iConstruct

Contractors Insurance policy

Contents

You must read this policy together with **your** current **schedule** which gives precise details of the cover.

Customer service information

The insurance cover provided by this insurance policy is issued in accordance with the authorisation certain **underwriters** at **Lloyd's** and other Association of British Insurers member insurance companies have granted to Premco Underwriting under the terms of the contract(s), referenced in the **schedule**, between Premco Underwriting and the participating syndicate(s). This contract makes Premco Underwriting agent of the participating syndicate(s) and gives them the authority to perform certain acts on its behalf but does not affect **your** rights to claim or make a complaint. The participating insurance company and/or syndicate names are detailed below and on **your schedule**.

About the Insurer(s)
The insurer(s) are referred to throughout this document in the first person as **We**, **Us** and **Our** and the insured(s) are referred to in the second person as **You**, **Your** and **Yours.**

Sections 1-7 are underwritten by Brit Syndicate 2987 at **Lloyd's**
Sections 8-13 are underwritten by Allied World Assurance Company (Europe) DAC.
Section 14 is underwritten by W. R. Berkley Syndicate 1967 at **Lloyd's**.
Section 15 is underwritten by Financial & Legal Insurance Company Ltd.

Brit Syndicates Ltd is the managing agent of Brit Syndicate 2987 and subject to the supervision of the Society of Lloyd's. Brit Syndicates Ltd is authorised by the Prudential Regulatory Authority and regulated by the Financial Conduct Authority and the Prudential Regulatory Authority (Firm reference number 204930). Brit Syndicates Ltd is registered at The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AB (Company Number 00824611).

Allied World Assurance Company (Europe) DAC is authorised and regulated by the Central Bank of Ireland and authorised and subject to limited regulation by the Financial Conduct Authority pursuant to the European Union (Insurance and Reinsurance) Regulations 2015 (Firm reference number 219772). Allied World Assurance Company (Europe) DAC is registered in Ireland, registration number 361888
Registered Office: 3rd Floor George's Quay Plaza, Dublin 2

W. R. Berkley Syndicate Management Ltd is the managing agent of W. R. Berkley Syndicate 1967 at **Lloyd's** and subject to the supervision of the Society of Lloyd's. W. R. Berkley Syndicate Management Ltd is authorised by the Prudential Regulatory Authority and regulated by the Financial Conduct Authority and the Prudential Regulatory Authority (Firm reference number 568355). W. R. Berkley Syndicate Management Ltd is registered at 14th Floor, 52 Lime Street, London, EC3M 7AF (Company Number 07712472).

Financial & Legal Insurance Company Ltd is authorised and regulated by the Financial Conduct Authority and the Prudential Regulatory Authority (Firm reference number 202915). Financial & Legal Insurance Company Ltd is registered at 1 Lakeside, Cheadle Royal Business Park, Cheadle, Cheshire, SK8 3GW (Company number 03034220).
Registered Office: 1 Lakeside, Cheadle Royal Business Park, Cheadle, Cheshire, SK8 3GW.

About the Coverholder
This policy is a contract of insurance between **you** and **us. Your** policy has been underwritten on **our** behalf by Premco Underwriting.

Premco Underwriting is a trading style of Premier Commercial Ltd which is registered in Scotland, registration number 160330.
Registered address: Stanhope House, 12 Stanhope Place, Edinburgh EH12 5HH. Premco Underwriting is authorised and regulated by the Financial Conduct Authority. FCA Registration Number 303287 and **you** can check this information is accurate on the Financial Services Register which is available to view online at https://register.fca.org.uk.
This contract makes Premco Underwriting **our** agent and gives them the authority to perform certain acts on **our** behalf but does not affect **your** rights to claim or make a complaint.

Enquiries
If **you** have a general enquiry regarding **your** policy please contact **your** insurance agent in the first instance, the name of **your** insurance agent is detailed in the **schedule** issued with this policy. **You** can contact Premco Underwriting by calling **us** on 0330 165 2000 or by emailing info@premco.co.uk.

Things you must do
There are conditions contained in this policy which are conditions precedent to **our** liability to **you** to pay a claim intimated by **you** under the cover provided by this policy. If **you** breach any of these conditions **we** can deny **your** claim or reduce the amount **we** will pay to **you** if **your** non-compliance has had a material effect on the claim.

Financial Services Compensation Scheme
We are covered by the Financial Services Compensation Scheme. **You** could be entitled to compensation from the scheme if **we** cannot pay a claim to **you** under this policy. If **you** are entitled to compensation under the scheme, how much compensation **you** would receive would depend on the nature of this policy. **You** can get more information about the scheme from the Financial Services Compensation Scheme, PO Box 300, Mitcheldean, GL17 1DY and on their website at www.fscs.org.uk.

Conformity
When **you** read the policy **you** will find that some items can be singular or plural, feminine, or masculine. This clause is designed to correct this. Words in the singular includes the plural and vice versa. Words importing the masculine will import the feminine and the neuter. References to 'a person' will also include any individual, company, partnership, or any other legal entity. References to a statute law also includes all its amendments or replacements.

Customer service information

Several Liability Clause

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that underwrites this contract. The proportion of liability under this contract underwritten by an insurer (or, in the case of a **Lloyd's** syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract. In the case of a **Lloyd's** syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that underwrites this contract. The business address of each member is **Lloyd's**, One Lime Street, London EC3M 7HA. The identity of each member of a **Lloyd's** syndicate and their respective proportion can be obtained by writing to Market Services, **Lloyd's**, at the above address. Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this must be read as a reference to contracts in the plural.

Customer service information

This Introduction, the Customer service information, the General definitions, General conditions, General exclusions, Sections, Section extensions, the **schedule** and any endorsements all form part of this insurance policy.

IMPORTANT REMINDER

It is important that:

- **You** check that the information **you** have given **us** is accurate and up to date – See the Customer service information section for more details.
- **You** read the policy and understand its contents, if **you** do not understand any aspect please contact **your** insurance advisor.
- **You** comply with **your** duties under each section and under the insurance as a whole.
- **You** check that the sections **you** have requested are included in the **schedule.**

This policy must be kept in a safe place. **You** will need to refer to it if **you** have to make a claim.

This section contains important information about how **we** will deal with claims under this policy and the information **you** have given **us**.

Information you have given us
In deciding to accept this policy and in setting the terms and premium, **we** have relied on the information **you**, or **you**r appointed agent acting on **your** behalf, have given **us**. **You** must take care when answering any questions, **we** ask by ensuring that all information provided is accurate and complete.

If **we** establish that **you** deliberately or recklessly provided **us** with false or misleading information, **we** will treat **your** policy as if it never existed and decline all claims. **We** are entitled to keep any premium already paid by **you** in this situation.

If **we** establish that **you** provided **us** with false, incomplete, or misleading information, but this was neither deliberate nor reckless, it can adversely affect **your** policy and any claim.

For example:

- Where **we** could have accepted the risk and offered **you** an insurance policy, but **we** would have charged a higher premium, **we** will only pay a percentage of any claim that **you** make under the policy. **We** would do this by considering the premium **we** charged as a percentage of the higher premium **we** would have charged and then paying **you** the equivalent percentage of any claim.

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

- **We** will treat this policy as if it had never existed and refuse to pay all claims and return the premium. **We** will only do this if the false, incomplete, or misleading information means that **we** provided **you** with insurance cover when **we** would not otherwise have offered it at all had the risk been fairly presented.

- If **we** would have written the risk on different terms had it been fairly presented, **we** will amend the policy to include these terms. **We** will apply these amended terms as if they were already in place before a claim is made.

- **We** can cancel **your** policy in accordance with its cancellation provisions.

We will write to **you** if **we**:

- intend to treat **your** policy as if it never existed; or
- amend the terms of **your** policy; or
- reduce **your** claim in accordance with the above.

If **you** become aware that information **you** have given **us** is inaccurate or incomplete, **you** must inform **us** without delay.

Customer service information

Data Protection
We act as the **Data** Controller. How **we** use and look after the personal information is set out below.

Information can be used by **us**, the coverholder, agents and service providers for the purposes of insurance administration, underwriting, claims handling or for statistical purposes. The lawful basis for the processing is that it is necessary for **us** to process **your** personal information to enable the performance of the insurance contract, to administer **your** policy of insurance and/or handle any insurance claim **you** submit to **us** under this policy. The processing of **your** personal **data** could also be necessary to comply with any legal obligation **we** have and to protect **your** interest during the course of any claim.

What we process and share
The personal **data you** have provided, **we** have collected from **you**, or **we** have received from third parties include **your**:

1. name; date of birth, residential address and address history.
2. contact details such as email address and telephone numbers.
3. financial and employment details.
4. identifiers assigned to **your** computer or other internet connected device including **your** internet protocol (IP) address.
5. health or criminal conviction information.
6. vehicle or household details.
7. any information which **you** have provided in support of **your** insurance claim.

We receive information about **you** from the following sources:

- **your** insurance broker.
- from third parties such as credit reference agencies and fraud prevention agencies.
- from insurers, claims handling agents, witnesses, the Police (in regard to incidents) and solicitors
- directly from **you**.

You acknowledge that **we** if requested **we** can be required as a matter of law or regulation to disclose Personal **Data** provided to **us** to a Court of law or regulatory body such as the Prudential Regulatory Authority, the Financial Conduct Authority, **Lloyd's** of London, the Employers' Liability Tracing Office or any other public body or authority of competent jurisdiction and **you** consent to any such disclosure.

We will not pass **your** information to any third parties except to enable **us** to process **your** claim, prevent fraud and comply with legal and regulatory requirements. In which case **we** will need to need to share **your** information with the following third parties:

- solicitors or other claims handling agents appointed by **us** or by **you**
- **underwriters** and reinsurers
- fraud and crime prevention agencies, including the Police
- other suppliers carrying out a service on **our**, or **your** behalf.

We will not use **your** information for marketing further products or services to **you** or pass **your** information on to any other organisation or person for sales and marketing purposes without **your** consent.

Data Retention
We will hold **your** details for up to seven years after the expiry of **your** policy, complaint and/or claims settlement.

Your rights
Your personal **data** is protected by legal rights, which include **your** rights to:

- object to **our** processing of **your** personal **data**.
- request that **your** personal **data** is erased or corrected.
- request access to **your** personal **data** and date portability.
- complain to the Information Commissioner's Office, which regulates the processing of personal **data**.

You can request to see what **data we** hold about **you**, there is no charge for this service.

If **you** have any questions about **our** privacy policy or the information **we** hold about **you** please contact Premco Underwriting by telephone on 0330 165 2000 or by writing to Premco at Stanhope House, 12 Stanhope Place, Edinburgh EH12 5HH or by emailing info@premco.co.uk.

Headings
The section headings used in this policy are for reference purposes only and will not affect the meaning or interpretation of the policy.

General definitions

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

Business
The **business** activities as described in the **schedule** and which includes

1. the ownership repair and maintenance of **your** own **property;**
2. the provision and management of canteen social sports and welfare activities for the benefit of **you** or **your employees**
3. the provision and management of first aid fire security and ambulance services
4. the performance of private duties carried out by **your employees** with **your** written consent for any director partner or senior official of **yours**

and no other **business** for the purposes of this insurance.

Communicable disease
Any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation of a virus, bacterium, parasite, or other organism, whether deemed living or not, and
2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
3. the disease, substance or agent can cause or threaten **damage** to human health or human welfare or can cause or threaten **damage** to, deterioration of, loss of value of, marketability of or loss of use of **property** insured hereunder.

Computer system
Any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system and including any associated input, output, **data** storage device, networking equipment or back up facility.

Contract site
Contract site means the site which is the subject of the **contract** and upon which the **contract works** are undertaken.

Contractors' plant and equipment
Driven equipment comprising large tracked and wheeled machines greater than 3 tonnes, driven equipment comprising compact and smaller driven equipment less than 3 tonnes, non-driven equipment and towed plant with axle, non-driven mobile/portable attachments and equipment, power tools and non-powered items

Contract works
The permanent and temporary works executed in performance of the contract and materials for use in connection therewith.

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

Cyber incident
Means
1. any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **computer system**; or
2. any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **computer system**.

Cyber loss
Any loss, **damage**, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any **cyber act** or **cyber incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **cyber act** or **cyber incident**.

Damage
Physical loss, destruction of or **damage** to the **property** insured.

Data
Facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical **data processing** or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of such equipment.

Data processing
Any computer or **data processing** equipment or media or microchip or integrated circuit or any similar device or any computer software or computer firmware.

General definitions

Employee
Any person who is

1. under a contract of service or apprenticeship with **you**;
2. a labour master or supplied by a labour master;
3. employed by labour only sub-contractors;
4. self-employed and working for **you** and under **your** control;
5. hired to or borrowed by **you**;
6. supplied to **you** for the purposes of study, work or training experience;
7. a prospective **employee** who is undergoing practical work experience whilst being assessed by **you** as to his or her suitability for employment;
8. a voluntary helper while working under **your** supervision and control in connection with the **business**;
9. an outworker or homeworker employed under a contract to personally carry out any work in connection with the **business** while they are engaged in that work;

whilst working for **you** in the course of the **business**.

Employees' Tools
Personal tools and effects the **property** of the Insured's **employees** other than motor vehicles precious metals precious stones or articles made therefrom or **money**.

Excess
This is the first part of any claim that **you** will have to pay after the application of all other terms and conditions of the insurance including average (General condition 7).

Goods
Any **goods** or products (including containers labelling instructions or advice provided in connection therewith) manufactured sold supplied erected repaired altered treated transported serviced or installed by **you** in the course of the **business**.

Injury
Bodily **injury** death illness disease or shock causing bodily **injury**.

Lloyd's
Lloyd's of London or any successor body or bodies to it.

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

Offshore
From the moment in time that an **employee** embarks onto any conveyance at the point of final departure on land to any **offshore** installation until the moment in time that an **employee** disembarks from any conveyance onto land upon their return from any **offshore** installation.

Period of insurance
The period from the effective date shown in the **schedule** until the expiry date shown in the **schedule** both dates based upon Greenwich Mean Time and inclusive. This includes any subsequent period for which **we** accept payment for renewal of this policy.

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

Premises
the **premises** stated in the **schedule**.

Property
Material **property**.

Schedule
The document showing the risks **we** are insuring and the cover which applies. To be read in conjunction with all other policy documentation' or words which more accurately describe the document..

Terrorism
Any act whether involving violence or the use of force or not or the threat or the preparation thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which is designed to or does intimidate or influence a de jure or de facto government or governmental organisation or the public or a section of the public or disrupt any segment of the economy and from its nature or context is done in connection with political social religious ideological or similar causes and objectives.

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

General definitions

Underwriters
The synicates and insurance companies named in **your** insurance **schedule**.

War
War is a phenomenon of organized collective violence that affects either the relations between two or more societies or the power relations within a society including absolute **war**, instrumental **war**, and agonistic fighting.

We/us/our
The syndicates and insurance companies named in **your** insurance **schedule**.

You/your/yours
The person or persons or corporate body named in the **schedule** and includes

1. any subsidiary company which is named in the policy **schedule** operating in or from **premises** in Great Britain, Northern Ireland the Channel Islands or the Isle of Man;
2. at **your** written request
   - 2.1. any director or **employee** of **yours** while acting on behalf of or in the course of his employment or engagement by **you** in respect of liability for which **you** would have been entitled to insurance under this policy if the claim against any such person had been made against **you;**
   - 2.2. any officer member or **employee** of **yours,** social sports or welfare organisation or fire first aid or ambulance service in his respective capacity as such;
   - 2.3. any director partner or senior official of **yours** in respect of private work conducted by any **employee** of **you** for any such person with **your** the consent;
3. in the event of **your** death **your** personal representatives in respect of liability incurred by **you** provided that such person must, as though he were **you,** observe fulfil and be subject to the terms exceptions conditions and endorsements of this insurance as far as they can apply.

General conditions

*The following are conditions of the insurance that **you** need to meet as **your** part of this contract to which this endorsement attaches. If **you** do not meet any of these conditions and that either causes a claim or contributes to a claim, **we** can reject that claim or payment in respect of that claim could be reduced. In addition to these general conditions which apply to all sections there are additional conditions which are applicable to the specific sections of this insurance which will appear in this document or in your Insurance Document:*

1. **Fair presentation of the risk**

Before this insurance contract is entered into, **you** must make a fair presentation of the risk to **us**, in accordance with Section 3 of the Insurance Act 2015. In summary, **you** must:

1.1. Disclose to **us** every material circumstance which **you** know or ought to know. Failing that, **you** must give to **us** sufficient information to put a prudent Insurer on notice that it needs to make further enquiries in order to reveal material circumstances. A matter is material if it would influence the judgement of a prudent Insurer as to whether to accept the risk, or the terms of the insurance (including premium); and

1.2. make the disclosure in clause (1) above in a reasonably clear and accessible way; and

1.3. ensure that every material representation of fact is substantially correct, and that every material representation of expectation or belief is made in good faith.

For the purposes of clause (1) above, **you** are expected to know the following:

1.4. If **you** are an individual, what is known to the individual and anybody who is responsible for arranging **your** insurance.

1.5. If **you** are not an individual, what is known to anybody who is part of **your** senior management; or anybody who is responsible for arranging **your** insurance.

1.6. Whether **you** are an individual or not, what should reasonably have been revealed by a reasonable search of information available to **you**. The information may be held within **your** organisation, or by any third party (including but not limited to the agent, subsidiaries, affiliates or any other person who will be covered under the insurance). If **you** are insuring subsidiaries, affiliates or other parties, **we** expect that **you** will have included them in **your** enquiries, and that **you** will inform **us** if **you** have not done so. The reasonable search may be conducted by making enquiries or by any other means.

If **you** breach **your** duty of fair presentation before entering into this insurance contact, the remedies available to **us** are explained below.

1.7. If the breach is deliberate or reckless:

1.7.1. **We** may avoid the contract and refuse to pay a claim; and

1.7.2. **we** do **not** need to return any of the premiums paid.

1.8. If the breach is not deliberate or reckless, the remedy depends on what **we** would have done if **you** had complied with the duty of fair presentation:

1.8.1. If **we** would not have entered into the contract at all, **we** may avoid the contract, refuse all claims or losses and return any premiums paid.

1.8.2. If **we** would have entered into the contract but on different terms (other than terms relating to the premium), the contract will be treated as if it had been entered into on those different terms from the outset.

1.8.3. If **we** would have entered into the contract but charged a higher premium, **we** may reduce the amount **we** pay for a claim by a proportional amount (and, if applicable, the amount already paid for previous claims). In these circumstances **we** will pay X% of the amount **we** would otherwise have been required to pay, where X = (premium actually charged/higher premium) x 100.

If **you** breach **your** duty of fair presentation before entering into a variation to this insurance contract, the remedies available to **us** are explained below.

1.9. If the breach is deliberate or reckless:

1.9.1. **We** may terminate the contract from the date the variation was concluded; and

1.9.2. **We** do not need to return any of the premiums paid.

1.10. If the breach is not deliberate or reckless, the remedy depends on what **we** would have done if **you** had complied with the duty of fair presentation.

1.10.1. If **we** would not have agreed to the variation at all, **we** may treat the contract as if the variation was never made and return any extra premium paid for that variation.

1.10.2. If **we** would have agreed to the variation but on different terms (other than terms relating to the premium), the variation will be treated as if it had been entered into on those different terms.

1.10.3. If **we** would have increased the premium by more than **we** did (or at all), **we** may reduce the amount **we** pay for a claim arising after the date of the variation by a proportional amount. In this circumstance **we** will pay X% of the amount **we** would otherwise have been required to pay, where X = (premium actually charged/higher premium) x 100.

1.10.4. If **we** would not have reduced the premium as much as **we** did (or at all), **we** may reduce the amount **we** pay for a claim arising after the date of the variation by a proportional amount. In this circumstance **we** will pay X% of the amount **we** would otherwise have been required to pay, where X = (premium actually charged/higher premium) x 100.

2. **Maximum sums payable**

At any time at **our** sole discretion **we** can pay to **you** the maximum sum payable under this policy or any lesser sums for which any claim or claims can be settled. If **we** do this, **we** will not be under any further liability except for the payment of costs and expenses of litigation incurred prior to such payment, this is that in the event of a claim such costs and expenses will not exceed an amount being in the same proportion as **our** payment to **you** bears to the total payment made by **you** or on **your** behalf in settlement of the claim or claims.

3. **Conditions precedent**
There are conditions contained within the policy that are conditions precedent to **our** liability. If a condition precedent applies only to a particular section it will be shown under that section.

If **you** do not comply with any part of a condition precedent, **we** will not pay for any claim, except that where the condition precedent concerned:
3.1. Operates only in connection with particular **premises** or locations, **we** will pay for claims arising out of an event occurring at other **premises** or locations which are not specified in the condition.
3.2. Operates only at particular times, **we** will pay for any claim where **you** show on the balance of probabilities that its non-compliance with the condition precedent did not cause or contribute to the **injury**, loss, **damage** or liability which occurred.
3.3. Would, if complied with, tend to reduce particular types of **injury**, loss, **damage** or liability, **we** will pay for any claim where **you** show on the balance of probabilities that non-compliance with the condition precedent did not cause or contribute to the **injury**, loss, **damage** or liability which occurred.

4. **Care and prevention**
It is a condition of this insurance that **you** take all care to prevent accidents and to maintain and keep in proper repair **your premises**, **property, contractors plant and equipment,** plant, machinery and everything used in the **business**. **You** must make good or remedy any defect or danger which becomes apparent, and take such additional precautions as the circumstances could require. **You** must also take all care to act in accordance with all statutory obligations and regulations and to employ only competent **employees**. If **you** do not do so **we** will reject or be unable to deal with **your** claim or be unable to pay **your** claim in full.

You will at **your** own expense:
4.1. Take all reasonable precautions to prevent or reduce **damage**; and
4.2. cease any activity which could give rise to liability under this policy; and
4.3. maintain all buildings, furnishings, ways, works machinery, caravans and vehicles in good condition; and
4.4. exercise care in the selection and supervision of **employees**; and
4.5. remedy any defect or danger as soon as possible after discovery and in the meantime take such additional precautions as the circumstances could require; and
4.6. comply with all statutory requirements and other safety regulations imposed by any authority.

5. **Cancellation**
We can cancel this insurance by giving **you** fourteen days' notice in writing. **We** will only do this for a valid reason (examples of valid reasons are as follows):

- Non-payment of premium.
- A change in risk occurring which means that **we** can no longer provide **you** with insurance cover.
- Non-cooperation or failure to supply any information or documentation **we** request.
- Threatening or abusive behaviour or the use of threatening or abusive language.

If this insurance is cancelled then, provided **you** have not made a claim, **you** will be entitled to a refund of any premium paid, subject to a deduction for any time for which **you** have been covered. This will be calculated on a proportional basis. For example, if **you** have been covered for six (6) months, the deduction for the time **you** have been covered will be half the annual premium, subject to a deduction for any commission paid to **your** insurance agent. If **we** have paid any claim, or part of any claim, or a payment is pending to **you** in respect of a claim then no refund of premium will be given.

(**Your** cancellation rights are detailed on page Gen18).

6. **Other insurance**
If at the time of any claim there is, or but for the existence of this policy would be, any other insurance in favour of or purchased by **you** or on **your** behalf, applicable to such claim, **we** will not be liable under this policy to pay **you** in respect of such a claim except beyond the amount which would be payable under such other insurance had this policy not been purchased.

7. **Average**
If at the time of any **damage** the sum insured on any item of the **property** or **contractors plant and equipment** insured or consequential loss is less than the total value of such **property** or **contractors plant and equipment**, **you** will be considered as being **your** own insurer for the difference and **you** will bear a rateable share of the loss accordingly.

8. **Insolvency**
This insurance will be cancelled if
8.1. the **business** is wound up, carried on by a liquidator or administrator, or permanently discontinued; or
8.2. **your** interest ceases otherwise than by death

at any time after the commencement of this insurance unless **we** agree it can continue.

9. **Survey and Risk Improvement Requirements**
It is a condition of this insurance that **you** permit **us** to survey **your premises** and **business** operations and that **you** will comply and continue to comply with all risk improvement requirements that have been notified to **you** and agreed to by **you** or on **your** behalf. If **you** do not do so **we** will reject, or be unable to deal with, **your** claim, or be unable to pay **your** claim in full.

General conditions

10. **Changes in circumstances**
    You must, without delay, give notice in writing of any change in the information **you** provided **us** with. If **you** do not do so **we** can reject, or be unable to deal with, **your** claim or be unable to pay **your** claim in full. **Your** insurance agent will assist **you** with notification.

11. **Governing law**
    The laws of England and Wales will apply to this policy and any attached endorsements unless **we** agree otherwise with **you** in writing before issuing the policy. Any disputes arising under this policy will be subject to the exclusive jurisdiction of the courts of England and Wales.

12. **Contract (Rights of Third Parties) Act 1999**
    A person who is not a party to this contract has no right under the Contract (Rights of Third Parties) Act 1999 (as amended or replaced from time to time) to enforce any term of this policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

13. **Several liability**
    Our obligations under this policy are several and not joint and are limited solely to the extent of **our** individual subscription. **We** are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligation.

14. **Premium adjustment**
    The premium payable under this policy is provisional and has been calculated on estimates given by **you**. The premium is subject to adjustment upon disclosure of the actual values for the **period of insurance** in respect of the following;

    14.1. gross profit / revenue;
    14.2. wageroll;
    14.3. turnover;
    14.4. contract works
    14.5. value of owned plant
    14.6. hiring charges

    the actual premium will be calculated at the rates applicable on the amounts declared and if the actual premium differs from the provisional premium **you** will pay the difference upon expiry of the **period of insurance** or we will refund the difference subject to renewal of this insurance and a minimum retention of any minimum premium payable referred to in the **schedule** or 75% of the provisional premium whichever is the greater.

    You must keep an accurate record of all relevant particulars which will be available to **us** for inspection and within a reasonable time after the end of each **period of insurance**, **you** must supply to **us** an accurate statement in the form required so that the premium for that period can be calculated and the difference paid by or returned to **you**.

    If **you** do not supply such a statement within a reasonable time after the end of the **period of insurance**, **we** will be entitled to charge an additional premium in respect of that **period of insurance** equivalent to 20% of the provisional premium. If any balance of premium remain unpaid **we** will adjust the **period of insurance** to reflect the amount paid.

    In the event of a default, the cancellation will be effective from the day the finance house advises **us** of the default.

15. **Index linking**
    (Applies only to Section 1 - Material damage, Section 2 - Business interruption, Section 4 - Trade all risks and Section 5 - Goods in transit if insured).

    Renewal
    Where the **schedule** states that index linking applies, **we** will adjust the amounts insured to take into account movements in the appropriate index shown below.

    Building and tenants improvements items
    The General Building Cost Index issued by the Building Cost Information Service of the Royal Institute of Chartered Surveyors.

    Other items
    The Producer Price Index for Home Sales of Manufactured Products issued by the Department of Trade and Industry.

    Claims
    For claims settlement purposes (except Section 2 - Business interruption) the adjustments set out above will continue during the **period of insurance** and the period of repair, replacement or reinstatement as long as the work is carried out and completed without undue delay.

    NOTE: *If either of the above indices is not available,* ***we*** *will select a suitable alternative.*

16. **Excess**
    We will not be liable for the amount of the **excess** stated in the **schedule** in respect of each and every loss calculated after the application of all other terms and conditions of this policy.

17. **Identification**
    The policy, **schedule**, certificates and appendices are to be read together as one contract. Any word or expression to which a specific meaning has been given in any part of the policy, **schedule** or sections will have the same meaning wherever it appears unless **we** state otherwise.

General conditions

18. **Instalments**
    If **you** are paying the premium through a loan taken out with a finance house and **we** cancel the policy due to non-payment of an instalment or any other reason, any refund of premium will be made directly to the finance house.

    In the event of a default, the cancellation will be effective from the day the finance house advises **us** of the default.
19. **Tax**
    You will pay any tax due on the premium in accordance with current legislation.
20. **Unoccupied premises**
    We must be notified in writing without delay of any **unoccupied** building or **unoccupied** portion of a building insured that becomes occupied or any occupied building which becomes **unoccupied** or partially **unoccupied**. An additional premium and terms will be applied if required.
21. **Security of unoccupied premises**
    It is a condition of this insurance that **you** ensure in respect of **premises unoccupied** for more than 30 days the following conditions are complied with unless otherwise agreed by **us** in writing:
    21.1. All gas, water and electricity mains supplies will be kept disconnected (except those supplies required to maintain automatic sprinkler installations, lighting or alarm systems which are to remain in operation for security or fire protection purposes); and
    21.2. all water tanks, apparatus, pipes and heating other than those connected to automatic sprinkler systems must be drained down; and
    21.3. all reasonable precautions are taken to ensure that the buildings are secure against entry by intruders including;
        21.3.1. securely locking and fastening all doors and windows; and
        21.3.2. any letter boxes being sealed; and
        21.3.3. setting all security and alarm protections in full operation and ensuring that the protections are in proper working order; and
    21.4. all waste refuse and other disused combustible materials will be cleared from the building and removed from the **premises** at least once a week; and
    21.5. tanks containing fuel or other flammable liquids must be drained and purged within 7 days of the buildings becoming **unoccupied;** and
    21.6. the buildings must be inspected at least once every 7 days by **you** or **your** nominee in order to inspect the **premises** both internally and externally and to carry out any work necessary to maintain the above security arrangements. A record will be kept of such inspections; and
    21.7. notice is to be given to **us** when any building becomes untenanted or **unoccupied** (or part); and
    21.8. notice is to be given to **us** when any untenanted or **unoccupied** building (or part) is again occupied.

    You can write to **us** at Premier Commercial Ltd, Stanhope House, 12 Stanhope Place, Edinburgh EH12 5HH and **you** can email **us** at insure@premco.co.uk.

    We will not be liable for any **damage** or **injury** arising out of or in connection with any works of alteration, demolition, refurbishment or renovation.
22. **Sanctions**
    We will not provide any benefit under this contract of insurance to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

General exclusions

1. This policy does not cover failure of any **computer system**, whether or not **your property**, to be date or time compliant including failure of any correction, attempted correction, conversion, renovation, rewriting or replacement of any **computer system** relating to date or time compliance.
2. This policy does not cover any award of punitive or exemplary damages whether as fines, penalties, multiplication of compensatory awards or damages, or in any other form whatsoever.
3. This policy does not cover or provide any benefit where doing so would breach any sanction, prohibition or other restrictions imposed by law or regulation.
4. Any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgment award or settlement either in whole or part) unless **you** have requested that there be no such limitation and have accepted the terms offered by **us** in granting such cover, which offer and acceptance must be subject to specific endorsement to this policy.
5. This policy does not cover any liability assumed by **you** under any express warranty, agreement or guarantee unless such liability would have attached to **you** irrespective of such express warranty, agreement or guarantee.
6. This policy does not cover death, disablement or **damage** to any **property**, any loss or expense resulting or arising therefrom or any legal liability of whatsoever nature directly or indirectly caused by, contributed to or arising from:

   6.1. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or;
   6.2. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or its nuclear components;

   but as far as concerns **injury** to any **employee** which arises out of and in the course of their employment or engagement by **you** this exclusion applies only in respect of:

   6.3. liability of any principal, including directors, partners, or senior officials;
   6.4. liability assumed by **you** by agreement and which would not have attached in the absence of such agreement.
7. This policy does not cover **damage** directly caused by pressure waves caused by aircraft and other aerial devices travelling at Sonic or supersonic speeds.
8. This policy does not cover
   8.1. **money**, jewellery, precious stones, precious metals (except where parts of machinery or tools) bullion, bonds, furs, curiosities, rare books, works of art, patterns, models, moulds, plans and designs; or
   8.2. **goods** held in trust or on commission, documents, manuscripts, **business** books, **computer systems**, records, explosives, video tapes or cassettes for sale or hire; or
   8.3. **property** in transit

   unless specifically mentioned.
9. This policy does not cover liability, **damage** or consequential loss directly or indirectly caused by or arising out of **terrorism** except as provided for in section 8. employers liability extension 3.. In any action, suit or other proceedings where **we** allege that **damage** or consequential loss caused by **terrorism** is not covered by this policy. The burden of proving that such **damage** or consequential loss is covered will be upon **you**.
10. This policy does not cover **damage** or consequential loss in Northern Ireland occasioned by, happening through or in consequence directly or indirectly of civil commotion.
11. This policy does not cover any liability caused by or arising out of **pollution** apart from that specified under Section 1-Material damage, Section 2-Business interruption, Section 4-Trade all risks and Section 9-Public/products liability.
12. **We** will not indemnify **you** against liability in respect of any loss, cost or expense directly or indirectly arising out of, resulting as a consequence of or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which has contributed concurrently or in a consequence of loss.

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

General exclusions

13. **Property** cyber and **data** exclusion
    13.1. Notwithstanding any provision to the contrary within this policy or any endorsement thereto this policy excludes any
        13.1.1. **cyber loss**;
        13.1.2. loss, **damage**, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **data**, including any amount pertaining to the value of such **data**;

    regardless of any other cause or event contributing concurrently or in any other sequence thereto.
    13.2. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder will remain in full force and effect.
    13.3. This exclusion supersedes and, if in conflict with any other wording in the policy, or any exclusion, clause, endorsement, or condition, having a bearing on **cyber loss** or **data**, replaces that wording.

14. This policy does not cover **damage**, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

15. **Communicable disease** exclusion
    (this exclusion does not apply to Section 8 – Employers liability)
    15.1. This policy does not insure any loss**, damage**, liability, **injury**, claim, cost, expense, or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a **communicable disease** or the fear or threat (whether actual or perceived) of a **communicable disease**.
    15.2. For the purposes of this endorsement, loss, **damage**, liability, **injury**, claim, cost, expense, or other sum, includes, but is not limited to, any cost to clean up, detoxify, remove, monitor or test
        15.2.1. for a **communicable disease**, or
        15.2.2. any **property** insured hereunder that is affected by such **communicable disease**.
    15.3. This exclusion applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage with the exception of the cover provided under Section 8 – Employers liability of this insurance.

