided to prevent unauthorised access or loss of such information. The Company may find it necessary to pass data to other firms or businesses that supply products and services associated with this contract of insurance.

**DOCUMENT MANAGEMENT** - It is understood and agreed that the Company may hold documents relating to this insurance and any claims under it in electronic form and may destroy the originals. An electronic copy of any such document will be admissible in evidence to the same extent as, and carry the same weight as, the original.

Further, by accessing and updating various databases the Company may share information with other firms and public bodies, including the police, in order to substantiate information and prevent or detect fraud. If false or inaccurate information is provided and fraud is suspected this fact will be recorded and the information will be available to other organisations that have access to the databases. Details of databases accessed or contributed to are available on request.

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The Insured named in the Schedule having made a Proposal which shall be the basis of this contract and having paid the premium or agreed to pay the premium at the date of inception of this contract the Underwriters agree to provide the Insurance described in each Section (if stated in the Schedule as being insured) subject to the terms and conditions and exclusions contained in this Policy and provided that the liability of the Underwriters shall not exceed the relevant Limit(s) of Liability stated in the Schedule.

The Policy and Schedule and any specifications forming part of any Section shall be read together as one contract.

**THE LAW AND LANGUAGE APPLICABLE TO THIS POLICY**

It is understood and agreed by the Underwriters and the Insured that this Policy will be governed by and interpreted in accordance with the laws of England and Wales (or Scotland or Northern Ireland where the head office of the Insured is in Scotland or Northern Ireland, as the case may be) and that the courts of England and Wales (or Scotland or Northern Ireland where the governing law is that of Scotland, or Northern Ireland, as the case may be) will have exclusive jurisdiction to settle any disputes arising out of or in connection with this Policy. The language used in this Policy and any communications relating to it will be English.

**DATE:**

**SIGNED FOR AND ON BEHALF OF AEGIS MANAGING AGENCY LIMITED**  
**ON BEHALF OF AEGIS SYNDICATE 1225**

**THESE DEFINITIONS SHALL APPLY TO ALL SECTIONS OF THIS POLICY UNLESS STATED OTHERWISE HERE AND/OR IN THE SEPARATE SECTIONS OF THE POLICY.**

#### **ALL OTHER CONTENTS**

the term All Other Contents shall include:

- documents, manuscripts and business books and records, deeds documents (including stamps thereon) plans and writings of every description, books (written or printed), computer systems, computer tapes and records, patterns, models, moulds, plans and designs for an amount not exceeding GBP50,000 but only for the cost of the materials together with the cost of clerical labour and computer time expended in reproducing such records and excluding any expenses in connection with the production of information to be recorded therein;
- personal property of employees, directors, partners or visitors of the Insured for an amount not exceeding GBP1,000 in respect of any one person, in so far as they are not otherwise insured.

#### **BUILDING(S)**

the fixed permanent structure(s) at the Premises including landlord's fixtures and fittings, foundations, yards, paths, roads, hoardings, walls, gates and fences around and pertaining to the Premises, telephone, gas, water and electricity meters, pipes, cables and the like, including such property for which the Insured are responsible but which is underground and/or in adjoining yards or roadways and which partly or wholly serves to supply the Premises.

Unless specifically agreed by the Company the Buildings must be built of brick, stone or concrete and roofed with slate, tile or concrete and/or are as more particularly described in a survey report and in the proposal, both of which must be lodged with the Company.

#### **BUSINESS**

the occupation of the Insured as stated in the Schedule and includes the ownership and maintenance of premises (including but not limited to the Premises) which are occupied by the Insured in the course of the business, the provision of canteen, social, sports and welfare organisations for the benefit of the Employees, fire, first aid and ambulance services principally in connection with but not limited to the operations of the Insured.

#### **COMPANY**

Aegis Managing Agency Limited, acting as managing agent on behalf of the Underwriters.

#### **DAMAGE (NOT SECTION 8)**

in capital letters shall mean accidental loss or destruction of or damage from an insured risk to the Property Insured.

#### **DEDUCTIBLE**

the first part of each and every loss which the Insured must bear after the application of the condition of average (underinsurance),

#### **DEFINED PERIL**

fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, theft (to the extent specified in the **THEFT** Extension of Section 1), earthquake, storm, flood, escape of water from any tank, apparatus or pipe, or impact by any road vehicle or animal. **(N.B.** This definition applies in certain circumstances where mentioned in the Policy).

#### **EMPLOYEE**

any person whilst:

- engaged under a contract of service or apprenticeship with the Insured;
- acting in the capacity of non executive director of the Insured;
- not under a contract of service or apprenticeship who is, at the requirement of the Insured, supplied to, hired or borrowed by the Insured in the course of Business and under the control of the Insured, including but not limited to:
  - a) persons on secondment from another company that is not an insured under this Policy
  - b) labour masters or persons supplied by them;
  - c) labour only subcontractors;
  - d) self-employed persons;
  - e) drivers or operators of hired-in plant;
  - f) persons engaged under work experience, training, study, exchange or similar schemes;
  - g) any officer, member or voluntary helper of the organisations or services in the business;
  - h) voluntary workers, helpers and instructors;
  - i) persons working under the Community Offenders Act 1978, the Community Offenders (Scotland) Act 1978 or similar legislation;
  - j) employee(s) elected on any industry users committee;
  - k) outworkers or homeworkers employed under contracts to personally execute any work in connection with business while they are engaged in that work;
  - l) any other person defined under Sections 32.-(1), 35.-(2) and 54.-(3)(b) of the National Minimum Wage Act 1998;
  - m) prospective employees who are being assessed by the Insured as to their suitability for employment;
  - n) any person a Court of Law in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man deems to be an employee.

#### **GAMING AMUSEMENT AND ENTERTAINMENT EQUIPMENT**

gaming or amusement machines, change machines, snooker or pool tables, bingo, casino and other entertainment equipment including but not limited to, special lighting and sound equipment, including tapes, records, compact discs, mini discs.

#### **INJURY**

bodily injury including death, illness and disease, excluding all allegations of defamation and excluding injury to feelings

**INSURED**

- the company or other organisation including any subsidiary companies of the Insured that are in existence at the inception date of the insurance and have been declared to the Company until such time as they may be sold or otherwise disposed (but not excluding any liabilities incurred prior to disposal), and;
- the person or people shown as insured in the Schedule;
- including in either case the legal or personal representatives of the Insured in respect of any claim under this Policy incurred on behalf of the Insured.

**MACHINERY, PLANT AND CONTENTS OTHER THAN STOCK**

machinery, plant and All Other Contents, including tenant's improvements, alterations and decorations, within the Buildings all belonging to the Insured or held by the Insured in trust for which they are responsible but excluding:

- a) Landlord's fixtures and fittings;
- b) Stock;
- c) Money as defined below;
- d) Gaming, Amusement and Entertainment Equipment.

**MISCELLANEOUS**

as specified in the Schedule being the property of the Insured or for which the Insured is responsible.

**MONEY**

current coin, bank and currency notes, cheques, travellers cheques, national giro payment orders, postal and money orders, current unused postage stamps, national savings stamps and certificates, premium bonds, luncheon vouchers, credit card and debit card vouchers, unused franking machine units, trading stamps, gift tokens, customer redemption vouchers, holiday with pay stamps, bankers' drafts, promissory notes, bonds, securities, bills of exchange, dividend warrants, Value Added Tax (VAT) purchase invoices, travel tickets, letters of credit, or other negotiable instruments.

**NORTH AMERICA**

the United States of America or its territories or possessions or Canada.

**OFFSHORE**

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

**PERIOD OF INSURANCE**

the period specified in the Schedule and/or any other period agreed by the Company.

**POLICY**

- all information provided to the Company as part of a proposal for issue/renewal or amendment of the insurance as set out in this document;
- all terms, provisions, exclusions, conditions, sums insured, and limits of indemnity as set out in this document;
- the Schedule, notices and other documents as they arise;
- all endorsements issued and incorporated in this document.

**POLLUTANTS**

any (solid, liquid, gaseous or thermal) irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste.

Waste includes but is not limited to materials to be recycled, reconditioned or reclaimed.

**PREMISES**

the Building(s) referred to in the Schedule and its/their environs occupied by the Insured in connection with the Business excluding any building(s) or part of any building(s) that cannot be locked.

**PROPOSAL**

any signed proposal form or declaration and/or any information in connection with this insurance supplied by or on behalf of the Insured in addition thereto or in substitution therefor whether at the time of acceptance or prior or subsequent thereto.

**RENT**

rent payable and/or receivable in respect of the Buildings, provided always that cover will only apply if all or any part of the Building is unfit for occupation and then the amount payable will not exceed the amount due in respect of the period necessary for reinstatement.

**STOCK**

stock and materials in trade, including work in progress, at the Premises, the property of the Insured or held by the Insured in trust for which the Insured are responsible.

**STOCK DEBRIS REMOVAL**

costs and expenses necessarily incurred by the Insured with the consent of the Company in removing debris of the portion or portions of the insured Stock which is/are destroyed or damaged by any insured risk but excluding any costs:-

- a) incurred in removing debris except from the site of such Stock destroyed or damaged and the area immediately adjacent to such site;
- b) arising from pollution or contamination of property not insured by this Policy;
- c) exceeding an overall cost of GBP10,000 in total for any one claim.

**SUMS INSURED/LIMITS OF  
LIABILITY (NOT SECTIONS 8 AND 9)**

the limit (inclusive of costs and expenses) applicable to the relevant section of the Policy as specified in the Schedule and is the maximum amount payable by the Company

**TERRITORIAL LIMITS  
(NOT SECTIONS 9)**

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

**UNDERWRITERS**

Aegis Syndicate 1225

**ALTERATION**

This Policy shall be avoided if there is any alteration in the Business or in the Premises or property therein or in any other circumstances whereby:

- the risk of loss, destruction or damage is materially increased;
- the Insured's interest ceases except by will or operation of law; or
- the Business is wound up or carried on by a liquidator administrator or receiver or permanently discontinued;

unless such alteration is agreed to in writing by the Company.

**ARBITRATION**

If any dispute arises as to the amounts to be paid under this Policy (liability having been admitted) the dispute will be referred to an arbitrator appointed by the parties or in default of agreement between the parties by the President of the Chartered Institute of Arbitrators.

**CANCELLATION**

this Policy may be cancelled by the Company by sending to the Insured at their last known address by registered post written notice stating that cancellation shall be effective within seven days. The posting of notice as aforesaid shall be sufficient proof of cancellation. In such event, the premium for the current Period of Insurance up to the effective date of cancellation shall be adjusted in accordance with the applicable Condition of this Policy, or in the case of non-adjustable premium the Company shall make a pro-rata return to the Insured provided that (in either case) no claim has been made within the current period of insurance; if a claim has been so made the premium shall have been fully earned and no refund will be payable.

If the Insured has undertaken to pay the first or any renewal premium of this Policy by direct debit instalments and a previously unpaid direct debit is again not paid within twenty-one days of request for payment the Policy will be cancelled with effect from the original date on which such direct debit instalment was due to be paid.

**CLAIMS PROCEDURE (SECTIONS 1- 7 ONLY)**

It shall be a condition precedent of any liability of the Underwriters that on the happening of any occurrence giving rise to or which may give rise to a claim under this Policy the Insured shall:

- a) report it in writing to the Company as soon as practical but in any event within fourteen days;
- b) report it to the police immediately in the case of loss, destruction or damage by theft, attempted theft or malicious persons;
- c) report it within seven days of the occurrence in the case of loss, destruction or damage caused by riot;
- d) within thirty days after DAMAGE (or expiry of the Indemnity Period in the case of any claim under Section 2) supply to the Company (at the Insured's own expense) all such detailed particulars, proofs, books of account, other business books, documents and other evidence as may be reasonably required by the Company, including details of any other relevant insurance;  
(the Company in its absolute discretion may at the Insured's request allow further time for compliance with this provision);
- e) make immediate action to minimise the DAMAGE, injury, illness or disease and avoid interruption or interference with the Business and to prevent further loss, destruction, DAMAGE, injury, illness or disease. This should include but not be limited to:
  - i) the hiring of suitable Employees;
  - ii) the supervision of Employees;
  - iii) compliance with all regulatory and other obligations imposed by any authority;
  - iv) change of occupancy.
- f) if demanded, deliver to the Company (at the Insured's own expense) a statutory declaration of the truth of the claim and of any matters connected with it.

The Underwriters shall be entitled:

- a) to prosecute in the name of the Insured but for the benefit of Underwriters any claim for compensation or indemnity and any claimant under this Policy shall at the request and expense of the Underwriters take and permit to be taken all necessary steps for enforcing rights against any other party in the name of the Insured before or after any payment is made by the Underwriters;
- b) on the happening of any loss, destruction or damage to the Property Insured, without incurring any liability, to enter any building where the loss, destruction or damage has happened and to take and keep possession of the Property Insured and to deal with such property and with the salvage in a reasonable manner and this Policy shall be proof of leave and licence for such purpose.

No property may be abandoned to the Company or Underwriters whether taken possession of by either of them or not.

No sum payable to the Insured under this Policy shall carry interest.

**CLAIMS PROCEDURE (SECTIONS 8 & 9 ONLY)**

It shall be a condition precedent of any liability of the Underwriters for any claim that in the event of a claim or an occurrence likely to give rise to a claim under this Policy:

the Insured must and/or shall ensure that any person claiming to be indemnified must:

- a) Notify the Company in writing within fourteen days giving full particulars of all occurrences detailing if a formal claim has been intimated.
- b) Notify the Company in writing immediately once the Insured has knowledge of any impending prosecution inquest or fatal accident inquiry in connection with any occurrence for which there may be liability under this Policy.
- c) Forward to the Company immediately on receipt; every letter, claim, writ, summons or process.
- d) Give all information, documented records and assistance as the Company may require, to comply with litigation procedures and disclosure of documents.

The Company will be entitled to have the sole conduct and control of the investigation defence and, if thought fit at the discretion of the Company, settlement of all claims and legal proceedings against the Insured or any person claiming to be indemnified.

The Insured will not and will ensure that any person claiming to be indemnified under the Policy will not negotiate, admit liability or make promise or payment in respect of any claim or occurrence without the written consent of the Company.

**COMPLIANCE WITH CONDITIONS**

The due observance and fulfilment of the terms and conditions of this Policy and of any endorsements hereto so far as they relate to anything to be done or complied with by the Insured shall be a condition precedent to any liability of the Underwriters under this Policy.

**COMPULSORY INSURANCE - EMPLOYERS' LIABILITY**

The insurance granted by this Policy is in accordance with the provisions of any law enacted in Great Britain, Northern Ireland, the Isle of Man, and the Channel Islands relating to compulsory insurance of liability to Employees. If however, there is non-observance of any provision of this Policy by the Insured which results in the Company paying any sum which the Company would not have paid but for the provisions under the law then the Insured will immediately repay that sum to the Company.

**DEDUCTIBLE CLAUSE**

The Insured will bear the amount of any Deductible stated in this Policy and any amount or amounts will be payable by the Insured before the Company will be liable to make any payment.

**DISCHARGE OF LIABILITY**

The Company may at any time at its absolute discretion pay to the Insured the amount of the Limit of Indemnity (after deduction of any sums already paid as damages) or any lesser amount for which any claim may be settled and on payment the Company will relinquish conduct and control of the claims except for recoverable expenses of litigation.

The Company will be under no further liability in connection with these claims except (but subject always to the Limit of Indemnity) for other costs and expenses incurred with its written consent in respect of matters prior to the date of such payment.

**FRAUD**

If a claim is fraudulent in any respect or if fraudulent means are used by the Insured or by anyone acting on behalf of the Insured to obtain any benefit under this Policy or if any loss or destruction of or damage to the Property Insured or to property used by the Insured for the purpose of the Business is caused by the wilful act or with the connivance of the Insured all benefit under all sections of this Policy shall be forfeited.

**HEALTH & SAFETY (SECTIONS 8 & 9 ONLY)**

It is a condition precedent to liability that the Insured shall:

- a) have undertaken risk assessments in accordance with Health & Safety legislation;
- b) have a fully documented inspection procedure in respect of all areas to which the public have access and maintain formal records of the outcome of such inspections.

**JURISDICTION AND DISPUTES CLAUSE**

Any dispute between the Company and the Insured (or anyone claiming benefit under this Policy) concerning this Policy, its validity or the interpretation of the terms, conditions, limitations and/or exclusions contained will be decided in accordance with the law of England and Wales, and the courts of England and Wales will have exclusive jurisdiction.

**LICENSED PREMISES**

It is a condition precedent to liability that the Insured shall take all reasonable steps to implement and maintain in force the control measures stated in the relevant operating schedule required by the Local Authority to comply with current legislation

**LIMITS OF LIABILITY**

The Limit(s) of Liability shall apply in excess of any applicable Deductible and shall not be increased by any extension, endorsement or amendment to this Policy unless the increase is specified in the extension, endorsement or amendment.

**LOCAL AUTHORITY LICENCE**

It is a condition precedent to liability that the Insured shall obtain the necessary Local Authority Licence(s) to conduct the Business and take all reasonable steps to implement and maintain in force any and all control measures stated in the relevant operating schedule in order to comply with the regulations. Further if such licence is withdrawn or revoked then this Insurance shall terminate with immediate effect.

#### **LONG TERM UNDERTAKING**

In consideration of a discount being allowed off the net premium on this Policy and only if a Long Term Undertaking inception date is shown in the Schedule, the Insured undertakes with effect from the date specified in the Master Schedule to this Policy to offer annually for three years to renew the insurance under this Policy on the terms and conditions in force at the expiry of each Period of Insurance and to pay the premiums (to be advised annually) in advance, it being understood that:-

- a) the Company shall be under no obligation to accept an offer made in accordance with the above mentioned undertaking;
- b) where applicable, Limits of Liability or Limits of Insurance may be reduced at any time to correspond with any reduction in values or in the Business;
- c) the above mentioned undertaking by the Insured shall not prejudice the right of the Company to cancel this Policy in accordance with the General Condition **CANCELLATION**.

The above mentioned undertaking applies to any Policy (or policies) which may be issued by the Company in substitution for this Policy and the same discount shall be allowed off the net premiums on any substituted Policy or policies issued by the Company.

#### **MISREPRESENTATION**

In the event of the Company being entitled at any time to avoid this Policy by reason of any non-disclosure and/or misrepresentation by the Insured in the Proposal for this Insurance the Company may at its election give notice to the Insured that they regard this Policy as being in full force and effect, save that there shall be excluded from the coverage provided under the Policy any claim which has or may arise and which is in any way related to the information which should have been disclosed and/or the matters misrepresented to the Company. The Policy shall then continue in full force and effect but shall be deemed to exclude the particular claim or possible claim referred to in the notice, as if this exclusion had been specifically endorsed on the Policy

#### **OTHER INSURANCE (SECTIONS 1 TO 7 ONLY)**

If any claim under Sections 1 to 8 of the Policy is also covered in whole or in part by any other insurance effected by or on behalf of the Insured the liability of the Company shall be limited to its rateable proportion of such claim. If any such other insurance shall be subject to average (underinsurance) this Policy, if not already subject to any such condition of average, shall be subject to average in like manner.

#### **OTHER INSURANCE (SECTIONS 8 & 9 ONLY)**

If the liability which is the subject matter of a claim under either Section 9 or 10 of this Policy is insured under any other insurance, the Company shall not be liable under this Policy, except in respect of any excess beyond the maximum amount which would be payable under such other insurance had this Policy not been effected.

