

Mi Commercial Risks

# **Commercial Combined Insurance Policy Wording**

**April 2023**

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## Important Helplines and Information

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

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

Your claims should be notified to Broadspire by  
Telephone: 01908 302 214 or  
Email: [britukproperty@broadspiretpa.co.uk](mailto:britukproperty@broadspiretpa.co.uk)

### Claims for Sections 5 and 6

Your claims will be dealt with by **Woodgate and Clark Limited** 42 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4AJ

Your claims should be notified to Woodgate and Clark Limited by  
Telephone: 01732 520273 or 01732 520270 (out of hours)  
Email: [newclaim@woodgate-clark.co.uk](mailto:newclaim@woodgate-clark.co.uk)

### Claims for Sections 10 and 15

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

Your claims should be notified using the contact numbers listed below.  
Telephone: +44 (0)161 817 2114  
Fax: +44 (0)161 817 2119  
Email: [new.loss@hsbeil.com](mailto:new.loss@hsbeil.com)

### Claims for Section 11 - Legal Expenses

Your claims will be dealt with by ARAG plc

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

### Telephone Helplines

24/7 legal advice on Business matters within EU law	0333 571 7978
UK tax advice 9am to 5pm weekdays	0333 571 7978
24/7 confidential counselling	0333 000 2082
Crisis Communication	0344 571 7964
Redundancy approval 9am to 5pm weekdays (unfunded)	0117 917 1698

For full details of how to make a claim or on telephone helplines please refer to **Section 11 – Legal Expenses** and the **Claims Procedure** section.

# Welcome

## Introduction to Your Commercial Combined Insurance

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

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

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

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

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

## About Mi Commercial Risks and Your Insurers

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

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

### **Sections 1 – 4, 7-9 and 12 - 13 are underwritten by: Brit Syndicates Limited Proportion 50%**

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

### **Sections 1 – 4, 7-9 and 12 – 13 are underwritten by: AXIS Managing Agency Ltd Proportion 50%**

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

### **Sections 5 and 6 are underwritten by: Ascot Syndicate 1414 at Lloyd's**

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Syndicate 1414 at Lloyd's is managed by Ascot Underwriting Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. Registered in England and Wales No.04690709. Registered Office: 20 Fenchurch Street, London, United Kingdom EC3M 3BY.

## **Sections 10 and 15 are underwritten by: HSB Engineering Insurance Limited**

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

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

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

HDI Global Specialty SE is authorised and regulated by Bundesanstalt für Finanzdienstleistungsaufsicht. Deemed authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website.  
(FRN: 659331)

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

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

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

## **About Your Insurance Broker**

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

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

## Your Policy

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

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

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

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

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

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

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

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

Signed for and on behalf of the Insurers

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

James Wheddon  
Director  
Mi Commercial Risks

## Your obligations

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

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

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

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

For example:

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

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

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

The Insurer will write to You if the Insurer:

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

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

### IMPORTANT REMINDER

It is important that:

- You check that the information You have given Us is accurate and up to date – See the Customer Service Information section for more details
- You must read and understand the Policy
- You comply with Your duties under each section and under the Policy as a whole
- You check that the sections You have requested are included in the Schedule
- If You are uncertain regarding Your responsibilities and how they relate to this Policy, You should contact Your insurance broker in the first instance.

# Claims Procedure

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

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

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

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

**Woodgate and Clark Limited** 42 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4AJ

If Your claim is under Sections 10 or 15 it will be dealt with by:

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

Your claims under Section 11 will be dealt with by:

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

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

On learning of any circumstances that may give rise to a claim or on receiving verbal or written notice of any claim You must:

- a) tell the Insurer as soon as reasonably possible and give the Insurer all the assistance they may reasonably require;
- b) tell the Police as soon as reasonably possible if the Damage is due to any actual or suspected criminal act;
- c) send to the Insurer immediately any intimation of a claim from a third party, writ, summons or other legal proceedings issued against You;
- d) supply, at Your own expense, full details of the claim in writing within 30 days;
- e) provide all the help and assistance and co-operation required by the Insurer in connection with any claim to include supplying, as soon as reasonably practicable, any supporting evidence and information that they require;
- f) take action following circumstances that may give rise to a claim to:
  - i) minimise the Damage;
  - ii) prevent further Injury or Damage; and
  - iii) avoid interruption with the Business.
- g) for Section 15; give us details of any other insurances you may have which may cover damage, loss of Business Income, damages, Defence Costs or other loss covered by this policy;
- h) for Section 15; tell us if you recover money from a third party (you may need to give the money to the Insurer).
- i) for Section 11; Under no circumstances should You instruct Your own lawyer or accountant as We will not pay their costs and it could invalidate Your cover.
  - i) ARAG will issue You with a written acknowledgement within one working day of receiving Your claim form.
  - ii) within five working days of receiving all the information needed to assess the availability of cover, and will write to you either:
    - confirming the appointment of a suitably qualified representative who will promptly progress the claim for You; or
    - if the claim is not covered, explaining in full why and whether assistance can be provided in another way.
  - iii) When a lawyer is appointed they will try to resolve Your dispute without delay, arranging mediation whenever appropriate. Matters cannot always be resolved quickly particularly if the other side is slow to cooperate or a legal timetable is decided by the courts.
- j) In addition to 1a)-f) above, for Sections 5 and 6 only:
  - i) Give notice in writing without delay of anything which may give rise to any claim being made against You and for which there may be liability under this Policy. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full. Details of how to give this notice are given on page 2.
  - ii) Give notice in writing without delay when any claim is actually made against You (whether written or oral) and for which there may be liability under this Policy. If You do not do so We may reject or be unable to deal with Your claim or be unable to pay Your claim in full. Details of how to report a claim are given on page 2.
  - iii) Advise Us in writing without delay if at any time You know of any impending prosecution, inquest or fatal accident inquiry in connection with any claim or circumstance notified to Us under this Policy and covered under these Sections;



- iv) Undertake such acts as may be required for the purpose of enforcing any rights and remedies against any other person regardless as to whether the Insurer has provided an indemnity in relation to the insured event.

**2. Negotiations**

- i) You must not admit, deny, negotiate or settle any claim without the Insurer's written consent.
- ii) For Sections 5 and 6 only, You must not waive any rights of recourse or recovery against any other person relating to any Injury, occurrence or insured loss that may give rise to a claim under these Sections.

**3. Compliance with terms**

The Insurer will not pay any claim if their position is prejudiced for any reason as a result of Your failure to comply with 1. 'Your obligations in the event of a claim against you or under the Policy' or 2. 'Negotiations' above save that in respect of any liability arising under Section 5 where application of this condition is prohibited by the Employers' Liability (Compulsory Insurance) Act 1969 and/or the Employers Liability (Compulsory Insurance) Regulations 1998, We shall provide indemnity and You agree to repay to Us that part of any loss that We would not otherwise have been liable to pay under the Policy in accordance with the 'Rights of Recovery' condition within Section 5.

**4. The Insurers rights**

In respect of Sections 1-4, 7-9, 10, 12-14 only the Insurer

- a) on the happening of any loss, destruction or Damage in respect of which a claim is made, may, without incurring any liability or diminishing any of the Insurers rights under this Policy, enter, take or keep possession of, the Premises where such loss destruction or Damage has occurred and take possession of, or require to be delivered to the Insurer, any Property Insured and deal with such property for all reasonable purposes and in any reasonable manner.  
No claim under Section 1 shall be payable unless the terms of this condition have been complied with.  
No property may be abandoned to the Insurer whether taken possession of by the Insurer or not.
- b) shall have full discretion in the conduct of any proceedings and in the settlement of any claim.
- c) has the right to take over the defence or settlement of a claim against You by another person.
- d) has the right to the salvage of any Property Insured.

In respect of Sections 5 and 6 only the Insurer

- e) shall be entitled to take over and conduct in Your name the defence or settlement of any claim, and may prosecute at Our own expense and for Our benefit any claim for insurance or damages against any other person.
- f) may at any time at Our sole discretion pay to You the maximum sum payable under this Policy or any lesser sums for which any claim or claims can be settled. If We do this, We shall not be under any further liability except for the payment of costs and expenses of litigation incurred prior to such payment, provided that in the event of a claim such costs and expenses shall not exceed an amount being in the same proportion as Our payment to You bears to the total payment made by You or on Your behalf in settlement of the claim or claims.

In respect of Section 11

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

## Enquiries and Complaints Procedure

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

If You have any questions or concerns about Your Policy or the handling of a claim You should, in the first instance, contact the Insurance Broker who arranged this Policy for You.