16. **We** will not indemnify **you** under this insurance against liability arising from any work conducted at heights exceeding 10 (ten) metres from ground or floor level.

17. **We** will not indemnify **you** under this insurance against liability arising from work conducted at depths exceeding 2 (two) metres.

18. **We** will not indemnify **you** under this insurance against liability arising from or in connection with any hazardous work, hazardous work is defined as:
    18.1. any work of demolition except demolition solely undertaken with handheld tools and of structures not exceeding 5 (five) metres in height when such work forms an ancillary part of a contract for construction alteration or repair; and
    18.2. roofing work of any nature and/or work on roofs including repair and construction of owned **premises;** and
    18.3. the construction alteration maintenance or repair of bridges, viaducts, towers, steeples, spires, pylons or chimney shafts; and
    18.4. work involving underpinning pile driving quarrying tunnelling mines ships or blast furnaces; and
    18.5. the construction of basements
        18.5.1. in excess of 2 (two) floors; and/or
        18.5.2. in excess of 50 (fifty) square metres;
    18.6. the use of explosives; and
    18.7. any work undertaken airside or on or in the immediate vicinity of aircraft; and
    18.8. the burning of debris, waste, or other discarded materials; and
    18.9. any work on or in
        18.9.1. docks, piers, wharves, breakwaters, sea walls, water diversion schemes, dams, canals or harbours;
        18.9.2. railways, ships or airports;
        18.9.3. chemical or petrochemical works, tanks or chambers;
        18.9.4. bulk oil or gas refineries or storage facilities;
        18.9.5. power stations or nuclear power stations;
        18.9.6. collieries or mines;
        18.9.7. new build **contract sites** exceeding four floors in post codes EC1-4, SW1, W1,W2, W9, W10, WC1, WC2 or E14;

How to make a claim

If **you** need to make a claim under Sections 1 – 7 of this insurance **we** have appointed the following Third Party Administrator to manage **your** claim on **our** behalf**:**

Broadspire
Second Floor
Ashton House
499 Silbury Boulevard
Milton Keynes
MK9 2AH

You can telephone Broadspire on	01908 302 214
You can email Broadspire at	britukproperty@broadspiretpa.co.uk

Please quote **your** Premco Underwriting policy number in all correspondence, this can be found on **your schedule**

If **you** wish to make a claim under any other section please contact:

Premco Underwriting
Stanhope House
12 Stanhope Place
Edinburgh
EH12 5HH

You can telephone them on	0330 165 2000
You can email them at	claims@premco.co.uk

You can download the relevant claim form from **our** website www.premco.co.uk/premco-claims

Claims conditions

1. If **you** make a fraudulent claim under this insurance, **we**:
   1.1. Will not pay the claim; and
   1.2. may recover (from **you**) any sums already paid by **us** in respect of the fraudulent claim; and
   1.3. may terminate this insurance from the time of the fraudulent act.

   If **we** exercise **our** right under point 1.3. above:
   1.4. **We** will not pay any claim which occurs after the time of the fraudulent act; and
   1.5. will not **return** any of the premiums paid.

2. If **you** wish to intimate a claim under the terms of this policy the following conditions precedent to **our** liability will apply:
   2.1. it is a condition that **you** notify **us** as soon as possible of anything which could give rise to any claim being made against **you** and for which there could be liability under this policy. If **you** do not do so **we** can reject, or be unable to deal with **your** claim, or be unable to pay **your** claim in full. Details of how to give this notice are given on page GEN15.
   2.2. It is a condition that **you** notify **us** without delay, and certainly within seven days, when any claim is actually made against **you** (whether written or oral) and for which there could be liability under this policy. If **you** do not do so **we** can reject, or be unable to deal with **your** claim, or be unable to pay **your** claim in full. Details of how to report a claim are given on page GEN15.
   2.3. It is a condition that **you** advise **us** without delay, and certainly within seven days, if at any time **you** know of any impending prosecution, inquest, or fatal accident inquiry in connection with any claim or circumstance notified under (a) or (b) above. If **you** do not do so **we** can reject, or be unable to deal with **your** claim, or be unable to pay **your** claim in full. Details of how to give this notice are given on page GEN15.
   2.4. It is a condition that **you** will, as soon as possible, provide **us** with such particulars and information as **we** will require in relation to any occurrence or claim notified to **us**, and forward to **us**, without delay, and certainly within seven days, every letter, claim form, writ, summons, process, or any other legal papers. If **you** do not do so **we** can reject, or be unable to deal with **your** claim, or be unable to pay **your** claim in full.

3. **We** will be entitled to take over and conduct in **your** name the defence or settlement of any claim, and can choose to prosecute at **our** own expense and for **our** benefit any claim for insurance or damages against any other persons, and **you** agree to provide all information and assistance required. If **you** do not do so **we** can reject, or be unable to deal with **your** claim, or be unable to pay **your** claim in full. No admission of liability or offer, promise or payment can be made without **our** written consent.

4. **We** will not pay any claim under this policy unless **you** have complied with the terms of condition 2.

5. If **we** choose or are required to reinstate or replace any **property you** must at **your** own expense give **us** all such plans, documents, books and information as **we** will reasonably require.

   We are not bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner and are not in any case bound to pay out more than the sum insured on any item.

6. In the event of any **damage** for which a claim is or could be made under this policy **we** and any person authorised by **us** can, without incurring any liability or diminishing **our** right to, rely upon any conditions of this policy enter, take or keep possession of the building or **premises** where the **damage** has happened and any **property** insured under this policy.

   If **you** or anyone acting on **your** behalf does not comply with **our** requirements or hinders or obstructs **us** in doing any of the above, then all benefit under this policy will be forfeited. **You** are not in any case entitled to abandon any **property** to **us** whether **we** take possession of it or not.

   You or anyone acting on **your** behalf must not make any admission, offer, promise or payment without **our** written consent. **We** have the right to take over and conduct in **your** name the defence or settlement of any claim or to prosecute any claim in **your** name for **our** own benefit and **we** will have full discretion in the conduct of any proceedings and in the settlement of any claim.

   You must give **us** all such assistance as **we** require.

7. Any claimant under this policy must at **our** request and expense do and allow all such acts and things as **we** reasonably require for the purpose of enforcing any rights and remedies **we** have of obtaining recovery or indemnity from third parties, irrespective of whether **we** require this before or after **we** indemnify **you**.

8. *Not applicable to Section 3 part 2 - Personal injury (robbery)*
   If at the time of any claim there is any other insurance covering **your** interest in the **property damaged** or the same legal liability **our** liability under this policy is limited to its rateable proportion of such claim.

   If the other insurance is subject to any condition of average this policy if not already subject to any condition of average will be subject to average in the same way.

   If any other insurance effected by **you** or on **your** behalf covers any of the **property** insured but is subject to any provision which excludes it from ranking concurrently with this policy either in whole or in part or from contributing rateably to the **damage**, **our** liability under this policy is limited to such proportion of the **damage** as the sum insured bears to the value of the **property**.

9. *Not applicable to Section 3 part 2 - Personal injury (robbery,*
   If any difference as to the amount to be paid under this policy (liability being otherwise admitted) arises, it will be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is referred to arbitration the making of any award will be a condition precedent to any right of action against **us**.

How to make a complaint

Your right to complain

Our aim is to ensure that all aspects of **your** insurance are dealt with promptly, efficiently and fairly. At all times **we** are committed to providing **you** with the highest standard of service.

If **you** have any questions or concerns about **your** policy or the handling of a claim **you** must, in the first instance, contact **us** or **your** broker where applicable. In the event that **you** remain dissatisfied and wish to make a complaint, **you** can do so at any time. Making a complaint does not affect any of **your** legal rights.

Sections 1-7 of **your** insurance policy are underwritten for **Lloyd's** Syndicate 2987 managed by Brit Syndicates Ltd by Premco Underwriting which is an Approved Coverholder at **Lloyd's**. If **you** wish to make a complaint about this insurance, **you** can contact:

The Complaints Department
Brit Syndicates Ltd
By email: BGS.Complaints@britinsurance.com
By telephone: 0044 (0) 20 385 70000
By facsimile: 0044 (0) 20 385 70001
By mail: The Leadenhall Building, 122 Leadenhall Street, London EC3V 4AB

Sections 8-13 of **your** insurance policy are underwritten for Allied World by Premco Underwriting which is an Approved Coverholder at **Lloyd's**. If **you** wish to make a complaint about this insurance, **you** can contact:

Crawford Boyd
Premco Underwriting
By email: complaints@premco.co.uk
By telephone; 0330 165 2000
By mail: Stanhope House, 12 Stanhope Place, Edinburgh EH12 5HH

Section 14 of **your** insurance policy are underwritten by **Lloyd's** Syndicate 1967 managed by W. R. Berkley Syndicate Management Ltd. If **you** wish to make a complaint about this insurance, **you** can contact:
Compliance Department
W/R/B Underwriting
By email: complaints@wrbunderwriting.com
By mail: 14th Floor, 52 Lime Street, London EC3M 7AF

If **your** complaint cannot be resolved by the Complaints Department within two weeks, or if **you** have not received a response within two weeks **you** are entitled to refer the matter to **Lloyd's**. **Lloyd's** will then conduct a full investigation of **your** complaint and provide **you** with a written final response.

Lloyd's contact details are:
By email: complaints@Lloyd's.com
By telephone: 44 (0)20 7327 5696
By mail: Policyholder & Market Assistance, Fidentia House, Walter Burke Way, Chatham Maritime, Chatham, Kent ME4 4RN

Details of **Lloyd's** complaints procedures are set out in a leaflet "**Your** Complaint – How **We** Can Help" available at www.lloyds.com/complaints and are also available from the above address.

If **you** remain dissatisfied after **Lloyd's** has considered **your** complaint, or if **you** have not received a written final response within eight weeks from the date Amlin received **your** complaint, **you** are entitled to refer **your** complaint to the Financial Ombudsman Service who will independently consider **your** complaint free of charge.

The Financial Ombudsman Service contact details are:
By email: complaint.info@financial-ombudsman.org.uk
By telephone: 0207 964 0500 or from a mobile 0300 123 9123
By facsimile: 0207 964 0500
By mail: The Financial Ombudsman Service, Exchange Tower, London E14 9SR
There is information regarding the Financial Ombudsman Service on its website which can be found at www.financial-ombudsman.org.uk
Please note:

- **You** must refer **your** complaint to the Financial Ombudsman Service within six months of the date of **our** final response.
- The Financial Ombudsman Service will normally only consider a complaint from private individuals or from a micro-enterprise that has a turnover of less than €2,000,000 (two million Euros) and fewer than 10 **employees** or a small **business** with an annual turnover of less than £6,500,000 (six and a half million pounds) and a balance sheet total of less than £5,000,000 (five million pounds) or fewer than 50 (fifty) **employees**.

How to cancel your policy

Cancellation

You can cancel this insurance at any time by notifying **your** insurance agent in the first instance, the name of **your** insurance agent is detailed in the **schedule** issued with this policy or by writing to Premco at Stanhope House, 12 Stanhope Place, Edinburgh EH12 5HH or by emailing info@premco.co.uk or by telephoning 0330 165 2000.

If **you** have not made a claim under the terms of this policy at the time **you** wish to cancel it, and **you** are not aware of any incident which will give rise to a claim, **we** will refund a proportionate amount of **your** premium provided the premium has not been designated as a minimum and deposit premium in the **schedule**.

Cooling off

You can cancel this insurance within 14 days of it commencing by notifying **your** insurance agent in the first instance, the name of **your** insurance agent is detailed in the **schedule** issued with this policy, or by writing to Premco at Stanhope House, 12 Stanhope Place, Edinburgh EH12 5HH or by emailing info@premco.co.uk or by telephoning 0330 165 2000. If **you** cancel this insurance within 14 days of it commencing **you** will be charged a pro-rata premium for the period of cover provided, however, if **you** have intimated a claim or intend to intimate a claim occurring within 14 days of it commencing the full premium is payable without refund and any refund granted must be repaid before **we** will deal with any claim.

Section 1 - Material damage

Definitions

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

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

All other contents
1. Personal effects, pedal cycles, tools, instruments and the like belonging to **employees**, principals, directors, customers and visitors to the extent that they are not more specifically insured.
   We will not pay more than £750 (seven hundred and fifty pounds) in respect of any one person or for jewellery, watches, furs, contact lenses, portable electronic entertainment equipment, cameras or **money** or £250 (two hundred and fifty pounds) for any one pedal cycle in respect of any one person.
2. Computer records, documents, manuscripts and **business** books for an amount not exceeding £25,000 (twenty five thousand pounds) in respect of any one loss.
3. Patterns, models, moulds, plans and designs.
4. **Money** and securities of any description but for not more than £1,000 (one thousand pounds) in total and subject to any specific exclusions in this insurance.
5. Wines, spirits, cigarettes and tobacco other than **stock** but for not more than £1,000 (one thousand pounds) in total in respect of **damage** by theft (if insured).
6. Motor vehicles and their contents but not for more than £25,000 (twenty five thousand pounds) and only if they are not otherwise insured.
7. Rare books or works of art but for not more than £1,000 (one thousand pounds) in total any one **period of insurance**.

Buildings *(Applies also to Section 2 - Business interruption)*
1. Buildings (being built mainly of brick, stone, concrete or other non-combustible materials unless otherwise stated in the **schedule**).
2. Landlords' fixtures and fittings in and on the buildings.
3. Small outside buildings, extensions, annexes, gangways.
4. Walls, car parks, roads, pathways and loading bays.
5. Services, meaning telephone, gas and water mains, electrical instruments, meters, piping, cabling and the like extending from the buildings to the perimeter of the **premises** or to the public mains (including those underground).

Computer equipment
1. Computer equipment including fixed disks and interconnected wiring used for processing electronic **data** together with visual display units, printers and **data** carrying materials but excluding any such equipment controlling any manufacturing process.
2. Ancillary equipment solely for use with the computer equipment comprising air conditioning, cooling equipment, generating equipment, voltage regulating equipment, telecommunication links, electronic access equipment and temperature and humidity recording equipment.
3. **Data** carrying materials being current and back-up disks, tapes and other materials (excluding paper records of any description).

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

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

Keyholder
You or any **responsible person** or keyholding company **you** authorise
1. to accept notification of faults or alarm signals relating to the **intruder alarm system**; and
2. to attend and allow access to the **premises**.

At least one keyholder must be available at all times.

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

Property insured
Buildings, general contents, all other contents, stock and **other property** at the **premises** (subject to any specific exclusions) all as defined below or more fully described in the **schedule** and all belonging to **you** or for which **you** are responsible but excluding
1. property which is more specifically insured; and
2. unless specifically notified to and accepted by **us** as insured
   2.1. land, piers, jetties, bridges, culverts or excavations; and
   2.2. livestock, growing crops or trees unless they form part of the **general contents**.

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

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

Section 1 - Material damage

Insuring clause

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

Our liability in any one **period of insurance** will not exceed
1. the total sum insured; or
2. in respect of any item, its sum insured; or
3. any other stated limit of liability.

Covers

1. **Fire, lightning and explosion** but not **damage** caused by
    1.1. earthquake, subterranean fire, riot, civil commotion;
    1.2. its undergoing any heat process or any process involving the application of heat;
    1.3. explosion of non – domestic steam pressure machinery or equipment under **your** control.
2. **Aircraft** or other aerial devices or articles dropped from them but not **damage** caused by
    2.1. pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
    2.2. fire.
3. **Riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances or malicious persons** but not **damage** arising from
    3.1. confiscation, requisition or destruction by order of the government or any public authority;
    3.2. stopping work;
    3.3. fire caused by strikers, locked out workers or persons taking part in labour disturbances or malicious persons;
    3.4. theft or attempted theft directly caused by malicious persons to any **building** which is **unoccupied** or not in use for more than 30 days.
4. **Earthquake or subterranean fire.**
5. **Storm** but not **damage**
    5.1. caused by lightning, frost, subsidence, ground heave or landslip;
    5.2. in respect of movable **property** in the open, fences and gates.
6. **Flood** but not **damage**
    6.1. attributable solely to change in the water table level;
    6.2. caused by lightning, frost, subsidence, ground heave or landslip;
    6.3. in respect of movable **property** in the open, fences and gates.
7. **Escape of water** from any tank, apparatus or pipe but not **damage**
    7.1. by water discharged or leaking from any automatic sprinkler installation;
    7.2. in respect of any **building** which is **unoccupied** or not in use for more than thirty (30) days.
8. **Accidental escape of water** from any automatic sprinkler installation in the **premises** but not **damage** caused by
    8.1. freezing whilst the **building** is **unoccupied** or not in use for more than thirty (30) days;
    8.2. explosion, earthquake, subterranean fire or heat caused by fire.
9. **Impact** by any road vehicle or animal.
10. **Accidental damage** but not:
    10.1. **Damage** caused by
        10.1.1. any of the covers specified above;
        10.1.2. the causes expressly excluded from the covers specified above whether or not insured;
        10.1.3. inherent vice, latent defect, gradual deterioration, wear and tear, faulty or defective design or materials;
        10.1.4. faulty or defective workmanship, operational error or omission on the part of **you** or any **employee**, but this does not include subsequent **damage** which itself results from a cause not otherwise excluded;
        10.1.5. corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
        10.1.6. change in temperature, colour, flavour, texture or finish;
        10.1.7. the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunication services;
        10.1.8. joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any steam and feed piping connected to them;
        10.1.9. mechanical, electronic, electrical or computer breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates but this will not exclude subsequent **damage** so long as it is not excluded above;
        10.1.10. **pollution**;
        10.1.11. normal settlement or bedding down of new structures;
        10.1.12. acts of fraud or dishonesty;

- 10.1.13. disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
- 10.1.14. **damage** to a **building** or structure caused by its own collapse or cracking;
- 10.1.15. any process of production, packing, treatment, testing, commissioning, servicing or repair;
- 10.1.16. nationalisation, confiscation, requisition, seizure or destruction by the government or any public authority.

10.2. **Damage** to

- 10.2.1. movable **property** in the open, fences and gates caused by wind, rain, hail, sleet, snow, flood or dust;
- 10.2.2. vehicles licensed for road use (including their accessories) caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;
- 10.2.3. **property** or structures in course of construction or erection and materials or supplies in connection with this other than internal alterations or refurbishments not more specifically insured under a **contract works** policy;
- 10.2.4. glass.

11. **Glass**

11.1. Glass breakage at the **premises** all being plain sheet or plain plate glass unless stated otherwise in the **schedule** including the cost of boarding up and any lettering and artwork.

11.2. **Damage** to

- 11.2.1. the contents of display windows;
- 11.2.2. windows and doorframes, vitrolite, marble, marmerile and similar materials, intruder alarm foils and other detection devices and circuits;
- 11.2.3. electric light fittings;
- 11.2.4. neon and illuminated signs;

as a direct result of glass breakage as defined under paragraph 11.1 provided that **our** liability will not exceed £10,000 (ten thousand pounds) in total.

12. **Breakage of fixed sanitaryware** but not breakage or **damage**

- 12.1. in vehicles, vending machines or to **stock** in trade;
- 12.2. in any **building** which is **unoccupied** or not in use for more than 30 days unless specifically agreed by **us**;
- 12.3. in transit or while being fitted;
- 12.4. due to settlement, expansion or contraction of frames or fittings in **buildings** under construction and during a period of six months after the date of completion;
- 12.5. existing before the start of the **period of insurance**;
- 12.6. of neon and illuminated signs and electric light fittings;
- 12.7. by wear and tear, gradual deterioration, mechanical or electrical breakdown or removal from the fixed position other than by theft or attempted theft;
- 12.8. of bulbs or tubes unless the signs or fittings are also **damaged**;
- 12.9. caused by fire or explosion.

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

13.1. which does not involve

- 13.1.1. entry to or exit from a **building** by forcible and violent means; or
- 13.1.2. actual or threatened assault or violence;

- 13.2. from any part of the **building** not occupied by **you** for the purpose of the **business**;
- 13.3. from the open or from any outbuilding not communicating with the main **building** unless otherwise specified;
- 13.4. to **property** in transit;
- 13.5. to **money** and securities of any description.

For the purpose of this cover **building** does not include walls, gates, fences, yards, car parks, roads, pathways and loading bays.

14. **Subsidence, ground heave or landslip** of any part of the site on which the premises stands but not **damage**

14.1. to yards, carparks, roads, pavements, walls, gates and fences unless also affecting the structure of a **building**;

14.2. caused by

- 14.2.1. normal settlement or bedding down of new structures;
- 14.2.2. settlement or movement of made up ground;
- 14.2.3. coastal or river erosion;
- 14.2.4. fire, subterranean fire, explosion, earthquake or the escape of water from any tank apparatus or pipe which originated before the inception of this cover;

14.3. resulting from

- 14.3.1. demolition, construction, structural alteration or repair of any **property**; or
- 14.3.2. groundwork or excavation

at the same **premises**.

Special condition to cover 14

You must notify **us** by contacting Premco Underwriting by email: insure@premco.co.uk or by telephone: 0330 165 2000 when **you** become aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site. **We** will then have the right to vary the terms or cancel this cover.

Section 1 - Material damage

Excess

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

Conditions

*The following are conditions of the insurance that **you** need to meet as **your** part of this contract before **you** are entitled indemnity under this insurance. If **you** do not meet any of these conditions and that either causes a claim or contributes to a claim, **we** can reject that claim or payment in respect of that claim could be reduced. These conditions apply in addition to the general conditions on page GEN9 to page GEN12 and the claims conditions on page GEN16.*

1. **Electrical circuits condition**
   It is a condition precedent to **our** liability that all electrical circuits are tested at least every five years by qualified electrical engineers and that any defects identified are remedied in accordance with the regulations of the Institute of Electrical Engineers.

2. **Accumulation of & external storage of waste, combustible goods or materials condition**
   It is a condition precedent to **our** liability that:
   2.1. all trade refuse is collected or swept up and bagged daily and removed from the buildings at least weekly and not allowed to accumulate in the buildings; and
   2.2. all oily greasy and dirty rags or wipes and impregnated waste are kept in lidded metal bins when not in use and outside of **business** hours; and
   2.3. any waste and /or combustible **goods** & materials (including idle pallets) stored, placed or temporarily sited, in the open out of **business** hours is done so at least 10 metres away from the buildings; and
   2.4. **you** do not undertake the burning of any waste, combustible **goods**, materials or debris within 20 metres of the **premises.**

3. **Property maintenance and safety condition**
   It is a condition precedent to **our** liability that
   3.1. any guttering, gullies or down-pipes are checked for blockages or defects by a competent person at the start of or renewal of this policy and after that, at six monthly intervals, with any remedial action required to be implemented as soon as reasonably practicable; and a record of all inspections will be made and kept by **you;** and
   3.2. there is a heating system linked to a frost-stat and a minimum temperature of 4°C is maintained between 31st October and 31st March annually or that all pipes are adequately lagged to minimise the risk of fracturing and bursting; and
   3.3. all fire extinguishing appliances must be maintained in full working order and inspected as required regularly during the currency of this insurance and any defect disclosed by such inspection be remedied promptly.

4. **Minimum security condition**
   It is a condition precedent to **our** liability that
   4.1. all external doors at the **premises** and any internal doors leading to other premises must be secured by mortise deadlocks and box striking plates which conform to British Standard 3621 specification or by other locking devices agreed by **us**; and
   4.2. all opening sections of external ground floor windows and all other windows which are accessible from roofs, fire escapes or downpipes must be fitted with key operated window locks.

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

   No cover will be in operation for theft or attempted theft involving entry into or exit from the **premises** and malicious **damage** and fire caused by arson unless
   4.3. the **premises** are protected to the minimum standard detailed above; and
   4.4. security devices stipulated are in full and effective operation whenever the **premises** are left unattended or the **premises** have been surveyed by one of **our** Risk Control Surveyors and **we** have accepted, and confirmed to **you** in writing, alternative levels of security.

5. **Portable space heaters exclusion**
   It is a condition precedent to **our** liability that there is no use of portable oil, gas, liquid petroleum gas or radiant bar heaters at the **premises**.

6. **Computer system records**
   It is a condition precedent to **our** liability that **computer systems** records used in connection with the **business** are backed up on a daily basis with a copy being kept elsewhere than at the **premises**.

7. **Reinstatement**
   Subject to the following, the basis upon which **we** will calculate the amount payable in respect of **property insured** by all items, other than stock, mobile / contracting plant, motorised vehicles and plant and their accessories, pedal cycles and personal effects belonging to employees, directors, visitors and guests or rent, will be the reinstatement of the property **damaged** to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

   For this purpose "reinstatement" means
   7.1. the rebuilding or replacement of property lost or destroyed which, provided **our** liability is not increased, may be carried out;
      7.1.1. in any manner suitable to **your** requirements; or
      7.1.2. upon another site; or
   7.2. 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.

However

7.3. **our** liability for the repair or restoration of property **damaged** in part only will not exceed the amount which would have been payable had such property been wholly destroyed; and

7.4. no payment beyond the amount which would have been payable in the absence of this condition will be made;

7.4.1. unless reinstatement commences and proceeds without unreasonable delay;

7.4.2. until the cost of reinstatement has been incurred; or

7.4.3. if the **property insured** at the time of its **damage** is insured by any other insurance effected by or on **your** behalf which is not upon the same basis of reinstatement.

All other terms and conditions of the policy will apply;

7.5. in respect of any claim payable under the provisions of this condition; or

7.6. where claims are payable as if this condition had not been incorporated; and

7.7. if at the time of reinstatement, the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item subject to this condition exceeds its sum insured at the commencement of any **damage** then the property is underinsured. If the property is underinsured **our** liability will not exceed that proportion of the amount of the **damage** which said sum insured bears to the sum representing the total cost of reinstating the whole of such property at that time.

Paragraph 7.7 above does not apply to **buildings** and contents indicated in the schedule to be indexed linked.

8. **Frying and cooking**

If in relation to any claim for **damage** to the property insured caused by or resulting from fire or explosion, **you** have failed to fulfil any of the following conditions, **you** will lose **your** right to indemnity or payment for that claim.

For the purposes of this condition only the following definitions apply:

Frying and cooking equipment means all frying and cooking equipment, including equipment used for frying by immersing in fat or oil.

Qualified contractor means a company which is a member of the Building & Engineering Services Association (BESA), formerly HVCA.

Where **frying and cooking equipment** is located within the premises:

8.1. all **frying and cooking equipment** must be installed, operated and maintained in accordance with the manufacturer's instructions;

8.2. no **frying and cooking equipment** using fats, oils or coals must be left without a competent person remaining continuously near the cooking equipment, either in full view of it or positioned where they are able to take action to prevent, extinguish or control a fire starting from such equipment while the heat source is operating;

8.3. all **frying and cooking equipment** used for frying by immersing in fat or oil must be fitted with;

8.3.1. a thermostat which prevents the temperature of fat or oil exceeding 205 (two hundred and five) degrees centigrade (401 (four hundred and one) degrees Fahrenheit);

8.3.2. a separate elevated temperature limit thermostat without automatic resetting, which must be immersed in oil to ensure it works as required, to shut off the heat source if the temperature of fat or oil exceeds 225 (two hundred and twenty-five) degrees centigrade (440 (four hundred and forty) degrees Fahrenheit), and

8.3.3. gas heated equipment is additionally fitted with a flame failure cut-off device;

8.4. an emergency shut-down device for the fuel supply and the extraction system is fitted in a position remote from the **frying and cooking** equipment;

8.5. **all frying and cooking equipment** including flues and extract system ducting, must be kept from contact with and not in close proximity to combustible material including any such material within or forming part of the buildings;

8.6. suitable fire extinguishers and/or blankets must be kept in the frying and cooking area and staff are fully trained how to use them;

8.7. all extract hoods, canopies, canopy exhaust plenums, filters and grease traps must be thoroughly cleaned over their entire internal and external areas by the removal of all greasy and oily deposits and other waste materials at least every month;

8.8. the entire internal area of all flues and extract system ducting, including extraction motors and fans must be thoroughly cleaned in accordance with the "HVCA Guide to Good Practice TR/19 - Internal Cleanliness of Ventilation Systems" by a **qualified contractor**, who must provide a written report with photographs to evidence the condition of the ductwork before and after cleaning, together with the removal of all greasy and oily deposits and other waste materials, at least annually or at a frequency recommended by a **qualified contractor**;

8.9. if the entire internal areas of all flues and extract system ducting, including extraction motors and fans, have not been so cleaned within six months prior to the inception of this insurance or the addition of this condition, then they must be so cleaned within thirty days of the inception of this insurance or the addition of this condition, and at least annually thereafter or at a frequency recommended by a **qualified contractor**.

Optional conditions

*(These apply only if stated in the **schedule**)*

9. **Automatic fire alarm**

We have agreed with **you** that there is an automatic fire alarm installed on the **premises** and **you** undertake to keep the installation in efficient working order.

It is a condition precedent to **our** liability that **you**

9.1. make a test every day (holidays excepted) for the purpose of checking the condition of the batteries, the brigade connection and all detector circuits; and
9.2. obtain promptly a quarterly report from the installing engineers and remedy any defect revealed and make the report available to **our** representatives when required; and
9.3. advise the installing engineers without delay of any serious disablement, disconnection or temporary disuse of the installation (except during actual testing) and keep a note of this together with a note of the length of time the installation was not working for examination by **our** representatives when required; and
9.4. notify **us** without delay of the removal of any automatic fire alarm installation for which a discount has been allowed and undertake to return a pro rata share of the discount for the unexpired time.

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

10. **Day one basis (non-adjustable)**
The insurance by the item(s) indicated in the **schedule** is subject to the following
10.1. The premium on each item has been calculated on the **declared value** calculated by **you**.

Declared value means **your** assessment of the cost of reinstatement of the **property insured** in a condition equal to but not better or more extensive than when new at the level of costs applying at the inception of the **period of insurance** (ignoring inflationary factors which can operate subsequently) together with allowance if required for
10.1.1. the additional cost of reinstatement to comply with public authority requirements; and
10.1.2. professional fees; and
10.1.3. debris removal costs.
10.2. At the beginning of each **period of insurance**, **you** must notify **us** of the **declared value** of the **property insured** by each of the item(s). In the absence of a declaration, **we** will take the last amount declared by **you** as the **declared value** for the next **period of insurance**.
10.3. Item 7.7 of the Reinstatement condition 7 is restated as follows;
10.3.1. if at the time of **damage** the declared value of the **property** covered by such item is less than the cost of the reinstatement at the inception of the **period of insurance**, **our** liability for the **damage** will not exceed that proportion which the declared value bears to the cost of reinstatement.
10.3.2. all the other terms and conditions of the policy will apply in respect of any claim payable under this condition so far as they are able, except, where claims are payable as if this condition had not been incorporated the sum(s) insured will be limited to 115% (one hundred and fifteen per cent) of the declared value(s).

11. **Day one basis (adjustable**)
The insurance by the item(s) indicated in the **schedule** is subject to the following
11.1. The premium on each item has been calculated on the **declared value** calculated by **you**.

Declared value means **your** assessment of the cost of reinstatement of the **property insured** in a condition equal to but not better or more extensive than when new at the level of costs applying at the inception of the **period of insurance** (ignoring inflationary factors which can operate subsequently) together with allowance if required for
11.1.1. the additional cost of reinstatement to comply with public authority requirements; and
11.1.2. professional fees; and
11.1.3. debris removal costs.
11.2. At the beginning of each **period of insurance**, **you** must notify **us** of the **declared value** of the **property insured** by each of the item(s). In the absence of a declaration, **we** will take the last amount declared by **you** as the **declared value** for the next **period of insurance.**
11.3. The premium calculated on the items is provisional. On expiry of each **period of insurance**, **we** will adjust the premium by 50% (fifty per cent) of the difference between
11.3.1. the provisional premium at the beginning of the **period of insurance**; and
11.3.2. the premium calculated for the subsequent **period of insurance**
based on the terms which have applied during the period under adjustment.
11.4. For the purpose of paragraph 9.3 of this condition
11.4.1. if **you** cancel or do not renew the policy or any of the items, **you** must tell **us** the declared value of the **property insured** by each of the item(s) which apply at the date of cancellation or non-renewal;
11.4.2. if **property** has not been reinstated following **damage**, **you** must tell **us** the declared value as though the **property** had not been **damaged**;
11.4.3. if **you** do not tell **us** the declared value, **we** will charge an additional premium of up to 7.5% (seven and a half per cent) of the provisional premium.
11.5. Item 7.7 of the Reinstatement condition 7 is restated as follows:
11.5.1. if at the time of **damage** the **declared value** of the **property** covered by such item is less than the cost of the reinstatement at the inception of the **period of insurance**, then **our** liability for the **damage** will not exceed that proportion which the declared value bears to the cost of reinstatement;
11.5.2. all the other terms and conditions of the policy will apply in respect of any claim payable under this condition so far as they are able except that where claims are payable as if this clause had not been incorporated the sum(s) insured will be limited to 102% (one hundred and two per cent) of the declared value(s).

12. **Metal workers**
The insurance on **general contents** and **stock** applies to the **premises**

12.1. of any machine maker, engineer, founder or other metal worker;
12.2. of any customer, agent, supplier or exhibition; or
12.3. of any sub-contractor

but not any **premises** occupied by **you** in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man subject to a limit overall of 10% (ten per cent) of the sum(s) insured on these items or £100,000 (one hundred thousand pounds) whichever is the less.

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

14. **Sprinkler installations and fire extinguishing appliances maintenance**
Our acceptance of **your** property insurance risk is subject to there being automatic sprinklers and fire extinguishing appliances installed on the **premises** and **we** are provided with details of these.