#### **PREMIUM ADJUSTMENT**

If the premium under any Section of this Policy has been calculated (wholly or in part) upon estimates furnished by the Insured, the Insured shall keep proper records containing all particulars relative thereto, and the Company shall be allowed to inspect such records at all reasonable times.

The Insured shall within one month from the expiry of each Period of Insurance supply to the Company such particulars as the Company may require, whereupon the premium for such Period shall be adjusted and any additional premium paid by the Insured.

If the Company has agreed at commencement of a Period of Insurance to waive the adjustment of premium for any Section which would otherwise be due to be carried out upon expiry of such Period of Insurance, then:-

- a) at each renewal, the Insured shall supply up to date declarations in accordance with the Company's requirements;
- b) in the event of non-renewal of the Policy, the Company may require the premium to be adjusted in accordance with the second paragraph of this Condition.

#### **REASONABLE PRECAUTIONS**

The Insured shall take all reasonable precautions:

- for the safety of the Property Insured;
- in checking the credentials of the Employees it engages;
- for ensuring compliance with all regulatory and other obligations imposed by authority.

and shall take all reasonable steps to prevent any occurrence which may give rise to a claim under this Policy.

#### **REINSTATEMENT**

If any property is to be reinstated or replaced by the Company the Insured shall at their own expense provide all such plans, documents, books and information as may be reasonably required. The Company shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the limit of liability thereon.

#### **SCHEDULE – INCORPORATION**

The Schedule (which shall include any subsequent Renewal Schedule) and the Sections shall be deemed to be incorporated in and form part of this Policy and the expression "this Policy" wherever used in this Contract shall be read as including the said Schedule and Sections.

#### **SEVERAL LIABILITY**

The subscribing insurers' obligations under this Policy are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscriptions of any co-subscribing Insurers whatsoever.

#### **STATUTORY REFERENCES**

In this Policy all references to statutory provisions or regulations shall be construed as references to those provisions or regulations as amended or updated from time to time.

**SUBROGATION (AND CO-OPERATION)**

It shall be a condition precedent for coverage of any claim under this policy that any claimant under this Policy shall (and the Insured shall ensure that such claimant shall at the request and expense of the Company at all times provide such information and co-operation as the Company may require and shall take and permit to be taken all necessary steps for the enforcing of rights against any other party in the name of the Insured before or after any payment is made by or on behalf of the Underwriters.

The Company will be entitled to prosecute in the name of the Insured and/or person claiming to be indemnified but for the Company's benefit any claim for damages or indemnity.

**GENERAL EXCLUSIONS THIS POLICY DOES NOT COVER:**

**DATE RECOGNITION CLAUSE**

any liability, loss, destruction, damage, cost, claim, expense or consequential loss of whatsoever nature directly or indirectly caused by, consisting of arising from or relating to:

- a) any actual or alleged failure or inability of any Computer Equipment whether or not owned by or in the possession of the Insured:
  - i) to correctly recognise or to correctly process (including but not limited to capture save retain calculate compare interpret record retrieve sequence read store manipulate write to media determine distinguish convert transfer or execute) Date/Time Material;
  - Or
  - ii) to correctly recognise or to correctly process (including but not limited to capture save retain calculate compare interpret record retrieve sequence read store manipulate write to media determine distinguish convert transfer or execute) any data or information as a result of the treatment of any Date/Time Material by such equipment or by any command or instruction which is or has been programmed or in any other manner entered into it.
  
- b) any actual or alleged failure to provide or inadequacy of any services whether provided by the Insured or any other person or persons due to any actual or alleged failure or inability described at paragraph (A) above any advice consultation design evaluation inspection installation maintenance alteration repair replacement or supervision provided or done by the Insured or for or on behalf of the Insured to determine rectify or test for any potential or actual problem described at paragraph (A) above  
For the purpose of this Clause:
  - i) Computer Equipment means:
    - a) computer hardware, including microprocessors
    - b) computer application software
    - c) computer operating systems or related software
    - d) computer networks
    - e) microprocessors (computer chips) not part of any computer system
    - f) any other computerised or electronic equipment
    - g) any other equipment which directly or indirectly contains uses or relies upon in any manner any of the items listed at a) to f) above.
  - ii) Date/Time Material means dates times or data or information or command or instruction that in any manner depends upon is contingent upon is derived from or incorporates any date or time irrespective of the manner by which it is stored recorded or entered

This clause does not apply to any sections covering Employers Liability.

**PYROTECHNICS**

loss or claims arising out of the use of fireworks or other pyrotechnics including without limitation stage effects

**RADIOACTIVE CONTAMINATION**

loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from:

- a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

**WAR & TERRORISM (APPLICABLE TO SECTIONS 1 & 2)**

DAMAGE or loss caused by or interruption or interference caused by DAMAGE resulting from

or contributed to, by or in connection with, in whatever form, directly or indirectly, any act of War or Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss nor will the Company have any liability for loss, DAMAGE, costs and expenses directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with any action controlling, preventing, suppressing, retaliating against or responding to any act of War or Terrorism

- for all territories other than England, Wales and Scotland an act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group (s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:
  - a) endangers life other than that of the person committing the action; or
  - b) involves violence against one or more persons; or
  - c) involves DAMAGE to property; or
  - d) creates a risk to health or safety of the public or a section of the public; or
  - e) is designed to interfere with or to disrupt an electronic system.
- for England, Wales and Scotland an act of terrorism includes any act of any 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 Great Britain, Northern Ireland, the Isle of Man and the Channel Islands or any other government de jure or de facto
- War means war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, revolution, rebellion, insurrection, uprising, military or usurped power, nationalisation, requisition, sequestration or confiscation by order of any public authority or government de jure or de facto or martial law but not including Terrorism.

**WAR & TERRORISM (APPLICABLE TO SECTION 8)**

Injury, directly or indirectly caused by or contributed to by or arising from an War or any act of Terrorism

- Terrorism means an activity that involves a violent act or the unlawful use of force or an unlawful act dangerous to human life, tangible or intangible property or infrastructure, or a threat thereof; and appears to be intended to
  - a) intimidate or coerce a civilian population, or
  - b) disrupt any segment of the economy of a government de jure or de facto, state, or country, or
  - c) overthrow, influence, or affect the conduct or policy of any government de jure or de facto by intimidation or coercion, or
  - d) affect the conduct or policy of any government de jure or de facto by mass destruction, assassination, kidnapping or hostage-taking.

War means war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, revolution, rebellion, insurrection, uprising, military or usurped power or confiscation by order of any public authority or government de jure or de facto or martial law but not including Terrorism

**WAR & TERRORISM (APPLICABLE TO SECTION 9)**

Bodily Injury, DAMAGE or Denial of Access directly or indirectly caused by or contributed to by or arising from an War or any act of Terrorism

- Terrorism means an activity that involves a violent act or the unlawful use of force or an unlawful act dangerous to human life, tangible or intangible property or infrastructure, or a threat thereof; and appears to be intended to
  - a) intimidate or coerce a civilian population, or
  - b) disrupt any segment of the economy of a government de jure or de facto, state, or country, or
  - c) overthrow, influence, or affect the conduct or policy of any government de jure or de facto by intimidation or coercion, or
  - d) affect the conduct or policy of any government de jure or de facto by mass destruction, assassination, kidnapping or hostage-taking.
- War means war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, revolution, rebellion, insurrection, uprising, military or usurped power or confiscation by order of any public authority or government de jure or de facto or martial law but not including Terrorism.

## SECTION 1 - PROPERTY DAMAGE - ("ALL RISKS")

**IN THE EVENT OF** any of the Property Insured being accidentally lost, destroyed or damaged the Underwriters will pay to the Insured the value of the Property Insured at the time of its loss or destruction or the amount of the damage or at the option of the Company reinstate or replace such Property or any part of it.

**PROVIDED THAT** the liability of the Underwriters under this Section (including extensions hereto) during any one Period of Insurance shall not exceed the appropriate Limit of Liability stated in the Schedule (or such other Limit of Liability as may hereafter be agreed to in writing by the Company) at the time of the DAMAGE.

**IT IS AGREED THAT** in consideration of the Limit(s) of Liability not being reduced by the amount of any claim or claims arising from any one event the Insured shall pay the appropriate [extra premium] on the amount of such claim or claims from the date thereof to the date of the expiry of the Period of Insurance.

### EXTENSIONS (APPLICABLE TO SECTION 1 ONLY)

#### ARCHITECTS' AND OTHER FEES

unless more specifically insured, the insurance provided by this Section on Buildings and [All Other] Contents other than Stock shall include an amount in respect of architects', surveyors', consulting engineers' and other fees necessarily and reasonably incurred in the reinstatement of such Property Insured consequent upon its destruction or damage, but not for preparing any claim limited to GBP250,000 in the aggregate during the Period of Insurance or such other amount as may be stated in the schedule.

#### CAPITAL ADDITIONS

The insurance provided by this Section on Buildings and All Other Contents other than Stock shall include in so far as the same are not otherwise insured and in addition to the Limit(s) of Liability stated in the Schedule:

- any newly acquired or newly erected Buildings and Contents other than Stock anywhere within the Territorial Limits
- alterations, additions and improvements to Buildings and All Other Contents other than Stock excluding appreciation in value

provided always that where Proviso I of **REINSTATEMENT (DAY ONE BASIS)** is not applicable the Insured shall advise the Company

- i) as soon as practicable of any such newly acquired and/or newly erected property; and
- ii) every six months of any such alterations, additions and improvements.

At any one Premises this additional insurance shall not exceed 10 per cent of the relevant Limit of Liability or GBP500,000 in the aggregate, whichever is the less.

The Insured shall pay the appropriate additional premium required from inception of such additional insurance whereupon this Extension shall be fully reinstated.

#### CONTRACT PRICE

In respect only of goods sold but not delivered for which the Insured are responsible and which are subject to a sale contract which, following DAMAGE, is cancelled by reason of its conditions wholly or to the extent of the DAMAGE, the liability of the Company shall be based on the contract price.

For the purpose of this insurance the value of all goods to which this clause could apply in the event of DAMAGE shall also be ascertained on this basis.

#### DEBRIS REMOVAL

unless more specifically insured, the insurance provided by this Section shall include costs and expenses necessarily incurred by the Insured with the consent of the Company in removing from the site of such property accidentally lost, destroyed or damaged or the area immediately adjacent to such site

- a) debris, dismantling and/or demolishing, shoring up or propping the portion or portions of the Property Insured accidentally lost, destroyed or damaged and cleaning and/or clearing drains, sewers and/or gutters, the property of the Insured or for which they are responsible
- b) extraneous materials from machinery, plant and or equipment whether or not such machinery, plant and/or equipment has been damaged.

The liability of the Company for such costs and expenses under a) and b) above will not exceed GBP250,000 in the aggregate during the period of insurance or such other amount stated in the Schedule

cover extends to include site cleaning following damage, decontamination and/or decommissioning of property, whether damaged or not, subject to a limit of GBP10,000 any one loss

Provided always that this Extension excludes cover for any costs or expenses:

- i) incurred in removing debris of stock and materials in trade;
- ii) arising from pollution or contamination of property not insured by this Policy;
- iii) of temporary boarding-up of windows as part of a claim for breakage of glass.

#### **DETERIORATION OF STOCK**

The insurance provided by this Section includes DAMAGE to foodstuffs the property of the Insured or held in trust for which they are responsible and up to GBP2,500 or such other limit set out in the Schedule whilst contained in refrigerating units, by deterioration, contamination or putrefaction caused by or arising from:

- a) accidental leakage or refrigerant or refrigerant fumes from the unit
- b) rise or fall in temperatures as a result of:
  - i) the breaking, distortion or burning out of any part of the unit (excluding its own wiring termination including the plug and fuse) arising from mechanical or electrical defects in the unit occurring whilst the unit is being used under normal working conditions;
  - ii) non-operation of the thermostatic or automatic controlling devices forming part of the unit;
  - iii) accidental failure of the public electricity supply not occasioned by the deliberate act of any supply company;

This does not cover DAMAGE resulting from:

- i) failure of the electricity supply services which does not exceed thirty consecutive minutes;
- ii) failure of the electricity supply services due to the deliberate act of any supply company unless performed for the sole purpose of safeguarding life or protecting any part of the supply company systems or, any scheme of rationing not necessitated solely by DAMAGE to the supply company's generating or supply equipment;
- iii) wear and tear, deterioration or gradually developing flaws or defects in the unit or incorrect setting of thermostats and automatic controls;
- iv) the use of a refrigerating machine over ten years old unless specifically agreed by the Company in writing.

It is a condition precedent to any liability under this Extension that there is in force a planned maintenance program for the servicing of the refrigerating machine at regular intervals (as recommended by the manufacturer) by the manufacturer or a competent refrigeration engineer and that a proper record is kept. Any defects arising during the Period of Insurance must be addressed immediately. Should any defect arise The Company must be notified immediately.

Further, the Company shall not be liable for the first GBP100 of each and every claim.

#### **EUROPEAN UNION AND PUBLIC AUTHORITIES (INCLUDING UNDAMAGED PROPERTY)**

Subject to the following special conditions the insurance by this Section of this Policy extends to include such additional cost of Reinstatement as may be incurred solely by reason of the necessity to comply with the stipulations of:

- a) European Union Legislation,  
or
- b) Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye-Laws of any Public Authority (hereafter referred to as "the stipulations") in respect of:
  - the lost, destroyed or damaged property thereby insured;
  - undamaged portions thereof;

but excluding:

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

#### **SPECIAL CONDITIONS APPLICABLE TO EUROPEAN UNION AND PUBLIC AUTHORITIES (INCLUDING UNDAMAGED PROPERTY) ONLY**

- i) In the event that Reinstatement of the sprinkler installation in the damaged portion of the Premises to the current Sprinkler Rules necessitates provision of water supply equipment and such equipment also serves the sprinkler installation in undamaged portions of the Premises a proportionate contribution will be agreed.
- ii) The work of Reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the DAMAGE or within such further time as the Company may allow (during the said twelve months) and may be carried out upon another site (if the Stipulations so necessitate) subject to the liability of the Company under this extension not being thereby increased.
- iii) If the liability of the Company under (any item of) the Policy apart from this extension shall be reduced by the application of any of the terms and conditions of the Policy then the liability of the Company under the extension (in respect of any such item) shall be reduced in like proportion
- iv) The total amount recoverable under any item of the Policy in respect of this Extension shall not exceed 15% of its Sums Insured where the Sum Insured by the item apply to property at more than one Premises 15% of the total amount for which the Company would have been liable had the Property Insured by the item at the Premises where DAMAGE has occurred been wholly destroyed.
- v) The total recoverable under any item of the Policy shall not exceed its Sum Insured.
- vi) All the terms and conditions of the Policy except in so far as they are varied hereby shall apply as if they had been incorporated herein.

#### **EXHIBITION & TRADE FAIRS**

The insurance by this Section of this Policy extends to include DAMAGE to Property Insured while at exhibitions and trade fairs including Transit anywhere in the European Union (including air and sea transit within the European Union territories on recognised passenger and freight carriage routes unless more specifically insured) except that the Underwriters will not be liable for:

- a) DAMAGE to watches, tobacco, cigars, cigarettes, wines and spirits, documents, audio equipment, radios, televisions, video equipment and pictures;
- b) DAMAGE caused by theft or pilferage by an Employee either as a principal or accessory;
- c) DAMAGE resulting directly from defective packing faulty assembly or dismantling;
- d) DAMAGE recoverable under any other insurance or in any other way;
- e) DAMAGE caused by theft or attempted theft but this exclusion will not apply where the theft or attempted theft takes place from a building or a hard covered motor vehicle and the theft or attempt theft meets the following conditions:
  - i) if the theft or attempted theft takes place from a building the theft or attempted theft must involve entry to or exit from the building by violent and forcible means or must arise from robbery or attempted robbery; or
  - ii) the theft or attempted theft takes place from a hard covered motor vehicle (not being any any soft-top or open-top motor vehicle) belonging to or under the control of the Insured and the vehicle must be:
    - I. occupied by the Insured or employee of the Insured; or
    - II. if unattended all doors windows and other means of entry must be closed and locked and all keys must be removed to a place of safety; and
    - III. when the vehicle is left unattended between the hours of 9pm and 6am the vehicle must be parked in a securely locked building or garage or in a security compound that is permanently manned and protected by a controlled security barrier or the vehicle is fitted with an immobiliser approved by the insurer and brought into operation;
- f) any amount in excess of GBP10,000 any one claim.

#### **EMERGENCY SERVICES DAMAGE**

This Section includes DAMAGE to lawns gardens playing surfaces and landscaped areas car parks private roads and pathways at the Premises caused by emergency service vehicles while attending an incident involving DAMAGE for which the Company has accepted a claim under this Section up to a maximum of GBP20,000 in any one Period of Insurance.

#### **FIRE EXTINGUISHMENT EXPENSES**

This Section includes the cost of replacing and/or replenishing extinguishment materials expended by the Insured in attempts to extinguish or minimise loss by fire up to a maximum of GBP20,000 in any one Period of Insurance

#### **METERED WATER**

This Section includes the charges for which the Insured is responsible and unable to recover, in respect of loss of metered water, but only if the Insured maintains a record of readings from the Water Company meter at intervals of not more than sixty days. The amount payable in respect of any one of the insured Premises is limited to such excess water charges demanded by the Water Authority and resulting from the accidental escape of water from pipes apparatus or tanks in consequence of DAMAGE and will not exceed GBP10,000 in all.

#### **OTHER LOCATIONS**

The property insured by this Section shall include in so far as such property is not otherwise insured:

- Stock in any building within the Territorial Limits not occupied by the Insured subject to a total value of GBP100,000 in all and a limit of liability of GBP50,000 at any one location
- All Other Contents other than Stock while temporarily removed from the Premises in any building not occupied by the Insured (and while in transit thereto and there from) within the Territorial Limits subject to a limit of 25% of the Limit of Liability for Contents other than Stock as though such buildings were the Premises of the Insured.

For the purposes of the THEFT Extension below in so far as it applies to this Extension, persons employed within any above mentioned building shall be deemed to be Employees

#### **PLATE GLASS**

Even if the Buildings at the Premises are not insured under this Section the Underwriters will indemnify the Insured in respect of:

- a) breakage of fixed glass in windows and doors of the Premises, including the cost of boarding up pending replacement, and of sanitary ware
- b) loss or damage to signs, including neon signs and fascias at, on, or in the Premises provided that:
  - i) the Insured is liable for the cost of repair or replacement
  - ii) there will be no Indemnity under this provision in respect of
    - a. fixed glass and fixed sanitary ware
      - which is broken or damaged at the commencement of this Insurance, or
      - in any Building which is unoccupied;
    - b. any canopies on the premises.
  - iii) the Company's liability shall not exceed GBP10,000 for any one event.

#### **PURCHASER'S INTEREST**

If at the time of DAMAGE the Insured shall have contracted to sell their interest in any Building hereby insured and the purchase shall not have been but shall be thereafter completed then the purchaser on completion of the purchase, if and so far as the property is not otherwise insured by or on behalf of the purchaser against such DAMAGE, shall be entitled to the benefit of this Section so far as it relates to such DAMAGE without prejudice to the rights and liabilities of the Insured or the Insurer under this Section up to the date of completion.