If Your complaint relates to Sections 1 -4, 7-9 or 12-14 You should either write or telephone:

The Complaints Department  
Brit Syndicates Limited  
The Leadenhall Building  
122 Leadenhall Street  
London EC3V 4AB

Telephone: 0044 (0) 20 385 70000  
Facsimile: 0044 (0) 20 385 70001  
Email: [BGS.Complaints@britinsurance.com](mailto:BGS.Complaints@britinsurance.com)

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

Complaints  
Lloyd's  
One Lime Street  
London EC3M 7HA

Email: [complaints@lloyds.com](mailto:complaints@lloyds.com)  
Telephone: +44 (0)20 7327 5693  
Fax: +44 (0)20 7327 5225  
Website: [www.lloyds.com/complaints](http://www.lloyds.com/complaints)

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

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

Chief Compliance Officer  
Ascot Underwriting Limited  
20 Fenchurch Street  
London EC3M 3BY

The Underwriters will acknowledge the complaint promptly.

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

Complaints  
Lloyd's  
One Lime Street  
London EC3M 7HA

Email: [complaints@lloyds.com](mailto:complaints@lloyds.com)  
Telephone: +44 (0)20 7327 5693  
Fax: +44 (0)20 7327 5225  
Website: [www.lloyds.com/complaints](http://www.lloyds.com/complaints)

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

If Your complaint relates to Section 10 – Equipment Breakdown and Section 15 – Cyber You should contact:

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

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

Step 1  
Customer Relations Department  
**ARAG plc,**  
9 Whiteladies Road,  
Clifton,  
Bristol,  
BS8 1NN  
Phone: 0117 917 1561  
Email: [customerrelations@arag.co.uk](mailto:customerrelations@arag.co.uk)

Step 2

Should you remain dissatisfied you can pursue your complaint further with Lloyd's. They can be reached in the following ways:

Lloyd's  
One Lime Street  
London  
EC3M 7HA

Telephone: 0207 327 5693  
Facsimile: 0207 327 5225  
E-mail: [complaints@lloyds.com](mailto:complaints@lloyds.com)  
Website: [www.lloyds.com/complaints](http://www.lloyds.com/complaints)

If Your Insurance Broker or Insurers remain unable to resolve the complaint to Your satisfaction then You may also have the right to refer Your complaint to:

**The Financial Ombudsman Service**

Exchange Tower  
London,  
E14 9SR  
Phone: 08000 234 567 (calls to this number are free from "fixed lines" in the UK) or 0300 1239123 (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK)  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

The Financial Ombudsman Service is an independent service in the UK for settling disputes between consumers and businesses providing financial services. You can find more information on the Financial Ombudsman Service at [www.financialombudsman.org.uk](http://www.financialombudsman.org.uk).

Your rights as a customer to take legal action are not affected by the existence or use of the complaints procedure mentioned above. However the Financial Ombudsman Service will not adjudicate on any cases where litigation has commenced.

**Financial Services Register**

The Financial Services Register can be checked by visiting the Financial Conduct Authority website on [www.fca.org.uk](http://www.fca.org.uk) or by calling 0800 111 6768

**Financial Services Compensation Scheme (FSCS)**

Mi Specialty Ltd, Brit Syndicates Limited, AXIS Managing Agency Ltd, Ascot Underwriting Limited, HSB Engineering Insurance Limited, ARAG plc and HDI Global Specialty SE are all covered by the Financial Services Compensation Scheme (FSCS). This means that You may be entitled to compensation from the scheme in the unlikely event that they

cannot meet their obligations. Further details can be obtained from FSCS, 10<sup>th</sup> Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU Tel: 0207 741 4100 Fax: 0207 741 4101 or [www.fscs.org.uk](http://www.fscs.org.uk)

**Important Note**

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

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

## Data Privacy Notice

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

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

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

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

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

### **Sections 1-4, 7- 9 and 12 – 14**

#### **Brit Syndicates Limited**

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

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

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

### **Sections 5 and 6**

[www.ascotgroup.com/lloyds/privacy-policy](http://www.ascotgroup.com/lloyds/privacy-policy)

### **Section 10 and 15**

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

### **Section 11**

Please see Section 11 for details

### **All Sections**

<https://www.micommercialrisks.co.uk/about/data-protection/>

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

**Sections 1-4, 7- 9 and 12 – 14**

Brit Syndicates Limited by writing to:

Data Protection Officer  
Brit Syndicates Limited  
The Leadenhall Building  
122 Leadenhall Street  
London EC3V 4AB

**Sections 5 and 6**

by email from [DPO@ascot.com](mailto:DPO@ascot.com) or by writing to:

Ascot Underwriting Limited  
20 Fenchurch Street  
London EC3M 3BY

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

Data Protection Officer  
AXIS Managing Agency Ltd  
52 Lime Street  
London  
EC3M 7AF

**Section 10 and 15**

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

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

**Section 11**

by writing to:

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

**All Sections**

by writing to:

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

## General Definitions

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

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

Brit Syndicates Limited (not applicable to Sections 5, 6, 10, 11, 14 and 15)  
AXIS Managing Agency Ltd (not applicable to Sections 5, 6, 10, 11, 14 and 15)  
Ascot Syndicate 1414 at Lloyd's (Sections 5 and 6 only)  
HSB Engineering Insurance Limited (Section 10 and Section 15 only)  
ARAG plc, Insurer: HDI Global Specialty SE (Section 11 only)  
Brit Syndicate 2987 (section 14 only)

### **Business**

The Business stated in the Schedule.

In addition, for Sections 5 and 6 only 'Business' also means:

- a) the provision and management of canteen, social, sports and welfare activities for Your benefit or the benefit of Your Employees;
- b) the provision and management of first aid, fire, security and ambulance services;
- c) the performance of private duties carried out by Your Employees with Your written consent for any of Your principals, including directors, partners, or senior officials,

and no other Business for the purposes of this Policy.

### **Consequential Loss**

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

**Damage** applicable to Sections 1-4, 7-9 and 12-13)

Physical loss or physical damage

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

- a) any person under a contract of service or apprenticeship with You;
- b) any labour master or labour only sub-contractor or person supplied by any of them;
- c) any self-employed person;
- d) any person under a contract of service or apprenticeship with another employer and who is hired to, or borrowed by, You;
- e) any person participating in any government or otherwise authorised work experience, training, study exchange or similar scheme;
- f) any volunteers,
- g) any voluntary helper;

whilst working for You in the course of the Business.

### **Excess**

In respect of Sections 1, 3, and 7

The first amount of each and every claim (as shown in the Schedule) for which You are responsible at each separate Premises after the application of all other terms and conditions of the insurance including but not limited to any Condition of Average.

In respect of Sections 5 and 6

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

### **FCA**

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

### **Goods**

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

**Injury**

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

**Offshore**

From the moment in time that an Employee shall embark onto any conveyance at the point of final departure on land to any offshore installation until the moment in time that an Employee shall disembark from any conveyance onto land upon their return from any offshore installation.

**Period of Insurance / Policy Period**

The period shown in the Schedule and any subsequent period for which We accept Your premium for renewal of this Policy.

**Policy**

The Policy and Schedule and any endorsements attached or issued.

**PRA**

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

**Premises**

The Premises as stated in the Schedule.

**Projected Turnover**

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

**Proposal**

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

**Terrorism**

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

**You, Your, Yours, Insured:**

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

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

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

(Applicable to Section 11 – Legal Expenses)

**Insured:**

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



## Legislation

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

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

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

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## Section 1 – Property Damage

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Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Definitions for Section 1 – Property Damage

#### Buildings

Buildings described in the Schedule, and including:

- a) landlords' fixtures and fittings;
- b) outbuildings, extensions, annexes, canopies, fixed signs, gangways, conveniences, lamp posts and street furniture;
- c) walls, gates and fences;
- d) drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the Premises, and extending to the public mains, but only to the extent of Your responsibility; and
- e) yards, car parks, roads, pavements, forecourts, all constructed of solid materials.

#### Computer and Electronic Business Equipment

All computers, computer installations and systems, microchips, integrated circuits, microprocessors, embedded systems, hardware and any electronic equipment, data processing equipment, information repository, telecommunication equipment, computer controlled or programmed machinery, equipment capable of processing data and similar devices, whether physical or remotely connected, for which You are responsible, all inside the Premises.

#### Declared Value

Your assessment of the cost of reinstatement of the Property Insured at a level of costs applying at the time that such values are required by the Insurers as the basis for the calculation of the Policy premium (ignoring inflationary factors which may operate subsequently) together with, insofar as the insurance by the item provides, due allowance for:

- a) debris removal costs;
- b) professional fees; and
- c) additional cost of reinstatement to comply with European Community and Public Authority requirements.

#### Defined Peril

Defined Peril shall mean fire, lightning, explosion, aircraft or other aerial devices or articles dropped from aircraft or other aerial devices, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank, apparatus or pipe or impact by any road vehicle or animal.