It is a condition precedent to **our** liability that **you** maintain both the automatic sprinklers and fire-extinguishing appliances in full working order at all times and **you** must
14.1. arrange a weekly test to check that the alarm gong is working and that the stop valves controlling the individual water supplies and the installation are fully open; and
14.2. arrange quarterly or half-yearly tests if **we** require for the purpose of checking that each water supply is in order. **You** must record the results of each test; and
14.3. arrange a weekly test to check the condition of the fire brigade connection and the batteries for each approved system for sending alarm signals from sprinkler installations to the fire brigade; and
14.4. test every day (holidays excepted) to check the condition of the circuit between the alarm switch and the control panel; and
14.5. remedy promptly any defect revealed by such tests.

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

15. **Stock declaration**
The first and annual premiums detailed in the **schedule** are provisional and at the end of each **period of insurance** the actual premium will be calculated as follows:
15.1. **You** will tell **us** in writing as soon as possible the value of the **property** on the last day of each calendar month or each quarter as agreed with **us**. If **you** do not tell **us**, **we** will take the maximum sum insured as the value declared.
15.2. At the end of each **period of insurance** the actual premium will be calculated on the average amount insured i.e. the total of the values declared divided by the number of declarations. If the actual premium is greater than the first or annual premium paid, **you** must pay **us** the difference. If it is less, **we** will refund the difference to **you** but only up to one third of the first or annual premium paid.

We will not reduce the sum insured by the amount of any loss as long as **you** pay the extra premium on the amount of the loss from the date it occurred to the date of the expiry of the **period of insurance**. It is a condition precedent to **our** liability that every insurance on the **property** be identical in wording with this insurance.

16. **Triennial valuationYou** undertake to provide **us** at inception and every 3 (three) years with the separate values of:
16.1. **Buildings** and **general contents** in each **building** or group of **buildings** which **we** classify as a separate risk.
16.2. **Stock** in each **building** or group of **buildings** which **we** classify as a separate risk.
16.3. **Stock** in the open (if insured) based on the figure in **your** last annual stocktaking.

We will revise the rate applied to the insurance if the figures **you** provide differ from those which **we** last used to calculate the average rate.

Special conditions

*(These apply only if stated in the **schedule**)*

17. **Intruder alarm** It is a condition precedent to **our** liability in respect of **damage** that
17.1. the **alarmed premises** are protected by the **intruder alarm system** whenever they are closed for **business** or left unattended; and
17.2. the **intruder alarm system** is maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or such other company agreed with **us**; and
17.3. no alteration to or substitution of
17.3.1. any part of the **intruder alarm system**; and
17.3.2. the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**; and
17.3.3. the maintenance contract;
will be made without **our** written agreement;
17.4. no structural alteration of or changes in the layout to the **premises** that could affect the operation of the **intruder alarm system** will be made without **our** written consent; and
17.5. the **alarmed premises** must not be left without at least one **responsible person** on them without **our** agreement unless
17.5.1. the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals in full operation; or

17.5.2. the police have withdrawn their response to alarm calls;

17.6. all keys to **the intruder alarm system** are removed from the **premises** when they are left unattended; and

17.7. the **keyholders** will keep all codes for the operation of the **intruder alarm system** secret and will not leave details of them on the **premises**;

17.8. **you** will appoint at least two **keyholders** and lodge written details (which must be kept up to date) with the police and the alarm company who are contracted to maintain the alarm;

17.9. if the **intruder alarm system** is activated or the communication signal interrupted then (unless alternative procedures have been agreed with **us** in writing) a **keyholder** will attend the **premises** as soon as **you** are notified and will not leave without there being at least one **responsible person** on the **premises** until the provisions of paragraph 15.5 have been complied with;

17.10. in the event of **you** receiving any notice

17.10.1. that police response to alarm signals/calls from the **intruder alarm system** has been withdrawn or the level of response reduced or delayed; or

17.10.2. from a local authority or magistrate imposing any requirements for abatement of a nuisance; or

17.10.3. from the installing company or other such company as agreed by **us** that the **intruder alarm system** cannot be returned to or maintained in fully working order;

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

Special provision

It is a condition precedent to **our** liability that before **we** agree the alarm specification and maintenance contract arrangements, **you** comply with all the requirements detailed above as if **we** had agreed the specification and maintenance arrangements.

18. **Fireproof doors**

It is a condition precedent to **our** liability that all fireproof doors and shutters are kept closed except during working hours and will be kept in efficient working order during the currency of this section.

19. **Portable space heater** It is a condition precedent to **our** liability that any portable space heater

19.1. is not sited in passageways and other places where it is liable to be overturned or subject to mechanical **damage**; and

19.2. is not sited in areas where flammable atmospheres are habitually or intermittently present; and

19.3. is not sited on combustible floors or surfaces; and

19.4. is kept clear of combustible materials and is provided with a guard to maintain a clear space of at least 1 metre around it.

20. **Premises inspection**

It is a condition precedent to **our** liability that

20.1. the **buildings** are examined at the end of each **business** day for smouldering matches, tobacco or other material; and

20.2. the **employee** detailed to make the examination signs a daily report; and

20.3. the management checks these reports at least once a week.

Extensions

1. **Designation**

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

2. **Additions**

The insurance extends to include

2.1. any newly acquired or built **premises** which is not insured elsewhere; and

2.2. alterations, additions and improvements to **property insured** but not increases in value

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

Cover under this extension in any one situation is limited to 15% (fifteen per cent) of the sum insured on **buildings** and **general contents** or £500,000 (five hundred thousand pounds) whichever is the lesser. **You** must advise **us** of all such additional **property** within 6 (six) months and pay the appropriate additional premium from the date on which the items become **your** responsibility.Once the premium has been paid for the additional **property**, the provisions of this extension are reinstated.

3. **Professional fees**

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

We will not indemnify **you i**n respect of fees

3.1. more specifically insured; or

3.2. incurred in preparing a claim; or

3.3. any form of legal fees.

4. **Automatic reinstatement after a loss**

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

4.1. **you** pay the appropriate additional premium for reinstatement of cover; and

4.2. **you** carry out any reasonable recommendations **we** put forward to prevent further loss.

If the **damage** is by theft (if insured), automatic reinstatement will apply once in each **period of insurance**.

Section 1 - Material damage

5. **Changes of temperature**
   We will pay for **damage** to the **property insured** caused by change of temperature resulting from **damage** to the refrigerating plant, air conditioning plant or connected electrical plant or apparatus as a result of the operation of an insured cover.

6. **Clearing of drains**
   We will pay for costs and expenses necessarily incurred in clearing, cleaning and repairing drains, gutters, sewers and the like at **your premises** and in the immediate vicinity for which **you** are responsible in consequence of **damage**.

   We will not pay more than £25,000 (twenty five thousand pounds) any one claim.

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

8. **Contractor's interest**
   Where **you** are required to effect insurance on the **buildings** in the joint names of **yourselves** and the contractor under the terms of a contract condition, then the interest of the contractor in the **buildings** as a joint insured is noted, subject to details of any single contract valued in excess of £100,000 (one hundred thousand pounds) having been advised to **us** before work commences and an additional premium being paid as appropriate.

9. **Contract works**
   We will pay for **contract works** to the extent to which **you** have contracted to arrange cover subject to a limit of £50,000 (fifty thousand pounds) any one claim at any **premises** and excluding the first £500 (five hundred pounds) of each and every loss.

   This extension will only apply in so far as the **contract works** are not otherwise insured.

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

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

12. **Debris including stock removal**
    We will pay for costs and expenses **you** necessarily incur with **our** consent for;
    12.1. removing debris from;
    12.2. dismantling and/or demolishing;
    12.3. shoring or propping up of;
    12.4. clearing, cleaning or repairing **services** to;
    those parts of the **property insured damaged** by any cover insured.

    We will not pay

    12.5. more than the sum insured for each item;
    12.6. for any costs or expenses;
        12.6.1. incurred in removing debris except from the site of property **damaged** and the area immediately adjacent to it;
        12.6.2. arising from **pollution** or contamination of property not insured by this policy;
        12.6.3. in respect of **damage** which occurred before the granting of cover under this insurance.

13. **Exhibitions**
    The insurance on **general contents** and **stock** applies also at any exhibition premises and while in transit to and from in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man subject to a maximum liability of £12,500 in any one **period of insurance**.

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

14. **Fire extinguishing expenses We** will pay the reasonable costs incurred by **you** for
    14.1. refilling fire extinguishing appliances and replacing used sprinkler heads solely in consequence of insured **damage**;
    14.2. extinguishing operations in order to minimise loss;
    14.3. **damage** to lawns, trees, shrubs and gardens caused by extinguishing operations.

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

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

Section 1 - Material damage

16. **Interest**
    It is understood that other parties can have an interest in certain **property insured** by this policy. The nature and extent of this interest must be disclosed in the event of **damage**.

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

18. **Property at other locations**This insurance applies to the following **property insured** while it is not on the **premises** except that
    - 18.1. the insurance applies only if the **property** is not otherwise insured;
    - 18.2. this extension applies only to **damage** occurring within Great Britain, Northern Ireland, the Republic of Ireland, the Channel Islands or the Isle of Man; and
    - 18.3. **our** liability for any one loss will not exceed the limit shown.

    Property and location
    - 18.4. Documents, manuscripts and **business** books at any location and while in transit subject to a limit of £25,000 (twenty five thousand pounds).
    - 18.5. **Stock** (excluding **goods** held in trust) at any location used by **you** for storage subject to a limit of
        - 18.5.1. £25,000 (twenty five thousand pounds) in respect of theft or attempted theft; and
        - 18.5.2. 15% (fifteen per cent) of the **stock** sum insured but not exceeding £500,000 (five hundred thousand pounds) in respect of other covers.
        - 18.5.3. **Other property** (excluding vehicles licensed for road use) at any location to which the **property** has been temporarily removed for cleaning, renovation or repair and whilst in transit subject to a limit of
            - 18.5.3.1. £25,000 (twenty five thousand pounds) in respect of theft or attempted theft; and
            - 18.5.3.2. 15% (fifteen per cent) of the **other property** sum insured but not exceeding £500,000 (five hundred thousand pounds) in respect of other covers.

19. **Public authorities**
    Subject to the following special conditions, the insurance by this section extends to include the additional cost of reinstatement that are incurred solely by reason of the necessity to comply with the stipulations of building or other regulations under or framed in pursuance of any Act of Parliament or public authority bye-law in respect of the **damaged property insured** and any **undamaged** portions but excluding the following
    - 19.1. The cost incurred in complying with the stipulations
        - 19.1.1. in respect of **damage** occurring before the inception of this clause;
        - 19.1.2. in respect of **damage** not insured by the section;
        - 19.1.3. under which notice has been served on **you** before the happening of the **damage**;
        - 19.1.4. for which there is an existing requirement, which has to be implemented within a given period; or
        - 19.1.5. in respect of **property** entirely **undamaged** by any insured cover.
    - 19.2. The additional cost that would have been required to make good the **property damaged** to a condition equal to its condition when new, had the necessity to comply with the stipulations not arisen.
    - 19.3. The amount of any charge or assessment arising out of capital appreciation which is payable in respect of the **property** or by its owner by reason of compliance with the stipulations.

    Special conditions
    - 19.4. The work of reinstatement must be commenced and carried out without unreasonable delay, and in any case must be completed within 12 (twelve) months after the **damage** or within any further time that **we** allow (during the twelve months), and can be carried out upon another site (if the stipulations require it) subject to **our** liability under this clause not being increased by this.
    - 19.5. If **our** liability under any item of the section, apart from this clause, is reduced by the application of any of the terms and conditions of the policy, then **our** liability under the clause will be similarly reduced.
    - 19.6. The total amount recoverable under any item of the section in respect of this clause will not exceed
        - 19.6.1. in respect of the **damaged property**
            - 19.6.1.1. 15% (fifteen per cent) of its sum insured; and
            - 19.6.1.2. where the sum insured by the item applies to **property** at more than one **premises**, 15% (fifteen per cent) of the total amount for which **we** would have been liable had the **property insured** at the **premises** where the **damage** has occurred been wholly destroyed; or
            - 19.6.1.3. in respect of **undamaged** portions of **property** (other than foundations), 15% (fifteen per cent) of the total amount for which **we** would have been liable had the **property insured** at the **premises** where the **damage** occurred been wholly destroyed.
    - 19.7. The total amount recoverable under any item of the policy will not exceed its sum insured.
    - 19.8. All the terms and conditions of the policy, except where they are varied by this clause, will apply as if they had been incorporated in it.

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

21. **Rent**
    If **we** cover rent of **buildings** which suffer **damage**, **we** will pay:
    - 21.1. In respect of rent receivable, the actual reduction in rent received solely in consequence of the **damage**.

Section 1 - Material damage

21.2. In respect of rent payable, the amount of rent which continues to be payable by **you** in respect of the **building** or parts of the **building** whilst unfit for occupation in consequence of the **damage**.

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

For the purpose of average (General condition 7) the total value will be the annual rent receivable or payable at the start of the **period of insurance**. This amount will be proportionately increased where the period of rent insured exceeds twelve months.

22. **Subrogation waiver**
In the event of a claim arising under this policy, **we** agree to waive any rights, remedies or relief to which **we** are entitled to by subrogation against
22.1. any company standing in the relation of parent to subsidiary (subsidiary to parent) to **you** as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**; or
22.2. any company which is a subsidiary of a parent company of which **you** are a subsidiary as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**.

23. **Theft cover**
Any cover in respect of theft includes
23.1. the cost of repairing **damage** to the **buildings** (whether or not the **buildings** are insured under this section) if **you** are responsible for the repairs and the **damage** is not otherwise insured; and
23.2. the reasonable expenses incurred in necessarily replacing locks to the **buildings** or safes and strongrooms
23.2.1. following a hold-up accompanied by violence or threat of violence whilst such keys are in **your** personal custody or that of any of **your** directors, partners or authorised **employees**; and
23.2.2. involving entry to or exit from the **premises** by forcible and violent means; or
23.2.3. involving entry to or exit from **your** residence or that of any of **your** directors, partners or authorised **employees** by forcible and violent means.

24. **Trace and access**
In the event of **damage** resulting from escape of water or oil as covered by this policy, **we** will pay
24.1. the costs necessarily and reasonably incurred in locating the source of such **damage** and subsequently making good; and
24.2. the cost of repairing or replacing tanks, apparatus, pipes or appliances which have been **damaged** by freezing.

We will not pay more than £10,000 (ten thousand pounds) or 10% (the per cent) of the sum insured by this section, whichever is the lesser.

25. **Workmen and alteration to the premises or business**
Workmen and tradesmen are allowed in or about the **premises** for maintenance purposes and for undertaking minor repairs and alterations without affecting this insurance, but **we** have insured **you** on the basis of information supplied and cover under this policy will cease if
25.1. there are changes to the **premises** or the **building** in which it is located or to **your business** which increases the risk of **damage**, liability, accident or **injury**; or
25.2. there are changes in the occupancy or use of the **premises**.

26. **Additional metered water or oil charges**
The insurance covers additional metered water or domestic heating oil charges **you** incur as a result of **damage** by an insured cover to the water installation or fixed heating installation at the **premises** insured by this policy. **We** will calculate the amount to be paid by comparing the charge made by the water suppliers for the period during which the **damage** occurred with the charges for the previous period, adjusted for any relevant factors affecting **your** consumption of water during the periods concerned.

This extension is not subject to any condition of average.

We will not pay more than £10,000 (ten thousand pounds) in all in respect of any one **period of insurance** excluding the cost or value of metered water or heating oil lost when the **premises** are **unoccupied** or not in use.

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

We will not pay more than £5,000 (five thousand pounds) in any one **period of insurance**.

28. **Seasonal stock increase**
Any sum insured in respect of **stock** is increased by 25% for the months of November and December and for a period of 30 days preceding Easter Day in each **period of insurance**.

Section 1 - Material damage

Exclusions

This section does not cover:

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

2. **Pollution and contaminationDamage** caused by **pollution**
   However, **we** will cover **damage** to the **property insured** caused by
   2.1. **pollution** which itself results from any cover insured (other than cover 10); or
   2.2. any cover insured (other than cover 10) which itself results from **pollution** provided it is not otherwise excluded.

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

4. **Foundations**
   In respect of any sum insured on buildings subject to any condition of average, those parts of the foundations and incombustible floors of buildings (other than machinery foundations) more than 8 (eight) centimetres (five hundred thousand pounds) metres below the level of floors of the lowest storeys (whether such floors constitute the flooring of the basements or otherwise) are excluded from this insurance except where they are within a radius of 60 cms around and below any structural column or similar superstructure support.

Section 2 – Business interruption

Definitions

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

Note 1

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

Note 2

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

Buildings
See Section 1- Material damage.

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

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

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

Indemnity period
The period beginning with the occurrence of the **incident** and ending not later than the **maximum indemnity period** thereafter during which the results of the **business** will be affected in consequence of the **incident**.

Maximum indemnity period
As stated in the **schedule**.

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

Insuring clause

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

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

during the period of insurance.

Covers

1. **Fire, lightning and explosion** but not **damage** caused by
    - 1.1. earthquake, subterranean fire, riot, civil commotion;
    - 1.2. its undergoing any heat process or any process involving the application of heat;
    - 1.3. explosion of non – domestic steam pressure machinery or equipment under **your** control.
2. **Aircraft** or other aerial devices or articles dropped from them but not **damage** caused by
    - 2.1. pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
    - 2.2. fire.
3. **Riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances or malicious persons** but not **damage** arising from
    - 3.1. confiscation, requisition or destruction by order of the government or any public authority;
    - 3.2. stopping work;
    - 3.3. fire caused by strikers, locked out workers or persons taking part in labour disturbances or malicious persons;
    - 3.4. theft or attempted theft directly caused by malicious persons to any **building** which is **unoccupied** or not in use for more than 30 days.

Section 2 – Business interruption

4. **Earthquake or subterranean fire.**

5. **Storm** but not **damage**
   - 5.1. caused by lightning, frost, subsidence, ground heave or landslip;
   - 5.2. in respect of movable **property** in the open, fences and gates.

6. **Flood** but not **damage**
   - 6.1. attributable solely to change in the water table level;
   - 6.2. caused by lightning, frost, subsidence, ground heave or landslip;
   - 6.3. in respect of movable **property** in the open, fences and gates.

7. **Escape of water** from any tank, apparatus or pipe but not **damage**
   - 7.1. by water discharged or leaking from any automatic sprinkler installation;
   - 7.2. in respect of any **building** which is **unoccupied** or not in use for more than 30 days.

8. **Accidental escape of water** from any automatic sprinkler installation in the **premises** but not **damage** caused by
   - 8.1. freezing whilst the **building** is **unoccupied** or not in use for more than 30 days;
   - 8.2. explosion, earthquake, subterranean fire or heat caused by fire.

9. **Impact** by any road vehicle or animal.

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

Section 2 – Business interruption

11. **Glass**
    11.1. Glass breakage at the **premises** all being plain sheet or plain plate glass unless stated otherwise in the **schedule** including the cost of boarding up and any lettering and artwork.
    11.2. **Damage** to
        11.2.1. the contents of display windows;
        11.2.2. windows and doorframes, vitrolite, marble, marmerile and similar materials, intruder alarm foils and other detection devices and circuits;
        11.2.3. electric light fittings;
        11.2.4. neon and illuminated signs;

        as a direct result of glass breakage as defined under paragraph 11.1 provided that **our** liability will not exceed £10,000 (ten thousand pounds) in total.

15. **Breakage of fixed sanitaryware** but not breakage or **damage**
    15.1. in vehicles, vending machines or to **stock** in trade;
    15.2. in any **building** which is **unoccupied** or not in use for more than 30 days unless specifically agreed by **us**;
    15.3. in transit or while being fitted;
    15.4. due to settlement, expansion or contraction of frames or fittings in **buildings** under construction and during a period of six months after the date of completion;
    15.5. existing before the start of the **period of insurance**;
    15.6. of neon and illuminated signs and electric light fittings;
    15.7. by wear and tear, gradual deterioration, mechanical or electrical breakdown or removal from the fixed position other than by theft or attempted theft;
    15.8. of bulbs or tubes unless the signs or fittings are also **damaged**;
    15.9. caused by fire or explosion.

16. **Theft or attempted theft** but not **damage**
    16.1. which does not involve
        16.1.1. entry to or exit from a **building** by forcible and violent means; or
        16.1.2. actual or threatened assault or violence;
    16.2. from any part of the **building** not occupied by **you** for the purpose of the **business**;
    16.3. from the open or from any outbuilding not communicating with the main **building** unless otherwise specified;
    16.4. to **property** in transit;
    16.5. to **money** and securities of any description.

    For the purpose of this cover **building** does not include walls, gates, fences, yards, car parks, roads, pathways and loading bays.

17. **Subsidence, ground heave or landslip** of any part of the site on which the premises stands but not **damage**
    17.1. to yards, carparks, roads, pavements, walls, gates and fences unless also affecting the structure of a **building**;
    17.2. caused by
        17.2.1. normal settlement or bedding down of new structures;
        17.2.2. settlement or movement of made up ground;
        17.2.3. coastal or river erosion;
        17.2.4. fire, subterranean fire, explosion, earthquake or the escape of water from any tank apparatus or pipe which originated before the inception of this cover;
    17.3. resulting from
        17.3.1. demolition, construction, structural alteration or repair of any **property**; or
        17.3.2. groundwork or excavation

        at the same **premises**.

    Special condition to cover 14 You must notify **us** by contacting Premco Underwriting by email: insure@premco.co.uk or by telephone: 0330 165 2000 when **you** become aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site. **We** will then have the right to vary the terms or cancel this cover.

Extensions

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

2. **Departments**
   If the **business** is conducted in departments and their trading results can be calculated separately, the claims basis of settlement in 1) and 2) of the item on gross profit or revenue will apply separately to each department affected.

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

Section 2 – Business interruption

4. **Prevention of access**
   Consequential loss as a result of **damage** to property within one mile of the boundary of the premises which prevents or hinders the use of the premises or access to them will be deemed to be an incident, provided that **our** liability in respect of any one occurrence does not exceed 10% (ten per cent) of the total of the sum insured or £100,000 (one hundred thousand pounds) or any other limit of liability shown in the **schedule** whichever is the less. **We** will not indemnify **you** for any interruption or interference lasting less than 24 (twenty four) hours.

5. **Utilities**
   Consequential loss as a result of the accidental failure of the supply of electricity, gas or water at the premises or at the premises of any supply undertaking or as a result of **damage** to any of their pipes, stopcocks, meters, cabling and the like at the premises will be deemed to be an incident, provided that **our** liability under this clause in respect of any one occurrence does not exceed 10% (ten per cent) of the total of the sum insured or £100,000 (one hundred thousand pounds) or any other limit of liability shown in the **schedule** whichever is the less.

   This extension does not cover consequential loss
   5.1. brought about by the deliberate act of any supply authority, by the exercise of any such authority of its power to withhold or restrict supply or by drought; or
   5.2. following any failure which does not involve a total cessation of supply for at least 30 minutes.

6. **Suppliers and customers**
   Consequential loss as a result of **damage** at any **customer's** or supplier's premises within member countries of the European Union, Norway, Switzerland and Iceland will be deemed to be an **incident**, provided that **our** liability under this clause will not exceed 10% (ten per cent) of the total of the sum insured or £100,000 (one hundred thousand pounds) or any other limit of liability shown in the **schedule** whichever is the less.

7. **Temporary removal**
   Consequential loss as a result of **damage**
   7.1. at any **premises** not occupied but used by **you** solely for storage purposes; or
   7.2. to **computer systems**, other records, machinery and plant (but not motor vehicles) removed for cleaning, renovation, repair or other similar purposes, patterns, models, moulds, plans and designs whilst temporarily removed from the **premises** and in transit by road, rail or inland waterway to and from the **premises**

   in Great Britain, Northern Ireland, the Republic of Ireland, the Channel Islands or the Isle of Man will be deemed to be an **incident**, provided that **our** liability will not exceed 10% (ten per cent) of the total of the sum insured or £100,000 (one hundred thousand pounds) or any other limit of liability shown in the **schedule** whichever is the less.

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

8. **Murder, disease or public health closure**
   Consequential loss as a direct result of:
   8.1. murder, suicide or serious crime at the **premises**;
   8.2. closure, in whole or in part, of the **premises** by a competent public authority following defects in drains or other sanitaryware at the **premises**; or
   8.3. food or drink poisoning contracted at the **premise;**

   be deemed to be an **incident**, provided that **our** liability under this extension in respect of each and every claim will not exceed 10% (ten per cent) of the total of the sum insured or £100,000 (one hundred thousand pounds) or any other limit of liability shown in the **schedule** whichever is the less.

9. **Additional expenses - employees' lottery win**
   We will indemnify **you** in respect of any additional expense **you** incur to prevent or limit a reduction in income during the **indemnity period** due to an **employee** or group of **employees** resigning from their posts within **your business** as a direct consequence of their securing a win in a lottery, including but not limited to
   9.1. recruitment and additional overtime costs; and
   9.2. the cost of employing temporary staff for amounts in excess of permanent full-time rates of payment.

   We will not indemnify **you** unless
   9.3. the **employee** or group of **employees** resign within fourteen days from the date of the successful lottery win; and
   9.4. the amount won by any one **employee** is not less than £100,000.

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

For the purposes of this extension only.

9.5. **Indemnity period** means the period during which the **business** results are affected due to an **employee** or group of **employees** resigning from their posts within **your business** as a direct consequence of their securing a win in a lottery, starting from the date of their first departure.

9.6. **Maximum indemnity** period means one month.

9.7. **Lottery** means

- 9.7.1. UK National Lottery prize draws including scratchcards.
- 9.7.2. UK National Football Pools (Littlewoods and Vernons).
- 9.7.3. Euro Millions lottery.
- 9.7.4. Irish National lottery.
- 9.7.5. UK Premium Bond prize draws.

Optional clauses

*(These apply only if a limit of indemnity is stated in the **schedule**)*

10. **Contract sites**

Consequential loss as a result of **damage** at any site in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man which **you** do not occupy but where **you** are carrying out a contract will be deemed to be an **incident** provided that **our** liability under this clause in respect of any one occurrence will not exceed

10.1. 10% (ten per cent) of the total of the sum insured or £100,000 (one hundred thousand pounds) whichever is the less; or
10.2. any other limit of liability shown in the **schedule**.

11. **Specified customers**

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

11.1. 10% (ten per cent) of the total of the sum insured or £100,000 (one hundred thousand pounds) whichever is the less; or
11.2. any other limit of liability shown in the **schedule**.

12. **Specified suppliers**

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

12.1. 10% (ten per cent) of the total of the sum insured or £100,000 (one hundred thousand pounds) whichever is the less; or
12.2. any other limit of liability shown in the **schedule**.

13. **Transit**

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

13.1. 10% (ten per cent) of the total of the sum insured or £100,000 (one hundred thousand pounds) whichever is the less; or
13.2. any other limit of liability shown in the **schedule**.

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

Exclusion

1. **Pollution and contamination**

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

1.1. **pollution** which itself results from any cover insured (other than cover 10 (ten); or
1.2. any cover insured (other than cover 10 (ten) which itself results from **pollution**

provided it is not otherwise excluded.

Section 2 – Business interruption

Appendix A – Gross profit (declaration-linked basis)

Additional definitions

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

Notes

1. *To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section will be exclusive of it.*
2. *For the purpose of these definitions any adjustment implemented for current cost accounting will be disregarded.*

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

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

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

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

Limit of liability
133.33% (one hundred and thirty three and one third per cent) of the **estimated gross profit** stated in the **schedule** and 100% (one hundred per cent) of the sums insured on other items.

Our liability will not be reduced by the amount of any loss as long as **you** agree to pay the appropriate additional premium for such automatic reinstatement of cover.

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

Specified working expenses

1. 100% (one hundred per cent) of purchases (less discounts received).
2. 100% (one hundred per cent) of discounts allowed.
3. 100% (one hundred per cent) of bad debts written off.

Standard turnover
The **turnover** during that period in the 12 (twelve) months immediately before the date of the **incident** which corresponds with the **indemnity period**. **We** will adjust the figures as necessary to provide for the trends or special circumstances affecting the **business** before or after the **incident** or which would have affected the **business** had the **incident** not occurred.

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

Claims - basis of settlement

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

1. reduction in **turnover**; and
2. increase in cost of working;

   and the amount payable as indemnity will be

3. 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 **incident** fall short of the **standard turnover;**
4. 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 **turnover** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **incident** but not exceeding the total of
   4.1. the sum produced by applying the **rate of gross profit** to the amount of reduction thereby avoided; plus
   4.2. 25% (twenty five per cent) of the sum insured by this item (but not more than £250,000 (two hundred and fifty thousand)

less any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **gross profit** which ceases or is reduced in consequence of the **incident**.

Additional increased cost of working (if insured) is limited to additional expenditure in consequence of the **incident** in excess of the amount recoverable under clause 2) increase in cost of working above, necessarily and reasonably incurred to maintain the **business** during the **indemnity period**.

Section 2 – Business interruption

Memoranda

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

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

3. **Renewal**
   Before each renewal **you** must tell **us** the **estimated gross profit** for the financial year most nearly concurrent with the next **period of insurance**.

4. **Premium adjustment**
   The first and annual premiums for **gross profit** are provisional and are based on the **estimated gross profit** for the financial year most nearly concurrent with the **period of insurance**.

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

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

   If the declaration (adjusted as above and proportionately increased where the **maximum indemnity period** exceeds 12 (twelve) months)
   4.1. is less than the **estimated gross profit** for the relative **period of insurance**, **we** will allow a pro rata return of premium not exceeding 50% (fifty per cent) of such premium; or
   4.2. is greater than the **estimated gross profit** for the relative **period of insurance**, **you** will pay a pro rata additional premium.

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

Section 2 – Business interruption

Appendix B – Gross revenue (declaration-linked basis)

Additional definitions

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

Notes

1. *To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section will be exclusive of it.*
2. *For the purpose of these definitions any adjustment implemented for current cost accounting will be disregarded.*

Annual revenue

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

Estimated revenue

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

Limit of liability

133.33% (one hundred and thirty three and one third per cent) of the **estimated revenue** stated in the **schedule** and 100% (one hundred per cent) of the sums insured by other items. **Our** liability will not be reduced by the amount of any loss as long as **you** agree to pay the appropriate additional premium for such automatic reinstatement of cover.

Revenue

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

Standard revenue

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

Claims - basis of settlement

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

1. reduction in **revenue**; and
2. increase in cost of working

and the amount payable as indemnity will be

3. in respect of reduction in **revenue** the amount by which the actual **revenue** during the **indemnity period** will in consequence of the **incident** fall short of the **standard revenue**
4. 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 **revenue** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **incident** but not exceeding the total of
    4.1. the amount of reduction in **revenue** thereby avoided; plus
    4.2. 25% (twenty five per cent) of the sum insured by this item, but not more than £250,000 (two hundred and fifty thousand pounds)

less any sum saved during the **indemnity period** in respect of such charges and expenses of the **business** payable out of **revenue** which ceases or is reduced in consequence of the **incident**.

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

Section 2 – Business interruption

Memoranda

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

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

3. **Renewal**
   You must, before each renewal, tell **us** the **estimated revenue** for the financial year most nearly concurrent with the next **period of insurance**.

4. **Premium adjustment**
   The first and annual premiums for **revenue** are provisional and are based on the **estimated revenue** for the financial year most nearly concurrent with the **period of insurance**.

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

   If any **incident(s)** has occurred giving rise to a claim for loss of **revenue**, **we** will increase the declaration for the purpose of premium adjustment by the amount by which the **revenue** was reduced during the financial year solely in consequence of the **incident**. If the declaration (adjusted as provided above and proportionately increased where the **maximum indemnity period** exceeds 12 (twelve) months)

   4.1. is less than the **estimated revenue** for the relative **period of insurance**, **we** will allow a pro rata return of premium not exceeding 50% (fifty per cent) of such premium; or

   4.2. is greater than the **estimated revenue** for the relative **period of insurance**, **you** will pay a pro rata additional premium.

Section 2 – Business interruption

Appendix C – Additional cost of working

Claims - basis of settlement

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

Memorandum

1. **Professional accountants**
   We will pay for professional accountants' charges **you** reasonably incur for producing and certifying any particulars, details, information or evidence that is required under the terms of the claims conditions provided that the amount payable under this memorandum together with the amount otherwise payable under this section does not exceed the sum insured.

Section 2 – Business interruption

Appendix D – Rent receivable

Additional definitions

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

Notes

1. *To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section will be exclusive of it.*
2. *For the purpose of these definitions any adjustment implemented for current cost accounting will be disregarded.*

Annual rent receivable
The **rent receivable** during the 12 (twelve) months immediately before the date of the **incident**.

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

Standard rent receivable
The **rent receivable** during that period in the 12 (twelve) months immediately before the date of the **incident** which corresponds with the **indemnity period**. **We** will adjust the figures as necessary to provide for trends or special circumstances affecting the **business** before or after the **incident** or which would have affected the **business** had the **incident** not occurred.

Claims - basis of settlement

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

1. loss of **rent receivable**; and
2. increase in the cost of working

and the amount payable as indemnity will be

3. in respect of loss of **rent receivable**, the amount by which the **rent receivable** during the **indemnity period** will, in consequence of the **incident,** fall short of the **standard rent receivable;** and
4. 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 **rent receivable** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **incident** but not exceeding the reduction in **rent receivable** thereby avoided

less any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **rent receivable** which ceases or is reduced in consequence of the **incident**.

However, if the sum insured by this item is less than the **annual rent receivable** (proportionately increased where the **maximum indemnity period** exceeds 12 (twelve) months) the amount payable will be proportionately reduced.

Memoranda

1. **Alternative trading clause**
   If during the **indemnity period**, **you** or others on **your** behalf provide accommodation or services elsewhere than at the **premises** for the benefit of the **business**, **we** will take into account the **money** paid or payable for such accommodation or services in arriving at the **rent receivable** during the **indemnity period**.
2. **Professional accountants**
   We will pay for professional accountants' charges **you** reasonably incur for producing and certifying any particulars, details, information, or evidence that is required under the terms of the claims conditions provided that the amount payable under this memorandum together with the amount otherwise payable under this section does not exceed the sum insured.
3. **Return of premium**
   If the **rent receivable** earned (proportionately increased where the **maximum indemnity period** exceeds 12 (twelve) months) during the accounting period of 12 (twelve) months most nearly concurrent with any **period of insurance** as certified by **your** auditors is less than the sum insured, **we** will make a pro rata return of premium not exceeding 50% (fifty per cent) of the premium paid on such sum insured for such **period of insurance**. If any **incident** will have occurred giving rise to a claim under this section, the return of premium will be made in respect only of so much of the difference as is not due to the **incident**.