#### **REPLACEMENT LOCKS**

The insurance by this Section of this Policy extends to include costs necessarily incurred in the replacement of locks at the Premises due to theft of keys from the Premises or from the home of any director, partner or Employee authorised by the Insured to hold such keys subject to a limit of GBP2,500 for any one loss excluding the first GBP100 of each and every loss for which the Insured is held responsible.

#### **SPECIFIED ITEMS**

In the event of any of the Property Insured referred to in the Schedule as "Specified Items" whilst at the Premises or elsewhere within the Territorial Limits being accidentally lost, destroyed or damaged the Underwriters will pay to the Insured the value of such Property Insured provided that the liability of the Underwriters during any one Period of Insurance shall not exceed the Limit of Liability for the specified item of Property Insured as stated by endorsement or agreed in writing by the Company at the time of the loss, destruction or damage.

In consideration of the Limit of Liability not being reduced by the amount of any claim or claims arising from any one event the Insured shall pay the appropriate extra premium on the amount of such claim or claims from the date thereof to the date of the expiry of the Period of Insurance.

This insurance excludes and does not cover DAMAGE caused by or consisting of theft or any attempt thereat arising whilst any vehicle belonging to or under the control of the Insured and containing the Property Insured is left unattended unless:

- a) all doors have been securely locked;
- b) all windows and other openings securely and adequately fastened;
- c) any immobiliser and any alarm fitted to the said vehicle have been correctly set to operate;
- d) all keys have been removed;
- e) after the last business transit of the day until collected by the driver for the next business transit, the vehicle is housed in a securely locked building of substantial construction or a compound which has secure walls and/or fences and securely locked gates.

In respect of original and/or copy transparencies, positives, negatives, scans, plates or artwork, value is deemed to be the cost of the plates or materials together with the cost of labour expended in reproducing such property but excluding any costs incurred in re-shooting the original artwork

The Underwriters will not be liable for the first GBP250 (or any greater amount stated in the Schedule) of any loss

#### **TEMPORARY REMOVAL**

Subject to the following provisions the Property under this Policy (other than Stock or merchandising if insured) is covered whilst temporarily removed for cleaning renovation, repair or other similar purposes whilst at any other premises or whilst in transit within the Territorial Limits.

The amount recoverable under this Extension in respect of each item of the Policy will not exceed the amount which would have been recovered had the DAMAGE occurred at the Premises.

This extension does not apply to Property:

- a) left in motor vehicles;
- b) held by the Insured in trust other than Machinery and Plant.

#### **TEMPORARY REMOVAL (DOCUMENTS)**

The insurance by this Section extends to include deeds, all other documents (including stamps on them) and computer records within the defined Territorial Limits, for an amount not exceeding 10% of their value when temporarily removed from the Premises

#### **THEFT**

The insurance provided by this Extension shall mean and is restricted to DAMAGE as a result of theft:

- a) involving forcible and violent entry into or exit from the buildings of the Premises or any attempt thereat, or
- b) following violence or threat of violence against the Insured or any director, partner or employee of the Insured, provided always that this Extension does not cover loss, destruction or damage:-
  - i) to jewellery, precious stones, bullion, furs, curiosities;
  - ii) where any member of the Insured's household or any director or partner of the Insured is concerned as principal or accessory;
  - iii) to movable property in the open or in any open sided building
  - iv) in respect of Buildings which are empty or not in use;
  - v) to cigars, cigarettes and tobacco for a sum in excess of GBP250;
  - vi) to beers, wines or spirits for a sum in excess of GBP250;
  - vii) to works of art or rare books for a sum in excess of GBP1,000 for any one work of art or rare book;

and further provided that this Extension shall not apply whenever the Premises are closed for business unless:

- a) all protections existing at the commencement date of this Policy or subsequently fitted at the request of the Company are maintained in proper working order and put into operation, and
- b) the keys for such protections and the keys of any safes containing any of the Property Insured are removed from the Premises.

#### **THEFT DAMAGE TO BUILDINGS**

The insurance by this Section of this Policy extends to include DAMAGE to the Buildings of the Premises insured hereby (and which are not otherwise insured) for which the Insured is responsible and which arises during pursuance of theft to the extent described above subject to a limit of liability of GBP25,000 any one loss.

#### **TRACE AND ACCESS**

The insurance by this Section of this Policy extends to include costs necessarily and reasonably incurred with the consent of the Company in locating the source of any escape of water from any fixed water services, heating installation or fuel oil used for domestic purpose only including the repair to walls, floors or ceilings necessary as a direct result of the location work except that the Underwriters will not be liable

- a) for the cost of repairs to any fixed domestic water services or heating installation; or
- b) for any amount in excess of GBP25,000 during any one Period of Insurance.

**EXCLUSIONS:****SECTION 1 DOES NOT COVER:**

1. DAMAGE caused by or consisting of:
  - inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, or DAMAGE to any property resulting from its own faulty or defective design or materials;
  - faulty or defective workmanship, operational error or omission, on the part of the Insured or any employees of the Insured but only in respect of the work in progress or that part of the property being worked upon;
  - explosion, failure or collapse of a boiler (but not a boiler used for domestic purposes only) economiser or other vessel, machine, apparatus or pipework at the premises in which internal pressure is due to steam only belonging to or under the control of the insured;
  - joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels of any range of steam and feed piping in connection therewith;
  - pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds but this shall not exclude subsequent DAMAGE which itself results from a cause not otherwise excluded;
  - corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
  - change in temperature, colour, flavour, texture or finish;
  - theft or attempted theft other than to the extent provided by **THEFT EXTENSION** of this Section;
  - mechanical or electrical breakdown or failure or derangement including but not limited to overrunning, overheating or short-circuiting  
but this shall not exclude:
    - a) such DAMAGE resulting from a cause not otherwise excluded which itself results from a Defined Peril or from any other accidental loss, destruction or damage
    - b) subsequent DAMAGE which itself results from a cause not otherwise excluded;
  - pollution or contamination but this shall not exclude destruction of or damage to the Property Insured, not otherwise excluded, caused by
    - a) pollution or contamination which itself results from a Defined Peril
    - b) a Defined Peril which itself results from pollution or contamination;
  - subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe;
  - normal settlement or bedding down of new structures;
  - collapse;
  - acts of fraud or dishonesty (other than to the extent provided by **THEFT EXTENSION** of this Section);
  - disappearance or unexplained;
  - or revealed during inventory or stocktaking;
  - misfiling or misplacing of information;
  - movable property in the open, fences and gates caused by wind, rain, hail, sleet, snow, flood or dust;
  - property insured in transit;
  - vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;
  - property insured in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection;
  - land, piers, jetties, bridges, culverts or excavations;
  - livestock, growing crops or trees;
  - property which at the time of the happening of DAMAGE is insured by or would but for the existence of this Policy be insured by any marine policy or policies;
  - any property more specifically insured by or on behalf of the Insured;
  - economic and/or consequential loss or damage of any kind or description except loss of rent when such loss is included in the cover under this Section;
  - or happening through or in consequence directly or indirectly of riot or civil commotion occurring in Northern Ireland;
2. DAMAGE to any Property Insured caused by fire resulting from its undergoing any heating process or any process involving the application of heat (other than by fire or explosion) resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair
3. DAMAGE in respect of any building which is empty or not in use due to:
  - frost or freezing;
  - escape of water from any tank, apparatus or pipe;
  - (other than by fire or explosion) by malicious persons not acting on behalf of or in connection with any political organisation;
  - theft or theft damage;
  - accidental damage.
4. DAMAGE to:
  - jewellery, precious stones, bullion, furs, curiosities;
  - glass (other than by fire or explosion), china, earthenware, marble or other fragile or brittle objects;
  - computers and data processing equipment.
5. The amount of Deductible specified in the Schedule to this Policy in respect of each separate Premises as ascertained after the application of any condition of average (underinsurance).

6. Losses arising, directly or indirectly, out of:
- a) loss of, alteration of, or damage to  
or
  - b) a reduction in the functionality, availability or operation of

a computer system, hardware, programme, software, data, information repository, microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the policyholder of the reinsured or not, are excluded hereon unless arising out of one or more of the following perils: fire, explosion, aircraft or vehicle impact, falling objects.

## SPECIAL CONDITIONS

### DESIGNATION

For the purpose of determining where necessary the heading under which any property is insured, the Company agrees to accept the designation under which such property has been entered in the Insured's books.

### MORTGAGEES AND OTHER INTERESTS

The interest of any freeholder, mortgagee or lessor is noted in the insurance provided by this Section on Buildings; the interest of any other party supplying property to the Insured under a hiring, leasing or similar agreement is noted in the insurance provided by this Section on Contents other than Stock.

And in the event of any claim hereunder the nature and extent of any such interest shall be disclosed.

### NON- INVALIDATION

Notwithstanding the provisions of **ALTERATION** Condition the insurance provided by this Section shall not be invalidated by any act or omission or by any alteration whereby the risk of **DAMAGE** is increased, unknown to or beyond the control of the Insured, provided that the Insured, immediately they become aware thereof shall give notice to the Company and pay an additional premium if required.

### REINSTATEMENT (APPLICABLE ONLY IF SHOWN IN THE SCHEDULE)

The basis upon which the amount payable in respect of Buildings, Machinery, Plant and All Other Contents is to be calculated shall be the reinstatement of the property lost, destroyed or damaged.

For this purpose Reinstatement shall mean:

- the rebuilding or replacement of property lost or destroyed which, provided the liability of the Company is not increased, and to a condition equal to but not better or more extensive than its condition when new, may be carried out in any manner suitable to the requirements of the Insured and/or upon another site;
- 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 condition when new.

### Reinstatement Special Provisions

- a) Each item of Property Insured under this Policy is declared to be separately insured subject to the following condition of average. If at the time of **DAMAGE** the sum representing 85% of the cost which would have been incurred in Reinstatement if the whole of the Property Insured had been destroyed, exceeds the sum insured thereon at the breaking out of any fire or at the commencement of any accidental loss, destruction of or damage to such property by any other cause hereby insured against, then the Insured shall be considered as being its own insurer for the difference between the Sum Insured and the sum representing the cost of Reinstatement and the whole of the Property Insured and shall bear a rateable proportion of the loss accordingly.
- b) No payment beyond the amount which would have been payable in the absence of this Extension shall be made:
  - i) unless reinstatement commences and proceeds without unreasonable delay
  - ii) until the cost of reinstatement shall have been actually incurred
  - iii) if the Property Insured at the time of its **DAMAGE** shall be insured by any other insurance effected by or on behalf of the Insured which is not upon the same basis of reinstatement
- c) The liability of the Underwriters 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
- d) Where by reason of a) b) or c) above no payment is to be made beyond the amount which would have been payable, if this clause had not been incorporated the rights and liabilities of the Underwriters and the Insured in respect of the **DAMAGE** will be subject to the terms and conditions of this Section 1, including any condition of average as if this clause had not been incorporated.

**REINSTATEMENT (DAY ONE BASIS)** APPLICABLE ONLY IF SHOWN IN THE SCHEDULE

The insurance provided by this Section on Buildings, Machinery, Plant and All Other Contents shall be on a "day one" reinstatement basis. The Insured has stated the Declared Value(s) and the premium has been calculated accordingly provided that

- I. at Inception and at the commencement of each subsequent Period of Insurance the Insured shall notify the Company of the Declared Value of such Property Insured. In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance
- II. the Reinstatement Special Provisions of **REINSTATEMENT** clause apply to this clause, except (a) and (b) are amended to read as follows
- III each item of Property Insured under this Policy is declared to be separately subject to the following condition of average
  - a) if at the commencement of DAMAGE the Declared Value of such Property Insured is less than the cost of reinstatement at the commencement of the Period of Insurance then the Company's liability for the DAMAGE shall not exceed that proportion of the DAMAGE which the Declared Value bears to such cost of reinstatement. This Proviso applies separately to each Declared Value stated in the Schedule
  - b) where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under this Section if this clause had not been incorporated, the rights and liabilities of the Underwriters and the Insured in respect of loss, destruction or damage will be subject to the terms and conditions of this Section including any condition of average as if this clause had not been incorporated, except that the sums insured will be limited to 115% of the declared value (or such other percentage uplift as specified in the Schedule)
- IV in the event of DAMAGE the liability of the Underwriters in respect of Buildings, Machinery, Plant and All Other Contents will not exceed the sum insured in respect of each separate premises

"Declared Value" means the Insured's assessment of the cost of reinstatement of such Property Insured arrived at in accordance with the definition of reinstatement above, at the level of costs applying at the commencement ("day one") of the Period of Insurance (ignoring inflationary factors which may operate subsequently). Such cost of reinstatement shall include due allowance for:

- a) the additional cost of reinstatement to comply with the European and Public Authority Stipulations (as defined)
- b) professional fees
- c) debris removal costs

**REINSTATEMENT OF LOSS**

In the absence of written notice by the Company or the Insured the Sums Insured or Limits of Liability will not be reduced by the amount of any DAMAGE and the Insured will continue to be liable for the full premium until the Policy expires.

**RENT**

The insurance provided by this Section on Rent applies only if any of the Building or any part thereof is unfit for occupation in consequence of its destruction or damage. The amount payable shall not exceed such proportion of the Limit of Liability on Rent as the period necessary for reinstatement bears to the term of rent insured.

**SUBROGATION WAIVER**

In the event of a claim arising under this Section, the Underwriters agree to waive any rights, remedies or relief to which it might become entitled by subrogation against any company standing in the relation of holding company or subsidiary to the Insured or any company which is a subsidiary of a holding company of which the Insured are themselves a subsidiary in each case as defined by legislation current at the time of the DAMAGE

**UNOCCUPIED BUILDINGS RESTRICTION OF COVER**

In all circumstances where any insured Premises are empty for a continuous period of more than thirty days then cover is restricted to the following perils:

- a) fire
  - i) fire consequent upon explosion;
  - ii) explosion consequent upon Fire on the Premises insured;
  - iii) explosion of domestic boilers and/or gas used for domestic purposes or for Heating and/or lighting.
- b) lightning
- c) explosion excluding
  - i) damage by explosion (other than Damage by fire resulting from explosion) from the bursting of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel, machines or apparatus in which internal pressure is due to steam only and belonging to or under the control of the Insured;
  - ii) damage to vessels, machinery or apparatus or their contents resulting from their explosion;
- d) aircraft and other aerial devices or articles dropped from them;
- e) earthquake shock, fire directly or indirectly caused by earthquake or subterranean fire.

**WORKMEN**

Workmen are allowed in and about the Premises for the purpose of making new erections or alterations, repair, decoration, plant installation, general maintenance and the like without prejudice to the terms and conditions of this Section and of the Policy

**IT IS A CONDITION PRECEDENT FOR LIABILITY THAT:**

**FAT FRYING**

cooking fume extraction canopies and ducting have been and are cleaned at least once every six months by independent contractors and all filters, taps and other grease removal devices have been and are cleaned at least once every seven days.

**FIRE BREAK DOORS SHUTTERS AND FIRE ESCAPES**

all fire break doors shutters and fire escapes will be kept closed except during working hours and will be maintained in efficient working order.

**FIRE CERTIFICATE**

approval of the relevant Fire Authority is obtained and maintained in respect of the Premises covered hereunder.

**FIRE DOORS**

the Insured shall keep all doors and/or fire escapes unlocked and free of obstruction at all times during the opening hours of the Business.

**FIRE EXTINGUISHING APPLIANCES AND/OR SPRINKLER INSTALLATIONS**

in respect of Property Insured being protected by an automatic sprinkler installation and/or ordinary fire extinguishing appliances, in accordance with details lodged with the Company, the Insured shall ensure that the undernoted work is carried out

- a) in respect of an automatic sprinkler installation:
  - i) the said installation shall be maintained in full working order during the currency of this insurance;
  - ii) a test shall be made every week for the purpose of ascertaining that the alarm is in working order and that the stop valves controlling the water supplies of the installation are fully open;
  - iii) any defect whether revealed by such tests or otherwise shall be remedied immediately;
  - iv) notice shall be given immediately to the Company should the water supplies be turned off or the sprinkler installation be rendered inoperative from any cause;
- b) in respect of ordinary fire extinguishing appliances:
  - i) an inspection of the appliances shall be made regularly for the purposes of ascertaining that they are maintained in proper working order and keep a written record thereof;
  - ii) any defect shall be remedied promptly whether disclosed by any such inspection or otherwise;
  - iii) the Insured will establish and maintain a training programme for the operation of fire extinguishing appliances and retain a documented register of all such training for inspection by the Company on request.

**HEATING**

the Insured shall not use portable heating appliances of any kind other than in office areas subject to such appliances having valid PAT testing certs and that they are turned off and unplugged when not in use / area is not manned.

**HEATING AND LAGGING**

(in respect of destruction or damage caused by bursting or overflowing of water tanks, apparatus or pipes) all water tanks, apparatus or pipes shall have been adequately lagged by a qualified plumber and/or that heating apparatus in the Premises shall be controlled by thermostatic switches set to activate the heating system whenever the temperature at the coolest point in the Building drops to 4 C.

**HOT WORK PERMITS**

before the use of a naked flame or other heat source or oxyacetylene, electric arc or similar welding, cutting, grinding or other spark emitting equipment is used by any person (whether a third party contractor, an employee or other) at the Premises (other than in connection with the Insured's trade processes) the Insured will procure that a hot work permit is completed jointly by the person responsible for carrying out the work and the Insured's safety officer (or nominated person); and the precautions and systems of work shown on the designated hot work permit are complied with.

**I.E.E. CERTIFICATE**

the Premises shall have been inspected by a NICEIC approved electrical contractor and the maximum period between inspections shall be in accordance with IEE Regulations. Any faults revealed by such inspection shall have been or (in relation to future inspections) shall be immediately rectified.

The Insured shall produce a certificate confirming the above to the Company within a period of thirty days of being so requested.

**INTRUDER AND FIRE ALARM**

as regards DAMAGE caused by, arising from or contributed to by fire, explosion, subterranean fire and theft it is agreed as a condition precedent to the Company's liability of the Underwriters under this Section that in relation to any intruder and or fire alarm specified and required by the Company under the terms of this Policy the Insured will:

- a) ensure the alarm system is installed in accordance with the manufacturer's specification and any other specifications of the Company and no alteration or variation of the system or any structural alteration to the Premises which would affect the system will be made without the prior written consent of the Company;
- b) ensure that the intruder and or fire alarm is in full and efficient working order at all times and regularly serviced under the manufacturer's maintenance contract and any other maintenance requirements of the Company;
- c) notify the Company forthwith of any defects that arise in such alarm systems, procure that such defects are remedied as soon as is practicable and notify the Company forthwith once such defects are remedied;
- d) ensure that the intruder alarm is tested and fully set whenever the alarmed portion of the Premises is closed for Business or not attended by the Insured or any competent adult authorised by the Insured to be responsible for the security of the Premises;
- e) ensure that the fire alarm is tested at least weekly and continually set in active mode;
- f) notify the Company immediately of any disconnection or failure of, or downgrading of police or fire brigade response to the system likely to leave any area unprotected;
- g) ensure that there are available keyholders notified to all appropriate services.

The Underwriters will not be liable for DAMAGE caused by fire, explosion, subterranean fire and theft subsequent to the Insured receiving a written notification from an intruder and/or fire alarm company that the maintenance is suspended or from the relevant police authority or fire brigade that alarm signals from the Premises will no longer be answered.