Section 2 – Business interruption

Appendix E – Research expenditure

Additional definitions

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

Notes

1. *To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section will be exclusive of it.*
2. *For the purpose of these definitions any adjustment implemented for current cost accounting will be disregarded.*

Annual research expenditure

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

Insured amount per week

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

Research expenditure

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

Claims - basis of settlement

The insurance by this item is limited to the loss sustained by **you** in respect of

1. **research expenditure** and
2. increase in cost of working

and the amount payable as indemnity will be

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

less any sum saved during the **indemnity period** in respect of such of **research expenditure** which ceases or is reduced in consequence of the **incident**.

However, if the sum insured by this item is less than the **annual research expenditure** (proportionately increased where the **maximum indemnity period** exceeds 12 (twelve) months) the amount payable under paragraphs 1 and 2 above will be proportionately reduced.

Section 2 – Business interruption

Appendix F – Loss of book debts

Additional definitions

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

Notes

1. *To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section will be exclusive of it.*
2. *For the purpose of these definitions any adjustment implemented for current cost accounting will be disregarded.*

Book debts

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

Outstanding debit balances

Where there are monthly declarations, the total declared under the last statement adjusted for bad debts;

1. amounts debited(or invoiced but not debited) and credited to customer accounts in the period between the date to which the statement applied and the date of **damage**; and
2. any abnormal trade condition which had or could have a material effect on the **business**; or
3. a reasonable estimate of the total outstanding debits at the date of the **damage** after adjustment for bad debts and as agreed between **you** and **us** provided that this estimate does not exceed 75% (seventy five per cent) of the sum insured as set out in the **schedule**.

Claims - basis of settlement

The insurance by this item is limited to the loss not exceeding the sum insured sustained by **you** in respect of

1. loss of **book debts**; and
2. additional expenditure;

and the amount payable as indemnity will be

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

Memoranda

Professional accountants

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

2. **Declaration**
   Within 30 (thirty) days of the end of each calendar month, **you** will advise **us** in writing of the total amount of **outstanding debit balances** as shown in **your** accounts. If **you** do not advise **us**, **we** will take the maximum sum insured as the total amount declared. At the end of each **period of insurance** the actual premium will be calculated on the average amount insured i.e. the total of the amounts declared divided by the number of declarations. If the actual premium is greater than the first or annual premium paid, **you** must pay **us** the difference. If it is less **we** will refund the difference to **you** but only up to one half of the first or annual premium paid.

3. **Automatic reinstatement**
   We will not reduce the sum insured by the amount of any loss as long as **you** pay the extra premium on the amount of the loss from the date it occurred to the date of the expiry of the **period of insurance**.

Special condition

It is a condition precedent to **our** liability that

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

Section 2 – Business interruption

Appendix G - Loss of Liquor licence

Additional definitions

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

Notes

1. *To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section will be exclusive of it.*
2. *For the purpose of these definitions any adjustment implemented for current cost accounting will be disregarded.*
3. ***Other Circumstances Clause** - in arriving at any figure subject to this clause regard will be taken of the trend of the **business** and of all circumstances that affected the **business** either before or after the loss of **licence** or which would have affected the **business** had the loss of **licence not occurred***
4. ***Professional Accountants' Charges** - **we** will pay the reasonable charges payable by **you** to their professional accountants for producing information required by **us** under the terms of the claims conditions and for reporting that such information is in accordance with **your** accounts.*

Licence
The Justices Licence from time to time in force in respect of the Premises (England and Wales) or the **licence** granted pursuant to the Licensing (Scotland) Act 1976.

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

Indemnity period
The period beginning with the loss of the **licence** and ending not later than 12 (twelve months) thereafter during which the results of the **business** will be affected in consequence of the loss of **licence** provided that if the **premises** are disposed of within 12 (twelve) months after the loss of **licence** the **indemnity period** will terminate upon disposal.

Shortage in turnover
The amount by which the **turnover** during the **indemnity period** will in consequence of the forfeiture suspension or withdrawal of the **licence** fall short of the **turnover** which but for the loss of **licence** would have been achieved during the **indemnity period**.

Turnover from alternative trading
The money paid or payable for **goods** sold and delivered and for services rendered during the **indemnity period** elsewhere than at the **premises** either by or on **your** behalf for the benefit of the **business**.

Gross profit
The amount by which the sum of the amounts of the **turnover** and **closing stock** exceeds the sum of the amounts of the **uninsured working expenses** and opening stock.
(Note The amounts of the opening and closing stocks will be arrived at in accordance with **your** normal accountancy methods due provision being made for depreciation The words and expressions used in the definition of **uninsured working expenses** will have the meaning usually attached to them in the books and **your** accounts).

Rate of gross profit
The rate which, but for the loss of **licence gross profit,** would have borne to **turnover** during the **indemnity period** subject to the other circumstances clause.

Additional expenditure
The **additional expenditure** necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the **shortage in turnover** which would have occurred but for that expenditure but not exceeding the reduction in **gross profit** thereby avoided.

Savings in costs
Any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **gross profit** which ceases or is reduced in consequence of the loss of **licence**.

Uninsured working expenses
Purchases and discounts relative thereto and bad debts.

Claims - basis of settlement

In the event of the forfeiture suspension or withdrawal of the **licence** in force in respect of the **premises we** will pay to **you**:

1. the loss of **gross profit** and the amount payable as indemnity which will be the aggregate of
   1.1. **shortage in turnover** less t**urnover** from **alternative trading** multiplied by the **rate of gross profit; and**
   1.2. **additional Expenditure** less **savings in costs;**
2. the reduction in the value of the **premises** if **you** are unable to obtain a **licence** for a period of 12 (twelve) months from the date of the forfeiture suspension or withdrawal of the **licence** and **you** sell the **premises;**

but not exceeding in respect of any loss £100,000 (one hundred thousand pounds) or any other limit of liability stated in the **schedule**.

Section 2 – Business interruption

Conditions

*The following are conditions of the insurance that **you** need to meet as **your** part of this contract before **you** are entitled indemnity under this insurance. If **you** do not meet any of these conditions and that either causes a claim or contributes to a claim, **we** can reject that claim or payment in respect of that claim could be reduced. These conditions apply in addition to the general conditions on page GEN9 to page GEN12 and the claims conditions on page GEN16.*

1. **The duties of the insured**
   You will give **us** written notice within 48 (forty-eight) hours of receiving information whether oral or written that
   1.1. any notice caution or complaint has been given or made against the **premises** or the tenant manager occupier or **licence** holder or that such person has been summoned or charged with or convicted of or committed for trial for any offence whatsoever; and
   1.2. an application for renewal is to be opposed or that its consideration is adjourned or referred to the compensation authority or the **licence** holder is required to give any undertaking or structural alterations are required; or
   1.3. the **licence** holder has died become bankrupt absconded or been rendered incapable by sickness or other infirmity of carrying on **business**.

2. **Claims**
   Notwithstanding claims condition 2 of this policy **you** will give **us** written notice within 24 (twenty four) hours of the forfeiture suspension or refusal to renew any **licence** or of any event likely to prejudice the **licence** coming to **your** knowledge stating (as far as **you** are able) the grounds on which any order was made or the particulars of such event and **we** will be entitled to appeal in the **your** name against any such refusal to renew forfeiture or suspension and will have full discretion in the conduct of any proceedings. **You** must give **us** all such assistance as **we** require.

3. **Alterations**
   No alteration to the **premises** can be made without the sanction of the licensing and other competent authorities and no application can be made for the removal of the **licence** to other premises nor can any offer be made to surrender or discontinue any **licence** without **our** written consent. **You** will from time to time give all such information as **we** require for any purpose connected with this insurance and the risk hereby insured against and any of **our** duly authorised representatives can at all reasonable times enter and inspect the **premises**.

4. **Our rights**
   We can exercise against the tenant manager or occupier of any **premises** and the **licence** holder all rights powers and privileges which **you** are entitled to exercise and which can be calculated to protect any **licence** against loss or to protect **your** interest. **You** will make all such applications including application to the Magistrates Court for a protection order and generally do all such acts or things which **you** are entitled to do under the Licensing Acts or otherwise and which are calculated or intended to prevent the loss of any **licence** by non-renewal forfeiture or suspension. In the event of the death bankruptcy or incapacity of any tenant manager occupier or **licence** holder or if any such person absconds or is convicted of any offence **you** will procure a suitable person to replace him and, without delay, make application for the transfer of the **licence** or grant of the **licence** by way of renewal to such other person.

Exclusions

We will not be liable for

1. loss arising from such refusal to renew a **licence** as entitles **you** to claim compensation under any statute; or
2. loss arising from
   2.1. actual or proposed compulsory acquisition of the **premises;**
   2.2. any scheme of town or country planning improvement or redevelopment;
   2.3. redistribution reduction in number or extinguishment of **licences** as a result of war **damage** whether such loss be direct or indirect; or
3. loss arising from alteration after the commencement of the p**eriod of insurance** of the law governing the grant surrender renewal suspension forfeiture withdrawal or transfer of **licences** unless **we** confirm in writing that the insurance will apply after such alteration; or
4. loss arising from failure
   4.1. other than for good cause to keep open the **premises** during the permitted hours; or
   4.2. to comply with any direction or requirement of the licensing justices or other authority; or
   4.3. to maintain the **premises** in good sanitary and general repair;
5. loss arising from refusal to renew or forfeiture of **licence** occasioned wholly or in part by any act or omission by **you** or by **your** failure to take all reasonable action to maintain the **licence** in force; or
6. loss arising from the removal suspension or failure to grant or renew any late-night afternoon or morning extension of the standard opening hours (England and Wales) or Permitted Hours as defined in Section 53 of the Licensing (Scotland) Act 1976 unless such removal suspension or failure to grant or renew is ancillary to the **licence** being removed suspended or not renewed.

Section 3 – Money

Part 1 – Loss of money

Additional definitions

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

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

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

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

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

Keyholder
You or any **responsible person** or keyholding company **you** authorise
1. to accept notification of faults or alarm signals relating to the **intruder alarm system**; and
2. to attend and allow access to the **premises**.

At least 1 (one) keyholder must be available at all times.

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

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

Insuring clause

We will indemnify **you** in respect of the following:

1. Loss of or **damage** to **money**, **your property** or **property** for which **you** are responsible, in the course of the **business** up to the **limit any one loss** stated in the **schedule** during the **period of insurance**
   1.1. in transit;
   1.2. in the custody of collectors for 24 (twenty four) hours from time of receipt or until the next working day whichever is the later;
   1.3. on sites of contracts where **employees** are working;
   1.4. on the **premises**;
   1.5. at the private houses of **your** principals or authorised **employees** or the premises of solicitors or authorised agents, to the extent that **money** is not otherwise insured, up to a maximum amount of £500 (five hundred pounds) for any one loss or any higher limit shown in the **schedule** for any one loss;
   1.6. deposited in any bank night safe and within bank premises until removed by a bank official, up to a maximum amount of £5,000 (five thosand pounds) for any one loss or any higher limit shown in the **schedule** for any one loss;
   1.7. on the **premises** outside of **business hours** as shown in the **schedule**;
   1.8. on the **premises** outside of **business hours** in a locked safe or strongroom as shown in the **schedule**.
2. Loss of or **damage** following robbery or attempted robbery to any safe or strongroom at the **premises**, any container, case, bag or waistcoat used for the carriage of **money** or any stamp franking machine used for **your business**.
3. **Damage** to clothing and personal effects (including up to £25 (twenty five pounds) per person for personal **money**) belonging to **you** or any of **your** directors, partners or **employees** following robbery or any attempted robbery subject to a limit any one person of £500 (five hundred pounds).

Section 3 – Money

Conditions

*The following are conditions of the insurance that **you** need to meet as **your** part of this contract before **you** are entitled indemnity under this insurance. If **you** do not meet any of these conditions and that either causes a claim or contributes to a claim, **we** can reject that claim or payment in respect of that claim could be reduced. These conditions apply in addition to the general conditions on page GEN9 to page GEN12 and the claims conditions on page GEN16.*

1. It is a condition precedent to **our** liability under item 3 of the **schedule** (**money** from locked safes outside **business hours**) that outside **business hours** the safes are kept locked and the keys of the safes are not be left on the **premises** unless
   1.1. the **premises** are occupied by **you** or an authorised **employee**, in which case such keys if left on the **premises** must be kept in a secure place not in the vicinity of the safes; or
   1.2. if the **premises** are **unoccupied**, the keys to the safe(s) detailed under item 3 on the **schedule** are placed in a separate locked safe or strongroom and the keys to this removed from the **premises**. In this event **our** maximum liability will not exceed the limit of liability stated in the **schedule** under item 3 or £5,000 (five thousand pounds) whichever is the less in respect of loss of **money**.

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

2. It is a condition precedent to liability in respect of any claim under Item 4 of Part 1 of this section that whenever money is in transit it is in the custody of the relevant number of able-bodied persons shown against the limit below

   limit / number of persons

   2.1. up to £5000 / 1 able bodied person
   2.2. Between £5001 and £10000 / 2 able bodied persons
   2.3. Amounts in excess of £10000 / by pre-agreed security company

Special condition

*(This will apply only if stated in the **schedule**)*

3. **Intruder alarm** It is a condition precedent to **our** liability in respect of **damage** that
   3.1. the **alarmed premises** are protected by the **intruder alarm system** whenever they are closed for **business** or left unattended; and
   3.2. the **intruder alarm system** is maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or such other company agreed with **us**; and
   3.3. no alteration to or substitution of
      3.3.1. any part of the **intruder alarm system**; and
      3.3.2. the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**; and
      3.3.3. the maintenance contract;
      will be made without **our** written agreement;
   3.4. no structural alteration of or changes in the layout to the **premises** that could affect the operation of the **intruder alarm system** will be made without **our** written consent; and
   3.5. the **alarmed premises** must not be left without at least one **responsible person** on them without **our** agreement unless
      3.5.1. the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals in full operation; or
      3.5.2. the police have withdrawn their response to alarm calls;
   3.6. all keys to **the intruder alarm system** are removed from the **premises** when they are left unattended; and
   3.7. the **keyholders** will keep all codes for the operation of the **intruder alarm system** secret and will not leave details of them on the **premises**;
   3.8. **you** will appoint at least two **keyholders** and lodge written details (which must be kept up to date) with the police and the alarm company who are contracted to maintain the alarm;
   3.9. if the **intruder alarm system** is activated or the communication signal interrupted then (unless alternative procedures have been agreed with **us** in writing) a **keyholder** will attend the **premises** as soon as **you** are notified and will not leave without there being at least one **responsible person** on the **premises** until the provisions of paragraph 15.5 have been complied with;
   3.10. in the event of **you** receiving any notice
      3.10.1. that police response to alarm signals/calls from the **intruder alarm system** has been withdrawn or the level of response reduced or delayed; or
      3.10.2. from a local authority or magistrate imposing any requirements for abatement of a nuisance; or
      3.10.3. from the installing company or other such company as agreed by **us** that the **intruder alarm system** cannot be returned to or maintained in fully working order;

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

   Special provision
   It is a condition precedent to **our** liability that before **we** agree the alarm specification and maintenance contract arrangements, **you** comply with all the requirements detailed above as if **we** had agreed the specification and maintenance arrangements.

Section 3 – Money

Exclusions

We will not be liable for losses from the following

1. by theft by any of **your** directors, partners or **employees**
    1.1. not discovered within fourteen working days of its occurrence; or
    1.2. more specifically insured by any other policy or policies except in respect of any excess beyond the amount payable under such other policy or policies; or
2. arising elsewhere than in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man; or
3. from an unattended vehicle unless the vehicle is stolen at the same time or the vehicle is securely locked and **money** stored out of sight at the time of the loss; or
4. due to the dishonest acts of any person in **your** employment or service not discovered within fourteen days of the actual occurrence; or
5. due to falsification of accounts; or
6. more specifically insured under another policy except for any amount in excess of the amount payable under this policy; or
7. arising from shortages due to error, omission, depreciation in value or the use of counterfeit **money**; or
8. of **money** or contents from any gaming or vending machine in excess of £500 (five hundred pounds); or
9. arising from consequential loss of any kind; or
10. **damage** to **money** during transit by post (other than registered post); or
11. cryptocurrency or any other digital asset used as a medium of exchange.

Part 2 – Personal injury (robbery)

Additional definitions

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

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

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

Loss of limb

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

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

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

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

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

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

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

Section 3 – Money

Insuring clause

1. **We** will pay the benefits stated in the **schedule** in respect of **bodily injury** sustained by the **insured person** as a result of robbery or attempted robbery arising in the course of the **business** and within two years resulting in the following:
    1.1. Death.
    1.2. **Loss of sight**.
    1.3. **Loss of limbs**.
    1.4. **Permanent total disablement** (other than by **loss of limbs** or **loss of sight**).
    1.5. **Temporary total disablement**.
    1.6. **Temporary partial disablement.**
    1.7. **Damage** to clothing or personal effects belonging to **you** or any of **your employees** subject to a limit of £500 (five hundred pounds) any one person.
2. **We** will reimburse **you** in respect of **medical expenses** necessarily incurred in the treatment of the **insured person** up to 15% (fifteen) of any amount paid under benefit 5 and 6.

during the **Period of insurance**.

Benefits

The benefits applicable are as stated in the **schedule**.

Limits of amounts payable

1. The benefit under item 5 and 6 will not be payable for more than 104 (one hundred and four) weeks in respect of any one **injury** calculated from the date of commencement of disablement.
2. If and when benefit becomes payable under any of items 1, 2 or 3, any weekly benefit being paid in connection with the same **injury** will cease.
3. **Permanent total disablement** must have lasted for 104 (one hundred and four) weeks and have been proved to **our** satisfaction to be permanent and without expectation of recovery before benefit under item 4 becomes payable.
4. Payment of a claim under one of the items 1, 2, 3 or 4 will end the cover granted insofar as it applies to the **insured person** concerned.
5. No benefit will be payable for more than one of the items 1, 2, 3 or 4 in respect of the same **injury**.

Conditions

*The following are conditions of the insurance that **you** need to meet as **your** part of this contract before **you** are entitled indemnity under this insurance. If **you** do not meet any of these conditions and that either causes a claim or contributes to a claim, **we** can reject that claim or payment in respect of that claim could be reduced. These conditions apply in addition to the general conditions on page GEN9 to page GEN12 and the claims conditions on page GEN16.*

1. The cover under this part of the section applies only to persons between the ages of 16 and 70 years.

2. **Bodily injury** must occur in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Claims conditions

1. **You** must provide all certificates, information and evidence required by **us** in the form prescribed by **us** at **your** expense. The **insured person** must as often as required submit to medical examination on **our** behalf and expense in connection with any claim. In the event of the death of an **insured person**, **we** are entitled to have a post mortem examination at **our** own expense.

2. **We** will not be affected by notice of any trust, charge, lien, assignment or other dealing with this section and **our** liability will be discharged when **you** or **your** personal representative receive any compensation payable.

3. The **insured person** or their personal representative has no right to claim from or sue **us**.

4. If more than one party has an interest in the **insured person**, the benefit will represent the total amount payable in respect of that **insured person** for all interests covered by this insurance.

Exclusions

We will not be liable for the following

1. loss arising elsewhere than in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man; or
2. loss more specifically insured under another policy except for any amount in excess of the amount payable under this policy; or
3. loss arising from consequential loss of any kind; or
4. no benefit is payable in respect of death or disablement consequent upon aggravated or prolonged by any pre-existing physical or mental defect, infirmity, pregnancy or childbirth.

Section 4 – Trade all risks

Definitions

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

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

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

Keyholder
You or any **responsible person** or keyholding company **you** authorise
1. to accept notification of faults or alarm signals relating to the **intruder alarm system**; and
2. to attend and allow access to the **premises**.

At least one keyholder must be available at all times.

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

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

Territorial limits
The limits chosen by **you** and shown in the **schedule** attaching to this policy.
1. At **your business premises**;
2. Anywhere in the UK;
3. Anywhere in the EU; or
4. Anywhere in the world.

Insuring clause

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

Conditions

*The following are conditions of the insurance that **you** need to meet as **your** part of this contract before **you** are entitled indemnity under this insurance. If **you** do not meet any of these conditions and that either causes a claim or contributes to a claim, **we** can reject that claim or payment in respect of that claim could be reduced. These conditions apply in addition to the general conditions on page GEN9 to page GEN12 and the claims conditions on page GEN16.*

1. **Our** liability for the repair or restoration of **property** partly **damaged** will not exceed the amount which would have been payable had such **property** been wholly destroyed.
2. If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the **property** covered by any item exceeds its sum insured at the start of any **damage**, **our** liability will not exceed that proportion of the amount of the **damage** which the sum insured will bear to the sum representing the total cost of reinstating the whole of such **property** at that time.
3. No payment beyond the amount which would have been payable in the absence of this clause will be made
   - 3.1. unless reinstatement commences and proceeds within 90 (ninety) days; and
   - 3.2. until the cost of reinstatement will have been actually incurred;
   - 3.3. if the **property insured** at the time of its **damage** will be insured by any other insurance effected by or on **your** behalf which is not upon the same basis of reinstatement.
4. All the other terms and conditions of the policy will apply in respect of any claim payable under this clause so far as they are able.

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

Special condition

5. **Intruder alarm** It is a condition precedent to **our** liability in respect of **damage** that
   - 5.1. the **alarmed premises** are protected by the **intruder alarm system** whenever they are closed for **business** or left unattended; and
   - 5.2. the **intruder alarm system** is maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or such other company agreed with **us**; and
   - 5.3. no alteration to or substitution of
     - 5.3.1. any part of the **intruder alarm system**; and
     - 5.3.2. the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**; and
     - 5.3.3. the maintenance contract;

     will be made without **our** written agreement;
   - 5.4. no structural alteration of or changes in the layout to the **premises** that could affect the operation of the **intruder alarm system** will be made without **our** written consent; and

5.5. the **alarmed premises** must not be left without at least one **responsible person** on them without **our** agreement unless
   5.5.1. the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals in full operation; or
   5.5.2. the police have withdrawn their response to alarm calls;
5.6. all keys to **the intruder alarm system** are removed from the **premises** when they are left unattended; and
5.7. the **keyholders** will keep all codes for the operation of the **intruder alarm system** secret and will not leave details of them on the **premises**;
5.8. **you** must appoint at least two **keyholders** and lodge written details (which must be kept up to date) with the police and the alarm company who are contracted to maintain the alarm;
5.9. if the **intruder alarm system** is activated or the communication signal interrupted then (unless alternative procedures have been agreed with **us** in writing) a **keyholder** will attend the **premises** as soon as **you** are notified and will not leave without there being at least one **responsible person** on the **premises** until the provisions of paragraph 15.5 have been complied with;
5.10. in the event of **you** receiving any notice
   5.10.1. that police response to alarm signals/calls from the **intruder alarm system** has been be withdrawn or the level of response reduced or delayed; or
   5.10.2. from a local authority or magistrate imposing any requirements for abatement of a nuisance; or
   5.10.3. from the installing company or other such company as agreed by **us** that the **intruder alarm system** cannot be returned to or maintained in fully working order;

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

Special provision
It is a condition precedent to **our** liability that before **we** agree the alarm specification and maintenance contract arrangements, **you** comply with all the requirements detailed above as if **we** had agreed the specification and maintenance arrangements.

Extensions

1. **Interest**
   It is understood that other parties can have an interest in certain **property insured** by this policy. The nature and extent of this interest must be disclosed in the event of **damage**.

2. **Subrogation waiver**
   In the event of a claim arising under this policy, **we** agree to waive any rights, remedies or relief to which **we** are entitled to by subrogation against
   2.1. any company standing in the relation of parent to subsidiary (subsidiary to parent) to **you** as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**; and
   2.2. any company which is a subsidiary of a parent company of which **you** are a subsidiary as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**.

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

   For this purpose reinstatement means
   3.1. the rebuilding or replacement of **property damaged** which is to be carried out in any manner suitable to **your** requirements or on another site as long as **our** liability is not increased; or
   3.2. the repair or restoration of **property damaged**.

Exclusions

We will not pay for the following
1. any consequential loss; or
2. financial loss caused by the loss of use or malfunction of the **property insured**; or
3. **damage** arising from
   3.1. faulty or defective design materials, inherent vice or latent defect; or
   3.2. mechanical, electrical, electronic, computer breakdown, failure or derangement; or
   3.3. wear and tear, gradual deterioration, the action of light, atmospheric conditions or other gradually operating cause; or
   3.4. process of cleaning, restoring or repairing; or
   3.5. process of production, packing, treatment, testing or commissioning; or
   3.6. confiscation or detention by customs or government officials; or
   3.7. disappearance or shortage identified only by stocktaking; or
   3.8. riot, civil commotion occurring elsewhere than in great britain, northern ireland, the channel islands or the isle of man; or
4. **damage** resulting from theft or attempted theft or unexplained disappearance or shortages
   4.1. from an unattended car unless the item stolen is stored in a locked boot; or
   4.2. from an unattended commercial vehicle unless specified in the **schedule** and / or
   4.3. of **property insured** which is unattended unless there is forcible and violent entry or exit; or

Section 4 – Trade all risks

5. **damage** to
    5.1. **property insured** loaned or hired out by **you**; or
    5.2. glass and other fragile or brittle materials unless as a direct result of fire, theft or accident to the vehicle in which the **property insured** was being transported; or
    5.3. **property insured** left in the open by theft, attempted theft, storm or flood; or
    5.4. **property insured** carried on the outside of vehicles unless as a direct result of collision or overturning; or
6. **damage** caused by **pollution**; or
7. however **we** will cover **damage** to the **property insured** caused by
    7.1. **pollution** which itself results from fire, lightning, explosion, aircraft or other aerial devices dropped therefrom, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any pipe, tank or apparatus, sprinkler leakage or impact by any road vehicle or animal; or
    7.2. any of the above named covers which itself results from **pollution;**

    provided it is not otherwise excluded.
8. **damage** occurring outside the **territorial limits**; or
9. the **excess** shown in the **schedule**.

Section 5 - Goods in transit

Definitions

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

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

In transit
The period of time beginning when the **property insured** comes under the control of the carrier and ending when it is delivered. This will include loading, temporary housing en route for a period not exceeding 30 days and unloading. This will also include return transits to **you** from **your** customers.

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

Territorial limits
Great Britain, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man including direct sea or air transit between these territories.

Vehicle
Vehicle including any trailer attached to it.

Insuring clause

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

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

Conditions

*The following are conditions of the insurance that **you** need to meet as **your** part of this contract before **you** are entitled indemnity under this insurance. If **you** do not meet any of these conditions and that either causes a claim or contributes to a claim, **we** can reject that claim or payment in respect of that claim could be reduced. These conditions apply in addition to the general conditions on page GEN9 to page GEN12 and the claims conditions on page GEN16.*

1. **Due care** It is a condition precedent to **our** liability under this section that
   1.1. in respect of any **vehicle you** own or operate under **your** control that
      1.1.1. it is maintained in an efficient and roadworthy condition and is regularly serviced with particular attention to the roadworthiness of steering, brakes, tyres, lights and all security devices fitted;
      1.1.2. all protective devices specified in the **schedule** and all other security devices fitted are properly maintained and not changed without **our** written agreement; and
      1.1.3. whenever the **vehicle** containing the **property insured** is left unattended
         1.1.3.1. all doors and boot are locked and all windows and other openings are securely closed; and
         1.1.3.2. all protective devices are put into operation;
      1.1.4. **you** take all reasonable care in the selection and employment of drivers and must obtain satisfactory written references as to their ability, integrity and honesty from two previous employers before **property insured** is entrusted to them;
      1.1.5. **you** ensure the reasonable monitoring of the performance of **your** drivers and attendants is carried out;
      1.1.6. **you** take due care to make sure that each package or parcel insured is securely and adequately packed according to the nature of the **goods** and that each package or parcel is correctly and fully addressed. **You** must obtain proper receipts from the postal and rail authorities and any other carrier and keep them for **our** inspection at any time.
2. **Alarm**
   *(Applies only if stated in the **schedule**)*
   We will not be liable for any **damage** by theft or attempted theft from any unattended **vehicle** unless the alarm system
   2.1. is maintained and inspected in accordance with the terms and conditions of the installing company's agreement; and
   2.2. put into operation and all alarm keys removed from the **vehicle**.

Claims condition

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

Section 5 - Goods in transit

Extensions

We will extend this section to cover the following.

1. Extra costs and expenses necessarily incurred in reloading onto any vehicle any **property insured** which has fallen from the **vehicle** and removing debris of the **property insured** following **damage** which is not excluded or following accident to the **vehicle**. **Our** limit of liability will not exceed £2,500 (two thousand and five hundred pounds).
2. **Damage** to containers, tarpaulins, ropes, chains and other fastenings owned by **you** or in **your** charge and control while carried on any **vehicle**.
3. **Damage** to the personal effects of the driver and his attendant up to a maximum amount of £500 (five hundred pounds). **We** will not be responsible for the first £25 (twenty five pounds) of each claim. **We** will not indemnify **you** or **your** driver for **damage** to any item insured by any other policy.
4. Expenses reasonably incurred for which **you** are responsible in transferring the **property insured** to any other vehicle following fire, collision, overturning or impact of the **vehicle** including carrying the **property insured** to the original destination or to place of collection.
5. Costs and expenses reasonably incurred by **you** in re-securing the **property insured** following a dangerous movement of the load **in transit** for an amount not exceeding £500 (five hundred pounds) any one event.
6. Any vehicle used temporarily in substitution of any **vehicle** referred to in the **schedule** applicable to this section whilst it is out of use for maintenance, repair or official vehicle testing. Any substitute vehicle will be subject to the terms applicable to the original **vehicle**.

Exclusions

We will not be liable for **damage**

1. to **money**, deeds, bonds, documents, manuscripts, **business** books and **computer system** records, patterns, moulds, models, designs, plans; or
2. to **high value property** unless specifically insured; or
3. to livestock or other living creatures;
4. to explosives or **goods** of a dangerous nature;
5. to tools of trade;
6. caused by deterioration due to change in temperature of **property insured** carried in a chilled, refrigerated, frozen or insulated condition unless caused by an accident to the **vehicle**;
7. caused by
   - 7.1. wear and tear, gradual deterioration, contamination, depreciation, evaporation, leakage spillage or shortage of weight, inherent vice, insects, mildew, vermin or nature of the **property insured**;
   - 7.2. normal atmospheric conditions where the **property insured** is on an open vehicle unless it is properly protected;
   - 7.3. mechanical, electrical, electronic, computer breakdown, failure or derangement unless external **damage** occurs first to the **property insured**;
   - 7.4. delays, loss of market or other consequential loss;
   - 7.5. not making full and complete declarations or not getting receipts for parcels, packages or consignments; or
8. resulting from theft or attempted theft or unexplained disappearance
   - 8.1. from an unattended **vehicle** unless the item stolen is stored in a locked boot; or
   - 8.2. of **property insured** which is unattended unless there is forcible and violent entry or exit; or
9. caused by strikes, riots, civil commotion and malicious **damage** in Northern Ireland; or
10. to **property insured** carried on vehicles other than those listed in the **schedule**; or
11. to **property insured** in any **vehicle you** own or which is in **your** custody or control while it is being used for private purposes outside the normal course of **your business**; or
12. caused by nationalisation, confiscation, requisition or destruction by order of any government, public or local authority; or
13. to **property insured** arising as a result of packing which was inadequate to withstand normal handling during transit or from overloading of the **vehicle**; or to **property insured** more specifically insured.

Section 6 – Computer breakdown

Additional definitions

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

Breakdown
Damage to an item of **equipment** resulting from the actual breaking, distortion or electrical burn-out of any part whilst in use at the **premises** arising from defects in the item of **equipment** causing sudden stoppage of its function and requiring its repair or replacement but excluding **damage** caused by fire or by any cause external to the **equipment**.

We will not be liable for breakdown of any **equipment** that is not the subject of a maintenance contract with a competent computer maintenance firm, affording free parts and free labour for repairs necessitated by breakdown arising from wear and tear or the fault of the maintenance firm. This proviso will be of no effect in respect of any **equipment** whilst it is the subject of a guarantee provided by the manufacturer or supplier under which equivalent services are afforded.

Computer virus
Any software program routine code or system or any part thereof which causes loss, distortion, destruction, corruption of or restricted access to any information **data** program routines or software forming part of any computer media.

Equipment
1. Computer equipment including fixed disks and interconnected wiring used for processing electronic **data** together with visual display units, printers and **data** carrying materials but excluding any such equipment controlling any manufacturing process.
2. Ancillary equipment solely for use with the computer equipment comprising air conditioning, cooling equipment, generating equipment, voltage regulating equipment, telecommunication links, electronic access equipment and temperature and humidity recording equipment.
3. **Data** carrying materials being current and back-up disks, tapes and other materials (excluding paper records of any description).

Insuring clause

We will indemnify **you** for **damage** to the **equipment** insured as stated in the **schedule** due to **breakdown** occurring whilst the **equipment** is at **your premises** during the **period of insurance**.

Limit of indemnity

We will not pay more than the sum insured against any one item of **equipment** or in total the sum insured stated in the **schedule** plus any extra amounts for which **we** are liable under the extensions specified above.

Special condition

Precautions
1. **You** must at all times take precautions to maintain efficient working conditions and available for immediate use any standby or spare machinery or any other loss-minimising factors in existence when this insurance was first effected.

Claims basis of settlement

1. In respect of **damage** to an item of **equipment** for which, at the time of the **damage**, all parts are obtainable from its manufacturer or the agent or factors of the manufacturer at list prices, the basis of the cover **we** will provide will be reinstatement of the **property damaged** and this means
   - 1.1. its replacement by similar **equipment** in a condition equal to but not better or more extensive than its condition when new; or
   - 1.2. the repair of the **damage** and the restoration of the **damaged** portion of the **equipment** to a condition substantially the same as but not better or more extensive than its condition when new;

   subject to the following

   - 1.3. the work must be carried out within 90 (ninety) days.
   - 1.4. If at the time of repair or reinstatement the sum representing 85% (eighty five per cent) of the cost which would have been incurred in reinstatement if all **equipment** had been destroyed or **damaged** exceeds its sum insured**,** the amount payable will be proportionately reduced.
   - 1.5. **Our** liability will not exceed the sum representing the cost which could have been paid if the **equipment** had been wholly destroyed.
2. In respect of **damage** to **equipment** not falling within the terms of 1 above, the basis of the cover **we** will provide will be
   - 2.1. the cost of replacement by similar property of similar capacity in a condition equal to but not better or more extensive than its condition when new;
   - 2.2. if all the necessary parts to repair the **damage** are obtainable from the manufacturer, their agent or factor at list prices, the cost of repair of the **equipment**; or
   - 2.3. if all the necessary parts to repair the **damage** to the **equipment** are not obtainable from the manufacturer, their agent or factor at list prices, the cost of an equivalent repair to similar **property** of similar capacity for which all spare parts are obtainable at list prices;

   subject to the following

2.4. the work of replacement or repair must be carried out within 90 (ninety) days.
2.5. ii) If at the time of repair or reinstatement the sum representing 85% (eighty five per cent) of the cost which would have been incurred in reinstatement if all **equipment** had been destroyed or **damaged** exceeds its sum insured**,** the amount payable will be proportionately reduced.
2.6. **Our** liability will not exceed the sum representing the cost which could have been paid if the **equipment** had been wholly destroyed.

Extensions

1. **Incompatibility of computer records**
   In the event of a claims settlement resulting in the replacement of **equipment** insured with **equipment** which is incompatible with **your** undamaged computer **data** and programme records, **we** will indemnify **you** for
   1.1. the costs of modification of the **equipment**; or
   1.2. the costs of replacing or reinstating programmes or **data** necessarily and reasonably incurred with **our** consent to achieve compatibility.
   1.3. **We** will not pay more than £10,000 under this extension.

2. **Increased costs of working/reinstatement of data**
   In the event of
   2.1. **damage** for which **we** are liable above, or would be liable but for the application of any **excess**, which causes interruption or interference with the computer operations of the **business** for a period of at least 24 consecutive hours;
   2.2. total or partial failure for a period of at least 30 consecutive minutes of the supply of electricity to the **premises** which is not caused by a deliberate act of the supply undertaking, unless performed for the sole purpose of safeguarding life or protecting a part of the supply undertaking's system, or by a scheme of rationing, unless necessitated solely by physical **damage** to a part of the supply undertaking's system;
   2.3. total failure for a period of at least 30 consecutive minutes of the electricity supply to an item of **equipment** resulting from sudden and unforeseen **damage** to the distribution equipment within the **premises**;
   2.4. total failure for a period of at least 24 consecutive hours of the supply of telecommunication services at the **premises** which is not caused by a deliberate act of the supply authority, unless performed for the sole purpose of protecting their equipment, or by **your** use of machinery and **equipment** which is not accepted by the telecommunications authority as properly installed and compatible with the telecommunications system;
   2.5. the accidental or malicious erasure, destruction, distortion or corruption of **data** or programmes on the **equipment** resulting from an identifiable cause but excluding the permanent or temporary loss of or loss of use of or inaccessibility of **data** or programmes directly resulting from pre-existing faults in or unsuitability of programmes or **computer systems** software and also excluding losses caused by a malicious act and discovered later than twelve months after the loss was initiated; or
   2.6. prevention or hindrance of the use of or access for a period of at least 24 consecutive hours to an item of **equipment** caused by **damage** of any **property** at or in the vicinity of the **equipment** within the **premises**

   we will indemnify **you** for

   2.7. the increase in cost of working; and
   2.8. the cost of replacement of and reinstatement of **data** on to **data** carrying media and the amount payable as indemnity is the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing interruption of or interference with the **business** which but for such expenditure would have taken place in consequence thereof during the period beginning with the occurrence and ending not later than the indemnity period stated in the **schedule** immediately thereafter during which the results of the **business** are affected.

   This indemnity includes the reasonable charges payable by **you** to **your** professional accountants or auditors for producing any particulars or details or any other proofs, information or evidence which is required under the claims conditions and reporting that such particulars or details are in accordance with **your** books of account or other **business** books or documents.

   We will not pay more than the amounts stated in the **schedule** for

   2.9. increased cost of working excluding the costs of reinstatement of **data** and replacing **data** carrying media; or
   2.10. the costs of reinstating **data** and programmes and replacing **data** carrying media.

3. **Consulting engineers' fees and claims investigation costs**
   We will indemnify **you** for all costs incurred with **our** consent, including consulting engineers' fees, in investigating possible repairs (whether or not successful) or the reinstatement of an item of **equipment** but not the costs of preparing any claim.

   We will not pay more than £5,000 (five thousand pounds) in total in respect of such fees and costs.

4. **Temporary repairs and expediting permanent repairs**
   We will indemnify **you** for the reasonable additional expenses incurred with **our** consent in making a temporary repair or in carrying out a permanent repair to an item of **equipment**.

   Our liability under this extension will not exceed £25,000 (twenty five thousand pounds) or 50% (fifty per cent) of the cost of such **damage** whichever is the lesser.

Section 6 – Computer breakdown

5. **Removal of debris/protection from further damage**
   We will indemnify **you** for the costs and expenses necessarily incurred with **our** consent in
   5.1. removing debris, dismantling or demolishing any part of an item of **equipment** which has sustained **damage** insured under this section; and
   5.2. protecting any part of an item of **equipment** whether **damaged** or not provided that this is necessitated by insured **damage**.

   We will not pay more than £10,000 (ten thousand pounds) in total in respect of this extension.

6. **Additional rental charge**
   If, as a direct result of **damage** insured, the lease or hire contract in force at the time of the accident in respect of the **damaged equipment** is cancelled by the owners of the **equipment** and replaced by a new one in respect of similar property to that **damaged** but at a rental charge rate above that payable under the cancelled contract, **we** will indemnify **you** for the additional rental charges to be paid during the 2 (two) years commencing from the time of such **damage**.

   We will not pay more than £25,000 (twenty five thousand pounds) in total in respect of this extension.

7. **Refilling charges**
   We will indemnify **you** for the cost of refilling the cylinders of any gas-flooding systems installed solely for the protection of the computer **equipment** arising out of the accidental discharge of such system.

   We will not pay more than £5,000 in total in respect of this extension.

8. **Additions**
   The insurance extends to include additions to **equipment** occurring after the commencement of the **period of insurance** up to next renewal provided that this cover will not exceed 10% (ten per cent) of the total sum insured on **equipment** or £30,000 (thirty thousand pounds) whichever is the lesser.

9. **Anti-theft device**
   We will indemnify **you** to replace or repair any anti-theft device which is permanently fitted to **equipment** following **damage** covered under this section.

   We will not pay more than £5,000 (five thousand pounds) in total in respect of this extension.

Exclusions

We will not provide cover for the following

1. repair or replacement necessitated solely by wasting, wearing away or wearing out caused by or resulting from ordinary use; or
2. working, rusting or gradual deterioration of any part of an item of **property** but **we** will be liable for the cost of **damage** insured by this section resulting from such causes; or
3. increase in cost of working incurred as a result of
   3.1. temporary interference with transmissions to and from satellites due to atmospheric weather, solar or lunar conditions; or
   3.2. failure of any satellite before it attains its full operating function or whilst in or beyond the final year of its design life; or
4. prototype **equipment**; or
5. **equipment** more than 10 years old at inception of the policy; or
6. loss of use of **equipment** or any other consequential loss except as provided for under extension 2; or
7. any loss recoverable under any guarantee, maintenance, rental, hire or lease agreement or contract; or
8. the **excess** shown in the **schedule**; or
9. **damage**, liability or expense arising from a **computer virus**

Section 7 – Employee dishonesty

Insuring clause

We will indemnify **you** for **your** direct **loss** which occurs during the **period of insurance** as a direct result of an act or series of related acts of fraud or dishonesty committed during the **period of insurance** by any identified **employee**, who is paid wholly or mainly by salary or wages, (acting alone or in collusion with others) with the principal intent to cause **you** to sustain a **loss** and to obtain financial benefit for such **employee** (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other **employee** benefits earned in the normal course of employment) which is first discovered by **you** during the **period of insurance**.

Conditions

*The following are conditions of the insurance that **you** need to meet as **your** part of this contract before **you** are entitled indemnity under this insurance. If **you** do not meet any of these conditions and that either causes a claim or contributes to a claim, **we** can reject that claim or payment in respect of that claim could be reduced. These conditions apply in addition to the general conditions on page GEN9 to page GEN12 and the claims conditions on page GEN16.*

1. **Cancellation as to any employee**
   Cover under this section will be deemed cancelled in respect of any **employee** immediately upon discovery by **you** or by any of **your** directors or officers not in collusion with such **employee**, of any dishonest or fraudulent act on the part of such **employee**, and further dishonest or fraudulent acts committed by such **employee** are excluded.

2. **Recoveries**
   Recoveries, less the actual cost of recovery, made after **loss** will be distributed as follows.
   2.1. First, **you** will be reimbursed for **loss** exceeding the limit of liability or settlement (whichever is less) and the retention amount (if applicable).
   2.2. Second, **we** will be reimbursed for the settlement made.
   2.3. Third, **you** will be reimbursed for **loss** equal to the retention amount.

3. **Management controls**
   It is a condition precedent to **our** liability under this section that **you** comply with the following statements at all times, evidence of which must be available at the time of claim
   3.1. the statutory accounts are independently audited; and
   3.2. **stock** is independently and physically checked (at least once every six months) by an **employee** not responsible for daily **stock** handling or ordering; and
   3.3. cheque requisition/payment instructions and payment authorisation are segregated functions undertaken by separate people; and
   3.4. the ordering, certification of receipt, and verification of supporting documentation before cheque or payment instructions are authorised for goods or services are performed by different **employees** acting independently; and
   3.5. cash in hand and petty cash must be checked independently of **employees** responsible at least monthly; and
   3.6. monthly reconciliation is performed on all bank accounts and debtors accounts, independently of **employees** in a position to receive payment of an account;
   3.7. written references are obtained and checked for all new **employees** (except school-leavers) covering at least the preceding 2 (two) years of continuous employment, where the **employee** is to be responsible for money, securities, stock or accounts.

4. **Change in control of the insured**
   If, during the **period of insurance** a change in control of the policyholder takes place, then the cover provided under this section is amended to apply only to acts committed which give rise to a loss occurring prior to the effective date of the change of control. **You** must give **us** written notice of the change in control as soon as possible, but not later than 30 (thirty) days after the effective date of the change in control.

Section 7 – Employee dishonesty

Exclusions

This section does not cover for any

1. **loss** that results from the complete or partial non-payment or default under any credit arrangement, loan, lease or rental agreement, invoice, or payments made or withdrawals from any customer's account involving items which are not finally paid for any reason; or
2. **loss** caused by any **employee** from and after the time that **you** or **any** of **your** directors or officers have knowledge or information that such **employee** has committed any dishonest or fraudulent act whether such act be committed before or after the date of employment by **you**; or
3. l**oss** the proof of which is dependent solely upon a profit and **loss** computation or comparison of inventory records with an actual physical count; or
4. **loss** which arises out of the voluntary giving or surrendering of property in exchange or purchase, unless such **loss** is caused by an **employee**, or by forgery, counterfeiting or fraud by any other person whether or not in collusion with an **employee**; or
5. indirect or consequential loss of any nature; or
6. costs, fees and other expenses incurred by **you** in establishing the existence of or amount of **loss**; or
7. costs of defending any legal proceeding brought against **you**; or
8. **loss** caused by any broker, factor, commission, consignee, contractor or any other agent or representative of the same general character.
9. **loss** due to **loss** of and/or **damage** to proprietary information, trade secrets, confidential processing methods, or other confidential information of any kind; or
10. **loss you** first discovered prior to, or subsequent to, the **period of insurance**; or
11. **loss** arising from any act or any series of related acts committed outside the territorial waters of the policy; or
12. **loss** committed by any **employee** who at the time of committing the fraudulent or dishonest act owns or controls more than 5% of **your** issued share capital.

Section 8 – Employers' liability

Insuring clause
We will cover **you** under the terms of this policy in respect of:

1. All sums which **you** will become legally liable to pay as damages including claimants' costs and expenses in respect of **injury** sustained by an **employee** of y**ours** arising out of and in the course of their employment or engagement by **you** and caused during the **period of insurance** stated in the **schedule** in connection with the **business** and occurring within the geographical limits given below.
2. All costs and expenses incurred by **you** (except as described in 3 below) with **our** written consent in respect of any claim against **you** which are covered by this policy.
3. The payment of legal and other defence fees incurred with **our** written consent, up to a limit of £50,000 arising out of any one occurrence, for **your** representation at any Coroner's Inquest or Fatal Accident Inquiry in respect of any death, and at which **your employee** or principal, including any director, partner, or senior official, has been requested to give evidence, and proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty resulting in **injury** which is covered by this policy.

Territorial limits
1. In Great Britain, Northern Ireland, the Channel Islands or the Isle of Man; and
2. whilst temporarily outside the countries named in 1. provided that any such **employee** is
   2.1. ordinarily resident in any of the countries named in 1; and
   2.2. engaged in non-manual work.

Limit of indemnity
The most **we** will pay under this section in respect of any one claim against **you**, or series of claims against **you** arising out of one occurrence, inclusive of all costs and expenses will not exceed, in the aggregate, the limit of liability stated in the **schedule**.

Rights of recovery
The cover granted by this insurance is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **employees** in Great Britain, Northern Ireland, the Channel Islands and Isle or the Man but **you** will repay to **us** all sums paid by **us** which **we** would not have been liable to pay but for the provisions of such law.

Conditions
*The following are conditions of the insurance that **you** need to meet as **your** part of this contract before **you** are entitled indemnity under this insurance. If **you** do not meet any of these conditions and that either causes a claim or contributes to a claim, **we** can reject that claim or payment in respect of that claim could be reduced. These conditions apply in addition to the general conditions on page GEN9 to page GEN12 and the claims conditions on page GEN15.*

1. **Provision and observance of Personal Protective Equipment**
   1.1. all labour only sub-contractors are inducted onto a contract site in accordance with HSE guidance (https://www.hse.gov.uk/construction/safetytopics/site-rules-induction.htm) and a written record of the induction retained by **you** and provided to **us** on **our** written request; and
   1.2. **you** undertake to provide adequate supervision of all labour only sub-contractors to ensure site rules are adhered to; and
   1.3. all **employees** and labour only sub-contractors are made aware of the dangers of not using personal protective equipment; and
   1.4. personal protective equipment is provided by **you** if required by both **employees** and labour only sub-contractors; and
   1.5. **employees** conducting welding and hot work activities are protected from carcinogenic fumes by the issue of respiratory protective equipment in accordance with the Health and Safety Executive's Control Approach R; and
   1.6. a register is maintained which demonstrates that **employees** have received appropriate training and are fully conversant with the way in which to access such personal protective equipment and is made available to **us** upon **our** written request.
2. **Risk assessment & method statement condition**
   It is a condition of this insurance that
   2.1. **you** perform a risk assessment prior to the commencement of a contract which identifies:
      2.1.1. the risks to the health and safety of **your employees** to which they are exposed whilst they are at work; and
      2.1.2. the risks to the health and safety of persons not in **your** employment arising out of or in connection with the conduct of **your business** activities;
   2.2. prepare and appropriately distribute a method statement which details how the contract will be executed;
   2.3. **you** agree that risk assessments and method statements will be in written form and made available to **us** upon **our** written request.

Extensions
These apply in addition to the general extensions:

1. **Unsatisfied court judgements**
   Where a judgement for damages has been obtained by any **employee** or the legal personal representatives of any **employee:**
   1.1. in respect of **injury** sustained by the **employee** arising out of and in the course of employment by **you** in the **business;** or
   1.2. against any company or individual operating from or resident in **premises** within the geographical limits in any court situate in the geographical limits;

   and such judgement remains unsatisfied in whole or in part 6 months after the date of judgement then at **your** request **we** will pay to the **employee** or the said legal personal representatives the amount of any such damages and any awarded costs to the extent that they remain unsatisfied;

provided that;

1.3. there is no appeal outstanding; and
1.4. if any payment is made by **us** the **employee** or the said legal personal representatives will assign the judgement to **us**; and
1.5. this section of the policy, Employers' liability, is operative at the time that such **injury** is caused; and
1.6. **our** liability for damages costs and expenses will not exceed the amount stated as the limit of indemnity in the **schedule.**

We will not cover any judgment where an appeal remains outstanding.

2. **Indemnity to principal**
We will cover any principal under this section against liability in respect of **injury** or loss of, or **damage** to, **property**, to the extent that any contract or agreement entered into by **you** with any principal so requires;

provided that;

2.1. payment would been made against **you; and**
2.2. the principal will observe, fulfil and be subject to the terms conditions and endorsements of this policy as far as they can apply; and
2.3. no payment will be made by **us** in respect of liquidated damages or under any penalty clause; and
2.4. payment made by **us** under this section, Employers' liability, will only apply in respect of liability to any person who is an **employee**.

3. **Health and Safety at Work Act etc and Corporate Manslaughter**
We will cover **you** and at **your** request any director, partner, senior official or **employee** of **yours**, in respect of legal costs and expenses incurred with **our** written consent in the defence of any prosecution or (subject to the provisions below) incurred in connection with appeal against conviction arising from such prosecution under the provisions of:
3.1. the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978; and / or
3.2. the Corporate Manslaughter and Corporate Homicide Act 2007;

provided that the proceedings relate to an offence alleged to have been committed during the **period of insurance** and in the course of the **business**, and where there is also a claim or potential claim for damages against **you** or any of the additional persons insured, **you** are entitled to cover under this policy.

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

3.3. any related claim against **you** for damages remains unsettled; and
3.4. in the opinion of the legal representatives acting for **you** an appeal is more likely than not to succeed; and

we will not cover **you** in respect of;

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

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

4. **Court attendance costs**
If any of the people mentioned below attend court as a witness at **our** request, in connection with a claim in respect of which **you** are entitled to insurance under this policy, **we** will provide compensation to **you** at the following rates per day for each day on which attendance is required;
4.1. £250 (two hundred and fifty pounds) for **you** or any of the directors or partners of **yours;** and
4.2. £100 for any **employee.**

5. **Offshore**
If **we** are required by compulsory insurance regulations then **we** will make a payment in respect of **injury** occurring **offshore**. The amount **we** will pay **you** or on **your** behalf will be limited to £5,000,000 (five million pounds) any one occurrence.

6. **Terrorism**
Injury as a result of **terrorism** to any **employee** of **yours** which arises out of and in the course of employment or engagement by **you**. The amount **we** will pay **you** or on **your** behalf will be limited to £5,000,000 (five million pounds) any one occurrence.

Exclusions

These apply in addition to the general exclusions.

We will not indemnify **you** under this section against liability for **injury** sustained by any **employee** of **yours**

1. in respect of which compulsory insurance or security is required to be arranged by **you** under the Road Traffic Act 1988 or the Road Traffic (Northern Ireland) Order 1981 or any subsequent legislation amending or replacing such Act or Order; or
2. whilst **offshore**.

If **we** are required by compulsory insurance regulations to make a payment in respect of **injury** occurring **offshore** then the limit of indemnity of £5,000,000 (five million pounds) any one occurrence will apply.

Section 9 – Public liability

Insuring clause

We will cover **you** under the terms of this policy in respect of:

1. All sums which **you** will become legally liable to pay as damages including claimants' costs and expenses in respect of;
    1.1. accidental **injury** to any person; and
    1.2. accidental physical loss of, or physical **damage** to **property**; and
    1.3. obstruction, trespass, nuisance or interference with any right of way, air, light or water or other easement; and
    1.4. wrongful arrest, wrongful detention, false imprisonment, or malicious prosecution;

    in connection with the **business** and occurring anywhere within the geographical limits given below during the **period of insurance** stated in the **schedule**.

2. All costs and expenses incurred by **you** (except as described in 3 below) with **our** written consent in respect of any claim against **you** which are covered by this policy.

3. The payment of legal and other defence fees incurred with **our** written consent, up to a limit of £50,000 arising out of any one occurrence, for **your** representation at any Coroner's Inquest or Fatal Accident Inquiry in respect of any death and at which **your employee** or principal, including any director, partner, or senior official, of **yours** has been requested to give evidence and proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty resulting in **injury** or loss of or **damage** to **property** which is covered by this policy.

Territorial limits

1. In Great Britain, Northern Ireland, the Channel Islands or the Isle of Man; and
2. whilst temporarily outside the countries named in 1. provided that any such **employee** is
    2.1. ordinarily resident in any of the countries named in 1; and
    2.2. engaged in non-manual work.

Limit of liability

The most **we** will pay under this section (including any extensions) for damages in respect of any one claim against **you** or series of claims against **you** arising out of one occurrence will not exceed, in the aggregate, the **limit of liability** stated in the **schedule**.

Any costs and expenses incurred by **you** in respect of this section under this policy will be payable in addition to the **limit of liability** stated in the **schedule**.

Conditions

*The following are conditions of the insurance that **you** need to meet as **your** part of this contract before **you** are entitled indemnity under this insurance. If **you** do not meet any of these conditions and that either causes a claim or contributes to a claim, **we** can reject that claim or payment in respect of that claim could be reduced. These conditions apply in addition to the general conditions on page GEN9 to page GEN12 and the claims conditions on page GEN15.*

1. Mandatory search for existing infrastructure
It is a condition of this insurance that prior to the commencement of any excavation digging or earth- moving operation **you** will have inquired with the owner and/or relevant authority responsible for existing underground cables pipes or other underground facilities as to the location of such cables pipes or other underground facilities at the contract site and **you** will retain a written record of and response to the said inquiry and produce this to **us** if **we** request **you** to do so.

2. Work involving bona fide sub-contractors
We will not indemnify **you** under this insurance in respect of any claim arising out of or in connection with work undertaken on **your** behalf by bona fide independent contractors (not defined as an **employee** under this Insurance) unless at the time of engaging such contractors **you** obtain and retain a copy of the relevant insurance policy schedule or other proof thereof that such contractors have in force
    2.1. an approved Employers Liability insurance in accordance with any law relating to compulsory insurance of liability to **employees**; and
    2.2. public and products Liability insurance suitable for the nature of the work undertaken on **your** behalf and with a limit of indemnity not less than that applying to this insurance and containing an indemnity to principals clause

3. Application of heat precautions
It is a condition precedent to **our** liability under this insurance that the following special precautions will be complied with on each occasion in relation to any of the following work and that in relation to the following work no work will be carried out unless specifically authorized by the occupier of the premises at which the work is to be undertaken and that the occupier will specifically approve the following safety arrangements:

    3.1. In respect of work involving any blow lamp, blow torch, flame gun or hot air gun or work involving electric gas or other welding cutting or portable grinding equipment **you** will ensure that

        3.1.1. the area in which work is to be carried out (including adjoining shafts or openings and the area the other side of any wall or partition) is to be inspected to establish whether any combustible material (other than the property to be worked upon) is in danger of ignition either directly or by conduction of heat;

3.1.2. wherever practicable all combustible material is to be removed to a distance of not less than 10 metres from the point of work and such material which cannot be removed is to be covered by overlapping sheets of non-combustible material or afforded equivalent protection;
3.1.3. suitable fire extinguishing appliances are to be kept available for immediate use at the point of work;
3.1.4. all burning equipment is to be lit and used in strict accordance with the manufacturer's instructions not left unattended when lit and extinguished immediately after use;
3.1.5. hot air guns are to be switched off when unattended and immediately after use;
3.1.6. all portable grinders are to be switched on and used in strict accordance with the manufacturer's instructions and switched off when unattended and immediately after use;
3.1.7. a person who is competent in the use of fire extinguishing appliances is to be appointed to act as a firewatcher in conjunction with the operative using the equipment and to remain in attendance until use of all such equipment has ceased and all torches have been extinguished and all portable grinders switched off;
3.1.8. wherever practicable gas cylinders not in use are to be kept outside the building in which the work is taking place or otherwise kept at least 15 metres from the point of work;
3.1.9. a continuous check that there is no fire or risk of fire is to be made in the vicinity of the point of work and immediately following completion of each period of work a thorough check that there is no fire or risk of fire is to be made of the whole area in which the work is to be carried out (including adjoining shafts or openings and the area on the other side of any wall or partition) and a further check is to be made not less than 30 minutes immediately following the completion of each period of work. A suitable **employee** is to be responsible for fire safety for each period of work; and

3.2. In respect of work involving asphalt or bitumen tar boilers **you** will ensure that

3.2.1. regulation spill trays are to be used;
3.2.2. all tar boilers are to be kept wholly at ground level;
3.2.3. the equipment and work are not to be left unattended at any time whilst in use;
3.2.4. suitable fire extinguishing appliances are to be kept available for immediate use at the point of work;
3.2.5. immediately following completion of each period of work, a thorough check that there is no fire or risk of fire is to be made of the whole area in which the work is to be carried out (including adjoining shafts or openings and the area on the other side of any wall or partition).

Extensions

These apply in addition to the general extensions.

1. **Motor vehicles tool of trade risk**
We will cover **you** under the terms of this policy in respect of liability for **injury** or loss of or damage to property caused by or arising from:
1.1. the use of plant as a tool of trade at **your** premises or on any site at which **you** are working; and
1.2. the loading or unloading of any vehicle or the bringing to or taking away of a load from any vehicle; and
1.3. damage to any building bridge weighbridge road or to anything beneath caused by vibration or by the weight of any vehicle or its load.

We will not cover **you** against liability;
1.4. in respect of which compulsory insurance or security is required under any legislation governing the use of the vehicle; or
1.5. for which insurance is provided by any other policy.

2. **Motor contingent liability**
We will cover **you** in respect of liability for **injury** or damage to property arising from any mechanically propelled vehicle, including anything attached to it, not belonging to or provided by **you**, being used by an **employee** in the course of the **business**.

We will not cover **you** against liability;
2.1. in respect of damage to any such vehicle or trailer or property conveyed on or in any motor vehicle or plant; or
2.2. for which insurance is provided by any other insurance; or
2.3. caused or arising whilst such vehicle or trailer is;
2.3.1. engaged in racing pace-making reliability trials or speed testing; or
2.3.2. being driven by **you;** or
2.3.3. being driven with **your** general consent, or **your** representative, by any person who to **your** knowledge or **your** representative's knowledge. does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence; or
2.3.4. used elsewhere than within the territorial limits.

3. **Movement of obstructing vehicles**
We will cover **you** in respect of liability for **injury** or loss of or damage to property caused by or arising from any vehicle (not owned or hired by or lent to **you**) being driven by **you** or by any **employee** with **your** permission whilst such vehicle is being moved for the purpose of allowing free movement of any vehicles or pedestrians.

We will only cover **you** under this section extension if:
3.1. movements are limited to vehicles parked on or obstructing **your** premises or any site at which **you** are working; and
3.2. the vehicle causing obstruction will not be driven by any person unless such person is competent to drive the vehicle; and
3.3. the vehicle causing obstruction is driven by use of the owner's ignition key.

Section 9 – Public liability

We will not cover **you** against liability;

3.4. in respect of damage to such vehicle;

3.5. in respect of which compulsory insurance or security is required under any legislation governing the use of the vehicle.

4. **Defective premises act**

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

We will not cover **you** against liability

4.1. for which insurance is provided by any other insurance; and

4.2. for the costs of remedying any defect or alleged defect in such **premises**.

5. **Leased or rented premises**

We will cover **you** in respect of liability for loss of, or **damage** to, **premises** including their contents being leased or rented to **you**. **We** will not cover **you** against liability assumed by **you** under any agreement, which would not have attached in the absence of such an agreement.

6. **Overseas personal liability**

We will cover

6.1. **You; and**

6.2. at **your** request

6.2.1. any director partner or **employee** of **yours; and**

6.2.2. any spouse or child of the persons stated in a) or b) i) above who are accompanying such persons;

in respect of personal liability incurred by such persons for accidental **injury** to any person or accidental loss of or **damage** to **property** in connection with an event occurring in a country outside of the geographical limits of section 9 whilst on a temporary visit to such country in connection with the **business**;

provided that

6.3. any insured person under this section extension will as though they were **you** be subject to the introduction, the customer service information, the general definitions, general conditions, general exclusions, sections, section extensions, the **schedule** and any endorsements to this policy;

6.4. nothing in this section extension will increase **our** liability to pay any amount exceeding the limit of liability stated in the **schedule**, regardless of the number of persons claiming to be covered.

We will not cover **you** in respect of

6.5. contractual liability; or

6.6. liability for which insurance is provided by any other insurance; or

6.7. liability in respect of **damage** to **property** belonging to or in the custody or under the control of any person insured under this section extension; or

6.8. liability in respect of **injury** to any insured person under this section extension; or

6.9. liability caused by or arising from

6.9.1. the ownership or occupation of land or buildings; or

6.9.2. the carrying on of any **business** profession trade or employment; or

6.9.3. the ownership possession or use of animals other than domestic dogs or cats.

7. **Data Protection Act**

If **you** have registered in accordance with the terms of the Data Protection Act 2018, or have applied for such registration which has not been refused or withdrawn, or were previously registered in accordance with the terms of the Data Protection Act 1998, **we** will cover **you** under this section 9 extension in respect of compensation for **damage** arising out of any claim under Section 169 of the Data Protection Act 2018 not otherwise insured hereunder and first made against **you** during the **period of insurance** stated in the **schedule**.

We will not cover **you** for damages, costs and expenses that exceed the limits of liability stated in the **schedule**, and notwithstanding anything stated in the **schedule** or elsewhere in this policy to the contrary the said limit of liability will for the purpose of this section extension apply in respect of the total of all claims during the **period of insurance** stated in the **schedule.**

We will not cover **you** in respect of

7.1. fines levied by the Information Commissioner's Office or imposed as a result of conviction under the Data Protection Act 2018; or

7.2. 10% (ten per cent) of each claim subject to a minimum of £500 (five hundred pounds) and a maximum of £5,000 (five thousand pounds); or

7.3. liability caused by or arising from a deliberate act by or omission of any person entitled to insurance under this section extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission; or

7.4. for the costs of replacing reinstating rectifying or erasing any personal **data;** or

7.5. liability caused by, or arising from, any incident or circumstances known to **you** at the start of the **period of insurance** stated in the **schedule** which could give rise to a claim; or

7.6. caused by or arising from the recording processing or provision of **data** for reward or the determining of the financial status of a person;

7.7. contractual liability; or

7.8. liability in respect of **injury** to any person or **damage** to **property**.

Section 9 – Public liability

8. **Health and Safety at Work Act etc and Corporate Manslaughter**
 We will cover **you** and at **your** request any director, partner, senior official or **employee** of **yours**, in respect of legal costs and expenses incurred with **our** written consent in the defence of any prosecution or (subject to the provisions below) incurred in connection with appeal against conviction arising from such prosecution under the provisions of
 8.1. the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978; and / or
 8.2. the Corporate Manslaughter and Corporate Homicide Act 2007;

 Provided that the proceedings relate to an offence alleged to have been committed during the **period of insurance** and in the course of the **business**, and where there is also a claim or potential claim for damages against **you** or any of the additional persons insured, **you** are entitled to cover under this policy.

 We will only pay the costs and expenses of legal representation for an appeal against conviction if
 8.3. any related claim against **you** for damages remains unsettled; and
 8.4. in the opinion of the legal representatives acting for **you** an appeal is more likely than not to succeed; and
 8.5. the total amount of any damages likely to be awarded against **you** exceeds the total cost of legal representation for an appeal.

 We will not cover **you** in respect of
 8.6. fines or penalties of any kind, remedial or publicity orders or prosecution costs imposed as a consequence of such prosecution, including any fee for intervention; or
 8.7. any circumstances for which cover is provided by any other insurance; or
 8.8. proceedings consequent upon a deliberate act by, or omission of, any person entitled to insurance under this extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission; or
 8.9. proceedings which arise out of any activity or risk excluded from this policy.

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

9. **Court attendance costs**
 If any of the people mentioned below attend court as a witness at **our** request, in connection with a claim in respect of which **you** are entitled to insurance under this policy, **we** will provide compensation to **you** at the following rates per day for each day on which attendance is required
 9.1. £250 (two hundred and fifty pounds) for **you** or any of the directors or partners of **yours; or**
 9.2. £100 (one hundred pounds) for any **employee.**

Exclusions

These apply in addition to the general exclusions.