Cover provided by this Section will not be invalidated by any defect in the said systems due to circumstances beyond the control of the Insured arising after the systems have been properly set.

**MAINTENANCE AGREEMENTS**

the Insured will procure that sprinkler installations and fire extinguishers will be subject to maintenance agreements with the manufacturers or installers, and subject thereto cover provided by this Section will not be invalidated by any defect in the said appliances due to circumstances beyond the control of the Insured.

**PROTECTION MAINTENANCE**

all security devices provided for the protection of the insured property shall be maintained in good working order at all times and shall be brought into use at all times when the Premises are closed for business or left unattended. The insured agrees that no such protection shall be withdrawn or varied without the prior written consent of the Company.

**ROOF MAINTENANCE**

any flat roof, or part thereof of the premises shall be inspected at least once every two years by a qualified builder or property surveyor and any defect identified by that inspection be repaired immediately.

Any guttering shall be checked for blockages or defects by a competent person at inception or renewal and at six monthly intervals thereafter and any remedial action required to be implemented immediately.

A record of all inspections shall be made and retained by the Insured.

**SMOKING MATERIALS/AUDITORIUM**

the Premises shall at the close of business daily be checked for smoking materials, such material shall be placed for disposal in a metal-lidded metal container with the contents of ashtrays and other smoking material receptacles. The contents of these containers are not to be mixed with other combustible materials. The management shall ensure that this is being done by the appropriate liaison with the employee(s) assigned to the task and ensure that appropriate records are kept.

**SPRINKLER LEAKAGE**

Sprinkler installations shall be subject to maintenance agreements with the manufacturers or installers.

In respect of sprinkler leakage cover the following conditions apply:

- a) the Insured shall at all times take reasonable steps to prevent frost and other damage to the automatic sprinkler installation in so far as his responsibility extends to maintain the installation and will maintain the automatic external alarm signal in efficient working order;
- b) in the event of any discharge or leakage the Insured shall do and permit to be done all things practicable whether by removal or otherwise to save and protect the insured property;
- c) whenever it is the intention to make any changes, repairs or alterations to the installation the Insured shall give written notice to the Company and obtain their permission in writing;
- d) the Company shall have access to the Risk Address at all reasonable times for the purposes of inspection and if the Company shall notify the Insured of any defects in the condition of the installation the Company may at their option suspend sprinkler leakage cover until the defects have been remedied and approved by the Company.

**STATUTORY REQUIREMENTS**

the Insured shall comply with all statutory requirements concerning the inspection of machinery and equipment.

**STILLAGE**

all Stock shall be stored on stillages or racks at least 4 inches clear of floor level. In respect of loss, destruction or damage by storm, flood, bursting or overflowing or water tanks, apparatus or pipes and water accidentally discharged or leaking from any automatic sprinkler installation there shall be no cover under this insurance for any Stock which is not so stored.

**UNOCCUPIED BUILDINGS**

- a) Whenever any of the buildings of the Premises become unoccupied for more than 30 days or when a previously occupied building or part of the building has been unoccupied and is once again occupied immediate notice in writing shall be given to the Company and a suitable additional premium paid if required.
- b) The Insured and/or the Insured's agent shall visit unoccupied premises weekly and shall ensure that all water supply systems are drained and electrical and gas supplies are switched off, unless otherwise instructed in writing by the Company, and that all letterboxes and ground floor windows are sealed. Any defects revealed by these inspections shall be remedied immediately.

**WASTE**

waste and any other trade refuse shall be kept in closed metal receptacles outside working hours or swept up daily and removed from the Premises and not allowed to accumulate around the Premises.

**ADDITIONAL CLAUSE SECTION 1- THE FOLLOWING ADDITIONAL CLAUSE SHALL APPLY TO THIS SECTION ONLY IF STATED IN THE SCHEDULE TO BE APPLICABLE**

**SUBSIDENCE**

Exclusion in so far as it applies to Section 1 of this Policy is deemed deleted

Provided that this Additional Clause shall not apply in respect of

- a) any Building (or Contents therein) which stands on made-up ground, over mine-workings, or on any site at which there has been any previous occurrence of subsidence, ground heave or landslip
- b) loss, destruction or damage commencing prior to the granting of cover under this Additional Clause or resulting from coastal or river erosion or from any building, demolition or excavation works at the Premises

unless resulting from fire, explosion, earthquake or escape of water from any tank, apparatus or pipe.

## SECTION 2 – BUSINESS INTERRUPTION – (“ALL RISKS”)

In the event that any building or other property used by the Insured at the Premises for the purpose of the Business is accidentally lost, destroyed or damaged during the Period of Insurance and in consequence the Business carried on by the Insured at the Premises is interrupted or interfered with then the Underwriters will pay in respect of each item of Business interruption insurance stated in the Schedule the amount of loss resulting from such interruption or interference provided that at the time the DAMAGE occurs:

- a) insurance under Section 1 of this policy is in force covering the interest of the Insured in the property at the Premises against such DAMAGE;
- b) the Insured has claimed under Section 1 of the policy, and the Underwriters have paid such claim in full or admitted liability for such claim, or would have done so but for the operation of a proviso in Section 1 excluding liability for losses below a specified amount

### **GROSS PROFIT / ESTIMATED GROSS PROFIT**

The liability of the Underwriters in respect of Schedule item 1 (Gross Profit) is limited to loss of Estimated Gross Profit caused by a reduction in Turnover or an increase in cost of working. The Company's liability under the Operative Clause for this Section in respect of Schedule item 1 will be:

- a) in respect of reduction in Turnover: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period will, in consequence of the DAMAGE, fall short of the Standard Turnover; or
- b) in respect of increase in cost of working: the additional expenditure (subject to the provisions of the uninsured standing charges clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the DAMAGE, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided;
- c) minus, regardless of whether the calculation is based on (a) or (b) above, any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the DAMAGE;
- d) except that, in either case, if the Sum Insured in respect of Schedule item 1 is less than the sum produced by applying the Rate of Gross Profit to the annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the liability of the Underwriters will be proportionately reduced.

### **GROSS REVENUE / ESTIMATED GROSS REVENUE**

The liability of the Underwriters in respect of Schedule item 2 (Gross Revenue) is limited to loss of Gross Revenue and increase in cost of working and the Company's liability under the Operative Clause for this Section in respect of Schedule item 2 will be:

- a) in respect of loss of Gross Revenue: the amount by which the Gross Revenue during the Indemnity Period will, in consequence of the DAMAGE, fall short of the Standard Gross Revenue; or
- b) in respect of increase in cost of working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the DAMAGE, but not exceeding the amount of the reduction thereby avoided;
- c) minus, regardless of whether the calculation is based on clause (a) or (b) above, any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Revenue as may cease or be reduced in consequence of the DAMAGE;
- d) except that, in either case, if the Sum Insured in respect of Schedule item 2 is less than the Annual Gross Revenue (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the liability of the Underwriters will be proportionately reduced.

### **INCREASED COST OF WORKING**

The liability of the Underwriters in respect of Schedule item 3 (Increased Cost of Working) is limited to the increase in cost of working and the amount payable under the Operative Clause for this Section in respect of Schedule item 3 will be the additional expenditure necessarily and reasonably incurred by the Insured in consequence of the DAMAGE in order to prevent or minimise the interruption of the Business during the Indemnity Period.

### **ADDITIONAL INCREASED COST OF WORKING**

The liability of the Underwriters in respect of Schedule item 4 (Additional Increased Cost of Working) is limited to additional increased cost of working and the amount payable under the Operative Clause for this Section in respect of Schedule item 4 will be the additional expenditure necessarily and reasonably incurred during the Indemnity Period in consequence of the DAMAGE for the sole purpose of preventing or minimising a reduction in Turnover or resuming or maintaining normal Business operations for an amount not exceeding the Sum Insured by this item.

### **RENT RECEIVABLE**

The Company's liability in respect of Schedule item 5 (Rent Receivable) is limited to loss of Rent receivable and additional expenditure and the amount payable under the Operative Clause for this Section in respect of Schedule item 5 will be:

- a) in respect of loss of Rent Receivable: the amount by which in consequence of the DAMAGE, the Rent Receivable during the Indemnity Period, falls short of the Standard Rent Receivable;
- b) in respect of additional expenditure: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Rent Receivable which but for that expenditure would have taken place during the Indemnity Period in consequence of the DAMAGE, but not exceeding the amount of the reduction in Rent Receivable thereby avoided;
- c) minus any sum saved during the Indemnity Period in respect of such of the expenses and charges payable out of Rent Receivable as may cease or be reduced in consequence of the DAMAGE;
- d) except that if the Sum Insured in respect of Schedule item 5 is less than the annual Rent Receivable (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the Underwriters' liability will be proportionately reduced.

**IT IS AGREED THAT** IN CONSIDERATION OF THE LIMIT(S) OF LIABILITY NOT BEING REDUCED BY THE AMOUNT OF ANY CLAIM OR CLAIMS ARISING FROM ANY ONE EVENT THE INSURED SHALL PAY THE APPROPRIATE EXTRA PREMIUM ON THE AMOUNT OF SUCH CLAIM OR CLAIMS FROM THE DATE THEREOF TO THE DATE OF THE EXPIRY OF THE PERIOD OF INSURANCE.

**DEFINITIONS (APPLICABLE TO SECTION 2 ONLY)**

**ANNUAL GROSS REVENUE**

means the Gross Revenue, Trend Adjusted, during the twelve months immediately before the date of the DAMAGE.

**ANNUAL RENT RECEIVABLE**

means the Rent Receivable, Trend Adjusted, during the twelve months immediately before the date of the DAMAGE.

**ANNUAL TURNOVER**

means the Turnover excluding VAT, Trend Adjusted, during the twelve months immediately before the date of the DAMAGE.

**CONSEQUENTIAL LOSS**

in capital letters, shall mean loss resulting from interruption of or interference with the Business carried on by the Insured at the Premises in consequence of DAMAGE to any building or other property used by the Insured at the Premises for the purpose of the Business.

**ESTIMATED GROSS PROFIT**

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

**ESTIMATED GROSS REVENUE**

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

**GROSS PROFIT**

Gross profit means the amount by which the sum of the amount of the Turnover and the amounts of the closing stock and work in progress will exceed the sum of the amounts of the opening stock and work in progress and the amount of the Specified Working Expenses.

**GROSS REVENUE**

is the Money paid or payable to the Insured for services rendered in the course of the Business at the Premises.

**INCIDENT**

is loss or destruction of or damage to any building or other property used by the Insured at the Premises for the purpose of the Business.

**INDEMNITY PERIOD**

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

**MAXIMUM INDEMNITY PERIOD**

is as detailed in the Schedule.

**RATE OF GROSS PROFIT**

means the rate of gross profit earned, Trend Adjusted, on the Turnover during the financial year immediately before the date of the DAMAGE.

**SPECIFIED WORKING EXPENSES**

means:

purchases (less discounts received);  
discounts allowed;  
carriage, packing and freight.

**STANDARD GROSS REVENUE**

means the Gross Revenue, trend adjusted, during that period in the twelve (12) months immediately before the date of the Incident which corresponds with the Indemnity Period.

**STANDARD RENT RECEIVABLE**

means the Rent Receivable, trend adjusted, during the period in the twelve (12) months immediately before the date of the Incident which corresponds with the Indemnity Period.

**STANDARD TURNOVER**

means the Turnover excluding VAT, Trend Adjusted, during that period in the twelve (12) months immediately before the date of the Incident which corresponds with the Indemnity Period.

**TREND ADJUSTED**

means adjustments will be made to figures as may be necessary to provide for the trend of the Business and for variations in or circumstances affecting the Business either before or after the Incident or which would have affected the Business had the Incident not occurred, so that the figures thus adjusted will represent as nearly as may reasonably be practicable the results which but for the Incident would have been obtained during the relative period after the Incident.

**TURNOVER**

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

**EXTENSIONS (APPLICABLE TO SECTION 2 ONLY)** (NOTHING CONTAINED IN THESE CLAUSES WILL INCREASE UNDERWRITERS' LIABILITY TO PAY ANY AMOUNT IN EXCESS OF THE AMOUNT SHOWN AS THE SUMS INSURED/LIMIT OF LIABILITY SHOWN IN THE SCHEDULE OF THIS POLICY)

**ADDITIONAL COST OF WORKING**

The insurance under this Section extends to include Additional Increased Cost of Working and the amount payable as indemnity thereunder shall be:-

the additional expenditure necessarily and reasonably incurred during the Indemnity Period in consequence of the Incident for the sole purpose of avoiding or diminishing the Reduction in Turnover in excess of the additional expenditure payable under Gross Profit.

The liability of the Underwriters under this Extension shall not exceed GBP25,000 any one Incident.

In the event of Additional Cost of Working cover applying to this Section then the cover provided by this Extension is cancelled and of no effect.

**EXHIBITIONS**

Subject to the conditions of the Policy loss as insured by this Section resulting from interruption of or interference with the Business in consequence of an Incident whilst at any exhibition anywhere in the World shall be deemed to be loss resulting from loss or destruction of or damage to property used by the Insured at the Premises, provided that, after the application of all other terms, conditions and provisions of the Policy, the liability under this clause in respect of any one Incident shall not exceed 5% of the Limit of Liability or GBP10,000 whichever is less any one Incident.

**EXTENSIONS**

Where the insurance provided by this Section insures Estimated Gross Profit, such insurance shall also apply in event of interruption of or interference with the Business carried on by the Insured at the Premises in consequence of DAMAGE to property at the undernoted locations or to property as undernoted and such loss, destruction or damage shall be deemed to be an Incident:

**PATTERNS:**

patterns, jigs, models, templates, moulds, dies, tools, plans, drawings and designs, the property of the Insured or held by them in trust or on commission for which they are responsible whilst at the premises of any machine makers, engineers, founders or other metal workers other than at Premises in the occupation of the Insured.

**PREVENTION OF ACCESS:**

- a) loss, destruction of or damage to property within 500 metres of the Premises which shall prevent or hinder the use of the Premises or access thereto, whether the Premises or property of the Insured therein shall be damaged or not;
- b) interference with the business carried out by the Insured at the Premises in consequence of action by the Police Authority following danger or disturbance in the vicinity of the Premises which shall prevent or hinder use of the Premises or access thereto or on the written advice of the Police Authority not to open or to immediately close the premises;
- c) interference with the business carried out by the Insured at the Premises in consequence of the said Premises containing or being thought to contain a harmful device.

Provided always that:

1. in respect of the extension granted under paragraph a) the Underwriters shall not be liable in respect of loss or destruction of or damage to property of any supply undertaking from which the Insured obtain electricity, gas or water or telecommunication services which prevents or hinders the supply of such services to the Premises;
2. in respect of the extension granted under paragraph b) there shall be no liability under the Extension for loss:-
  - i) arising from any cause within the control of the Insured;
  - ii) as result of physical loss, destruction or damage to property;
  - iii) which is the direct result of repairs or maintenance being carried out to property as a result of inherent defect or wear and tear;
3. in respect of the extension granted under paragraph c) the Police shall be informed immediately of the presence or suspected presence of the harmful device;
4. in respect of the extension granted under paragraph b) and c):-
  - i) the Maximum Indemnity Period shall not exceed three months;
  - ii) the Company shall not be liable in respect of loss resulting from the first 3 hours of each and every such interruption or interference.

**STORAGE SITES:**

property insured (only as described in the Schedule (Section 1) whilst stored elsewhere than at premises in the occupation of the Insured.

**SUPPLIERS:**

the premises of any of the Insured's suppliers, manufacturers or processors of components, goods or materials but excluding the premises of any supply undertaking from which the Insured obtains electricity, gas or water or telecommunications.

**SUPPLY UTILITIES:**

Loss resulting from interruption of or interference with the Business in consequence of:

- a) DAMAGE to property at any:
  - i) generating station or sub-station of the electricity supply undertaking;
  - ii) land based premises of the gas supply undertaking or of any natural gas producer linked directly therewith;
  - iii) water works or pumping station of the water supply undertaking;
  - iv) land based premises of the telecommunications undertaking;

from which the Insured obtains electricity, gas, water or telecommunication services.
- b) accidental failure at the Premises of:
  - i) the terminal ends of the electricity supply utility service feeders;
  - ii) the supply of gas at the supply utility meters;
  - iii) the supply of water at the supply utility main stopcock;
  - iv) the supply of telecommunication services at the incoming line terminal or receivers not occasioned by
    - the deliberate act of any supply authority or by the exercise by any such authority of its power to withhold or restrict supply,
    - any industrial action,
    - drought,
    - fault in any part of the Insured's installation at the premises.

Provided that no such liability shall attach under this Extension unless the duration of such accidental failure exceeds 3 hours.

**TRANSIT:**

property insured (only as described in the Schedule (Section 1) whilst in transit.

Provided always that the above extension shall apply solely in respect of locations or property within the Territorial Limits AND the liability of the Underwriters under this Extension shall not exceed in respect of any one event GBP100,000 or 15% of the Limit of Liability under this Section whichever is the less.

**INFECTIOUS DISEASE, MURDER OR SUICIDE, FOOD OR DRINK OR POISONING**

This Section is extended to cover Loss of Gross Profit/Revenue due to:

- a) - any occurrence of a Notifiable Disease (as defined below) at the Premises or attributable to food or drink supplied from the Premises,
- any discovery of any organism at the Premises likely to result in the occurrence of a Notifiable Disease;
- any occurrence of a Notifiable Disease within a radius of 25 miles of the Premises;
- b) the discovery of vermin or pests at the Premises which cause restrictions on the use of the Premises on the order or advice of the competent local authority;
- c) any accident causing defects in the drains or other sanitary arrangements at the Premises which causes restrictions on the use of the Premises on the order or advice of the competent local authority;
- d) any occurrence of murder or suicide at the Premises;

provided that, after the application of all other terms, conditions and provisions of the Policy, the liability under this clause in respect of any one Incident shall not exceed GBP100,000 any one claim and GBP250,000 any one Period of Insurance

**DEFINITIONS APPLICABLE TO INFECTIOUS DISEASE, MURDER OR SUICIDE, FOOD OR DRINK OR POISONING EXTENSION ONLY**

- a) "Notifiable Disease" shall mean illness sustained by any person resulting from:
  - i) food or drink poisoning, or
  - ii) any human infectious or human contagious disease, an outbreak of which the competent local authority has stipulated shall be notified to them excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition;
- b) "Indemnity Period" shall mean the period during which the results of the Business shall be affected in consequence of the damage beginning;
  - i) in the case of (a) and (d) above with the occurrence or discovery of the incident;
  - ii) in the case of (b) and (c) above with the date from which the restrictions on the Premises are applied and ending not later than twelve months thereafter.
- c) "Premises" shall mean only those locations stated in the Schedule.

**SPECIAL PROVISIONS INFECTIOUS DISEASE, MURDER OR SUICIDE, FOOD OR DRINK OR POISONING EXTENSION ONLY**

The Underwriters shall not be liable for:

- any costs incurred in cleaning, repair, replacement, recall or checking of property.
- loss arising at those Premises which are directly subject to the Damage.

Notwithstanding anything to the contrary contained within the Policy the insurance by this Clause extends to include costs and expenses necessarily incurred with the Company's consent in:

- i) cleaning and decontamination of property used by the Insured for the purpose of the Business (other than stock in trade)
- ii) removal and disposal of contaminated stock in trade at or from the Premises, use of which has been restricted on the order or advice of the competent local authority solely in consequence of the damage as defined above, provided that our liability shall not exceed GBP5,000 in any one period of insurance after the application of all other terms and conditions of this Policy.