We will not cover **you** under this section against liability

1. for loss of or **damage** to **property** belonging to **you** or in **your** custody or control or the custody or control of any of **your employees** other than;
 1.1. personal effects (including vehicle and their contents) of **employees** or visitors; or
 1.2. any **premises** including their contents not being **premises** leased or rented to **you** which are temporarily occupied by **you** for the purpose of carrying out work therein or thereon; or
 1.3. any other **property** on which **you** or any **employees** or agent of **yours** is, or has been carrying out work but **we** will not indemnify **you** in respect of loss or **damage** to that part of any **property** being worked upon;
2. arising from the ownership possession or use under the control of **you** or of any **employee** of **yours** of
 2.1. any mechanically propelled vehicle including anything attached to it used in circumstances where insurance or security is required by any road traffic legislation or where indemnity is provided by any other policy or security;
 2.2. any craft intended to travel through air or space or other aerial devices hovercraft or watercraft (other than hand propelled watercraft or sailing craft not exceeding six metres in length);
3. for loss caused by any **goods** after they have left **your** custody or control other than food or drink supplied primarily for the use of **your employees** or for entertainment purposes;
4. for loss arising from professional advice given separately for a fee or other charge by **you** or by anyone on **your** behalf or in circumstances where a fee would normally be charged;
5. for the amount of the **excess** stated in the **schedule;**
6. for **injury** sustained by an **employee** which arises out of and in the course of their employment or engagement by **you**;
7. for loss of, or **damage**, or legal liability occasioned by, happening through, or in consequence of war, invasion, acts of foreign enemies hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or **damage** to **property** by or under the order of any government, or public, or local authority;
8. for loss of, or **damage** to, or any costs or expense incurred in repairing, replacing, removing, rectifying, recalling, or making any refund in respect of g**oods**;
9. for liability arising from **goods** used with **your** knowledge in connection with aircraft and other aerospatial devices (including drones), watercraft, or **offshore** structures;
10. for **injury**, loss, **damage**, cost or expense of any kind caused by, resulting from or in connection with, any component building material that must be removed, encapsulated or otherwise abated because its presence or release is a hazard to human health;
11. for **injury**, loss, **damage**, cost or expense of any kind caused by, resulting from or in connection with any fungus of any kind, including but not limited to mildew, mould, spores or allergens;

Section 9 – Public liability

12. any liability caused by, or arising out of **pollution**, or contamination of buildings or other structures or of water or land or the atmosphere, but this exclusion will not apply in respect of **pollution** or contamination caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the **period of insurance** stated in the **schedule**;
13. for any loss of any kind caused by or attributable to
    - 13.1. an outbreak of a disease that becomes an epidemic whether or not declared to be an epidemic by any competent civil authority; and / or
    - 13.2. an outbreak of a disease declared or categorised by the World Health Organisation as a pandemic; or
    - 13.3. a Public Health Emergency of International Concern declared by the World Health Organisation.

    For the avoidance of doubt, where an epidemic, pandemic or Public Health Emergency of International Concern occurs, this policy will not insure loss of any kind for any period prior to such epidemic, pandemic or Public Health Emergency of International Concern.

    For the purposes of this exclusion **loss** means and includes all sums which **you** become legally liable to pay as damages including claimants' costs and expenses, and, in addition, includes but is not limited to, any kind of pecuniary losses whether described as compensation, legal costs, defence costs, other costs, expenses, fees, charges or similar terms.

Section 10 – Products liability

Insuring clause

We will cover **you** under the terms of this policy in respect of:

1. All sums which **you** become legally liable to pay as damages including claimants' costs and expenses in respect of
   1.1. accidental **injury** to any person; and
   1.2. accidental physical loss of, or physical **damage** to, **property**;

   caused by any **goods** occurring anywhere within the geographical limits given below during the policy **period of insurance** stated in the **schedule** which arises in connection with the **business**.

2. All costs and expenses incurred by **you** (except as described in 3 below) with **our** written consent in respect of any claim against **you** which are covered by this policy.

3. The payment of legal and other defence fees incurred with **our** written consent up to a limit of £50,000 arising out of any one occurrence for **your** representation at any Coroner's Inquest or Fatal Accident Inquiry in respect of any death and at which an **employee** or principal including a director, partner, or senior official, of **yours** has been requested to give evidence and at proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty resulting in i**njury** or loss of or **damage** to **property** in respect of any **goods**.

Territorial limits

Anywhere in the world other than at **your premises** during the **period of insurance** stated in the **schedule** and caused by any **goods**.

Limit of liability

The most **we** will pay under this section (including any extensions) in respect of damages awarded against **you** will not exceed in the aggregate during the **period of insurance** the limit of liability stated in the **schedule**.

Any costs and expenses incurred by **you** in respect of this section, will be payable in addition to the **limit of liability**.

Extensions

These apply in addition to the general extensions.

1. **Consumer Protection Act and Food Safety Act**
   We will cover **you**, and at **your** request any principal, including any director, partner, senior official, or any **employee** of **yours**, under this section 10 extension, for legal costs and expenses incurred with **our** written consent in the defence of any criminal proceedings brought for a breach of Part II of the Consumer Protection Act 1987 and Sections 7 and 8 of the Food Safety Act 1990, including such legal costs and expenses incurred in an appeal against conviction arising from such proceedings and prosecution costs awarded in connection;

   provided that
   1.1. the proceedings relate to an offence alleged to have been committed during the **period of insurance** and in the course of the **business;**
   1.2. the principal, including a director, partner or senior official, or **employee** will as though they were **you** be subject to the terms, conditions, exclusions and limitations of this policy insofar as they can apply.

2. **We** will not cover **you** in respect of
   2.1. fines or penalties of any kind;
   2.2. any proceedings arising from circumstances for which insurance is already provided by any other policy;
   2.3. proceedings consequent upon a deliberate act by, or omission of, any person entitled to insurance under this section 10 extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission;
   2.4. proceedings which arise out of any activity or risk excluded from this policy.

3. **Health and Safety at Work Act etc and Corporate Manslaughter**
   We will cover **you** and at **your** request any director, partner, senior official or **employee** of **yours**, in respect of legal costs and expenses incurred with **our** written consent in the defence of any prosecution or (subject to the provisions below) incurred in connection with appeal against conviction arising from such prosecution under the provisions of
   3.1. the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978; and
   3.2. the Corporate Manslaughter and Corporate Homicide Act 2007

   provided that the proceedings relate to an offence alleged to have been committed during the **period of insurance** and in the course of the **business**, and where there is also a claim or potential claim for damages against **you** or any of the additional persons insured, **you** are entitled to cover under this policy.

   We will only pay the costs and expenses of legal representation for an appeal against conviction if:
   3.3. any related claim against **you** for damages remains unsettled; and
   3.4. in the opinion of the legal representatives acting for **you** an appeal is more likely than not to succeed; and
   3.5. the total amount of any damages likely to be awarded against **you** exceeds the total cost of legal representation for an appeal.

   We will not cover **you** in respect of
   3.6. fines or penalties of any kind, remedial or publicity orders or prosecution costs imposed as a consequence of such prosecution, including any fee for intervention;
   3.7. any circumstances for which cover is provided by any other insurance;

Section 10 – Products liability

3.8. proceedings consequent upon a deliberate act by, or omission of, any person entitled to insurance under this extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission;
3.9. proceedings which arise out of any activity or risk excluded from this policy.

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

4. **Court attendance costs**
If any of the people mentioned below attend court as a witness at **our** request, in connection with a claim in respect of which **you** are entitled to insurance under this policy, **we** will provide compensation to **you** at the following rates per day for each day on which attendance is required
4.1. £250 (two hundred and fifty pounds) for **you** or any of the directors or partners of **yours;**
4.2. £100 (one hundred pounds) for any **employee.**

Exclusions

We will not cover **you** under this section in respect of liability:

1. caused by, or in connection with, any **goods** which to **your** knowledge are for export to, or use in, the United States of America or Canada;
2. caused by any **goods** in **your** custody or control;
3. the amount shown as **excess** in the **schedule**;
4. for **injury** sustained by an **employee** which arises out of and in the course of their employment or engagement by **you**;
5. for loss of, or **damage**, or legal liability occasioned by, happening through, or in consequence of war, invasion, acts of foreign enemies hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or **damage** to **property** by or under the order of any government, or public, or local authority;
6. for loss of, or **damage** to, or any costs or expense incurred in repairing, replacing, removing, rectifying, recalling, or making any refund in respect of **goods**;
7. for liability arising from **goods** used with **your** knowledge in connection with aircraft and other aerospatial devices (including drones), watercraft, or **offshore** structures;
8. for **injury**, loss, **damage**, cost or expense of any kind caused by, resulting from or in connection with, any component building material that must be removed, encapsulated or otherwise abated because its presence or release is a hazard to human health;
9. for **injury**, loss, **damage**, cost or expense of any kind caused by, resulting from or in connection with any fungus of any kind, including but not limited to mildew, mould, spores or allergens;
10. any liability caused by, or arising out of **pollution**, or contamination of buildings or other structures or of water or land or the atmosphere, but this exclusion will not apply in respect of **pollution** or contamination caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the **period of insurance** stated in the **schedule**;
11. for any loss of any kind caused by or attributable to
11.1. an outbreak of a disease that becomes an epidemic whether or not declared to be an epidemic by any competent civil authority;
11.2. an outbreak of a disease declared or categorised by the World Health Organisation as a pandemic; or
11.3. a Public Health Emergency of International Concern declared by the World Health Organisation.

For the avoidance of doubt, where an epidemic, pandemic or Public Health Emergency of International Concern occurs, this policy will not insure loss of any kind for any period prior to such epidemic, pandemic or Public Health Emergency of International Concern.

For the purposes of this exclusion **loss** means and includes all sums which **you** become legally liable to pay as damages including claimants' costs and expenses, and, in addition, includes but is not limited to, any kind of pecuniary losses whether described as compensation, legal costs, defence costs, other costs, expenses, fees, charges or similar terms.

Section 11 – Contract works and employee tools

Insuring clause

Cover 1 – Contract works *(only applicable if shown as insured in the* **schedule***)*
The insurance by this section is in respect of **damage** to the **contract works** occurring:

1. **Transit**
   whilst in transit (other than by sea or air) in the United Kingdom to or from the **contract site** (including any loading or unloading in connection therewith);

2. **Contract site**
   whilst on the **contract site** within the United Kingdom of Great Britain, the Channel Islands, the Isle of Man and Northern Ireland or adjacent thereto until the issue of a certificate of completion or until taken over by the principal and for a further fourteen days where **you** are required to insure under the terms of the contract;

3. **Maintenance visits**
   during the period of maintenance of defects liability, not exceeding twelve months, occasioned by the contractor, in the course of any operations carried out on the contract site for the purpose of complying with **your** obligations under the maintenance or defects liability clause in the contract;

   Provided that **you** will demonstrate that any **damage** which is first revealed during the period of maintenance or defects liability is the responsibility of the contractor under the terms of the contract.

Cover 2 – Employees' tools *(only applicable if shown as insured in the* **schedule***)*
The insurance by this section is in respect of **damage** to **employees tools** whilst on the **contract site** or adjacent thereto.

Limit of Liability

The amount of liability under this policy will not exceed in addition to the amounts stated in the extensions.

Under Cover 1
The sum insured stated in the schedule.

Under Cover 2
In respect of any one item of **property** insured the market value of the item at the time of the **damage.**

In respect of any one employee the sum of £1000 (one thousand pounds), or any other amount stated in the **schedule**.

In respect of any one claim, or series of claims arising out of one occurrence the sum insured stated in the **schedule**.

Conditions

The following are conditions of the insurance that ***you*** *need to meet as* ***your*** *part of this contract before* ***you*** *are entitled indemnity under this insurance. If* ***you*** *do not meet any of these conditions and that either causes a claim or contributes to a claim,* ***we*** *can reject that claim or payment in respect of that claim could be reduced. These conditions apply in addition to the general conditions on page GEN9 to page GEN12 and the claims conditions on page GEN16.*

1. **Joint Code of Practice**
   You undertake to comply with the Joint Code of Practice on the Protection from Fire of Construction Sites and Buildings undergoing renovation dated May 1992, 'The Joint Code,' or any subsequent amendment to or revised edition thereof current at inception (or subsequent renewal if applicable) of the policy.

   In the event of **our** becoming aware of a breach of The Joint Code, **we** will inform the main/management contractor's site management of the nature of the breach specifying the remedial measures required by **us** (the remedial measures) and the period within which these must be completed.

   Where **we** consider such a breach is of sufficient importance **we** will confirm the same by notice in writing (the notice) to the Employer and the main/management contractor and the first named party collectively forming the insured business(es), when this is not the employer or the main/ management contractor, at their respective addresses nominated by **you** at the inception of cover or as subsequently amended. Under the terms of this or any subsequent notice **we** will suspend or cancel all cover at the **contract site** concerned from the date named in the notice not being a date earlier than the date named for completion of the remedial measures it being understood that upon suspension such cover will be reinstated when **we** are satisfied that the remedial measures have been completed. We will give notice by registered post, recorded delivery facsimile transmission or by hand.

   This additional clause will not in itself be considered a condition precedent to liability but its inclusion will not prejudice, waive or remove **our** rights under the terms of this policy.

2. **Stoppage of work**
   In the event of stoppage of work by **you** on the **contract site** from any cause for a period in excess of one month, cover will be suspended unless its continuance is agreed by **us in** writing. In the event of such total or partial cessation of work **you** will use due diligence and do all things practicable to protect the **property** insured.

3. **Series defects**
   If the development or discovery of a defect in any part of the **property** insured indicates or suggests that similar defects exist in other parts of the **property, you** will, without delay, investigate and if necessary rectify the defects of the other parts at **your** own expense or alternatively bear all losses arising out of the defects.

Section 11 – Contract works and employee tools

4. **Application of heat precautions**
   It is a condition precedent to **our** liability under this insurance that the following special precautions will be complied with on each occasion in relation to any of the following work and, that, in relation to the following work, no work will be carried out unless specifically authorised by the occupier of the premises at which the work is to be undertaken, and that the occupier will specifically approve the following safety arrangements. If you do not meet these requirements and that either causes a claim or contributes to a claim, we can reject that claim or payment in respect of that claim could be reduced

   4.1. In respect of work involving any blow lamp, blow torch, flame gun or hot air gun or work involving electric gas or other welding cutting or portable grinding equipment **you** will ensure that;

   4.1.1. the area in which work is to be carried out (including adjoining shafts or openings and the area the other side of any wall or partition) is inspected to establish whether any combustible material (other than the property to be worked upon) is in danger of ignition either directly or by conduction of heat;
   4.1.2. wherever practicable all combustible material is to be removed to a distance of not less than 10 metres from the point of work and such material which cannot be removed is to be covered by overlapping sheets of non-combustible material or afforded equivalent protection;
   4.1.3. suitable fire extinguishing appliances are to be kept available for immediate use at the point of work;
   4.1.4. all burning equipment is to be lit and used in strict accordance with the manufacturer's instructions, not left unattended when lit and extinguished immediately after use;
   4.1.5. hot air guns are to be switched off when unattended and immediately after use;
   4.1.6. all portable grinders are to be switched on and used in strict accordance with the manufacturers' instructions and switched off when unattended and immediately after use;
   4.1.7. a person who is competent in the use of fire extinguishing appliances is to be appointed to act as a firewatcher in conjunction with the operative using the equipment and to remain in attendance until use of all such equipment has ceased and all torches have been extinguished and all portable grinders switched off;
   4.1.8. wherever practicable gas cylinders not in use are to be kept outside the building in which the work is taking place or otherwise kept at least 15 (fifteen) metres from the point of work;
   4.1.9. a continuous check that there is no fire or risk of fire is to be made in the vicinity of the point of work and immediately following completion of each period of work, a thorough check that there is no fire or risk of fire is to be made of the whole area in which the work is to be carried out (including adjoining shafts or openings and the area on the other side of any wall or partition) and a further check is to be made not less than 30 (thirty) minutes immediately following the completion of each period of work. A suitable **employee** is to be responsible for fire safety for each period of work; and

   4.2. In respect of work involving asphalt or bitumen tar boilers **you** will ensure that;
   4.2.1. regulation spill trays are used;
   4.2.2. all tar boilers are kept wholly at ground level;
   4.2.3. the equipment and work is not left unattended at any time whilst in use;
   4.2.4. suitable fire extinguishing appliances are kept available for immediate use at the point of work;
   4.2.5. immediately following completion of each period of work, a thorough check that there is no fire or risk of fire is to be made of the whole area in which the work is to be carried out (including adjoining shafts or openings and the area on the other side of any wall or partition).

5. **Subrogation rights**
   Unless **we** specifically agree in writing **our** right to recover costs and expenses incurred indemnifying **you,** or **your** principal, for **damage** to **contract works** at any **contract site** caused by the negligence of a sub-contractor will not be waived as a result of a contract condition.

Extensions

The insurance is extended to cover:

1. **Offsite storage**
   Damage as herein provided to the **property** insured whilst in store at any situation in the United Kingdom other than the **contract site** but not where the value of the **property** insured in store exceeds £25,000 (twenty-five thousand pounds) unless **our** prior consent has been obtained. Provided that **you** are responsible for such **damage** under the terms of the contract.

2. **Speculative building**
   Property being built or erected by **you** other than under a contract. In respect of such **property** cover will cease to apply from the date such **property** is sold or let or three months after the date of completion of the work of building or erecting such **property** whichever is the earlier.

   Completion means practical completion apart from a prospective purchasers' or tenants' choice of decorations and/or final fitments.

3. **Principals' indemnity**
   Any principal in a like manner to **you** where required by the conditions of the contract in respect of contracts undertaken in the United Kingdom only.

4. **Expediting expenses**
   The costs necessarily and incurred by **you** in making temporary repairs and expediting permanent repair, including overtime working and the use of rapid transport, in consequence of **damage** to the **contract works** for which **you** are indemnified by this insurance. Provided that the amount payable does not exceed 50% (fifty per cent) of the cost of repair had such costs not been incurred.

Section 11 – Contract works and employee tools

5. **Escalation clause**
   The cover provided by this policy in respect of the insured **property** can be increased by an amount not exceeding 25% (twenty-five per cent) of the sum insured stated in the **schedule** provided that such increase is included in the declaration provided to **us** in accordance with the premium adjustment condition in this policy.

6. **Free issue materials**
   Reference to materials under the definition of **contract works** is deemed to include materials supplied to **you** for inclusion in the **contract works** for which **you** are responsible under the terms of any insured contract provided that the value of such materials is included within both the sum insured and the declaration condition provided to **us** in accordance with the premium adjustment condition in this policy.

7. **Automatic sum insured reinstatement following a claim**
   The sums insured will not be reduced by the amount of any claim.

   In consideration of this extension **you** will pay an additional premium at a rate to be agreed on the amount of each claim for the period from the date of the incident to the date of the expiry of the **period of insurance** and any such additional premium will disregarded for the purpose of any adjustment of premium under the premium condition in this policy.

8. **Debris removal**
   The costs and expenses necessarily incurred by **you** with **our** consent in:
   8.1. Removing debris;
   8.2. dismantling and/or demolishing;
   8.3. shoring up propping and fencing off;
   8.4. repairing or cleaning drains sewers service mains and/or dewatering;
   8.5. temporary boarding up of windows following breakage of glass.

   Following **damage** to the **contract works** for which **you** are indemnified by this insurance provided that the amount payable does not exceed ten percent of the limit of liability in respect of Cover 1.

9. **Professional fees**
   The cost of architects, surveyors, consulting engineers and other professional fees necessarily and incurred in the re-instatement of the **property** insured following **damage** to the **contract works** for which **you** are indemnified by this insurance, not being fees for preparing any claim. Provided that the amount payable does not exceed those authorised by the appropriate professional body or 2½ % (two and a half per cent) of the contract price whichever is the greater.

10. **Plans**
    The cost of rewriting or redrawing documents drawings and business books but only for the value of the materials as stationery and the cost of clerical labour in writing up and not for the value of the information contained therein. Provided that the amount payable does not exceed 2½ % (two and a half per cent) of the contract price.

11. **Public authorities' clause**
    The additional cost of re-instatement following **damage** to **property** insured, for which **you** are indemnified by this insurance, solely to comply with any regulations arising out of an act of Parliament or with bye-laws of any Municipal or Local Authority.

    Provided that:

    Re-instatement (which can be carried out upon another site subject to the liability not being increased) is carried out without delay and the amount recoverable under this clause will not include;
    11.1. the costs incurred in complying with regulations or bye-laws intimated to **you** prior to the happening of the **damage;**
    11.2. the costs incurred in respect of undamaged **property;**
    11.3. the amount of any rate tax duty development or other charge which becomes payable following compliance with such regulations or bye-laws.

    The amount payable will not exceed will not exceed 5% (five per cent) of the contract price.

Optional extensions

*These extensions are only included in your cover if shown in your **schedule**.*

12. JCT contract conditions
The following will apply where **you** undertake a contract under JCT Standard Form of Building Contract 2024 or its predecessor contracts for large construction projects.

In respect of **damage** to the **property** insured by any of the specified perils defined in the Standard Form of Building contract it is agreed that so far as is required by the sub-contract **we** will not pursue any rights of subrogation against sub-contractors directly engaged by **you**.

Section 11 – Contract works and employee tools

13. JCT Clause 21.2.1 | 6.5.1
In respect of any **contract works** entered into by **you** under the Standard Form of Building Contract of the Joint Contracts Tribunal whereby **you** are required to effect insurance on behalf of the employer (named in the **contract**) in accordance with Clause 21.2.1 of the 1998 Conditions of Contract or Clause 6.5.1 of the 2016 Conditions of Contract or Clause 19(2)(a) of earlier editions or 6.2.4 of the Minor Works edition **we** will indemnify **you** and the employer named in the **agreement** in respect of any expense, liability, loss, claim or proceeding which the employer incurs or sustains by reason of **damage** to any **property** (excluding the **contract works** or any other property to which **your** insurance policy applies) occurring during the **period of insurance** and caused by collapse, subsidence, heave, vibration, weakening or removal of support, or lowering of ground water arising out of and in the course of or by reason of the carrying out of the **contract works**.

Limit of Indemnity
Our liability under this extension in respect of all such expenses, liabilities, losses, claims or proceedings will not exceed £2,000,000 any one occurrence or series of occurrences arising out of one event.

Additional definitions applicable to optional extension 13.

Contract
Means any agreement in writing for work to be conducted by **you** in the course of **your business** by way of construction installation, extension, alteration, repair or maintenance agreed by **us** in writing.

Agreement
Means a written **contract** between **you** and the employer and/or contractor which requires **you** to effect insurance as provided by this extension in the joint names of **you** and the employer and/or contractor

This extension does not cover:

1. Any expense, liability, loss, claim, **damage** or proceedings caused by **your** negligence or omission or default or that of **your** agents or any **employee** or any subcontractor of his employees or agents which is attributable to errors or omissions in the planning or the designing of the **contract works** arising from **damage** which could be foreseen to be inevitable having regard to the nature of the work to be executed, or the manner of its execution, or arising from **damage** occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
2. any sum payable under any penalty clause or by reason of breach of **contract**;
3. the first £5,000 (five thousand pounds) of costs inclusive of each and every occurrence is payable by **you;**
4. damage to **property** which is at the risk of the employer under the terms of the **contract**;
5. any liability assumed by the employer under any agreement which would not have been attached in the absence of the agreement;
6. any liability arising out of **terrorism**.

14. Limited defective condition exclusion (DE4)

We will not be liable for the cost of repairing, replacing or rectifying any:

14.1. Component part or individual item of the **property** insured which is defective in design, plan, specification, materials or workmanship;
14.2. **property** insured lost or damaged to enable the replacement repair or rectification of property insured excluded by 14.1 above.

Exclusion 14.1 above - shall not apply to other parts or items of the **property** insured which are free from defect but are damaged as a consequence of the defect.

For the purpose of this insurance, and not merely this exclusion, the **property** insured will not be regarded as lost or damaged solely by virtue of the existence of any defect in design plan, specification, materials or workmanship in the **propert**y insured or any part of the **property** insured.

15. Limited defective condition exclusion (DE5)

We will not be liable for the cost of repairing, replacing or rectifying any:

15.1. **Property** insured which is defective in design, plan, specification, materials or workmanship;
15.2. **damage** to the **property** insured caused to enable replacement, repair or rectification of defective **property** insured.

However should damage to the **property** insured, which is free of defective condition (other than damage as defined in 15.1 above), result from such a defect this exclusion shall be limited to the costs of additional work resulting from, and, the additional costs of improvements to the original design, plan, specification, materials or workmanship.

For the purpose of this insurance, and not merely this exclusion, the **property** insured shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design, plan, specification, materials or workmanship in the **property** insured or any part of the property insured.

Section 11 – Contract works and employee tools

Exclusions *(these apply in addition to the general exclusions detailed at GEN 12-13)*

We will not be liable for:

1. **Existing structures**
   Damage to any **property** forming, or which has formed, part of any existing structure prior to the commencement of the contract (or speculative building as provided for by extension 2.
2. **Breakdown during testing**
   Damage to any item of machinery caused by its own explosion, mechanical, electrical breakdown, failure, breakage or failure to perform its intended functions.
3. **Normal Upkeep**
   Normal upkeep or normal making good.
4. **Limited defective condition exclusion (DE3)**The cost of repairing, replacing or rectifying any:
   4.1. **Property** insured which is in defective condition due to a defect in design, plan, specification, materials or workmanship of such **property** insured or any part thereof;
   4.2. **property** insured lost or damaged to enable the repair, replacement or rectification of **property** insured excluded by 4.1 above.

   4.1 above will not apply to other **property** insured, which is free of the defective condition but is damaged as a consequence of the defect.

   For the purpose of this policy and not merely this exclusion the **property** insured will not be regarded as lost or damaged solely by virtue of the existence of any defect in design, plan, specification, materials or workmanship in the **property** insured or part thereof.
5. **Occupation of the works**
   Damage due to the use or occupancy other than as dwellings or offices of any portion of the permanent works by any owner tenant or occupier other than as herein provided.
6. **Relief under contract**
   Damage for which **you** are relieved of responsibility by the conditions of the contract.
7. **Non-ferrous metals**
   Theft of unfixed non-ferrous metals of any description unless at the time of the theft either:
   7.1. An authorised **employee** or agent of **yours** is present on site; or
   7.2. such **property** is contained in a securely locked hut, container or building.
8. **Money**
   Deeds, bonds, bills of exchange, promissory notes, cash, bank notes, cheques, securities for money or stamps.
9. **Sea and Air Transit**
   Damage occurring whilst any **property** is in transit by sea or air.
10. **Consequential loss**
    Liquidated damages penalties for delay or detention, or in connection with guarantees of performance or efficiency or other consequential loss.
11. **Inventory losses**
    Loss of the **property** insured by its disappearance or by shortage if such disappearance or shortage is only revealed when an inventory is made or loss of the **property** insured is discovered due to its being stolen, or otherwise missing, unless such loss is identifiable by **you** with a specific occurrence which has been the subject of notification under the terms of the Claims procedure condition including reporting the matter to the Police.
12. **Waterborne risks**
    Damage to any airborne or waterborne vessel or craft marine rig platform or **property** situated on any such vessel craft marine rig or platform.
13. **Wear, tear & corrosion**
    The cost of rectification or making good of wear and tear gradual deterioration due to atmospheric conditions or otherwise rust corrosion or oxidization or scratching of painted or polished surfaces.
14. **Wilful act**
    Damage caused by the wilful act or wilful neglect by **you**.
15. **Water table level**
    Damage attributable solely to a change in the water table level.
16. **Permanent works**
    Damage to the permanent works or any part of the permanent works after such works have been taken over or taken into use (whichever is the earlier) by the Employer/Purchaser/Principal (except as provided for by Cover 3. Maintenance visits).

Section 11 – Contract works and employee tools

17. **Improvements**
    Any costs incurred in connection with or in consequence of improvements, overhauls following **damage** but not forming part of the work insured under this insurance.

18. **Deductible**
    The amount stated in the **schedule** as the excess in respect of the cost of each and every occurrence for which **you** are indemnified by this insurance. It is agreed that any **damage** to the **property** insured arising on any **contract site** during any one period of 72 (seventy-two) consecutive hours caused by earthquake, storm, tempest or flood will be deemed to be a single event and therefore to constitute one occurrence. For the purpose of the commencement of any such period, it will be decided by **you**, it being understood and agreed that there will be no overlapping of any 2 (two) or more such periods.

19. **Contractors Plant**
    Contractors plant and equipment owned borrowed on loan to or hired in by **you**.

20. **Fly-tipping**
    The costs incurred in clearing and removing any property illegally deposited in on or around a **contract site**.

Section 12 – Contractors' plant and equipment

Insuring clause

Cover 1
Damage to owned contractors' plant and equipment *(only applicable if shown as insured in the* **schedule***)*
In the event of **damage** (subject to any exclusions) to **contractors' plant and equipment** owned by, or on deferred purchase, or leased to **you**, happening during the **period of insurance,** whilst situated or in transit anywhere within the United Kingdom of Great Britain, the Channel Islands, the Isle of Man and Northern Ireland, and at the time of such damage the **contractors' plant and equipment:**

1. Is less than or equal to 12 months old from the date of sale as new the amount payable by **us** will be reinstatement value; or
2. is more than 12 months old from the date of sale as new, **we** will pay to **you** the value of the **contractors' plant and equipment** at the time of the **damage** or the cost of repair of the **damage,** to a condition substantially the same as, but not better or more extensive than the condition at the time of the **damage,** or at **our** option reinstate or replace the **contractors' plant and equipment**.

Cover 2
Damage to other contractors' plant and equipment *(only applicable if shown as insured in the* **schedule***)*
In the event of **damage** (subject to any exclusions) to **property** hired in by **you**, or **contractors' plant and equipment** which **you** are legally responsible to insure prior to the occurrence of any damage, happening during the **period of insurance** whilst situated in, or in transit, anywhere within the United Kingdom of Great Britain, the Channel Islands, the Isle of Man and Northern Ireland **we** will pay to **you** all sums which **you** will become legally liable to pay for:

1. Damage to the **contractors' plant and equipment** hired in by **you**, or **contractors' plant and equipment** for which you are legally responsible and;
2. hiring charges levied upon **you** in consequence of such damage.

Limit of Liability

Our liability will not exceed:

1. If cover is provided by this policy in respect of Cover 1, the sums insured stated in the **schedule,** or the balance of such sums insured remaining after deduction for any other **damage** occurring during the same **period of insurance,** unless **we** have agreed to reinstate any such sum insured provided that the **contractors' plant and equipment** description is on a specified item basis otherwise;
2. if cover is provided by this policy in respect of Cover 1 and/or Cover 2 in total in respect of any one incident of **damage,** or series of incidents of **damage** from a common cause, the limit of liability stated in the **schedule**.

Where the basis of payment is to be reinstatement value, payment of reinstatement value will not be made:

1. Unless reinstatement commences and proceeds without delay; or
2. until reinstatement has been conducted.

If at the time of reinstatement, the sum representing 85% of the cost which would have been incurred in reinstating the whole of the **contractors' plant and equipment,** exceeds the sum insured at the commencement of any damage, **our** liability will not exceed that proportion of the amount of the damage which the sum insured will bear to the sum representing the cost of reinstating the whole of the **contractors' plant and equipment** at that time.

In the event that the insured consists of more than one party or legal entity **our** liability will not exceed the amount for which **we** would have been liable had such damage been sustained by any one of the insured parties or legal entities.

Conditions

1. *The following are conditions of the insurance that* ***you*** *need to meet as* ***your*** *part of this contract before* ***you*** *are entitled indemnity under this insurance. If* ***you*** *do not meet any of these conditions and that either causes a claim or contributes to a claim,* ***we*** *can reject that claim or payment in respect of that claim could be reduced. These conditions apply in addition to the general conditions on page GEN9 to page GEN12 and the claims conditions on page GEN16.*

2. **Cranes**
   You will ensure that all crane operations are undertaken only on firm and level ground and that such items are in a blocked or stabilised position when performing such operations.

3. **Jibs/Booms**
   You will ensure that jibs/ booms on cranes, or similar lifting appliances are lowered to ground level at the end of each working day and/or when such items are not in use.

4. **Maintenance of contractors' plant and equipment**
   You will ensure that all **contractors' plant and equipment** is operated and maintained in accordance with manufacturer's recommendations.

5. **Overload Alarms**
   You will ensure that all cranes are fitted with overload alarm systems and wind speed indicators and that such systems/ indicators are monitored in an operational working condition.

6. **Operators**
   You will ensure that all operators of the **contractors' plant and equipment** are licensed to operate such **contractors' plant and equipment** in accordance with statutory regulations. In areas where there is no statutory requirement the operators must have completed **your** internal training programme and, in all cases, have sufficient practical experience with evidence available to **us** on **our** request.

Section 12 – Contractors' plant and equipment

7. **Reasonable Precautions**
   You will take all reasonable precautions to prevent **damage**.

7) **Security of contractors' plant and equipment**
   It is a condition precedent to **our** liability for theft that whilst **contractors' plant and equipment** is left unattended overnight or at weekends:
   a) All Category A **contractors' plant and equipment** with a replacement value in excess of £75,000 (seventy five thousand pounds) will be fitted with a tracking device.
   b) All Category A, B and C **contractors' plant and equipment** will be fitted with a visible immobilising device and/or hydraulic lock.
   c) All Category D, E and F **contractors' plant and equipment** will be retained;
      i) within a locked building or;
      ii) within a locked container or receptacle which must be retained within a secure or attended garage or yard or;
      iii) within a locked and alarmed vehicle which must be situated within a secure or attended garage or yard.

   If you do not meet these requirements and that either causes a claim or contributes to a claim, we can reject that claim or payment in respect of that claim could be reduced.

   Categories of **contractors' plant and equipment:**

   A - Driven equipment comprising large tracked and wheeled machines greater than 3 tonnes.
   B – Driven equipment comprising compact and smaller driven equipment less than 3 tonnes.
   C - Non-driven equipment and towed plant with axle.
   D - Non-driven mobile/portable attachments and equipment.
   E - Power tools.
   F - Non-powered items.

   In accordance with the Home Office Security Guidance Document for Agricultural and Construction Plant. Publication no 64/09

8) **Special Precautions**
   You will maintain the **contractors' plant and equipment** in an efficient condition and fit for its purpose and will ensure that any **contractors' plant and equipment** requiring inspection or test under any statute, or order or regulation will be so inspected or tested.

Extensions

1. **Hiring out**
   The cover provided by this policy is extended to include **contractors' plant and equipment** whilst hired out provided that:
   1.1. The terms of any such hiring out are no less onerous than the recognised standard hire conditions in the territory concerned;
   1.2. the terms of any such hiring out are no less onerous than those terms under which the **contractors' plant and equipment** was hired in by **you**.

2. **Indemnity to other parties**
   The cover provided by this policy is extended to include **your** employer, purchaser, principal, financier, lead contractor, property owner, or other interested party solely to the extent required by the conditions of contract in force between **you** and the employer, purchaser, principal, financier, lead contractor, property owner, or other interested party provided always that the employer, purchaser, principal, financier, lead contractor, property owner, or other interested party will act as if they were the insured and observe, fulfil and be subject to the terms, exclusions and conditions of the policy.

3. **Immobilised property**
   The cover provided by this policy is extended to include costs necessarily and incurred by **you** to recover **contractors' plant and equipment** which has become accidentally immobilised during normal operations, other than by its own explosion, mechanical or electrical breakdown, failure, breakage or failure to meet its intended functions (including but not limited to **damage** caused by any failure to maintain the **contractors' plant and equipment** in accordance with the manufacturers recommendations, but not including **damage** caused by the error or omission of the driver(s) or operator(s) of the **contractors' plant and equipment** other than in respect of failure to maintain) provided that:
   3.1. **Our** liability will not exceed £25,000 (twenty five thousand pounds) in respect of all recoveries during any **period of insurance**; and
   3.2. such costs do not exceed the sum which would otherwise have been payable under the terms of this policy had such costs not been incurred; and
   3.3. **we** will not be liable in respect of **damage** in order to effect recovery of **contractors' plant and equipment**.

4. **Subrogation waiver**
   We agree to waive any rights and remedies or relief to which it will become entitled by subrogation against any insured named or described by this policy.

   This subrogation waiver extends to include all directors, officers, employees or servants of any of the insured entities.

Section 12 – Contractors' plant and equipment

Exclusions

We will not be liable for:

1. **Breakdown**
   Damage in respect of Cover 1 - to any item by its own explosion mechanical or electrical breakdown, failure breakage or failure to perform its intended function. This exclusion does not apply to resultant damage to the **contractors' plant and equipment** (other than in respect of jibs and booms on cranes or similar lifting appliances) which results from explosion mechanical or electrical breakdown, failure, breakage or failure to perform its intended function.
2. **Hydraulic fluids**
   Damage arising from fire caused by the combustion of fuel of or hydraulic fluids escaping as a result of **damage** to or deterioration of pipes hoses or similar lines unless they have been regularly inspected and maintained in accordance with manufacturer's recommended service and maintenance intervals and standards and a record of such has been kept by **you**.

   The onus of proving that inspections and maintenance have been conducted accordingly will be **yours**.
3. **Rubber tyres**
   Damage to rubber tyres unless such **damage** arises out of an accident for which cover is provided under this policy to other parts of the **contractors' plant and equipment** or unless such **damage** arises out of a malicious act which necessitates replacement of such tyres repair thereof being impracticable.
4. **Unexplained losses**
   Loss of **contractors' plant and equipment** due to theft or otherwise missing unless such loss is identifiable by **you** with a specific occurrence which has been notified under the terms of the claims conditions and within 14 (fourteen) days of discovery.
5. **Waterborne vessels**
   Damage to waterborne vessels or craft or **contractors' plant and equipment** on such vessels or craft but this exclusion will not apply to **contractors' plant and equipment** on such vessels or craft whilst being transported by inland waterway.
6. **Underground recovery**
   6.1. **damage** to **contractors' plant and equipment** occurring underground unless the **contractors' plant and equipment** can be repaired underground or brought back to the surface at **your** own expense; or
   6.2. abandonment howsoever occurring and from any cause whatsoever in respect of **contractors' plant and equipment** underground.
7. **Your contribution**
   The excess stated in the **schedule** being the first part of each and every claim to be borne by **you** as ascertained after the application of all other terms and conditions of the policy.
8. **Fixed contractors' plant and equipment**
   Fixed or static **contractors' plant and equipment** which is more specifically insured elsewhere.
9. **Drilling rigs and tunnel boring machines**
   Oil and gas well drilling rigs and/or tunnel boring machines.
10. **Pollution or contamination**
    Damage caused by **pollution** or contamination except (unless otherwise excluded) **damage** caused by **pollution** or contamination which itself results from any **damage**.
11. **Transit by Air & Sea**
    Damage occurring whilst the **contractors' plant and equipment** is in transit by sea or air.
12. **Corrosion or erosion**
    Damage consisting of or caused by any form of corrosion or erosion howsoever the same arises but this exclusion will not apply to **damage** to any other part of the **contractors' plant and equipment** free from such corrosion or erosion.
13. **Wear & Tear**
    Damage consisting of or caused by gradually occurring wear and tear or deterioration which is both predictable and inevitable from the normal operation or usage of the **contractors' plant and equipment** but this exclusion will not apply to **damage** to any other part of the **contractors' plant and equipment** free from any such condition.
14. **Financial Loss**
    Loss of any kind whatsoever including financial loss, loss of profits loss due to delay or any consequential loss of any kind whatsoever not otherwise specifically covered by this policy.
15. **Radioactive Contamination**
    Damage to any **contractors' plant and equipment** whatsoever or any loss or expense whatsoever resulting or arising there from or any consequential loss directly or indirectly caused by or contributed to by arising from:
    15.1. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
    15.2. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
16. **Multiple Lifting**
    Damage to any **contractors' plant and equipment** whilst undertaking lifting operations in which a single load is shared between more than one item of lifting equipment at the same time.

Section 13 – Professional indemnity

Definitions

*The words and phrases defined below apply to this section and will keep the same meaning wherever they appear in the section, unless an alternative definition is stated to apply. A defined word or phrase will be shown in **bold** each time it appears.*

Activities and duties
The performance of and/or professional assistance with the following services by **professional staff** on **your** behalf;

1. design, specification, inspection, supervision, feasibility study, surveying, procurement, CDM coordination and/or the provision of advice or technical information; and
2. such additional services as declared to, and agreed by, **us**.

This definition does not include;

3. inspection and/or supervision by **you** of **your** own, or **your** sub**contract**ors', work where such inspection and/or supervision is undertaken in **your** capacity as building or engineering contractor; and/or
4. the services of a clerk of works or similar person carrying out inspection and/or supervision of construction.

Circumstance
Information or facts or matters of which **you** are aware which could give rise to a claim against **you** which **you** could become legally liable to pay and which arises out of the exercise and conduct of the **activities and duties**.

Contract
Any written or verbal **contract** entered into by **you** to undertake the manufacture, construction, alteration, repair, or maintenance services of any property or **goods**.

Contract will also be deemed to include any manufacture, construction, alteration, repair, or maintenance services of any property or **goods** by **you** on **your** own account where no such **contract** exists with another party.

Consultants
Consultants, contractors, specialist designers or others appointed by **you** in connection with the **activities and duties**.

Co-operate
You must

1. assist **us** and **our** duly appointed representatives to put forward the best possible defence of a claim within the time constraints available; and
2. have adequate internal systems in place, which will allow ready access to material information; and
3. at all times, and at **your** own cost, give to **us** or **our** duly appointed representatives all such information, assistance, signed statements or depositions as may properly be required to facilitate compliance with all applicable Civil Procedure Rules, Practice Directions and Pre-Action Protocols and recoveries; and
4. pay the **excess** on demand by **us**, or **our** duly appointed representatives, to comply with any settlement **we** have agreed.

Defence costs
All costs and expenses incurred in the investigation, defence or settlement of any claim or **circumstance** notified under the terms of this section and/or the cost of representation at any enquiry or other proceedings which have a direct or indirect relevance to the investigation, defence or settlement of any matter notified under the terms of this section.

This definition will not include costs and expenses incurred by **you** in preparing and presenting any claim under this section or providing **us** with the necessary information to defend or mitigate any claim.

Excess
The sum shown in the schedule as the **excess** applicable to this section, unless otherwise stated in this policy, which is the first amount of each claim which is payable by **you**, and not covered by **us**.

Where, however, more than one claim is made during the **period of insurance** which arises from the same original cause and/or **contract** then only a single **excess** will apply in respect of such claims.

Geographical limits
Anywhere in the World excluding the United States of America and/or Canada or their Dominions or Protectorates or as varied in the schedule.

Harm
Any **harm** to the health of any living organism, or interference with ecological systems of which they form part, and, in the case of a person, includes offence caused to any of their senses.

Letter of claim
The **letter of claim** as detailed in any applicable Civil Procedure or Criminal Procedure Pre-Action Protocol.

Section 13 – Professional indemnity

Limit of liability
The sum shown in the schedule which is available to indemnify **you** in respect of a claim provided always that, where more than one claim arises from the same original cause and/or **contract**, all such claims will be deemed to be one claim and only one **limit of liability** will be payable in respect of the aggregate of all such claims.

Pollution
Any one, or a combination, of a release, emission, discharge, dispersal, disposal or escape of any substances, which are capable of causing **harm** to any person or any living organism, into or onto any water, land or air.

Professional staff
Those persons either qualified as architects, engineers or surveyors or having other professional qualifications appropriate to the **activities and duties** or having a minimum level of experience of five years in undertaking the **activities and duties**.

You/ your/ the insured / the policyholder
The corporate body or bodies named as 'the insured' in the schedule including:
1. any predecessors in business;
2. any business for which **you** are legally liable in consequence of **your** acquisition of such business (whether partial or otherwise) prior to inception of this section, provided **we** have been notified in writing of the existence of such other business and have not refused to insure it;
3. any office or division of y**ours** as specified above unless expressly stated otherwise.

Insuring clause

Cover 1
Legal liability
We will insure **you**, up to the **limit of liability**, for the amount of any claim, including claimant's costs and expenses, first made against **you** and notified to **us** during the **period of insurance**, in respect of any legal liability for any negligent act, negligent error or negligent omission which arises out of the exercise and conduct of the **activities and duties** by **you**.

We will not insure **you** in respect of the **excess**.

Cover 2
Costs and expenses incurred in mitigating a claim or potential claim
We will insure **you** for all costs and expenses necessarily incurred, prior to hand-over of the **contract** works, in taking any necessary action for the sole purpose of mitigating a claim brought under Cover 1 or in seeking to avoid or mitigate such a claim arising out of any **circumstance** discovered during the **period of insurance** where such costs and expenses have been incurred with **our** prior written consent, as more fully described in Claims conditions 1(d).

Cover 3
Defence costs
We will also insure **you** for **defence costs** where such costs have been incurred with **our** prior written consent. Such **defence costs** will;
1. not be in addition to the **limit of liability**; and
2. not be the subject of any **excess**.

Conditions

The following are conditions of the insurance that you need to meet as your part of this contract to which this endorsement attaches. If you do not meet any of these conditions and that either causes a claim or contributes to a claim, we can reject that claim or payment in respect of that claim could be reduced.

1. **Retroactive date**
   Where a retroactive date is specified in the schedule, this section will not insure **you** for any claim notified to **us** and arising out of the exercise and conduct of the **activities and duties** prior to the retroactive date detailed in the **schedule.**

2. **Subrogation**
   If any payment is made by **us**, **you** grant to **us** all rights of recovery against any parties from whom a recovery may be made and **you** must take all reasonable steps to preserve such rights. However, **we** agree to waive any rights of recovery against any of **your** present or former employees unless liability has resulted, in whole or part, from any act or omission on the part of such person which is dishonest, fraudulent, criminal or malicious.

3. **Insurance disputes**
   This section is governed by the laws of England and Wales.

   Any dispute or difference between **you** and **us** arising from this section will be referred for determination to Senior Counsel of the English Bar, to be mutually agreed between **us** and **you**, or any other person as may be mutually agreed.

   In the event of disagreement regarding the appointment, the Chairman of the Bar Council will appoint a suitable person.

Section 13 – Professional indemnity

The findings of the agreed or appointed person will be binding on **us** and **you**, and the cost of such referral will be allocated by the agreed or appointed person on a fair and equitable basis.

4. **Claims settlements**
   We can at any time pay to **you**, in connection with any claim or claims, the **limit of liability** (less any sums already paid including **defence costs**) or any lesser sum for which such claim or claims can be settled, and upon such payment **we** will not be under any further liability in respect of such claim or claims.

5. **Combined Claims**
   Where the same original cause or **contract** gives rise to an entitlement to **you** to insurance under Cover 1, Cover 2 or Cover 3 or any of the extensions of this section, the maximum amount payable by **us** under Cover 1, Cover 2 or Cover 3 and all extensions will not exceed the **limit of liability**.

Claims conditions

1. **Discovery of a claim or Circumstance**
   - 1.1. If, during the **period of insurance**, **you** receive notice of any claim that is subject to insurance under this section, other than any claim provided for in 1.2 below, **you** must give notice (in accordance with Claims Condition 2 (Notice) of this section) to **us**;
     - 1.1.1. as soon as practicable; and in any event;
     - 1.1.2. within 15 working days; and
     - 1.1.3. before expiry of the **period of insurance**.
   - 1.2. If, during the **period of insurance**, **you** receive a **letter of claim**, **you** must give early notice (in accordance with Claims condition 2 of this section, below) to **us**;
     - 1.2.1. as soon as practicable; and in any event;
     - 1.2.2. within 5 working days from receipt of such **Letter of claim**; and
     - 1.2.3. before expiry of the **period of insurance**.
   - 1.3. If during the **period of insurance you** become aware of any **circumstance**, **you** must give notice (in accordance with Claims Condition 2 of this section, below) to **us** of such **circumstance** as soon as practicable and, in any event, before expiry of the **period of insurance**.

   We agree that any such **circumstance** notified to **us** during the **period of insurance** and which subsequently gives rise to a claim after expiry of this section will be deemed to be a claim first made during the **period of insurance**.

   - 1.4. **you** must not incur any costs and/or expenses in connection with the insurance provided under Cover 2 (Costs and expenses incurred in mitigating a claim or potential claim) without **our** prior written consent which will not be reasonably withheld. The onus of proving that indemnity is afforded under Cover 2 (Costs and expenses incurred in mitigating a claim or potential claim) is **yours**.

2. **Notice**
   If **you** want to make a claim under this section, **you** must provide written notice to **us** at the contact details stated in the schedule. If it is not in writing, it will not be a valid notification under Condition 1, above.

3. **Admission of liability**
   In the event of any claim or c**ircumstance**, **you** must not admit liability nor admit liability or make any admission, offer, promise or payment without **our** prior written consent.

4. **Conduct of claims**
5. Following notification of any claim or **circumstance**, **we** will be entitled to take over and conduct in **your** name the investigation, defence or settlement of any such matter.

   You must **co-operate** and give all such assistance as **we** may reasonably require.

6. **Adjudication**
   In relation to the Adjudication extension (extension 5), **you**;
   - 6.1. must ensure that the timetable provisions in any **contract** are no more onerous to **you** than those contained in the Scheme for Construction Contracts referred to in the Act; and
   - 6.2. must notify **us** within 2 working days of receipt of any notice of intention to adjudicate, notice of adjudication, referral notice or any adjudication notice pursuant to **contract**; and
   - 6.3. must not serve any of the notices referred to in (b) (above) above without **our** prior written consent, unless, in the **your** reasonable opinion, this will not give rise to a claim under this section; and
   - 6.4. agree that **we** are entitled, if **we** reasonably request, to pursue legal, arbitration or other proceedings in **your** name of and on **your** behalf to challenge, appeal, open up or amend any decision, direction, award or the exercise of any power of the adjudicator or to stay the enforcement of any decision, direction, award or exercise of any power of the adjudicator. **You** must give all such assistance as **we** may reasonably require in relation to such proceedings; and
   - 6.5. must not accept the decision of the adjudicator as finally determining the dispute without **our** prior consent in writing; and
   - 6.6. must satisfy **us** that any liability incurred under an adjudicator's decision for which insurance is being sought would otherwise be the subject of insurance under this section.

For the avoidance of doubt;

6.7. notification of a “notice of intention to adjudicate” and/or “notice of adjudication” and/or “referral notice”, and/or “any adjudication notice pursuant to **contract**” will be considered to be a notification under the terms of this section subject to all other terms, conditions, exclusions and limitations applicable to this section which are not in conflict with this condition;
6.8. the adjudicator in any **contract** must be independent of the parties to the dispute;
6.9. this condition does not in any way limit **our** rights of subrogation.

Extensions

We will also provide cover for:

1. **Infringement of copyright or patents**
   We will insure **you**, up to the **limit of liability** for the amount of any claim, including claimant’s costs and expenses, first made against **you** and notified to **us** during the **period of insurance** in respect of any legal liability arising from any unintentional infringement of copyright, design right, registered design, trademark or patent committed by **you**.

2. **Joint venture/consortium**
   We will insure **you** for any claim for any negligent act, negligent error or negligent omission first made against **you** and notified to **us** during the **period of insurance** which:
   2.1. **you** may become legally liable to pay, whether jointly or severally; and
   2.2. arises out of the exercise and conduct of the **activities and duties;**

   whilst a member of a joint venture or consortium where such joint venture or consortium together with the turnover/fees of the joint venture or consortium (not just **your** proportion) has been declared to **us**, whether or not the joint venture or consortium is conducted through a separate legal entity.

   The amount payable under this extension will be limited to **your** share of the total liability of the joint venture or consortium. **We** retain all rights against **your** joint venture or consortium partners to which they may become subrogated.

   We will not insure **you** under this extension if, without **our** express agreement, **you** waive any right of recovery against any joint venture or consortium partner or any claim for contribution against such partner.

3. **Prosecution defence costs**
   We will insure **you** for any **defence costs** incurred during the **period of insurance** with **our** prior written consent in relation to any criminal proceedings (“proceedings”) against **you**, or any of **your** employees, arising from alleged breach of any United Kingdom statutory regulation relating to building or construction works where such alleged breach arises out of the exercise and conduct of the **activities and duties** in the United Kingdom.

   This extension is subject to the following:
   3.1. **our** reasonable belief that the defence of such proceedings would assist in the defence of any claim against **you** arising from such proceedings that would be subject to insurance under this section;
   3.2. any subsequent or concurrent claim that is subject to insurance under this section and that arises out of any proceedings notified under this clause will be deemed to be a **circumstance** and will be subject to the claims conditions (see Conditions precedent applicable to this section);
   3.3. any appeal against the outcome of any initial proceedings will be deemed to be proceedings for the purpose of this clause;
   3.4. the maximum amount **we** will pay for this extension will be £100,000 for all claims in the aggregate.

   We will not be liable for the first £1,000 of **defence costs** incurred in respect of each prosecution.

4. **Vicarious liability**
   We will insure **you** for any claim first made against **you** and notified to **us** during the **period of insurance** which **you** may become legally liable to pay as a result of any negligent act, negligent error or negligent omission by **consultants** or any other person or party for whom **you** are responsible arising out of the exercise and conduct of the **activities and duties**.

5. **Adjudication**
   We will insure **you** for awards made against **you** by an adjudicator appointed to resolve a dispute in accordance with the Scheme for Construction Contracts as contained in the Housing Grants Construction and Regeneration Act 1996 (“the Act”) or an adjudication clause or rules contained in a **contract**, subject to the claims conditions under the Conditions applicable to this section.

Section 13 – Professional indemnity

Exclusions

1. **Liability involving vehicles or property owned or occupied by you**
   We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving the ownership, possession or use by **you**, or on **your** behalf, of any aircraft, watercraft, hovercraft, motor vehicle or trailer or any buildings, structures, premises or land or that part of any building leased, occupied or rented by **you** or any other property belonging to **you** or in **your** care, custody or control.

2. **Liability for bodily injury /arising out of employment**
   We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any injury, disease, illness (including mental stress) or death of;
   2.1. any employee under a **contract** of service with **you** or any claim arising out of any dispute between **you** and any present or former employee or any person who has been offered employment with **you**; and/or
   2.2. any other person except to the extent that any liability on **your** part was due to any negligent act, negligent error or negligent omission by **you** and/or others acting on **your** behalf in the conduct and exercise of the **activities and duties**.

3. **Fraud, dishonesty or criminal act**
   We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any dishonest, fraudulent or criminal act, error or omission committed or alleged to have been committed by any past or present partner, director, trustee or employee or any other person or entity working on **your** behalf.

   However, this exclusion will not apply in respect of any civil claim arising out of any breach of any United Kingdom statutory regulation relating to building or construction works, subject to the act, error or omission not being deliberate on **your** part.

4. **Controlling Interest**
   We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any claim made against **you** by either;
   4.1. any entity in which **you** exercise a controlling interest; or
   4.2. any entity exercising a controlling interest over **you** by virtue of having a financial or executive interest in **your** operation;
   unless such claim is made against **you** for an indemnity or contribution in respect of a claim made by an independent party against the said entities detailed in (a) or (b) and arises out of the exercise and conduct of the **activities and duties**.

5. **Contractual Liability**
   We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any of the following:
   5.1. any performance warranties, penalty clauses, guarantees or liquidated damages unless **your** liability would have existed in the absence of such warranties penalties or guarantees; or
   5.2. any collateral warranty where **you** provide any express guarantee (including fitness for purpose), agrees to any express penalty or liquidated damages, or agrees to provide any party with a greater or longer lasting benefit than that given to the original party.

   This exclusion will not apply where **your** liability would have existed in the absence of any of the above or where **we** have expressly approved the relevant terms of the particular **contract**.

6. **Area of activities**
   We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any **activities and duties** undertaken by **you** outside the geographical limits.

7. **Jurisdiction**
   We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any claim brought (or the enforcement of any judgment or award entered against **you**) outside the c**our**ts of the United Kingdom, the Channel Islands, the Isle of Man and Member States of the European Union.

8. **Fines, penalties, punitive, multiple or exemplary damages**
   We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving fines, penalties, punitive, multiple or exemplary damages.

9. **Pollution**

   We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving **pollution** unless it was caused by a negligent act, negligent error or negligent omission by **you**, **professional staff** or **consultants** acting on **your** behalf, provided that;

   9.1. such **pollution** was not caused by an intentional act by **you**;
   9.2. such **pollution** was sudden and accidental.

   In respect of any claim arising from **pollution** the **limit of liability** will be amended to each claim provided that all claims in respect of **pollution**, including **defence costs** will not exceed in the aggregate the sum shown in the schedule. This means that only one **limit of liability** will be payable in relation to claims arising from **pollution**.

Section 13 – Professional indemnity

10. **Directors' and officers' liability**
    We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any claim arising from being a director, officer or tr**u**stee of the insured (as opposed to those duties and functions carried out in furtherance of the **activities and duties**) or from the acceptance of any directorship or trusteeship in any other company not forming part of the insured.

11. **Previous claims and circumstances**
    We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any claim or **circumstance** that may give rise to a claim;
    11.1. which has been notified and accepted by insurers in respect of any other insurance attaching prior to the inception of this section; or
    11.2. of which **you** were, or should have been, aware prior to inception of this section.

12. **Trading Losses**
    We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any trading losses or trading liabilities incurred by any business managed or carried on by **you** including loss of any client account or business.

13. **Failure to Arrange Insurance and/or Finance**
    We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any loss which follows from **your** failure to arrange and/or maintain insurance and/or finance.

14. **Asbestos**
    We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any claim involving asbestos.

15. **Loss of Documents -Magnetic or Electrical Media**
    We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving the physical loss of, or damage to, documents which are stored on magnetic or electrical media unless such documents are duplicated on magnetic or electrical with the intention that in the event of loss or damage the duplicate can be used as a basis for restoring the documents to their original stat**us** and provided always that such duplicates are securely stored in a separate location to the original documents.

16. **Tender at less than economic terms**
    We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving the deliberate decision by **you** to tender for a **contract** at less than economic terms.

17. **Construction Costs**
    We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any estimate of probable design and/or construction costs, being exceeded provided that this exclusion will not apply to any claim arising directly from negligence of a quantity surveyor employed by **you**, or appointed on **your** behalf, to carry out those activities normally undertaken by a quantity surveyor in private practice.

18. **Turnover declared as non-design related**
    We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any claim arising from **your** activities where it is, has been, or would be disclosed that **you** and/or **your consultants** have no responsibilities for design or other professionally-related activities.

19. **Defective Workmanship Or Materials**
    We will not insure **you** in respect of liability for, or directly or indirectly arising out, of or in any way involving any defective workmanship or materials relating to physical works of construction.

Section 14 – Directors and Officers liability

Definitions

*The words and phrases defined below apply to this section and will keep the same meaning wherever they appear in this section unless an alternative definition is stated to apply. A defined word or phrase will be shown in **bold** each time it appears.*

Claim

1. Any legal or administrative or regulatory proceeding, including the issue of a writ or summons or cross-claim or counter-claim issued or initiated against or served upon any **insured** for any wrongful act; or
2. Any written communication alleging a wrongful act communicated to any **insured** or to the **company** evidencing an intention to hold an insured responsible for a wrongful act.

More than one claim arising out of the same wrongful act will be deemed to constitute a single claim first made at the time the earliest such claim was deemed first made.

Company

The organisation named as 'The Insured' in the **schedule** and any subsidiary.

Defence costs

All reasonable and necessary fees, costs and expenses which, with **our** prior written consent (such consent not to be unreasonably withheld), are incurred in the investigation, negotiation of settlement, defence or appeal of any claim.

Defence costs will not include salaries, wages, fees, overheads or benefit expenses of any insured.

Discovery period

The period, if any, during which the coverage under this Section is extended, pursuant to Section 13 Condition 1 '**Discovery Period Condition'.**

Insured

3. In respect of all **claims** any natural person who was, now is, or could become a director or officer of the **company** or other person who could at any material time be deemed to be such a director or officer within the meaning of any applicable law or regulation;
4. In the event of the death, or incompetency or bankruptcy of any **insured** as defined by 8. or 9. of this definition, such person's estate, heirs, legal representative or assigns, for legal liabilities incurred due to any wrongful act of such deceased, incompetent or bankrupt **insured**;
5. The lawful spouse of any **insured** as defined by 8. or 9. of this definition, but only to the extent that such spouse is a party to any **claim** solely in his or her capacity as spouse of an **insured**, and only for the purpose of any **claim** seeking damages which are recoverable from material community property, property jointly held by the **insured** and the spouse, or property transferred from the **insured** to the spouse, and only to the extent that such **insured** is covered for such **claim**.

Insured will not include any natural person who was, now is, or could become a trustee or administrator of any pension or superannuation scheme, health and welfare plan or other employee benefit programme, social benefits system or trust programme established or maintained for the benefit of **employees**.

Loss

6. Damages, judgments, and costs awarded against an **insured** by a court or tribunal empowered to do so; and
7. Settlements entered into with our prior written consent (such consent not to be unreasonably withheld); and
8. **Defence costs**

Loss will not include taxes, fines, penalties, punitive, exemplary, aggravated or multiplied damages, or any **claim** deemed uninsurable by law, except for exemplary or aggravated damages arising from any **claim** for libel, slander or defamation.

Period of insurance

The **period of insurance** stated in the schedule and any **discovery period**.

The aggregate limit of liability stated in the **schedule** will not be increased by any provision of this **period of insurance** or **discovery period**.

Pollutant

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

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

Subsidiary

9. Any branch, division or other internal structure of the **company** except any pension fund or scheme established for the **company's** own directors, officers or **employees**;
10. Any company in respect of which the **company** (either directly or indirectly through one or more of its **subsidiaries**):
    10.1. controls the composition of the Board of Directors; or
    10.2. controls more than half the voting power; or
    10.3. holds more than half of the issued share capital;
11. Any company falling within 21. and 22. of this definition which is acquired or created on, or subsequent to, the inception date of this policy and of which the total assets do not exceed 20% (twenty percent) of the total consolidated assets of the **company** at the last financial year end, provided that this section will only apply in respect of a **wrongful act** committed, or alleged to have been committed, by the **insured** subsequent to the date of such acquisition or creation;

12. Any company other than those referred to in 21., 22. or 23. of this definition, in respect of which **we** have given prior written consent to its coverage as a **subsidiary** under this section.

Takeover
Any sale of the **company** or its merger within or acquisition by another entity such that the **company** is not the surviving entity, or the acquisition by any entity or person of 50% (fifty percent) or more of the issued share capital of the **company**.

Wrongful act
Any actual or alleged wrongful act or omission by or on the part of an **insured** committed solely in such person's actual or deemed capacity as an **insured**.

Related or continuous or repeated or causally connected **wrongful acts** will constitute a single wrongful act.

Insuring clause

Covers 1, 2 and 3 (below) are only insured where a limit of liability for each such cover is stated (rather than the words 'not insured' or 'not operative') in the ***schedule****.*

Cover 1 – Directors and officers liability
We will pay on behalf of the **insured** any loss resulting from any claim which is first made against the **insured** during the **period of insurance** and notified to **us** in accordance with the terms applying to this section, except when, and to the extent, that the **company** has indemnified the **insured**.

Cover 2 – Company reimbursement liability
We will pay on behalf of the **company** any loss resulting from any **claim** which is first made against an **insured** during the **period of insurance** and notified to **us** in accordance with the terms applying to this section, but only when, and to the extent, that the **company** has indemnified the **insured.**

Limit of liability
Our total aggregate liability under this section will not exceed the Aggregate limit of liability stated in the **schedule**, and this amount will be inclusive of defence costs.

Conditions
The following are conditions of the insurance that you need to meet as your part of this contract to which this endorsement attaches. If you do not meet any of these conditions and that either causes a claim or contributes to a claim, we can reject that claim or payment in respect of that claim could be reduced. These conditions apply in addition to the general conditions on page GEN9 to page GEN12 and the claims conditions on page GEN15.

1. **Discovery period condition**
   If **we** refuse to renew this section, the **insured** has the right to purchase, upon payment of an additional premium calculated as 100% (one hundred per cent) of the Section 11 premium shown in the **schedule**, to an extension of the cover granted by this section in respect of any **wrongful act** committed or alleged to have been committed prior to the expiry date of this section provided that this right is exercised by written notice and payment of the additional premium to **us** within ten (10) days of cessation of this section.

   It is understood and agreed that

   1.1. the insurance provided by the **discovery period** will be for a period of 365 (three hundred and sixty-five) days beginning from the expiry date of this section; and
   1.2. the quotation by **us** of different premiums, terms, conditions, limitations, exclusions or section 11 Aggregate limit of liability or Cover 3 (Company liability) Sublimit at renewal does not constitute a refusal to renew; and
   1.3. this extension will only be granted provided the **insured** effect Directors or officers liability insurance or similar insurance, with any other insurer or underwriter or other similar entity;
   1.4. the section 11 Aggregate limit of liability stated in the **schedule** will not be increased in any way by the provisions of this **discovery period**.

2. **Severability**
   2.1. the proposal form and/or statement of agreed facts and/or other information provided by **you** or on **your** behalf will be construed as application **insured**.

   With respect to the proposal form and/or statement of agreed facts and/or other information provided by **you** or on **your** behalf, no statements contained in such or knowledge possessed by any **insured** will be imputed to any other **insured** for the purpose of determining the availability of any payment for loss arising from a **claim** made against any **insured**.
   2.2. For the purpose of determining the applicability of any exclusions, the **wrongful act** of any **insured** will not be imputed to any other **insured**.

3. **Takeover**
   In the event of a **takeover**, any coverage under this section with respect to **loss** arising from a **claim** will apply only to any **loss** by reason of **wrongful acts** committed by an **insured** prior to the date of such **takeover**.

Section 14 – Directors and Officers liability

4. **Territory**
   This section will apply to **claims** wherever made, based upon acts occurring anywhere in the world other than the United States of America or Canada.

5. **Governing law and jurisdiction**
   The construction, validity, performance and interpretation of this section will be governed by the laws of England and Wales and the parties agree to submit to the exclusive jurisdiction of the Courts of England and Wales.

6. **Avoidance**
   In the event that **we** are entitled to avoid this section or this policy in its entirety, **we** can at our election instead give notice in writing to the **insured** that we regard this section as of full force and effect except that **we** will exclude from any payment any **loss** which has arisen or which could arise and which is related to the circumstances which entitle **us** to avoid this section or the policy. This section will then continue in full force and effect but will be deemed to exclude the particular **loss** referred to in the said notice (as if the same had been specifically endorsed when the policy was issued).

Claims conditions precedent

Claims and Notice Provisions
*Claims conditions 1 to 4 are 'Conditions Precedent' which must be followed in their entirety by the **insured** if a claim is to be considered valid under this section. These conditions apply in addition to the general conditions on page GEN9 to page GEN12 and the claims conditions on page GEN15.*

1. **Notice of a claim**
   The **insured** must give us notice in writing of any **claim** as soon as reasonably possible and in any event within 30 days of the end of the **period of insurance**.

   Such notice must be sent to the 'Notice of any claim or circumstance address' stated in the **schedule**.

2. **Notice of circumstances**
   The **insured** must give **us** notice in writing of any circumstances which might reasonably be expected to give rise to a **claim** against an **insured** including the reasons for the anticipation of such **claim**, with full particulars as to dates and persons involved, as soon as reasonably possible. Any subsequent **claim** arising out of the notified circumstances will be deemed to have been made at the time of the notice to **us**.

3. **Defence of claims**
   3.1. The **insured** must give **us** such information and co-operation as we could reasonably require and must not disclose to anyone the existence of this insurance without **our** written consent, unless as a consequence of the requirements of the law.

   3.2. The **insured** must not admit liability for, or attempt to settle, any claim or incur any defence costs without **our** prior written consent. **We** will be entitled at any time to take over and conduct in the name of the **insured** the defence or settlement of any claim or to prosecute in the name of the **insured** for their own benefit any claim for payment, indemnity or damages or otherwise against any third party. No action will be taken which might prejudice **us.**

4. **Contest of claims**
   4.1. The **insured** will be required to contest any legal proceedings unless a barrister (to be mutually agreed upon by the **insured** and **us**) will advise that such proceedings should be contested.
   4.2. **We** will not settle any **claim** without the consent of the **insured**. If, however, the **insured** refuse to consent to any settlement recommended by **us** and elects to contest or continue any legal proceedings in connection with such **claim**, then **our** liability for the **claim** will not exceed the amount by which the **claim** could have been so settled, inclusive of **defence costs** incurred with **our** consent up to the date of such refusal, and then only up to the Aggregate limit of liability stated in the **schedule**.
   4.3. **We** will be entitled to nominate a solicitor and, if appropriate, a barrister to represent the **insured**.