**THEFT**

The insurance provided by this Section extends to include CONSEQUENTIAL LOSS arising from Theft.

**EXCLUSIONS:**

SECTION 2 DOES NOT COVER:

1. CONSEQUENTIAL LOSS caused by or consisting of:
  - inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials;
  - faulty or defective workmanship, operational error or omission, on the part of the Insured or any of their employees, but only in respect of work in progress or that part of the property being worked upon;
  - 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 or under the control of the Insured;
  - joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith;
  - pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
  - corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
  - change in temperature, colour, texture or finish;
  - from theft or attempted theft other than to the extent provided by Extension to this Section;
  - mechanical or electrical breakdown or failure or derangement including but not limited to overrunning, overheating or short-circuiting but this shall not exclude
    - a) such DAMAGE resulting from a cause not otherwise excluded which itself results from a Defined Peril or from any other accidental loss, destruction or damage
    - b) Subsequent DAMAGE which itself results from a cause not otherwise excluded;
  - pollution or contamination but this shall not exclude destruction of or damage to the Property Insured, not otherwise excluded, caused by
    - a) pollution or contamination which itself results from a Defined Peril
    - b) a Defined Peril which itself results from pollution or contamination;
  - subsidence, ground heave or landslip;
  - normal settlement or bedding down of new structures;
  - collapse;
  - movable property in the open, fences and gates caused by wind, rain, hail, sleet, snow, flood or dust;
  - jewellery, precious stones, bullion, furs or curiosities;
  - glass (other than fixed glass), china, earthenware, marble or other fragile or brittle objects;
  - vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;
  - 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;
  - property in transit (other than to the extent provided by specific Extension to this Section);
  - land, piers, jetties, bridges, culverts or excavations;
  - livestock, growing crops or trees;
  - or happening through or in consequence directly or indirectly of riot or civil commotion occurring in Northern Ireland.
2. CONSEQUENTIAL LOSS arising directly or indirectly from disappearance, unexplained or inventory shortage, misfiling or misplacing of information or data caused by or consisting of:
  - a) erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software caused deliberately by rioters, strikers, locked-out 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, programmes or software
3. CONSEQUENTIAL LOSS caused by or consisting of or resulting from DAMAGE to any Property Insured:
  - a) caused by fire resulting from its undergoing any heating process or any process involving the application of heat;
  - b) (other than by fire or explosion) resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair.

4. DAMAGE in respect of any building which is empty or not in use due to:
  - frost or freezing,
  - escape of water from any tank, apparatus or pipe,
  - (other than by fire or explosion) by malicious persons not acting on behalf of or in connection with any political organisation,
  - theft or theft damage,
  - accidental damage.
5. The amount of Deductible specified in the Schedule to this Policy in respect of each separate Premises as ascertained after the application of any condition of average (underinsurance).
6. Fines or damages for breach of contract for late or non-completion of orders or any penalties of whatsoever nature.

**SPECIAL CONDITIONS (APPLICABLE TO SECTION 2 ONLY)**

**N.B.** ESTIMATED GROSS PROFIT SHALL INCLUDE RENT RECEIVABLE UNLESS RENT RECEIVABLE IS INSURED SEPARATELY.

**ACCUMULATED STOCK**

In adjusting any loss, account shall be taken and an equitable allowance made if any reduction in Turnover due to the Incident is postponed by reason of the Turnover being temporarily maintained from accumulated Stocks of finished goods at the Insured's premises.

**ALTERNATIVE TRADING**

If during the Indemnity Period goods shall be sold or services shall be rendered or accommodation provided elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on the Insured's behalf the money paid or payable in respect of such sales or services or accommodation shall be brought into account in arriving at the Turnover and/or Rent Receivable during the Indemnity Period.

**AUTOMATIC REINSTATEMENT**

In consideration of the insurance hereby not being reduced by the amount of any loss under this Section, the Insured will pay such additional premium as may be required.

**DECLARATION-LINKED CONDITION**

In respect of Sums Insured specified as 'declaration linked condition operative' in the Schedule:

- a) the Insured will prior to each renewal furnish the Company with the Estimated Gross Profit or Estimated Gross Revenue to be insured. Such amounts are to be calculated on the basis of the respective amounts for the financial year most nearly concurrent with ensuing period of insurance;
- b) the first and annual premiums in respect of Schedule items 1 or 2 as insured by this Section are calculated on the basis of the Estimated Gross Profit or Estimated Gross Revenue;
- c) if at or prior to the date of the certified declaration DAMAGE has occurred giving rise to a claim for loss of Gross Profit or Gross Revenue the amount of Gross Profit or Gross Revenue certified in such declaration will be deemed by the Company for the purpose of premium calculation to have been increased by the amount by which the Gross Profit or Gross Revenue was reduced in consequence of the DAMAGE during the financial year;
- d) notwithstanding any other clause of this Policy, the liability of the Company:
  - i) in respect of Gross Profit or Gross Revenue will in no case exceed one hundred and thirty-three per cent (133%) of the Estimated Gross Profit or Estimated Gross Revenue or in respect of each other item specified in the Schedule as 'declaration linked condition operative' one hundred per cent (100%) of the sum stated in the Schedule or otherwise substituted therefor by memorandum signed by or on behalf of the Underwriters; or
  - ii) will in no case exceed in the whole the sum of one hundred and thirty-three per cent (133%) of the Estimated Gross Profit or Estimated Gross Revenue as insured and one hundred per cent (100%) of the Sums Insured as other items specified as 'declaration linked condition operative' or such other amounts as may be substituted therefor by memorandum signed by or on behalf of or on behalf of the Company.
- e) in the absence of written notice by the Insured or the Company to the contrary the Company's liability will not be reduced by the amount of any loss and the insured will pay such extra premiums, as the Company requires for such automatic reinstatement of cover;.
- f) any condition of average (underinsurance) in Gross Profit / Estimated Gross Profit and Gross Revenue / Estimated Gross Revenue is deleted and of no effect.

**DELAYED LOSS**

in adjusting any loss, Underwriters will take account and make an equitable allowance if any reduction in Turnover due to the DAMAGE is postponed by reason of the Turnover being temporarily maintained from accumulated stocks of finished goods.

**DEPARTMENTAL CLAUSE**

- a) **GROSS PROFIT / ESTIMATED GROSS PROFIT**  
if the Business is conducted in departments and the independent trading results of each department are ascertainable and can be distinguished from each other department, the provisions of Schedule item 1 will apply separately to each department affected by the DAMAGE, except that if the Sum Insured is less than the aggregate of the sums produced by applying the Rate of Gross Profit for each department of the Business (whether affected by the DAMAGE or not) to its relative Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months (12)), the liability of the Underwriters will be reduced pro rata accordingly.
- b) **GROSS REVENUE / ESTIMATED GROSS REVENUE**  
if the Business is conducted in departments, and the independent trading results of each department are ascertainable and can be distinguished from each other department, the provisions of Schedule item 2 will apply separately to each department affected by the DAMAGE except that if the Sum Insured is less than the aggregate of the sums of the Gross Revenue for each department of the Business (whether affected by the DAMAGE or not) the liability of the Underwriters will be reduced pro rata accordingly.

#### **DEPARTMENTS**

If the Business is conducted in departments the independent trading results of which are ascertainable, the provisions in respect of Gross Profit and Rent Receivable shall apply separately to each department affected by the Incident.

#### **LIMIT OF LIABILITY**

the liability of the Underwriters under this Section will not exceed the lesser of:

- a) in the whole the total Sums Insured; or
- b) in respect of any item of settlement specification, its Sum Insured at the time of the DAMAGE; or
- c) any other Limit of Liability stated in the Schedule at the time of the DAMAGE;
- d) the Sum Insured (or Limit of Liability) remaining after deduction for any other interruption or interference consequent upon DAMAGE;

occurring during the same Period of Insurance, unless the Company has agreed to reinstate any such Sum Insured (or Limit of Liability).

#### **MATERIAL ALTERATION**

this Section will be void if:

- a) the Business is wound up; or
- b) carried on by a liquidator, administrator or receiver; or
- c) permanently discontinued; or
- d) the Insured's interest ceases otherwise than by death; or
- e) any alteration is made either in the Business or in the Premises or property therein whereby the risk of DAMAGE is increased (whatsoever the reason for such increase and even if there is no change in the use or physical alteration of the said Premises or property) but only from the time that the Insured becomes aware of, or with reasonable prudence could have become aware of, an increased risk of DAMAGE;

at any time after the commencement of this insurance, unless the Underwriters agree by memorandum signed by or on their behalf that this Section will continue in force.

#### **PAYMENTS ON ACCOUNT**

Payments on account may be made to the Insured monthly during the Indemnity Period if desired. Provided that the sum of the amount payable under this clause and the amount otherwise payable under this Section shall in no case exceed the Limit of Liability set out in the Schedule for this Section.

#### **PROFESSIONAL ACCOUNTANTS CLAUSE**

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Company under General Condition (Claims Procedure (Section 1 – 8 only) of this Policy for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the Insured and their report shall be prima facie evidence of the particulars and details to which such report relates.

The Underwriters will pay to the Insured the reasonable charges payable by the Insured to their professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by the Company under the terms of General Condition (Claims Procedure (Section 1 – 8 only) of this Policy and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents.

#### **REINSTATEMENT OF LOSS**

Unless written notice by the Company or the Insured is provided, cover under this Section will not reduce by the amount of any loss and the full premium will still be payable until expiry of the Policy Period.

#### **SALVAGE SALE**

If, following any Incident giving rise to a claim under this Section, the Insured shall hold a salvage sale during the Indemnity Period, for the purpose of such claim in respect of loss of Gross Profit, the amount payable as indemnity in respect of Reduction in Turnover shall be:-

the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) shall fall short of the Standard Turnover in consequence of the Incident, from which sum shall be deducted the Gross Profit actually earned during the period of the salvage sale.

#### **SUBROGATION WAIVER**

in the event of a claim arising under this Section, the Underwriters agree to waive any rights, remedies or relief to which they might become entitled by subrogation against:

- a) any company standing in the relation of parent to subsidiary (or subsidiary to parent) to the Insured as defined in the Companies Act or Companies (N.I.) Order, as appropriate, current at the time of the DAMAGE;
- b) any company which is a subsidiary of a parent company of which the Insured is themselves a subsidiary, in each case within the meaning of the Companies Act or Companies (N.I.) Order, as appropriate, current at the time of the DAMAGE.

#### **UNINSURED STANDING CHARGES**

if any standing charges of the Business deducted in arriving at the Gross Profit are not insured under this Section, then in computing the amount recoverable as increased cost of working, the amount of additional expenditure that will be taken into account will be reduced by the proportion that the Gross Profit bears to the sum of the Gross Profit and the uninsured standing charges.

**ADDITIONAL CLAUSE SECTION 2-** THE FOLLOWING ADDITIONAL CLAUSE SHALL APPLY TO THIS SECTION ONLY IF STATED IN THE SCHEDULE TO BE APPLICABLE

**SUBSIDENCE**

Exclusion in so far as it applies to Section 2 of this Policy is deemed deleted.

provided that this Additional Clause shall not apply in respect of:

- a) any Building (or Contents therein) which stands on made-up ground, over mine-workings, or on any site at which there has been any previous occurrence of subsidence, ground heave or landslip
- b) loss, destruction or damage commencing prior to the granting of cover under this Additional Clause or resulting from coastal or river erosion or from any building, demolition or excavation works at the Premises unless resulting from fire, explosion, earthquake or escape of water from any tank, apparatus or pipe.

**CONDITIONS PRECEDENT FOR SECTION 2**

all the conditions precedents of Section 1 are deemed to apply to Section 2.

## SECTION 3 – TERRORISM

Subject to the exclusions, limits and conditions hereinafter contained, this Section insures property as stated in the Schedule attaching and forming part of this Policy (hereinafter referred to as the "Schedule") against physical loss or physical damage occurring during the period of this Policy caused by an Act of Terrorism or Sabotage, as herein defined.

For the purpose of this Section, an Act of Terrorism means an act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

For the purpose of this Insurance, an Act of Sabotage means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

### EXCLUSIONS (APPLICABLE TO SECTION 3 ONLY):

#### THIS SECTION DOES NOT COVER DAMAGE TO:

- Land or land values.
- Power transmission, feeder lines or pipelines not on the Insured's premises.
- Any building or structure, or property contained therein, while such building or structure is vacant or unoccupied or inoperative for more than thirty days, unless the property is intended to be unoccupied in its normal operations.
- Aircraft or any other aerial device, or watercraft.
- Any land conveyance, including vehicles, locomotives or rolling stock, unless such land conveyance is declared hereon and solely whilst located at the property insured herein at the time of its damage.
- Animals, plants and living things of all types.
- Property in transit not on the Insured's premises.

#### THIS SECTION EXCLUDES:

- Loss or damage arising directly or indirectly from nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.
- Loss or damage occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, usurpation of power, or civil commotion assuming the proportions of or amounting to an uprising.
- Loss by seizure or legal or illegal occupation unless physical loss or damage is caused directly by an Act of Terrorism or an Act of Sabotage.
- Loss or damage caused by confiscation, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority which deprives the Insured of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.
- Loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.
- Loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind.
- Loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind.
- Any fine or penalty or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person.
- Loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon. This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.
- Loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion.
- Loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder.
- Loss or damage caused by measures taken to prevent, suppress or control actual or potential terrorism or sabotage unless agreed by Underwriters in writing prior to such measures being taken.
- Any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working.
- Loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service.
- Loss or increased cost as a result of threat or hoax.
- Loss or damage caused by or arising out of burglary, house - breaking, looting, theft or larceny.
- Loss or damage caused by mysterious disappearance or unexplained loss.
- Loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other microorganism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

**CONDITIONS (APPLICABLE TO SECTION 3 ONLY):**

**AVERAGE (UNDERINSURANCE)**

If the values declared as stated in the Schedule are less than the correct insured values, then any recovery otherwise due hereunder shall be reduced in the same proportion that the values declared bear to the values that should have been declared, and the Insured shall co-insure for the balance

**DEBRIS REMOVAL**

This Section also covers, within the Sum Insured, expenses incurred in the removal from the insured location of debris of property stated in the Schedule damaged by an Act of Terrorism or an Act of Sabotage.

The cost of removal of debris shall not be considered in determination of the valuation of the property covered

**DEDUCTIBLE**

Each occurrence shall be adjusted separately and from each such amount the sum stated in the Schedule shall be deducted.

**DUE DILIGENCE**

The Insured (or any of the Insured's agents, sub or co-contractors) must use due diligence and do (and concur in doing and permit to be done) everything reasonably practicable, including but not limited to taking precautions to protect or remove the insured property, to avoid or diminish any loss herein insured and to secure compensation for any such loss including action against other parties to enforce any rights and remedies or to obtain relief or indemnity

**EXPERTS FEES**

This Section includes, within the sum insured, the necessary and reasonable fees of architects, surveyors, consulting engineers and other professional experts which are incurred in reinstating or repairing the insured property following damage insured under this Section

**FALSE OR FRAUDULENT CLAIMS**

If the Insured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall become void and all claims and benefit under all Sections of the Policy shall be forfeited.

**INSPECTION AND AUDIT**

The Company shall be permitted to inspect the Insured's property at any time.

Neither the Company's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to determine or warrant that such property is safe.

The Company may examine and audit the Insured's books and records at any time up to two years after the final termination of this Section, as far as they relate to the subject matter of this Section

**JOINT INSUREDS**

The Underwriters' total liability for any loss or losses sustained by any one or more of the Insureds under this Section will not exceed the Sum Insured shown in the Schedule. The Underwriters shall have no liability in excess of the Sum Insured whether such amounts consist of insured losses sustained by all of the Insureds or any one or more of the Insureds.

**MISREPRESENTATION**

If the Insured has concealed or misrepresented any material fact or circumstance relating to this Section, this Section shall become void. If the Insured is unsure what constitutes material fact(s) or circumstance(s), they should consult their broker or agent.

**OCCURRENCE**

The term "Occurrence" shall mean any one loss and/or series of losses arising out of and directly occasioned by one Act or series of Acts of Terrorism or Sabotage for the same purpose or cause. The duration and extent of any one "Occurrence" shall be limited to all losses sustained by the Insured at the property insured herein during any period of 72 consecutive hours arising out of the same purpose or cause. However no such period of 72 consecutive hours may extend beyond the expiration of this Policy unless the Insured shall first sustain direct physical damage by an Act of Terrorism or an Act of Sabotage prior to expiration and within said period of 72 consecutive hours nor shall any period of 72 consecutive hours commence prior to the attachment of this Policy.

**OTHER INSURANCE**

This Section shall be excess of any other insurance available to the Insured covering a loss covered hereunder except such other insurance which is written specifically as excess insurance over this Section. When this Section is written specifically in excess of other insurance covering the risk insured hereunder, this Section shall not apply until such time as the amount of the underlying insurance, (whether collectible or not), has been exhausted by loss and damage covered by this Section in excess of the deductible with respect to each and every covered loss.

**PROOF OF LOSS**

The Insured shall render a signed and sworn proof of loss within sixty (60) days after the occurrence of a loss (unless such period be extended by the written agreement of Underwriters) stating the time, place and cause of loss, the interest of the Insured and all others in the property, the sound value thereof and the amount of loss or damage thereto.

If the Underwriters have not received such proof of loss within two years of the expiry date of this Policy, they shall be discharged from all liability hereunder.

In any claim and/or action, suit or proceeding to enforce a claim for loss under this Section, the burden of proving that the loss is recoverable under this Section and that no limitation or exclusion of this Section applies and the quantum of loss shall fall upon the Insured.

**SITUATION**

This Section insures property located at the addresses stated in the Schedule.

**SUM INSURED**

The Underwriters shall not be liable for more than the Sum Insured stated in the Schedule in respect of each occurrence and in the Policy aggregate.

**SUBROGATION**

Any release from liability entered into in writing by the Insured prior to loss hereunder shall not affect this Section or the right of the Insured to recover hereunder. The right of subrogation against any of the Insured's subsidiary or affiliated companies or any other companies associated with the Insured through ownership or management is waived.

In the event of any payment under this Section, the Underwriters shall be subrogated to the extent of such payment to all the Insured's right of recovery therefor. The Insured shall execute all papers required, shall cooperate with the Company and the Underwriters and, upon the Company's request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, attaining the attendance of witnesses and in the conduct of suits and shall do anything that may be necessary to secure such right. The Company will act in concert with all other interests concerned (including the Insured) in the exercise of such rights of recovery. If any amount is recovered as a result of such proceedings, such amount shall be distributed in the following priorities:

- i) any interest, (including the Insured's), exclusive of any deductible or self insured retention, suffering a loss of the type covered by this Section and in excess of the coverage under this Section shall be reimbursed up to the amount of such loss (excluding the amount of the deductible);
- ii) out of the balance remaining, the Underwriters shall be reimbursed to the extent of payment under this Section;
- iii) the remaining balance, if any, shall inure to the benefit of the Insured, or any insurer providing insurance primary to this Section, with respect to the amount of such primary insurance, deductible, self insured retention, and/or loss of a type not covered by this Section.