5. **Allocation of loss**
   5.1. With respect to **defence costs** jointly incurred by the **insured** and any joint settlement of any **claim** made against any **insured**, such **defence costs** and joint settlement having been consented to by **us** (such consent will not unreasonably be withheld), and the **insured**, **we** agree to use our best efforts to determine a fair and proper allocation of the amount as between each **insured** and and **us**.
   5.2. Under Cover 1 (Directors and officers liability) **we** will, to the fullest extent permissible by law, advance **defence costs** prior to the final settlement of the **claim**, unless such **defence costs** have been advanced by the **company**.
   5.3. Under Cover 2 (Company reimbursement liability) **we** will, to the fullest extent permissible by law, advance **defence costs** prior to the final settlement of the claim.

   Such advance payments of **defence costs** as referred to in paragraphs b) and c) (above) will be repayable to **us** by the **insured** severally according to their respective interests, in the event and to the extent that it is determined that they will not be entitled under this section to payment of such **defence costs**.

Exclusions

1. **Bodily injury and/or property damage**

Section 14 – Directors and Officers liability

We will not pay any **loss** in connection with any **claim** for any actual or alleged bodily injury, sickness, disease, or death of any person, or any actual or alleged damage to, or destruction of, any tangible property including loss of use.

2. **Pollution**
   We will not pay any **loss** in connection with any **claim** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any **pollutant**, or any rectification or clean-up costs relating to any **pollutant**.

   However, **we** will pay **defence costs** on behalf of the **insured** which are incurred in any investigation, examination, inquiry, court of law or other proceedings ordered or commissioned in the first instance by any official body within the United Kingdom of Great Britain and Northern Ireland, the Isle Of Man or the Channel Islands in respect of any **wrongful act** related to a **pollutant**. In respect of such **defence costs**, our total aggregate liability will not exceed £100,000 in all for the **period of insurance**, which amount is part of, and not in addition to, the section 13 Aggregate limit of liability stated in the **schedule**.

3. **Illegal profits and/or deliberate acts**
   We will not pay any **loss** in connection with any **claim**
   3.1. arising from or in any way involving any actual dishonest, fraudulent or malicious act of any **insured;** or
   3.2. arising from, or in any way involving, any **insured** gaining in fact any profit or advantage or receiving any remuneration to which they were not legally entitled.

4. **Professional services**
   We will not pay any loss in connection with any claim for any actual or alleged breach of any professional services or duty by any **insured**.

5. **Prior and pending litigation**
   We will not pay any **loss** in connection with any **claim** brought about by, or contributed to by, or consequent upon any fact, circumstance or situation which has been the subject of any notice given under any insurance which was in force prior to the **period of insurance** or which was known about by the **insured** prior to the **period of insurance** and might reasonably be expected to give rise to a claim but was not disclosed to us prior to inception of this section.

6. **Insured v Insured**

   We will not pay any **loss** in connection with any **claim** brought by, or on behalf of, any **insured**. However, this exclusion will not apply to any
   6.1. claim instigated by a shareholder or group of shareholders without the solicitation, participation or assistance of any **insured**;
   6.2. employment practices claims brought or maintained by any **insured**;
   6.3. **claim** brought or maintained by any **insured** for contribution or indemnity if the **claim** directly results from any other valid **claim** made under this section;
   6.4. **claim** brought or maintained by a liquidator, administrative receiver or receiver either directly or derivatively on behalf of the **company** without the solicitation, participation or assistance of any **insured** or the **company**;
   6.5. **claim** brought or maintained by any former director or officer of the **company**.

7. **Closely held**
   We will not pay any **loss** in connection with any **claim** brought by, or on behalf of, any person or entity holding beneficially or otherwise more than 20% (twenty percent) of the issued share capital of the **company** whether such **claim** is made in the name of the **company** or not.

8. **Share offering**
   We will not pay any **loss** in connection with any **claim** based upon or attributable to the actual or intended listing of any share capital of the **company** on any stock exchange whether such listing takes place by means of a public offering or private placement of the share capital.

9. **Retention**
   We will only be liable under Cover 2 (Company reimbursement liability) to pay **loss**, in excess of the 'Company reimbursement retention' stated the **schedule**; this amount applies to each claim. This retention is to be borne by the **company** and is not to be insured.

   A single retention will apply to all loss arising from any **claim** or series of **claims** arising out of, based upon or attributable to continuous, repeated or related **wrongful acts**.

10. **Total COVID-19 Exclusion**
    Regardless of any language contained within this insurance, **we** will not be liable to make any payment in respect of any claim(s) or circumstance(s) or loss(es) or other matter(s) insured under this insurance arising out of, related to, connected to, or in any way involving, directly or indirectly:
    10.1. Coronavirus disease (COVID-19);
    10.2. Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2);
    10.3. any mutation or variation of COVID-19 or SARS-CoV-2;
    10.4. any fear or threat (whether actual or perceived) of 11.1, 11.2 or 11.3 above;
    10.5. any action taken to control, prevent, suppress, mitigate or in any way relating to any actual or suspected outbreak of any of 11.1, 11.2, or 11.3.

    It is further agreed that **we** will not be liable to make any payment in respect of claim(s) or circumstance(s) or loss(es) or other matter(s) insured under this insurance that arises as a result of, or is connected in any way, directly or indirectly, with any consequential loss or financial impairment suffered by **you** or any third party as a result of any of 11.1, 11.2, 11.3, 11.4 or 11.5 above.

    If **we** maintain that this exclusion applies, then the burden of proving that it does not will be **yours**.

Section 15 – Legal expenses

Welcome to MSL

Thank you for choosing MSL Legal Expenses Limited to provide your Business Premier Legal Expenses Insurance Policy, which is underwritten by Financial & Legal Insurance Company Limited. As an MSL customer you now have legal expenses insurance to protect you in relation to the cover set out in this Policy.

A summary of the cover provided by this Policy is shown in your Keyfacts document.

You are entitled to cancel your Policy with a full premium refund within 14 days of it starting, provided that there have been no claims. Please see the cancellation condition under the Conditions.

Our Agreement

This insurance is a contract between us (MSL Legal Expenses Limited) and you (the Policyholder shown in the Certificate of Insurance). This is a claims made policy which means that for there to be a valid claim under the Policy, claims must be reported to us during the Period of Insurance.

We will, subject to the terms of this Policy, provide you with the insurance set out in the Policy in respect of claims reported to us during the Period of Insurance shown in the Certificate of Insurance and for any subsequent period for which we may accept a renewal premium.

You must ensure that all the information you have given to us is accurate to the best of your knowledge. We will be entitled to refuse to accept a claim where you do not take reasonable care not to make a misrepresentation.

The Policy, Certificate of Insurance and any endorsements must be read together as one document.

Signed on our behalf

Nick Garner, Chief Executive Officer
MSL Legal Expenses Limited

The Meaning of Words in this Policy

Each of the words or terms have a specific meaning which applies wherever they appear in **bold** type in this Policy

Appointed Representative:
means the claim negotiator, lawyer or other suitably qualified person appointed by **Us** to act on behalf of the **Insured Person**, in accordance with **Our** standard terms of appointment.

Basic Award:
means the award of an Employment Tribunal for an unfair dismissal and/or breach of discrimination legislation that is to compensate an **Employee** for the loss of their statutory rights.

Buildings:
means the buildings and land owned by **You** or for which **You** are legally responsible, shown in the Certificate of Insurance and used in connection with the **Business.**

Business:
means the Business shown in the Certificate of Insurance.

Compensatory Award:
means the award of an Employment Tribunal for an unfair dismissal and/or breach of discrimination legislation that is to compensate an **Employee** against financial loss that relates to their dismissal.

Costs and Expenses:
means all necessary and reasonable

1. Fees, costs, disbursements and expenses charged by the **Appointed Representative** and agreed by **Us**;
2. Opponents costs in civil cases where the **Insured Person** is ordered to pay them or where **We** agree to pay them;

in pursuing the claim including the costs of any appeal or defending an appeal, provided the **Insured Person** tells **Us** within the time limits and provided that **We** agree to the appeal.

Cross-Tax Enquiry
Means an investigation by HM Revenue & Customs into **Your** business tax affairs, which also includes an investigation into **Your** Value Added Tax return and/or Employer's Compliance.

Employee:
means any person under a contract of service with **You** in connection with the **Business.** This includes any

1. Trainee under **Your** control in connection with a government approved training scheme;
2. Ex-employee or prospective employee.

Insured Person:
means **You** and any director, partner and **Employee** of **Your Business** provided that they have **Your** permission to claim under this Policy.

Legal Proceedings:
means a legal remedy for compensation, specific performance or an injunction.

Reasonable Prospects:
means that in respect of each claim there is always more than a 50% chance of the **Insured Person** recovering damages, defending a claim or

prosecution or obtaining a legal remedy. This will be assessed by **Us** or the **Appointed Representative.**

Tax Enquiry
means an investigation by HM Revenue & Customs into **Your** business tax affairs.
We/Us/Our:
means MSL Legal Expenses Limited.
You/Your:
means the Policyholder shown in the Certificate of Insurance attached to this Policy.

What is Insured

We will, subject to What is NOT Insured, the Claims Settlement Provisions and Conditions of this Policy provide the insurance in relation to the Insured Incidents, shown as operative in the Certificate of Insurance, set out below.

Provided that

1. **Reasonable Prospects** exist for the duration of the claim.
2. The claim is reported to **Us**
   a. during the Period of Insurance, and
   b. immediately after the **Insured Person** became aware of circumstances which may give rise to a claim.
3. The **Insured Person** follows the advice provided to the **Insured Person** by **Our** Claims and Advice Service.
4. The **Insured Person** seeks and continues to follow the advice from **Our** Claims and Advice Service.
5. During the course of any dispute from the date that the **Insured Person** became aware of the dispute and throughout the duration of the dispute the **Insured Person** keeps **Us** up to date with all developments and the **Insured Person** follows and continues to follow the advice from **Our** Claims and Advice Service.
6. The **Business** is situated in the United Kingdom, the Isle of Man or the Channel Islands.
7. The **Buildings** are situated in the United Kingdom, the Isle of Man or the Channel Islands.
8. The event which leads to a claim arises in connection with the **Business.**

We will not pay

a. In respect of any one claim and in total in any one Period of Insurance more than the relevant Limit of Liability and the annual aggregate limit shown in the Certificate of Insurance.
b. The amount of any Excess shown in the Certificate of Insurance in respect of each claim.
c. Any claim or incident which may lead to a claim and which the **Insured Person** knew about or ought reasonably to have known about before the start of this Policy.
d. Any claim relating to an **Insured Person**'s previous trade, business, occupation or profession.
e. The first 10% of **Costs and Expenses** where the **Insured Person** chooses their own lawyer or other suitably qualified person in relation to a claim under this Policy.

Insured Incidents

1. Employment Disputes

We will pay the **Costs and Expenses** in relation to the defence of **Legal Proceedings** arising from or relating to a breach of an **Employee**'s contract of service which will be dealt with in an Employment Tribunal under employment legislation.

Provided that

i. In the event of any issues arising that could give rise to a legal dispute with an **Employee**, the **Insured Person** has followed the advice provided to the **Insured Person** by **Us**.
ii. The **Insured Person** seeks and continues to follow all advice from **Us** as to the steps to be taken in the following situations
   - Before taking any disciplinary action or commencing a disciplinary procedure.
   - Before dismissing an **Employee**.
   - Upon receipt of notification of any form of grievance by an **Employee** or a complaint of discrimination.
   - Before starting any redundancy process or making an **Employee** redundant.
   - Before seeking to make a material change to an **Employee's** contract which is likely to have a negative impact upon that **Employee**.
   - Upon becoming aware of a situation that could give rise to a potential claim for constructive dismissal by an **Employee.**

We will not pay for

a. Any claim relating to disciplinary hearings or internal grievance procedures.
b. The costs of any disputes relating to a settlement agreement.
c. Any dispute relating to a shareholding, partnership or directors contract.
d. Any claim relating to the Transfer of Undertakings (Protection of Employment) Regulations (TUPE).
e. Any claim relating to future contracts of employment.
f. Any claim in respect of personal injury or loss of or damage to property.
g. Any claim relating to unpaid wages and commission or deduction from wages or commission.
h. Any claim relating to benefits due under a contract of employment.
i. Any claim relating to payment relating to redundancy.

Section 15 – Legal expenses

2. Employment Compensation Awards
We will pay a **Basic Award** and/or **Compensatory Award** which is awarded to an **Employee** by either a tribunal or through the Advisory, Conciliation and Arbitration Service (ACAS) Arbitration Scheme, or an amount agreed by **Us** in settlement of a dispute.

Provided that the **Basic Award** or **Compensatory Award** follows a claim which **We** have accepted under Insured Incident 1. Employment Disputes.

We will not pay for
a. Any award arising out of the **Insured Person**'s failure to provide any **Employee** with written reasons for their dismissal.
b. Any award made as a result of the **Insured Person**'s failure to provide a contract of employment or statement of terms and conditions of employment.
c. Any award relating to any contractual rights to which the **Employee** is entitled.
d. Any claim in relation to equal pay or the minimum wage
employment legislation.

3. Health and Safety Appeals
We will pay the **Costs and Expenses** in relation to an appeal against the service of an improvement or prohibition notice, a suspension notice or an order of enforcement under the Health and Safety at Work Act 1974 or the Food Safety Act 1990.

Provided that upon becoming aware of the service of a notice or enforcement order under or in relation to the Health and Safety or Food Safety Acts, the **Insured Person** acts with due diligence in the event of any approach by the Environmental Health Office or the Health and Safety Executive.

We will not pay for any claim
a. Relating to assault or violence, malicious falsehood, the manufacture or dealing in alcohol, illegal drugs, indecent or obscene materials or illegal immigration.
b. In connection with an offence relating to the proceeds of any crime or criminal act.

4. Legal Defence
We will pay the **Costs and Expenses** for defending an **Insured Person**'s rights relating to any
a. Prosecution in a court of criminal jurisdiction brought or commenced against the **Insured Person** arising out of health and safety at work, occupational hygiene, food safety hygiene, food legality and the supply of safe goods.
b. Civil action being taken against an **Insured Person** for wrongful arrest in connection with an accusation of theft.
c. Civil action being taken against an **Insured Person,** but not **You**
   i. under legislation for unlawful dismissal on the grounds of race, sex, sexual orientation, age, disability or religious belief arising from that person's work as an **Employee**;
   ii. as a trustee of a pension fund set up for the benefit of **Your Employees**.
d. Civil action for compensation under section 13 of the Data Protection Act 1998.
e. Appealing against the refusal of the Information Commissioner to register **Your** application for registration.
f. An **Insured Person** being served with an enforcement,
de-registration or transfer prohibition notice or information notice or special information notice.

We will not pay for
a. Any costs arising unless **You** have registered with the Data Protection Register or Data Protection Commissioner.
b. Any claim relating to a Road Traffic Offence.

5. Contract Disputes and Debt Recovery
We will pay the **Costs and Expenses** for the pursuit or defence of **Legal Proceedings** relating to an agreement or alleged agreement that an **Insured Person** has entered for the buying, selling or hiring in of any goods or services.

Provided that:
(i) Any claim for undisputed and unpaid monies owed is notified to **Us** within 45 days from the date the monies were first due and payable.
(ii) All **Your** normal credit control procedures have been exhausted or **You** have made reasonable efforts to recover the monies owed.
(iii) The amount in dispute exceeds the amount shown in the Certificate of Insurance.

We will not pay for
a. Any claim relating to any land or buildings.
b. Any claim relating to a lease or licence of any land or buildings.
c. Any claim relating to a motor vehicle owned, driven, used, hired, leased, sold or purchased by an **Insured Person**.
d. Any claim relating to the settlement payable or the cover
provided under an insurance policy.
e. Any claim relating to a loan, pension, investment or any other borrowing or financial instrument.
f. A contract of employment.
g. Arbitration arising out of an arbitration clause in any contract.
h. Computer goods, systems or services.
i. A breach or alleged breach of professional duty by an **Insured Person**.
j. The monetary cost of putting right any damage caused or an alteration occasioned by or as a tenant.

6. Property Disputes

We will pay the **Costs and Expenses** for the pursuit or defence of **Legal Proceedings** relating to

a. An incident which causes or could cause physical damage to the **Buildings.**
b. Any unlawful interference of **Your** use or enjoyment or right of the **Buildings**.
c. The landlord's failure to maintain the **Buildings**.

Provided that

i. The amount in dispute exceeds the amount shown in the Certificate of Insurance.
ii. The **Buildings** are situated in the United Kingdom, the Isle of Man or the Channel Islands.

We will not pay for

a. Any claim relating to an **Insured Person**'s previous trade, business, occupation or profession.
b. Any claim relating to the rent, service and maintenance charges or renewal of a tenancy agreement.
c. Any claim relating to planning.
d. Any claim where the **Insured Person** is the landlord of the
Buildings or is leasing, sub-letting or renting out part of the **Buildings**.
e. Any claim relating to work done by any government or local authority unless the claim is for accidental physical damage to the buildings.
f. Any claim relating to subsidence, heave, landslip, mining or quarrying.

7. Court Attendance

For each day that an **Insured Person** is required to attend any court or tribunal at the request of an **Appointed Representative**, **We** will pay the actual loss of the salary or wages of an **Insured Person** for the time off work.
Provided that such salary or wages are not recoverable from the relevant court, tribunal or other party.

We will not pay for any loss incurred before an **Insured Person** makes a claim.

We will not pay for any claim where **You** are unable to support **Your** loss.

8. Tax Protection

We will pay the **Costs and Expenses** for the defence of **Legal Proceedings** relating to

a. A **Tax Enquiry** or **Cross-Tax Enquiry**.
b. An investigation by HM Revenue and Customs of **Your**
compliance with Pay As You Earn regulations.
c. An appeal to a VAT tribunal following an assessment by HM Revenue and Customs.

Provided that

i. **You** have taken reasonable care to ensure that **Your** accounts and tax affairs and records have been properly maintained.
ii. All returns to HM Revenue and Customs have been completed, are correct and submitted on time.

We will not pay for any claim

a. Relating to **Your** failure to register for VAT.
b. Arising from a tax avoidance scheme.
c. Arising from any investigation undertaken by HM Revenue and Custom's Special Investigations unit.

9. Licence Protection

We will pay the **Costs and Expenses** in relation to an appeal against a statutory licensing authority following an act or omission, which leads to the suspending, revoking, altering the terms of or refusal to renew a statutory licence.

10. Personal Injury

We will pay the **Costs and Expenses** in relation to the pursuit of **Legal Proceedings** in respect of any incident causing bodily injury or death to an **Insured Person.**

Provided that the claim is the result of a sudden and specific incident.

We will not pay for any claim

a. Which develops gradually unless it is the result of a sudden and specific event.
b. Arising from actual or alleged clinical, medical or dental negligence.

What is NOT Insured

1. Prior Claims

Any claim or incident which may lead to a claim and which the **Insured Person** knew about or ought reasonably to have known about before the start of this Policy.

2. Prior Costs and Expenses

Any costs incurred before a claim is made and any **Costs and Expenses** which **We** do not authorise.

3. Motor Vehicles

Any claim relating to a motor vehicle owned, driven,
used, hired, leased, sold or purchased by an **Insured Person**.

Section 15 – Legal expenses

4. Dishonesty, Deliberate Acts, Violence and Fraud

Any claim

a. Involving actual or alleged dishonesty or violence by the **Insured Person**;
b. Or statement which is overstated, false or fraudulent.

We will have the right to refuse to pay a claim or to void this insurance from the date of the act.

5. Judicial Review, Mediation and Arbitration, Marital and Family Disputes, Intellectual Property, Libel and Slander, Share Options, Pensions, Date Change and Mortgage Lender

Any claim directly or indirectly relating to or resulting from

a. A judicial review.
b. Mediation and arbitration.
c. Divorce, matrimonial matters, cohabitation, maintenance, custody or access.
d. Copyrights(s), trademark(s), merchandise mark(s), registered design(s) or other intellectual property rights or secrecy and confidentiality agreements.
e. Libel or slander.
f. Any share option or pension scheme or policy.
g. Any device failing to recognise, interpret or process any date as its true calendar date.
h. Any dispute arising between the **Insured Person** and any agent or mortgage lender.

6. Bankruptcy, Liquidation or Receivership

Any claim where the **Insured Person** is bankrupt, in liquidation, has made an arrangement with his or her creditors, has entered into a Deed of Arrangement or part or all of the **Insured Person**'s affairs or property are in the care or control of a receiver or an administrator.

7. Other Insurance

Any **Costs and Expenses**, which can be recovered by an **Insured Person** under any other insurance or which would have been covered if this insurance did not exist, except for any amount in excess of that which would have been payable under such insurance(s).

8. Fines and Penalties

Fines, damages other penalties or punitive damages, which the **Insured Person** is ordered to pay by a court or other authority, except as provided for under Insured Incident 2. Employment Compensation Awards.

9. Disputes with Us

a. Any claim against **Us,** Financial & Legal Insurance Company Limited or any company or subsidiary of the Drive Further collection of companies.
b. Any dispute between an **Insured Person** and any domestic partner or family members permanently living with an **Insured Person**.

10. War Risks

Any claim arising from any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, confiscation, requisition,
terrorism or alleged acts of terrorism as set out in the Terrorism Act 2000, or damage to property by or under the authority of any government, public or local authority.

11. Radioactive Contamination and Pressure Waves

Any claim which arises from or is directly or indirectly caused by, contributed to, by or arising from any of the following, or from any similar reaction or event

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 of such assembly;

c. Pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.

12. Territorial Limits

Any claim

a. Where the dispute is pursued outside the jurisdiction of a court or other body within the United Kingdom, the Channel Islands or the Isle of Man;
b. Which occurs outside the United Kingdom, the Channel Islands or the Isle of Man;
c. Where the **Insured Person** permanently lives outside the United Kingdom, the Channel Islands or the Isle of Man.

Claims Settlement Provisions

1. Reasonable Precautions

The **Insured Person** must take all reasonable precautions to reduce or remove the risk of a claim and not take any deliberate acts, which will result in a claim.

2. When You Must Report a Claim to Us

The **Insured Person** must tell **Us** immediately of any circumstances which may give rise to a claim.

3. Acceptance of a Claim

On receipt of the claim it will be assessed and dealt with by **Our** in house claims negotiators and, if appropriate and if **Reasonable Prospects** exist and the claim is reported to **Us** immediately after the **Insured Person** becomes aware of circumstances which may give rise to a claim, **We** will then instruct an **Appointed Representative** to handle the claim on behalf of the **Insured Person**. If there is a dispute as to whether **Reasonable Prospects** exist, **We** may require the **Insured Person**, at the **Insured Person**'s own expense, to obtain Counsel's opinion as to the merits of the case. The costs will be refunded to the **Insured Person** if Counsel's opinion clearly shows that there are merits in proceeding.

4. Conduct of the Claim

i. ***We** will be entitled*

- To have direct contact with the **Appointed Representative**;
- To take over and conduct in the **Insured Person**'s name any claim or **Legal Proceedings** at any time and negotiate any claim on behalf of the **Insured Person**;
- To refuse to accept a claim or continue with a claim where the **Insured Person** does not take reasonable care not to make a misrepresentation or has failed to supply relevant information and supporting evidence to **Us** or the **Appointed Representative.**

*ii. What the **Insured Person** must do*

- Provide, at the **Insured Person**'s own expense, the **Appointed Representative** and **Us** with any proof, evidence, certificates and assistance as **We** may reasonably ask for in connection with the claim, including proof as to whether **Reasonable Prospects** exist;
- Cooperate fully with the **Appointed Representative** and **Us** and provide, within a reasonable time avoiding any unnecessary delays, any relevant requested information and documentation in relation to the claim;
- Take all reasonable steps to recover **Costs and Expenses** and to minimise the amount payable under this Policy;
- Take all reasonable steps to resolve disputes that otherwise may give rise to a claim;
- Notify **Us** and the **Appointed Representative** immediately of any offer to settle a claim and of any payments into court;
- Tell the **Appointed Representative** to have **Costs and Expenses** taxed, assessed and audited if **We** request.

*iii. What the **Insured Person** must not do*

- Withdraw from any claim or **Legal Proceedings** or withdraw instructions from **Us** without **Our** consent or the consent of the **Appointed Representative**;
- Pursue a claim in any way against the advice or Instructions from **Us** or the **Appointed Representative**;
- Incur any **Costs and Expenses** without **Our** consent or the consent of the **Appointed Representative**;
- Agree to settle any claim on any basis or reject any offer to settle a claim, without **Our** consent or the consent of the **Appointed Representative**.

Please Note
We will be entitled to be reimbursed by the **Insured Person** for any **Costs and Expenses** previously agreed or paid to or on behalf of the **Insured Person** if the **Insured Person** breaches any of the conditions in ii. and iii. above.

5. Payment Instead of Pursuing or Defending a Claim
At any time **We** will be entitled to pay the reasonable amount of damages claimed if in **Our** opinion this would be a more economic solution.

6. Legal Proceedings
Any **Legal Proceedings** must be dealt with in the jurisdiction of a Court or tribunal in the United Kingdom, the Channel Islands or the Isle of Man.

7. Choice of Appointed Representative
If there is a conflict of interest, or if the claim is not settled by negotiation and it then becomes necessary to start court proceedings, only then will the **Insured Person** be entitled to choose their own lawyer for **Us** to instruct as the **Appointed Representative** to handle the claim.
If there is any dispute about the choice of lawyer **We** will ask the president of the relevant national Law Society to choose a suitably qualified lawyer.
Where the **Insured Person** chooses their own lawyer or other suitably qualified person, **We** will not pay the first 10% of any **Costs and Expenses** charged by the **Insured Person**'s own lawyer or other suitably qualified person.

Conditions

1. Observance of Terms
Anyone making a claim under this Policy must have **Your** permission and observe the terms under this Policy.

2. Cancellation
You may cancel this Policy within 14 days of its inception without any premium charge provided that there have been no claims. Thereafter **You** may cancel the Policy at any time however no refund of premium will be available. If **You** cancel the Policy **You** must contact **Your** insurance adviser.
We may cancel this Policy at any time provided that **We** give **You** 7 days notice of cancellation and there is a valid reason for doing so. Valid reasons for cancellation include, but are not limited to fraud, dishonesty and any outstanding amount due from **You** in relation to any other claim under the Policy.
Where **We** cancel this Policy no refund of premium will be available. If **We** cancel the Policy **We** will write to **You** at **Your** address shown in **Our** records.

Section 15 – Legal expenses

3. Arbitration
Any dispute or difference of any kind between **Us** and an
Insured Person will be referred to arbitration by a single arbitrator who will be either a barrister or solicitor. If the parties are unable to agree on the appointment of an arbitrator, all parties agree to accept an arbitrator nominated by the President of the relevant national Law Society. The arbitrator's decision will be final and binding on all parties and the unsuccessful party will be responsible for any costs incurred by the successful party in the arbitration proceedings as well as their own costs.

4. New Rules
If during the Period of Insurance, any changes should be made (whether issued or implemented by any relevant authority or otherwise) to applicable rules, laws, legislation, judgements, regulations, directives, guidance, codes of conduct, recommendations or requirements or any other rules, instruments and provisions in force from time to time which alter or affect (or may alter or affect) in any way the legal costs regime to **Our** or **Your** material detriment, **We** reserve the right to amend this Policy to deal appropriately (fairly to both **You** and **Us**) with such changes. In those circumstances **We** will issue an endorsement to this Policy notifying **You** within 21 days of the proposed changes by sending to **You** details of those changes to **Your** last known address. **You** will, however, be free to accept or reject those changes in line with the procedure set out in the endorsement.

5. Third Party Rights
Unless expressly stated in this insurance, nothing in this
insurance will create any rights in favour of any person pursuant to the Contracts (Right of Third Parties) Act 1999.

6. Waiver
If **We** or any **Insured Person** fail to exercise or enforce any rights conferred on them by this insurance, the failure to do so will not be deemed to be a waiver, nor will it bar the exercise or enforcement of, such rights at any subsequent time.

7. Recoveries
We reserve the right, at **Our** own expenses, to take proceedings in the name of the **Insured Person** to recover any payment made under this Policy. If an **Insured Person** recovers **Costs and Expenses** previously paid under this Policy such **Costs and Expenses** must be immediately repaid to **Us.**

8. Governing Law
This Policy is subject to the law applicable to **Your Business** being registered in the United Kingdom, the Isle of Man or the Channel Islands.

9. Assignment
This insurance is between and binding upon **Us** and **You** and their respective successors in title, but this insurance may not otherwise be assigned by **You** without **Our** prior written consent.

How to Make a Claim and Advice Service 0161 495 4490

If **You** need to contact **Us** or need to make a claim **You** can call **Us** on the above number, email **Us** at **info@msl.co.uk** or write to MSL Legal Expenses Limited, No.1 Lakeside, Cheadle Royal Business Park, Cheadle, Cheshire, SK8 3GW.

If there is a claim, which is covered by the Policy **We** will then send the **Insured Person** a claim form to be completed and returned to **Us.**

If the claim is reported to **Us** during the Period of Insurance and is accepted and **Reasonable Prospects** exist, the claim will be handled by **Our** specialist claims unit or **We** will instruct an **Appointed Representative** or other suitably qualified representatives to act on behalf of the **Insured Person**.

Please note that

- Any costs incurred before a claim is made and any costs which **We** do not authorise are not insured by this Policy.
- Under this Policy there must be **Reasonable Prospects** for any claim to proceed. This does not apply to Insured Incident 7. Court Attendance and 8. Tax Protection.
- If there is any conflict of interest or if court proceedings are to be issued only then will the **Insured Person** be entitled to choose their own lawyer.

How to Make a Complaint

Our aim is to provide a first class standard of service at all times.

If **You** feel that **You** have been let down and **You** wish to raise a
Complaint about the sale of this Policy, please contact **Your** insurance adviser.

If **You** feel that **We** have let **You** down and **You** wish to raise a
complaint, please contact **Us** on 0161 495 4490 or in writing to The Compliance Department, MSL Legal Expenses Limited, No. 1 Lakeside, Cheadle Royal Business Park, Cheadle, Cheshire SK8 3GW. Please quote the Certificate number on **Your** Certificate of Insurance on all correspondence.

Our staff will attempt to resolve **Your** complaint immediately. Where this is not possible, **We** will acknowledge **Your** complaint within 5 business days of receipt. If the complaint is not resolved within 4 weeks of receipt, **We** will write to **You** and let **You** know what further action **We** will take. A final response letter will be issued within 8 weeks of receipt. Upon receipt of the letter, if **You** remain dissatisfied **You** may refer **Your** complaint to the Financial Ombudsman Service. **You** can contact the Financial Ombudsman Service at Exchange Tower, London, E14 9SR.

The use of these facilities does not affect **Your** right to take legal action.

Section 15 – Legal expenses

Financial Services Compensation Scheme

MSL Legal Expenses Limited and Financial & Legal Insurance Company Limited are covered by the Financial Services Compensation Scheme, established under the Financial Services and Markets Act 2000 (the "Compensation Scheme"). If they are unable to meet their obligations under this Policy an **Insured Person** may be entitled to compensation from the Compensation Scheme.

Data Protection

We act as the Data Controller. How **We** use and look after the personal information is set out below.

Information may be used by **Us**, agents and service providers for the purposes of insurance administration, underwriting, claims handling or for statistical purposes. The lawful basis for the processing is that it is necessary for **Us** to process **Your** personal information to enable the performance of the insurance contract, to administer **Your** policy of insurance and/or handle any insurance claim **You** may submit to **Us** under this policy. The processing of **Your** personal data may also be necessary to comply with any legal obligation **We** may have and to protect **Your** interest during the course of any claim.

What we process and share
The personal data **You** have provided, **We** have collected from **You**, or **We** have received from third parties may include **Your**:

- Name; date of birth, residential address and address history.
- Contact details such as email address and telephone numbers.
- Financial and employment details.
- Identifiers assigned to **Your** computer or other internet connected device including **Your** Internet Protocol (IP) address.
- Health or criminal conviction information.
- Vehicle or household details.
- Any information which **You** have provided in support of **Your** insurance claim.

We may receive information about **You** from the following sources:

- **Your** insurance broker.
- From third parties such as credit reference agencies and fraud prevention agencies.
- From insurers, witnesses, the Police (in regards to incidents) and solicitors, **Appointed Representatives.**
- Directly from **You**.

We will not pass **Your** information to any third parties except to enable **Us** to process your claim, prevent fraud and comply with legal and regulatory requirements. In which case **We** may need to share **Your** information with the following third parties within the EU:

- Solicitors or other **Appointed Representatives.**
- Underwriters, Reinsurers, Regulators and Authorised/Statutory Bodies.
- Fraud and crime prevention agencies, including the Police.
- Other suppliers carrying out a service on **Our**, or **Your** behalf.

We will not use **Your** information for marketing further products or services to **You** or pass **Your** information on to any other organisation or person for sales and marketing purposes without **Your** consent.

Data Retention
We will hold **Your** details for up to seven years after the expiry of **Your** policy, complaint and/or claims settlement.

Your rights
Your personal data is protected by legal rights, which include **Your** rights to:

- Object to **Our** processing of **Your** personal data.
- Request that **Your** personal data is erased or corrected.
- Request access to **Your** personal data and date portability.
- Complain to the Information Commissioner's Office, which regulates the processing of personal data.

You can request to see what data **We** hold on **You**, there is no charge for this service.

If **You** have any questions about **Our** privacy policy or the information **We** hold about **You** please contact **Us**.

Please read your policy document carefully and keep it in a safe place

The insurance provided by this policy is underwritten by Financial & Legal Insurance Company Limited authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under No. 202915. Registered in England under Company No. 03034220.

MSL Legal Expenses Limited, Registered Office: No.1 Lakeside, Cheadle Royal Business Park, Cheadle, Cheshire, SK8 3GW. Registered in England No. 2210857. MSL Legal Expenses Limited is authorised and regulated by the Financial Conduct Authority under No. 311676.

Form reference: BPP MSL 03/2018