The expense of all proceedings necessary to the recovery of any such amount shall be apportioned between the interests concerned, including that of the Insured, in the ratio of their respective recoveries as finally settled. If there should be no recovery and proceedings are instituted solely on the initiative of the Underwriters, the expense thereof shall be borne by the Underwriters.

**SALVAGE AND RECOVERIES**

Any salvages, recoveries and payments recovered or received subsequent to a loss settlement under this Section shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.

**BUSINESS INTERRUPTION EXTENSION**

Subject to the terms, definitions, conditions and exclusions of the Policy this Policy is extended to include loss resulting from necessary interruption of Business, relating only to the Premises affected by the Act or series of Acts of Terrorism or Sabotage, caused by direct physical loss or damage by an Act or series of Acts of Terrorism or Sabotage to Property Insured, as covered by the Policy to which this Extension is attached.

In the event of such direct physical loss or damage, Underwriters shall be liable for the amount of loss resulting directly from such necessary interruption of Business in accordance with the Specification below.

All the definitions of Section 2 are deemed to apply to this Extension.

Note 1: To the extent that the Insured is accountable to the Tax Authorities for Value Added Tax, all terms in this Extension shall be exclusive of such tax.

Note 2: For the purpose of these definitions any adjustment implemented in Current Cost Accounting shall be disregarded.

**CONDITION APPLICABLE TO THE BUSINESS INTERRUPTION EXTENSION:****DIRECT DAMAGE**

No claim shall be payable under this Extension unless and until a claim has been paid, or liability admitted, in respect of Direct Physical Loss or Damage by an Act or series of Acts of Terrorism to property insured under the Policy to which this Extension is attached and which gave rise to Interruption of Business.

This Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a Deductible or other provision of the Policy which excludes liability for losses below a specified amount.

**EXCLUSIONS:****THIS EXTENSION DOES NOT COVER:**

- Increase in loss resulting from interference at the Insured's premises, by strikers or other persons, with rebuilding, repairing or replacing the lost or damaged property or with the resumption or continuation of the Insured's business operations.
- Increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such increase results directly from the insured Interruption of Business, and then Insurers shall be liable for only such loss as affects the Insured's Gross Profit during, and limited to, the period of interruption of Business as specified in this Extension.
- Increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured under the Section to which this Extension is attached.
- Loss of market or any other consequential loss except as specifically insured herein.
- Loss as a result of physical or mental or bodily injury to any person.

**LIMITATIONS:**

1. Underwriters shall not be liable under this Extension for more than the smaller of either:
  - a) Any specific Loss of Gross Profit Limit stated in the Schedule,  
or
  - b) The Limit stated in the Schedule, where such includes loss of Gross Profit, if such is a combined limit,in respect of such loss, regardless of the number of locations of Property Insured suffering a loss of Gross Profit as a result of any one occurrence.
  
2. With respect to loss resulting from damage to or destruction of media for, or programming records pertaining to, electronic data processing or electronically controlled equipment, including data thereon, by the risks insured against, the length of time for which the Underwriters shall be liable hereunder shall not exceed:
  - a) 30 consecutive calendar days or the time required with exercise of due diligence and dispatch to reproduce the data thereon from duplicates or from originals of the previous generation, whichever is less; or,
  - b) the length of time that would be required to rebuild, repair or replace such other property herein described as has been damaged or destroyed, but not exceeding a maximum of 12 calendar months,whichever is the greater length of time.

## SECTION 4 - LOSS OF PREMISES LICENCE

**IN THE EVENT OF** the licence granted in respect of the Premises being either:

- A. forfeited under the provisions of the legislation governing such licences; or
- B. refused renewal by the appropriate licensing authority at the time of renewal

due to causes beyond the control of the Insured, the Underwriters will pay or make good to the Insured all loss for depreciation in value of the interest of the Insured in the Premises and will also pay costs and expenses incurred by the Insured with the written consent of the Company in connection with any appeal against the forfeiture of or refusal to renew the licence.

**PROVIDED THAT** the liability of the Underwriters under this Section (including extensions hereto) during any one Period of Insurance shall not exceed the appropriate Limit of Liability stated in the Schedule (or such other Limit of Liability as may hereafter be agreed to in writing by the Company) at the time of the forfeiture of or refusal to renew the licence.

### EXCLUSIONS

THIS SECTION DOES NOT COVER LOSS:

- where the forfeiture or refusal to renew the licence directly or indirectly arises from any town or country planning improvement or redevelopment or redistribution of licences in connection therewith;
- arising from any alteration in the law affecting the grant, surrender, forfeiture or refusal to renew any licence;
- if the Underwriters shall be entitled to obtain compensation under the provision of any Act of Parliament in respect of any refusal to renew the licence.

The Underwriters shall not be liable for the first GBP250 of each and every loss.

### SPECIAL CONDITIONS

**IT IS A CONDITION PRECEDENT FOR LIABILITY THAT THE INSURED WILL:**

- ensure all necessary licenses, visas and permits are obtained and are current for the period of this Policy and that all contractual arrangements have been confirmed in writing by the Insured.
- in the event of death, bankruptcy, incapacity, desertion of the Premises or conviction for any offence (where such convictions affects the character or reputation of the convicted person) of the Tenant, Manager, Occupier or Licence holder the Insured shall where practicable and at the request of the Company procure a suitable person to replace him and to whom the Justices will transfer the licence(s) or grant the licence(s) by way of renewal;.
- as soon as they are aware of any:
  - i) complaint against the Premises or its control;
  - ii) proceedings against or conviction of the Tenant, Manager, Occupier or Licence holder of the Premises for any breach of licensing law or any matters whereby the character or reputation of the person concerned is affected or called into question;
  - iii) transfer or proposed transfer of the Licence(s);
  - iv) alteration in the purpose for which the Premises are used;
  - v) objection to renewal or other circumstances which may endanger the licence(s) or its/their renewal;
  - vi) application for revocation of the Licence(s);give notice to the Company in writing and supply any additional information and give any assistance the Company may reasonably require.
- undertake to do everything in his ability to avoid or diminish a loss under this Section.

## SECTION 5 - GOODS IN TRANSIT

**IN THE EVENT OF** any of the Property Insured referred to below being accidentally lost, destroyed or damaged whilst in Transit within the Territorial Limits during the Period of Insurance the Underwriters will pay to the Insured the value of the Property Insured at the time of its loss or destruction or the amount of the damage or at the option of the Underwriters reinstate or replace such Property or any part of it.

**PROVIDED THAT** the liability of the Underwriters under this Section (including extensions hereto) for any one event shall not exceed the appropriate Limit of Liability stated in the Schedule or such other Limit of Liability as may hereafter be agreed to in writing by or on behalf of the Underwriters at the time of the loss, destruction or damage.

### DEFINITIONS (APPLICABLE TO SECTION 5 ONLY)

#### **DAMAGE**

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

#### **PROPERTY INSURED**

Shall mean stock and materials in trade, including work in progress, belonging to the Insured or for which the Insured are responsible and connected with the Business.

#### **TERRITORIAL LIMITS**

shall mean Great Britain, Northern Ireland, the Isle of Man and the Channel Islands including Transits directly between such territories.

#### **TRANSIT**

shall mean being carried to its destination by any vehicle, vessel or aircraft including loading and unloading and whilst temporarily housed in the course of being carried to its destination.

### EXTENSIONS (APPLICABLE TO SECTION 5 ONLY)

#### **ADDITIONAL EXPENSES**

The insurance provided by this Section shall include additional costs and expenses reasonably and necessarily incurred by the Insured in transferring the Property Insured to another vehicle, or reloading on the original vehicle for onward delivery or return to the Premises and removal of debris due to fire, explosion, collision or overturning of the carrying vehicle, subject to a limit of GBP1,500 any one event.

#### **EMPLOYEES' EFFECTS**

The insurance provided by this Section shall include in so far as the same are not otherwise insured accidental loss or destruction of or damage to employees' personal property due to fire, explosion, collision or overturning of the carrying vehicle subject to a limit of GBP1,000 any one employee any one event.

#### **ROPES/SHEETS**

The Property Insured shall include ropes, sheets, tarpaulins, trolleys and the like whilst in Transit subject to a limit of GBP1,500 any one event.

## EXCLUSIONS

### SECTION 5 DOES NOT COVER:

- The first GBP250 in respect of each and every event of loss, destruction or damage (other than by fire or explosion) as ascertained after the application of **AVERAGE (UNDERINSURANCE)** Condition of this Section or as stated in the Schedule.
- **DAMAGE** in respect of:
  - a) Money, which term shall mean current coin, bank and currency notes, cheques, travellers cheques, national giro payment orders, postal and money orders, current unused postage stamps, national savings stamps and certificates, premium bonds, luncheon vouchers, credit card and debit card vouchers, unused franking machine units, trading stamps, gift tokens, customer redemption vouchers, holiday with pay stamps, bankers' drafts, promissory notes, bonds, securities, bills of exchange, dividend warrants, VAT purchase invoices, travel tickets, letters of credit or other negotiable instruments;
  - b) Jewellery, precious stones, bullion, furs or curiosities, precious metals, works of art or rare books;
  - c) Documents, manuscripts, computer systems records or business books;
  - d) Explosives or livestock/bloodstock.
- Breakage of clocks, scientific instruments, china, glass, marble, earthenware, articles of value or the like unless consequent upon an accident in which the carrying vehicle, vessel or aircraft is damaged.
- Denting, bruising or scratching of furniture.
- **DAMAGE** caused by or in respect of goods detailed in the Special Classification of Explosives and other Dangerous Goods carried by the Railway Companies at Owner's Risks only, according to the General Railway Classification of Goods List.
- **DAMAGE** caused by or consisting of wear, tear, latent defect or inherent vice.
- **DAMAGE** caused by or consisting of moth, vermin, insects, damp, mildew, rust, loss in weight, evaporation, taint, leakage or spillage, pollution, contamination, deterioration, depreciation, mechanical or electrical breakdown or derangement, unless arising as a consequence of fire, explosion, or accident to the carrying vehicle, vessel or aircraft and not otherwise excluded.
- **DAMAGE** caused by or attributable to defective or inadequate packing or protection against climatic conditions (other than by lightning) or incorrect and insufficient addressing of any parcel or package.
- **DAMAGE** due to delay or loss of market or consequential loss or damage of any kind.
- **DAMAGE** which is in any way caused or facilitated by the dishonesty of any director or partner of the Insured or any person in the service of or employed by the Insured.
- **DAMAGE** to goods carried in Open sided/curtained vehicles, or any vehicle that cannot be secured.
- **DAMAGE** caused by or consisting of:
  - a) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
  - b) disappearance or unexplained or inventory shortage;
  - c) theft or any attempt thereat arising whilst any vehicle belonging to or under the control of the Insured and containing the Property Insured is left unattended unless:
    - i) all doors have been securely locked, all windows and other openings securely and adequately fastened and any immobiliser and any alarm fitted to the said vehicle correctly set to operate and all keys removed,
    - ii) after the last business transit of the day until collected by the driver for the next business transit, the vehicle is housed in a securely locked building of substantial construction or a compound which has secure walls and/or fences and securely locked gates.
- **DAMAGE** regarding import shipments until fully discharged or until marine insurance has ceased to cover whichever last occurs.

## SPECIAL CONDITIONS (APPLICABLE TO SECTION 5 ONLY)

### **AVERAGE (UNDERINSURANCE)**

If at the time of the commencement of any **DAMAGE** the total value of the Property Insured in or upon any vehicle, vessel or aircraft exceeds the Limit of Liability then the amount payable by the Underwriters shall be proportionately reduced.

### **REASONABLE PRECAUTIONS**

The Insured shall take all reasonable precautions in:

- a) maintaining vehicles under their control in an efficient and roadworthy condition and ensure the suitability of the vehicles for the purpose used;
- b) employing competent and honest persons who can be entrusted with the Property Insured;
- c) packaging, labelling and addressing the Property Insured.

## SECTION 6 – BOOK DEBTS

The Company agrees that if any records of accounts receivable used by the Insured at the Premises for the purpose of the Business be accidentally lost, destroyed or damaged during the Period of Insurance and in consequence income is lost resulting from the Insured's inability to trace or establish their outstanding debit balances then the Insurers will pay the loss of income resulting from the Insured's inability to trace or establish their outstanding debit balances as a direct result of DAMAGE except that the liability of the Underwriters under this Section will not exceed GBP100,000 or limit of liability stated in the Schedule, provided that if at the time of any DAMAGE the sum insured by this item of outstanding debit balances be less than the actual balances, the Underwriters' liability will be proportionately reduced

### EXTENSIONS (APPLICABLE TO SECTION 6)

#### AUTOMATIC REINSTATEMENT

In the absence of written notice by the Insured or the Company to the contrary Underwriters' liability will not reduce by the amount of any loss and the Insured undertake to pay the appropriate additional premium for such automatic reinstatement of cover.

#### LOSS OUTSIDE THE PREMISES

The insurance provided by this Section also applies to the records of accounts receivable while being removed to or returned from and while at:

- a) the premises of the Insured's professional accountants;
- b) the private residence of any principal, Employee, director or partner of the Insured or a place of safety because of imminent danger of loss, destruction or damage, provided the Insured gives written notice to the Company of such removal within ten days thereafter

#### PROFESSIONAL ACCOUNTANTS CLAUSE

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Company for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the Insured and their report shall be prima facie evidence of the particulars and details to which such report relates

The Company will pay to the Insured the reasonable charges payable by the Insured to their professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by the Company under this Policy and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents

### EXCLUSIONS

#### SECTION 6 DOES NOT COVER:

1. loss due to:
  - alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property but only to the extent of such wrongful giving, taking, obtaining or withholding of money book-keeping, accounting or billing errors or omissions;
  - erasure or distortion of information on computer systems or other records whilst mounted in or on any machine or date processing apparatus
  - defects in such records;
  - mislaying or misfiling of tapes and records;
  - the deliberate act of a Public Supply undertaking in restricting or withholding any supply;
  - wear and tear and gradual deterioration, vermin, rust, damp or mildew;
  - the collusion by any Employee of the Insured;
2. loss which is in any way caused or facilitated by the dishonesty of any director or partner of the Insured or any person in the service of or employed by the Insured;
3. loss, proof of factual existence of which is solely dependent upon an audit of records or an inventory computation;
4. loss directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds;
5. loss resulting from pollution or contamination but this shall not exclude loss resulting from accidental destruction of or damage to records of accounts receivable not otherwise excluded caused by:
  - a) pollution or contamination at the Premises which itself results from a Defined Peril
  - b) a Defined Peril which itself results from pollution or contamination.
6. the first GBP250 of each and every claim.

**INSPECTION AND AUDIT**

The Company shall be permitted to inspect the Premises and the receptacles in which the records of accounts receivable are kept by the Insured, and to examine and audit the Insured's books and records at any time during the Period of Insurance and any extension thereof and within three years after the final termination of this Section, as far as they relate to the premium basis or the subject matter of this insurance, and to verify the statements of any outstanding record of accounts receivable submitted by the Insured and the amount of accounts receivable on which the Underwriters have made any settlement.

**RECORD PROTECTION**

Either:-

records of accounts receivable shall be kept in enclosed metal receptacles and within a locked fire resistant safe, except while such records are in actual use

or:-

copy records be kept elsewhere than in the building where the original records are kept within a fire resistant safe.

**RECOVERIES**

After payment of any claim hereunder all amounts recovered by the Insured on accounts receivable for which the Insured has been indemnified shall belong and be paid to the Underwriters by the Insured up to the total amount of loss paid by the Underwriters.

## SECTION 7 - MONEY AND ASSAULT

In the event of Money belonging to the Insured or for which the Insured is responsible being accidentally lost, destroyed or damaged, or an Insured Person being assaulted then the Company will pay the Insured the value of Money so lost, destroyed or damaged or compensation for Assault in accordance with the following table of benefits, provided that:

- a) DAMAGE or Assault occurs within the Territorial Limits;
- b) DAMAGE or Assault occurs during the Period of Insurance;
- c) for each category of DAMAGE the liability of the Underwriters will not exceed the Limit of Liability stated in the Schedule.

### Benefits

Item	Injury	Compensation Payable GBP per insured person
A.	Death	10,000
B.	Loss of eye or irrecoverable loss of use of one or both eyes	10,000
C.	Loss of limb or irrecoverable loss of use of one or more limbs	10,000
D.	Permanent total disablement	10,000
E.	Temporary total disablement for each week of its continuance not exceeding a benefit period of 104 weeks	100

Death, loss of limb, loss of eye, permanent total disablement or temporary total disablement must follow within twenty (24) months from the date of the accident. The amount of compensation payable in respect of item E will not exceed eighty per cent (80%) of the Insured Person's normal gross weekly remuneration.

### **EXTENSIONS (APPLICABLE TO SECTION 7 ONLY)**

#### **CLOTHING OR PERSONAL EFFECTS**

In the event of accidental loss or destruction of or damage to clothing or personal effects of an Insured Person directly due to Theft (as defined in Section 1) or attempted Theft the Insurers will indemnify the Insured Person in respect of such loss, destruction or damage up to a maximum amount of GBP500.

#### **SAFES**

In the event of accidental loss or destruction of or damage to any safe, cash box or security case, the property of the Insured, as a result of theft or attempted theft the Insurers will indemnify the Insured in respect of such loss, destruction or damage by repair or replacement.

### **DEFINITIONS (APPLICABLE TO SECTION 7 ONLY)**

#### **ASSAULT**

means Injury occurring to an Insured Person directly due to theft or attempted theft of Money.

#### **BENEFIT PERIOD**

means the total period (but not necessarily consecutive period) for which item E of the Table of Benefits is payable in respect of any one accident to any Insured Person

#### **BUSINESS HOURS**

means the period during which that portion of the Insured's Premises containing Money is physically occupied for business purposes and during which the Insured or the Insured's employees entrusted with Money are in the said portion of the Premises

#### **INJURY**

means injury which within twenty-four months from the date of the accident results in the Insured Person's Death, Loss of Limb, Loss of Eye or Disablement

#### **INSURED PERSON**

- a) the Insured or any Principal Director or Employee of the Insured or,
- b) any person acting on behalf of the Insured other than an employee of a Security Company or Organisation

#### **LOSS OF A LIMB**

shall include loss of use of such limb.

**LOSS OF EYE**

shall include total and irrecoverable loss of sight.

**MONEY**

means current coin, bank and currency notes, cheques, travellers cheques, national giro payment orders, postal and money orders, current unused postage stamps, National Savings stamps and certificates, premium bonds, luncheon vouchers, credit card and debit card vouchers, unused franking machine units, trading stamps, gift tokens, customer redemption vouchers, holiday with pay stamps, bankers' drafts, promissory notes, bonds, securities, bills of exchange, dividend warrants, VAT purchase invoices, travel tickets, letters of credit or other negotiable instruments belonging to the Insured or for which the Insured are responsible.

**PERMANENT TOTAL DISABLEMENT**

shall mean disablement, caused other than by Loss of Limb or Eye, which has lasted for at least twenty-four months and will in all probability entirely prevent the Insured Person from engaging in his or her usual occupation for the remainder of his or her life.

**TEMPORARY TOTAL DISABLEMENT**

Shall mean temporary disablement which prevents the Insured Person from engaging in his or her usual occupation.

**EXCLUSIONS**

## SECTION 7 DOES NOT COVER:

- DAMAGE occasioned by or happening through or in consequence directly or indirectly of riot or civil commotion in Northern Ireland;
- loss, destruction or damage:
  - a) arising from dishonesty on the part of any director, partner or employee of the Insured not discovered within fourteen days of the occurrence,
  - b) to Money contained in any unattended vehicle,
  - c) occasioned by errors or omissions,
  - d) recoverable from a specialist security carrier,
  - e) otherwise covered by a policy of fidelity guarantee insurance,
  - f) the first GBP250 of each and every loss or DAMAGE or as stated in the Schedule,
  - g) interest on any claim payment or compensation benefit,
  - h) payment to any Insured Person:
    - i) under more than one of the items of the Table of Benefits;
    - ii) until the entire amount payable in respect of any occurrence is ascertained;
  - i) comprising DAMAGE to Money recoverable from a specialist security carrier, or
  - j) benefit payable due solely to an inability to take part in sports, pastimes or hobbies, or
  - k) unexplained loss or disappearance.

**SPECIAL CONDITIONS (APPLICABLE TO SECTION 7 ONLY)**

The Company shall not be liable under this Section unless:

- all protections and procedures for the safety of Money whilst in the Premises existing at the inception date of this Policy or undertaken at the request of the Company are maintained and operated;
- the keys for all protections and the keys of any safes containing Money are removed from the Premises out of Business Hours and held by designated key holders;
- the following minimum standards of precaution for the safety of Money in transit (other than by specialist security carrier) at all times:
  - a) the times of transits, routes and conveyances used shall be varied as far as possible,
  - b) all persons engaged in the transit of Money shall be able-bodied adults,
  - c) the following minimum standards of precaution for the safety of Money in Transit are operated at all times:
    - i) transits of amounts exceeding GBP2,500 shall be accompanied by at least two able-bodied adults,
    - ii) transits of amounts exceeding GBP5,000 shall be accompanied by at least three able-bodied adults,
    - ii) transits of amounts exceeding GBP7,500 shall be accompanied by at least three able-bodied adults or two able-bodied adults by motor car or in an approved security case;
  - d) transits of amounts exceeding GBP10,000 shall be transported by specialist security carrier.;
- the Insured Person is attended by a duly qualified medical practitioner as soon as possible after the happening of any event which may give rise to a claim;
- all certificates, information and evidence required must be provided free of charge and in a form prescribed by the Company, the Insured Person will be required to submit to medical examination at the expense of the Underwriters in connection with any claim; Insured's or the Insured's personal representatives' receipt will discharge the Underwriters. The Insured Person or the Insured Person's personal representatives shall have no right to claim from or sue Underwriters or the Company in respect of any Benefit payable under this Section;
- if the Insured compromises with the Underwriters any claim under this Section, where more than one party has an interest in the Insured Person the Benefit shall represent the total amount payable in respect of that Person for all interests covered by this Section.

## SECTION 8 - EMPLOYERS LIABILITY

The Underwriters agrees to indemnify the Insured for all sums that the Insured will become legally liable to pay as damages, including claimant costs recoverable from the Insured, arising out of Injury caused during the Period of Insurance and sustained by an Employee in the course of employment by the Insured in the Business except that where such employment is undertaken temporarily outside the Territorial Limits the Employee must be:

- a) ordinarily resident within the Territorial Limits at the time the Injury is caused; and
- b) intending to return to the Territorial Limits following completion of the temporary overseas employment, and the temporary overseas employment outside the Territorial Limits is not intended or planned to exceed twelve (12) months duration

Following any event which is or may be the subject of indemnity under the above clause whether or not Injury has occurred, the Underwriters agree to indemnify the Insured for Costs and Expenses but the Costs and Expenses form part of the Limit of Indemnity and do not increase the Limit of Indemnity

### DEFINITIONS (APPLICABLE TO SECTION 8 ONLY)

#### **COST AND EXPENSES**

means:

- a) costs and expenses (other than claimant costs recoverable from the Insured or any Other Insured Party) incurred in the investigation, adjustment, appraisal, defence or settlement of an insured event, including expert, legal, appeal and defence costs;
- b) pre-judgment interest awarded against the Insured on that part of any judgment covered under this policy but where the Underwriters offer to pay the limit of indemnity in settlement of a claim or suit, the Underwriters will not pay any pre-judgment interest imposed or earned after the date of such offer;
- c) all interest earned on that part of any judgment within the limit of indemnity after entry of the judgment and before the Underwriters have has paid, offered to pay, or deposited in court that part of any judgment that is within the applicable limit of indemnity;
- d) cost of attendance in court as a witness at the Company's request, payable at the following rates per day on which attendance is required:
  - i) any principal director or partner of the Insured – GBP500
  - ii) any Other Insured Party - GBP250
- e) costs and expenses of legal representation at any coroner's inquest or inquiry in respect of any death which may be the subject of indemnity under this Policy.

#### **HOSTILE TERRITORY**

means a territory designated by the Foreign and Commonwealth Office as one:

- a) to which personnel are 'advised against all travel to';
- b) that personnel should leave having designated the territory 'advised against all travel to'.

#### **LIMIT OF INDEMNITY**

means the limit (inclusive of costs and expenses) applicable to this section of the Policy as stated in the Schedule and is the maximum amount payable by the Underwriters in respect of any one claim and/or series of claims arising from one occurrence regardless of the number of:

- a) Other Insured Parties; or
- b) persons or organisations bringing claims or suits; or
- c) claims against the Insured or series of claims against the Insured, or claims or series of claims made by the Insured.

#### **OTHER INSURED PARTY**

means any of the following parties:

- any director, partner, Employee or a former Employee of the Insured;
- any officers, members' committee and/or Employee paid and voluntary helpers of the Insured's canteen and welfare organisations, nursery, crèche or child care facilities, sports and social organisations, in their respective capacities as such;
- any officers and members of the Insured's security, rescue, first aid, fire and ambulance services, medical organisation other than any doctor, surgeon or dentist while working in a professional capacity in their respective capacities as such;
- any director or partner or executive of the Insured in respect of private work undertaken by any Employee for a director, partner or executive of the Insured;
- any officers or trustees of the Insured's pension scheme(s).

**CONTRACTUAL LIABILITY**

Where any contract or agreement entered into by the Insured so requires the Underwriters will:

- a) indemnify the Insured against liability arising in connection with and assumed by the Insured by virtue of such contract or agreement but only so far as concerns liability as defined in this Section to Employee(s) of the Insured; and
- b) waive rights of subrogation against any party specified in the contract or agreement but only to the extent (and in respect of) the claim indemnified under a) above;

provided that the Insured shall arrange for such other parties as may be indemnified by any such contract or agreement, to observe and fulfil the terms and conditions of this insurance so far as they can apply.

**CROSS LIABILITY**

for each legal entity comprising the Insured, the Underwriters will separately indemnify each party under this Section as if a separate Policy had been issued to each provided that in respect of claims made or suits brought against any of them by any other person the total liability of the Underwriters to all parties, will not exceed the Limit of Indemnity.

**DATA PROTECTION ACT 1998**

The Underwriters will indemnify the Insured and if the Insured so requires any Employee in respect of their liability under the Data Protection Act 1998 ('DPA') to pay:

- a) compensation in respect of DAMAGE or distress under section 13 of Part II of the DPA including defence Costs and Expenses;
- b) defence costs in relation to a prosecution brought under section 21 of Part III of the DPA; in relation to claims made by an Employee, provided that:
- c) the Insured has registered in accordance with the terms of the DPA;
- d) the claim arises from damage or distress caused or prosecution commenced during the period of insurance;
- e) this extension will not apply in respect of:
  - i) the cost of replacing, reinstating, rectifying or erasing any personal data;
  - ii) liability caused by or arising from a deliberate or intentional act by or omission of any party entitled to indemnity by this insurance the effect of which will knowingly result in liability under the DPA;
  - iii) claims which arise out of circumstances notified to any previous insurer or known to the Insured at inception of this Policy;
  - iv) liability for which indemnity is provided under any other insurance.

**INDEMNITY TO OTHER PARTIES**

At the request of the Insured, the Underwriters will separately indemnify each Other Insured Party provided that the:

- a) Insured would have been entitled to indemnity by this insurance had the claim or suit been made against the Insured;
- b) other insured person is not indemnified under any other insurance or in any other way;
- c) the Company on behalf of the Underwriters has the sole conduct and control of any claim;
- d) Other Insured Party agrees it will be bound by this Policy (other than in respect of premium) as if it were the Insured.

**MEDICAL TREATMENT**

This insurance extends to indemnify the Insured and any medical doctor or dentist employed by the Insured in respect of liability to any person under a contract of service or apprenticeship with the Insured resulting from treatment given provided that any such doctor or dentist shall as though they were the Insured be subject to the terms of this Policy so far as they can apply.

**OFFSHORE ACTIVITIES**

The insurance under this Section will cover liability to an Employee for Injury caused by visits, work or activities undertaken Offshore provided that the Limit of Indemnity under this clause will not exceed GBP5,000,000 in respect of:

- a) any one claim against the Insured or series of claims against the Insured; and
- b) any claim or series of claims made by the Insured under this Section arising out of one occurrence.

**PRINCIPALS**

the Underwriters will indemnify any principal of the Insured, where requested by the Insured, but only to the extent that liability arises solely out of the work performed for the principal by or on behalf of the Insured and provided that:

- a) the principal shall as though he were the Insured observe, fulfil and be subject to the terms and conditions of this Policy in so far as they can apply;  
and
- b) the Underwriters' liability under this clause shall in no way operate to increase the Limit of Indemnity;
- c) the principal is not indemnified under any other insurance or in any other way.

#### **STATUTORY DEFENCE COSTS INCLUDING HEALTH AND SAFETY AT WORK, ETC. ACT 1974**

the Underwriters will, with its prior consent which consent will not be unreasonably withheld, indemnify the Insured and at the request of the Insured any Other Insured Party, in respect of legal Costs and Expenses incurred in defending:

- a) any alleged breach of statutory duty (including any prosecution brought under sections 2 to 8 of the Health and Safety at Work, etc. Act 1974, Health and Safety at Work (Northern Ireland) Order 1978 or similar legislation in the Isle of Man or the Channel Islands) or criminal proceedings brought; and / or
- b) allegations (whether under common law or statute) of manslaughter, corporate manslaughter or corporate homicide made against the Insured or any Other Insured Party; provided that the prosecution or proceedings relate to:
  - i) an offence alleged to have been committed during the Period of Insurance and in the course of Business;
  - ii) Injury to, or potential Injury to Employee(s) including their health, safety and welfare; and, the Underwriters will also pay to the Insured:
  - iii) Costs and Expenses of appeal including appeal against improvement and prohibition notices incurred with its written consent which consent will not be unreasonably withheld;
  - iv) prosecution costs awarded against the Insured;

but the indemnity by this clause excludes and does not cover:

- a) circumstances where the Insured or any Other Insured Party is entitled to indemnity by any other legal expenses, motor or employment protection policy;
- b) in respect of allegations of manslaughter, corporate manslaughter or corporate homicide, any amount in excess of a Limit of Indemnity of GBP1,000,000 any one claim or series of claims arising out of the same prosecution or proceedings.

#### **UNSATISFIED COURT JUDGEMENTS**

In the event of a judgment for damages being obtained:

- a) by any Employee, or the personal representatives of any Employee, in respect of Injury to such Employee that arises out of and in the course of his employment by the Insured in the Business, against any person operating from premises in the United Kingdom; and
- b) which remains unsatisfied in whole or in part six (6) months after the date of such judgment;
- c) in any court of law except a court operating under the laws of North America; then at the Insured's request, the Insurer will pay the amount of damages or costs awarded to the Employee or the personal representatives of the Employee to the extent that they remain unsatisfied provided that:
  - i) there is no appeal outstanding; and
  - ii) the judgment relates to Injury which would otherwise be indemnified by this Section; and
  - iii) the Underwriters will be entitled to take over and prosecute for its own benefit any claim against any other person and the Insured, the Employee or the personal

representatives of the Employee will give the Underwriters all the information and assistance the Underwriters may require.

#### **WAR AND TERRORISM**

this Section will cover liability to an Employee arising from or caused by an act of War or Terrorism provided that the Limit of Indemnity under this clause will not exceed:

- a) GBP5,000,000 anywhere in the world except in travel to, travel in, travel from or working in a Hostile Territory; or
- b) GBP1,000,000 arising directly or indirectly whilst in travel to, travel in, travel from or working in a Hostile Territory; in respect of:
  - i) any one claim against the Insured or series of claims against the Insured; and
  - ii) any claim or series of claims made by the Insured under this Section;

arising out of one occurrence.

But where an Employee is already working in a territory that is subsequently declared to be a Hostile Territory the Limit of Indemnity will remain at GBP5,000,000 provided the Insured takes all reasonable steps immediately following the declaration to repatriate the Employee or to remove the Employee to a safe location as determined by the local peace force or the Foreign & Commonwealth Office.

**EXCLUSIONS (APPLICABLE TO SECTION 8):**

This Section excludes and does not cover:

**EMPLOYMENT PRACTICES DISPUTE**

liability which arises out of:

- a) a dispute between an employer / prospective employer and Employee / prospective Employee referred or capable of being referred to an Employment Tribunal including such appeal courts or tribunals as are available from an Employment Tribunal as provided by the Employment Rights Act 1986; or
- b) a settlement or adjudication of or under the auspices of an Employment Tribunal or ACAS; and which is or is capable of being insured under a generally available Employment Practices Liability Insurance Policy but this exclusion shall not apply in respect of compensatory damages for Injury required by the Employers' Liability (Compulsory insurance) Regulations 1998;

**FINES AND PENALTIES**

liability for payment of any fines or penalties imposed or ordered to be paid;

**LIMIT OF LIABILITY**

liability in excess of the Limit of Indemnity stated in the Schedule;

**NORTH AMERICAN JURISDICTION**

liability for payment of any judgment, award, payment or settlement made within countries which operate under the laws of North America (or to any order made anywhere in the world to enforce such judgment, award, payment or settlement either in whole or in part) unless otherwise stipulated in the Schedule;

**NUCLEAR HAZARDS**

liability that attaches by or arising from the terms of any contract (other than contracts of employment between the Insured and its employees) or agreement for Injury caused by Nuclear Hazards;

which means:

- a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

**ROAD TRAFFIC LEGISLATION**

liability for Injury sustained by an Employee when the Employee is

- a) being carried in or upon a vehicle; or
- b) entering or getting onto or alighting from a vehicle in circumstances where insurance or security is required to be effected by the Insured to comply with the Road Traffic Act 1988 as amended by The Motor Vehicles (Compulsory Insurance) Regulations 1992 or any alteration to such regulations or any similar legislation applying to Northern Ireland, the Isle of Man or the Channel Islands or to any other territory consequent on the Third Council Directive 90/232/EEC of 14/05/1990 relating to insurance against civil liability in respect of the use of motor vehicles;

**WAR AND TERRORISM**

liability which arises directly or indirectly out of or caused by War or Terrorism except that this exclusion shall not apply in respect of and to the extent of the indemnity provided by the **WAR AND TERRORISM** Extension.

**WORKMAN'S COMPENSATION OR SOCIAL SECURITY PAYMENT**

liability for any claims arising out of Injury that are payable by reason of any workman's compensation scheme, social security scheme or similar insurance scheme arising in connection with, from or due to employment but this exclusion will not apply to payments required to be made to the Compensation Recovery Unit or its successor.

**OTHER EMPLOYERS' LIABILITY TERMS AND CONDITIONS**

**CONFLICT OF INTEREST**

In the event of a conflict of interest between the Insured and any Other Insured Party indemnified by this insurance separate representation will be arranged for each party

## SECTION 9 - PUBLIC LIABILITY

The Underwriters agree to indemnify the Insured by the terms of this Section against legal liability to pay damages, including claimant costs recoverable from the Insured, as a result of Bodily Injury, DAMAGE or Denial of Access that occurs during the Period of Insurance and arises out of and in connection with the Business.

In addition, following any event which is or may be the subject of indemnity under this Section the Underwriters agree to indemnify the Insured for Costs and Expenses, but the Costs and Expenses form part of the Limit of Indemnity and do not increase the Limit of Indemnity.

### DEFINITIONS (APPLICABLE TO SECTION 9 ONLY)

#### **BODILY INJURY**

means death, disease, illness, physical and mental injury of or to an individual but excluding anxiety and injury to feelings in respect of such injury to any Employee.

#### **COST AND EXPENSES**

means:

- a) costs and expenses (other than claimant costs recoverable from the Insured or any Other Insured Party) incurred in the investigation, adjustment, appraisal, defence or settlement of an insured event, including expert, legal, appeal and defence costs;
- b) pre-judgment interest awarded against the Insured on that part of any judgment covered under this policy but where the Underwriters offer to pay the limit of indemnity in settlement of a claim or suit, the Underwriters will not pay any pre-judgment interest imposed or earned after the date of such offer;
- c) all interest earned on that part of any judgment within the limit of indemnity after entry of the judgment and before the Underwriters have paid, offered to pay, or deposited in court that part of any judgment that is within the applicable limit of indemnity;
- d) cost of attendance in court as a witness at the Company's request, payable at the following rates per day on which attendance is required:
  - i) any principal director or partner of the Insured – GBP500
  - ii) any Other Insured Party - GBP250
- e) costs and expenses of legal representation at any coroner's inquest or inquiry in respect of any death which may be the subject of indemnity under this Policy.

#### **DAMAGE**

shall mean physical loss or damage to Property.

#### **DENIAL OF ACCESS**

means nuisance, trespass, or interference with any easement, right of air, light, water or way.

#### **LIMIT OF INDEMNITY**

shall mean the limit (inclusive of costs and expenses) applicable to this Section as stated in the Schedule and is the maximum amount payable by the Underwriters in respect of any one claim and/or series of claims arising from the same incident.

#### **PROPERTY**

shall mean property which is both physical and tangible

#### **SUIT**

means a civil proceeding in which damages to which this insurance applies are alleged, including an arbitration proceeding in which such damages are claimed and to which an Other Insured Party must submit or does submit with the Company's consent; or any other alternative dispute resolution proceeding in which such damages are claimed and to which an Other Insured Party submits with the Company's consent.

#### **TERRITORIAL LIMITS**

shall mean:

- a) Great Britain, Northern Ireland, the Isle of Man and the Channel Islands;
- b) Elsewhere in the world where directors, partners or Employees of the Insured who are normally resident in (a) are temporarily engaged in non manual work relating to the Business of the Insured outside these territories, provided that the Insured would be liable under the law of England or Wales (or Scotland or Northern Ireland, where appropriate).

Unless stated the following Extensions are subject to the Terms and Conditions and Exceptions of this Policy

**BONA FIDE SUB-CONTRACTORS**

the Underwriters will indemnify the Insured against liability for Bodily Injury, DAMAGE or Denial of Access caused by or arising from the activities of bona fide sub contractors provided that the Insured has established and maintains an administrative procedure for obtaining evidence from bona fide sub contractors to the effect that they all have separate and specific and Public Liability insurance and that

- a) the Limit of Indemnity of the Public Liability insurance be not less than GBP2,000,000 in respect of any one claim or number of claims arising out of one cause or occurrence
- b) such insurance has been extended to indemnify the Insured as principal against all liability at law for damages in respect of Injury or Damage
- c) such insurance covers the work to be undertaken by the bona fide sub contractors
- d) the insurance is revalidated every twelve (12) months throughout the duration of their contract with the Insured

**CROSS LIABILITIES**

for each legal entity comprising the Insured, the Underwriters will separately indemnify each party under this Section as if a separate Policy had been issued to each but in respect of claims made or suit brought against any of them by any other Insured the Underwriters' total liability to all parties, will not exceed the Limit of Indemnity. Further, where requested by the Insured, the Underwriters will waive all rights of subrogation against a subsidiary of the Insured or from a subsidiary against the parent (the Insured)

**DATA PROTECTION ACT 1998**

the Underwriters will indemnify the Insured and if the Insured so requires any Employee in respect of their liability under the Data Protection Act 1998 ('DPA') to pay:

- a) compensation in respect of damage or distress under section 13 of Part II of the DPA including defence Costs and Expenses;
- b) defence costs in relation to a prosecution brought under section 21 of Part III of the DPA;

in relation to claims made by any person not being an Employee, provided that:

- a) the Insured has registered in accordance with the terms of the DPA;
- b) the claim arises from damage or distress occurring or prosecution commenced during the Period of Insurance;
- c) this extension will not apply in respect of:
  - i) the cost of replacing, reinstating, rectifying or erasing any personal data;
  - ii) liability caused by or arising from a deliberate or intentional act by or omission of any party entitled to indemnity by this insurance the effect of which will knowingly result in liability under the DPA;
  - iii) claims which arise out of circumstances notified to any previous insurer or known to the Insured at inception of this Policy;
  - iv) liability for which indemnity is provided under any other insurance.

**DEFECTIVE PREMISES ACT 1972**

the insurance by this Section is extended to indemnify the Insured against any liability incurred by the Insured by virtue of Section 3 of the Defective Premises Act, 1972 or Section 3 of the Defective Premises Measure (Northern Ireland) 1974 or any amendment thereto in connection with premises that have been disposed of by the Insured, except that the Underwriters will not be liable to provide an indemnity for the cost of remedying any defect or alleged defect in such premises.

**INDEMNITY TO OTHER PARTIES ACT**

at the request of the Insured, the Underwriters will separately indemnify each Other Insured Party provided that the:

- a) Insured would have been entitled to indemnity by this insurance had the claim or Suit been made against the Insured;
- b) Other Insured Party is not indemnified under any other insurance or in any other way;
- c) Company has the sole conduct and control of any claim on behalf of the Underwriters;
- d) Other Insured Party agrees it will be bound by this Policy (other than in respect of premium) as if it were the Insured.

**MOTOR CONTINGENT LIABILITY**

the Underwriters agree to indemnify the Insured and any Other Insured Party in respect of liability arising out of or from the operation or use of any mechanically propelled vehicle not owned hired or borrowed by or leased to the Insured or any Other Insured Party and used in the course of Business provided that this clause excludes and the Underwriters will not be liable for:

- a) DAMAGE to such vehicle or to property conveyed therein or thereon, or
- b) Bodily Injury or DAMAGE arising while such vehicle is being driven by:
  - i) any insured person other than an Employee; or
  - ii) any person who to the Insured's knowledge or the knowledge of any director, officer or manager of the Insured does not hold a licence to drive such vehicle;
- c) Bodily Injury or DAMAGE caused or arising while such vehicle is:
  - i) engaged in racing, pace-making, reliability trials or speed testing;
  - ii) being used outside the Great Britain, Northern Ireland, the Isle of Man and the Channel Islands;
- d) Bodily Injury or DAMAGE in respect of which the Insured or any Other Insured Party is entitled to indemnity under any other insurance.

**MOTOR LIABILITY**

the Underwriters agree to indemnify the Insured and any Other Insured Party in respect of liability for Bodily Injury, DAMAGE or Denial of Access arising out of or from the ownership, maintenance, operation or use of mechanically propelled vehicle by or on behalf of the Insured or any Other Insured Party arising out of or from:

- a) the use of any mechanically propelled vehicle as a tool or plant; or
- b) the loading or unloading of any vehicle or trailer when carried out beyond the limits of any carriageway or thoroughfare by a person other than the driver or attendant of any such vehicle or trailer; or
- c) the movement of any vehicle not owned hired or borrowed by or leased to the Insured or any Other Insured Party on or under any Premises occupied by the Insured where such vehicle is causing an obstruction and interfering with the performance of the Business; or
- d) DAMAGE to visitors' or Employees' vehicles (including contents and/or accessories) while parked within any car park for which the Insured are responsible or on any Premises occupied by the Insured provided that:
  - i) such vehicle is not lent or hired to the Insured; or
  - ii) the DAMAGE to an Employee's vehicle does not arise out of the maintenance, operation or use of a vehicle by that Employee;

except always that the indemnity provided by this clause excludes liability for which insurance is necessary to comply with the Road Traffic Act 1988 as amended by The Motor Vehicles (Compulsory Insurance) Regulations 1992 or any alteration to such regulations or any similar legislation applying to Northern Ireland, the Isle of Man or the Channel Islands or to any other territory consequent on the Third Council Directive 90/232/EEC of 14/05/1990 relating to insurance against civil liability in respect of the use of motor vehicles or similar legislation in any country outside the European Union.

**OVERSEAS LIABILITY**

at the request of the Insured the insurance by this Section is extended to indemnify the Insured and any of the Insured's Employees or directors (including their family or persons normally resident with them), against legal liability for Bodily Injury or DAMAGE incurred in a personal capacity while temporarily outside Great Britain, Northern Ireland, the Isle of Man and the Channel Islands in connection with the Business, provided that such Bodily Injury, or DAMAGE does not arise out of the ownership or occupation of land or buildings.

**PRINCIPALS**

the Underwriters will indemnify any principal of the Insured, where requested by the Insured, but only to the extent that liability arises solely out of the work performed for the principal by or on behalf of the Insured and provided that:

- a) the principal shall as though he were the Insured observe, fulfil and be subject to the terms and conditions of this Policy in so far as they can apply; and
- b) the Underwriters' liability under this clause shall in no way operate to increase the Limit of Indemnity; c) the Principal is not indemnified under any other insurance or in any other way

**PRODUCTS**

the Underwriters will indemnify the Insured against liability at law for damages in respect of Injury or DAMAGE to property occurring anywhere in the World during the Period of Insurance and caused by:

- a) goods in the possession of the Insured or his Employees,
- b) food or drink sold or supplied.
- c) merchandise or souvenirs sold or supplied by or through the Insured in connection with the Business within the Territorial Limits.

**STATUTORY DEFENCE COSTS INCLUDING HEALTH AND SAFETY AT WORK, ETC. ACT 1974**

the Company will, with its prior consent which consent will not be unreasonably withheld, indemnify the Insured and at the request of the Insured any Other Insured Party, in respect of legal Costs and Expenses incurred in defending:

- a) any alleged breach of statutory duty (including any prosecution brought under sections 2 to 8 of the Health and Safety at Work, etc. Act 1974, Health and Safety at Work (Northern Ireland) Order 1978 or similar legislation in the Isle of Man or the Channel Islands) or criminal proceedings brought; and / or
- b) allegations (whether under common law or statute) of manslaughter, corporate manslaughter or corporate homicide made against the Insured or any Other Insured Party;
 

provided that the prosecution or proceedings relate to:

  - i) an offence alleged to have been committed during the Period of Insurance and in the course of Business;
  - ii) Bodily Injury to, or potential Bodily Injury to persons other than Employees;

and, the Company will also pay to the Insured:

  - Costs and Expenses of appeal including appeal against improvement and prohibition notices incurred with its written consent which consent will not be unreasonably withheld;
  - prosecution costs awarded against the Insured;

the indemnity by this clause excludes and does not cover:

- a) circumstances where the Insured or any Other Insured Party is entitled to indemnity by any other legal expenses, motor or employment protection policy;
- b) in respect of allegations of manslaughter, corporate manslaughter or corporate homicide, any amount in excess of a Limit of Indemnity of GBP1,000,000 any one claim or series of claims arising out of the same prosecution or proceedings. for the avoidance of doubt the under noted statutes, whilst not exhaustive, are included within the statutes or regulations contemplated for which defence costs are insured by this clause:
  - i) Health and Safety at Work, etc. Act 1974, but only sections 2 to 8,
  - ii) Health and Safety at Work (Northern Ireland) Order 1978,
  - iii) The Trade Description Act 1968
  - iv) Part II of the Consumer Protection Act 1987
  - v) Part II of the Food Safety Act 1990

## EXCLUSIONS (APPLICABLE TO SECTION 9)

THE UNDERWRITERS WILL NOT INDEMNIFY THE INSURED UNDER THIS SECTION AGAINST:

### ADVICE, DESIGN OR PLANS PROVIDED FOR A FEE

any loss arising out of or from advice, design, plans, specifications, formulae, surveys, or directions prepared or given by the Insured or Other Insured Party for a fee but this shall not exclude such liability arising in conjunction with Products supplied;

### ASBESTOS

liability arising from or caused by any work involving the manufacture, mining, processing, use, installation, storage, removal, stripping out, demolition, disposal, distribution, inspection or testing of or exposure to asbestos, asbestos fibres, asbestos dust, or asbestos containing materials;

### CONTRACTUAL LIABILITY

liability which attaches by virtue of a contract or agreement but, which would not have attached in the absence of a contract or agreement;

### COSTS AND EXPENSES ARISING FROM A DELIBERATE ACT

Costs and Expenses incurred in proceedings other than in respect of manslaughter, corporate manslaughter or corporate homicide consequent upon any deliberate act or omission by or on behalf of the Insured or Other Insured Party if the result of such act or omission could reasonably have been expected to constitute an offence under any legislation;

### COSTS OF RECALL OR GUARANTEE

expenditure, whether incurred by the Insured or others, for the withdrawal, recall, disposal, removal, repair, adjustment, alteration, reconditioning, replacement, reinstatement of any Product or part thereof and/or from financial loss consequent upon the necessity for such withdrawal, recall, disposal, removal, repair, adjustment, alteration, reconditioning, replacement or reinstatement;

### CRAFTS AND VEHICLES

liability arising out of the ownership possession or use by or on behalf of the Insured or caused by any craft designed to travel in or through air, space or water or any mechanically propelled vehicles (for which no specific indemnity is provided by extension)

### CUSTODY OR CONTROL

damage to Property belonging to the Insured or in the custody or under the control of the Insured or of any Employee (other than property belonging to visitors, directors, partners of the Insured)

this exclusion shall not apply in respect of Damage to

- a) property deposited in any cloakroom operated by the Insured, provided that:
  - i) such property is not owned, hired or borrowed by the Insured,
  - ii) a numbered ticket shall be issued to the depositor of such property at the time it is deposited and the Insured, shall not allow the removal of such property until the ticket shall have been delivered up to the Insured,
  - iii) an attendant shall be on duty therein throughout the whole of the time the cloakroom is in use a disclaimer notice is prominently displayed in or adjacent to the cloakroom;
- b) Premises leased or rented to the Insured provided that the Company will not be liable in respect of:
  - i) liability which attaches by virtue of a contract or agreement but which would not have attached in the absence of that contract or agreement,
  - ii) the first GBP500 of Damage caused otherwise than by fire or explosion;
- c) that part of any Property on which the Insured or any Employee or agent of the Insured is or has been working where the damage results from such work.

### DAMAGES ARISING FROM A DELIBERATE ACT

Bodily Injury, DAMAGE or Denial of Access, and any associated Costs and Expenses, either expected or intended by the Insured or Other Insured Party but this exclusion does not apply to Bodily Injury resulting from the use of reasonable force to protect persons or property;

### DEDUCTIBLE

the Deductible stated in Policy Schedule, and any such amounts will be payable by the Insured before the Underwriters shall be liable to make any payment under this Policy.

### DELIBERATE OR BELLIGERENT ACTS

deliberate or belligerent acts by security staff, door staff or Employees,

### E-COMMERCE

any liability:

- a) arising from loss, alteration or impairment of, or damage to, information and / or data in electronic form
  - b) arising from malicious acts of any person carried out by electronic means
  - c) for defamation or harassment carried out by electronic means
- but this exclusion shall not apply in respect of liability for any ensuing accidental Bodily Injury (save for mental injury or mental disease) or accidental DAMAGE which is not otherwise excluded

**ELECTRONIC DATA**

Liability:

- a) arising from loss, alteration or impairment of, or damage to, information and/or data in electronic form;
- b) arising from malicious acts of any person carried out by electronic means;
- c) for defamation or harassment carried out by electronic means;

but this exclusion shall not apply in respect of liability for any ensuing accidental Bodily Injury (save for mental injury or mental disease) or accidental DAMAGE which is not otherwise excluded;

**EMPLOYMENT PRACTICES DISPUTE**

liability which arises out of:

- a) a dispute between an employer / prospective employer and Employee / prospective Employee referred or capable of being referred to an Employment Tribunal including such appeal courts or tribunals as are available from an Employment Tribunal as provided by the Employment Rights Act 1986; or
- b) a settlement or adjudication of or under the auspices of an Employment Tribunal or ACAS;
- c) liability by the above which is capable of being insured under a generally available Employment Practices Liability Insurance Policy;

**FINANCIAL LOSS**

liability for pure financial loss that is not consequent upon Bodily Injury or DAMAGE;

**FINES, PENALTIES OR MULTIPLICATIONS OF COMPENSATORY DAMAGES**

any fines, penalties, punitive damages, exemplary damages, aggravated damages, treble damages, or any other increase in damages resulting from the multiplication of compensatory damages;

**GRADUAL ENVIRONMENTAL IMPAIRMENT**

any liability for or consequent upon

- a) Injury or Damage to Property, directly or indirectly arising out of the gradual discharge dispersal release or escape of Pollutants,
- b) the cost of removing nullifying or cleaning up Pollutants which have been gradually discharged dispersed released or escaped,
- c) fines penalties or exemplary damages arising directly or indirectly out of the gradual discharge dispersal release or escape of Pollutants occurring anywhere in the world;

**INTENTIONAL DISREGARD OF REASONABLE PRECAUTIONS**

any insured event or loss arising or arising out of or continuing from the deliberate, conscious or intentional disregard by the Insured's technical or administrative management of the need to take all reasonable precautions to prevent an insured event or loss arising or continuing;

**LEGIONELLA**

Bodily Injury, DAMAGE or Denial of Access arising out of, alleging or attributable to the existence of Legionella;

**LIABILITY FOR EMPLOYMENT**

Bodily Injury sustained by any Employee arising out of or in the course of employment by the Insured in the Business;

**LIMIT OF INDEMNITY**

liability in excess of the Limit of Indemnity stated in the Schedule

**LIQUIDATED DAMAGES**

any loss arising out of or from any liquidated damages clauses or penalty clauses or performance warranties in any contract or agreement which the Insured or Other Insured Party has entered into unless it is proven that, and then only to the extent that, liability would have attached in the absence of such clauses or warranties;

**NUCLEAR RISKS**

- a) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising there from or any consequential loss;
- b) any legal liability of whatsoever nature;
- c) any sum which the Insured becomes legally liable to pay or any loss or expense; directly or indirectly caused by or contributed to by or arising from or, in the case of (c) above, attributable to Nuclear Hazards;

**OVERSEAS DOMICILED OPERATIONS**

the Insured's subsidiary companies, branch offices or representatives with power of attorney that are domiciled outside of the Great Britain, Northern Ireland, the Isle of Man and the Channel Islands;

**OWNERSHIP OR USE OF MECHANICALLY PROPELLED VEHICLES**

Bodily Injury, DAMAGE or Denial of Access arising out of or from the ownership, maintenance, operation or use of any mechanically propelled vehicle by or on behalf of the Insured or any Other Insured Party;

**PUNITIVE OR EXEMPLARY DAMAGES**

liability for any award of punitive or exemplary damages whether as fines, penalties, multiplication of compensatory awards of damages or in any other form whatsoever;

**SEXUAL ABUSE**

Liability arising from allegations of rape or sexual abuse of any nature whether proven or otherwise

**THE PRODUCT ITSELF**

liability for DAMAGE to the Insured's product or any part thereof arising from a defect or unsuitability thereof and pure financial loss arising therefrom;

**USA/CANADA**

any liability to pay compensation arising out of a decision of any court made in accordance with the laws of the United States of America or Canada;

**WAR OR TERRORISM**

Bodily Injury, DAMAGE or Denial of Access directly or indirectly caused by or contributed to by or arising from War or any act of Terrorism.

**CONDITIONS PRECEDENT FOR SECTION 9**

**DOOR STAFF**

It is a condition precedent of any liability of the Underwriters under this Section that all door staff working at the Insured's premises during normal opening hours are registered with the Security Industry Authority.

## COMPLAINTS PROCEDURE

Aegis Managing Agency Limited strives to provide an excellent service to all its customers but occasionally things can go wrong. We take all complaints seriously and endeavour to resolve all customers' problems promptly.

To ensure our service meets customers' expectations all comments received are recorded and analysed to facilitate continuous improvement to its service.

### WHAT YOU SHOULD DO?

The steps you should take if you are not satisfied:

If you have a question or complaint about this insurance or the conduct of your intermediary please contact your intermediary in the first instance.

If you wish to contact the Company directly then please contact:

Aegis Managing Agency Limited, 110 Fenchurch Street, London, EC3M 5JT  
Telephone Number: 020 7265 2100 Fax Number: 020 7265 2101  
Registered in England No. 204967  
Please quote your policy number and/or claim number as appropriate in any correspondence.

If you are still not satisfied please write to the Company's compliance officer at the above address.

If, after making a complaint, you feel that the matter has not been resolved to your satisfaction then you may refer to the Complaint's Department at Lloyd's to review your case without prejudice to your rights in law. The contact address is:

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

### WHAT THE COMPANY WILL DO IF YOU COMPLAIN

Following a full investigation a nominated representative will attempt to resolve your complaint and reply, with a decision, within five working days after receipt of your complaint.

In cases requiring a more detailed investigation it may not be possible to reach a decision within this timeframe. If this is the case the Company will contact you and provide an estimated date for a decision. In any event this will not be longer than twenty working days from the date of your complaint.

If you remain dissatisfied with the outcome and you write to the Company's compliance officer, you will at this stage receive a final response letter from the Company.

If you are still unhappy with the decision you may have a right to refer the complaint to the FOS.  
If you are an eligible complainant (see below) you may contact:

The Financial Ombudsman Service, South Quay Plaza 2, 183 Marsh Wall, Docklands, London E14 9SR

If you are not an eligible complainant then the informal complaint process ceases.

Making a complaint to the Financial Ombudsman Service (FOS) does not affect your rights under this policy

### ABOUT THE FINANCIAL OMBUDSMAN SERVICE (FOS)

Eligible complainants are a private policyholder, or a commercial policyholder or charity with a turnover under GBP1,000,000, or trust with assets under GBP1,000,000

The FOS will only consider a complaint if you are an eligible complainant and if:

the Company has been given an opportunity to resolve it and

the Company has sent you a final response letter and you have referred your complaint to the FOS within six months of the Company's final response letter or

the Company has not responded to your complaint with a decision within forty days

### FINANCIAL SERVICES COMPENSATION SCHEME

Lloyd's of London is covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the Scheme if the Underwriters are unable to meet their 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 7th floor, Lloyds Chambers, Portoken Street, London E1 8BN or from their website ([www.fscs.org.uk](http://www.fscs.org.uk)).