#### Empty

Empty shall mean unoccupied or not in use for a period of 30 days or more.

#### Machinery and Plant

Machinery and Plant belonging to You or held by You in trust for which You are legally responsible including:

- a) tenants' improvements, alterations and decorations, including closed circuit television and security systems;
- b) Employees', directors', partners', customers' and visitors' personal effects of every description (other than motor vehicles) not otherwise insured, for an amount not exceeding £1,000 in respect of any one person;
- c) Computer and Electronic Business Equipment;
- d) contents of outbuildings;
- e) contents in the open yards;
- f) patterns, models, moulds, plans and designs for an amount not exceeding the cost of the labour and materials expended in reinstatement;
- g) wines and spirits for an amount not exceeding £1,000; and
- h) contents temporarily at dwelling places of directors and senior staff.

but excluding:

- i) landlords' fixtures and fittings;
- ii) Stock and materials in trade;
- iii) Money and stamps (including National Insurance stamps) in excess of £500;
- iv) documents, manuscripts and Business books, except for the cost of the materials and of clerical labour expended in reproducing such records;
- v) computer systems records, except for an amount not exceeding £10,000 in respect of the cost of the materials and of clerical labour and computer time expended in reproducing such records but not for the value to You of the information contained therein;

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## Section 1 – Property Damage

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- vi) any expense in connection with the production of the information to be recorded in documents, manuscripts, business books or computer systems records; and
- vii) vehicles (and accessories) licensed for road use.

### **Money**

Cash, bank and currency notes, cheques, postal orders, money orders, crossed bankers drafts, current postage stamps, unused units in franking machines, National Savings Stamps and Certificates, National Insurance Stamps, trading stamps, gift tokens, customer redemption vouchers, VAT purchase receipts, credit company sales vouchers, credit card counterfoils, travellers tickets and, insofar as such are not otherwise insured, holidays with pay stamps and luncheon vouchers.

### **Non-Standard Construction**

Constructed of materials other than those detailed in the definition Standard Construction.

### **Standard Construction**

Brick, stone or concrete built and roofed with slates, tiles, metal, concrete, asphalt or sheets or slabs composed entirely of incombustible mineral ingredients and plastic rooflights.

### **Stock**

Stock and materials in trade, work in progress and finished goods belonging to You or held by You in trust for which You are legally responsible.

### **Territorial Limits**

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

## **Cover**

The Insurer agrees that if any of the Property Insured described in the Schedule suffers Damage at the Premises by any cause not excluded the Insurer will settle claims in accordance with the undernoted Basis of Claims Settlement.

## **Property Insured**

**Building(s)** at the Premises as described on the Schedule.

**Machinery and Plant** at the Premises as described on the Schedule.

**Stock and materials in trade** at the Premises as described on the Schedule.

**Miscellaneous** as described in the Schedule.

The values shown on the Schedule represent the maximum values at risk.

## **Limit of Liability**

The liability of the Insurers under this Section shall not exceed in the whole the Total Sum Insured or the Sum Insured in respect of each item or any other Limit of Liability as stated herein or in the Schedule.

The Sum Insured under each Item other than items solely applying to fees, removal of debris, rent, private dwelling houses, churches or other buildings in course of erection is separately subject to Average.

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## Section 1 – Property Damage

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### Basis of Claims Settlement

Unless stated otherwise in the Schedule the basis of settlement under this Section shall be:

#### **1 Reinstatement:**

The amount payable in respect of Buildings or Machinery and Plant shall be the cost of reinstatement of the Damage.

For this purpose “reinstatement” means:

- a) the rebuilding or replacement of Property Insured lost or destroyed which provided Our liability is not increased may be carried out;
    - i) in any manner suitable to Your requirements
    - ii) upon another site
  - b) the repair or restoration of Property Insured 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.

Provided that:

- (1) Our liability for the repair or restoration of Property Insured damaged in part only shall not exceed the amount which would have been payable had such Property been wholly lost or destroyed.
- (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 subject to this Basis of Claims Settlement exceeds its Sum Insured at the commencement of any Damage Our liability shall not exceed that proportion of the amount of the Damage which the Sum Insured shall 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 Basis of Claims Settlement shall be made:
  - a) unless reinstatement commences and proceeds without unreasonable delay
  - b) until the cost of reinstatement shall have been actually incurred
  - c) if the Property Insured at the time of the Damage shall be insured by any other insurance effected by You or on Your behalf which is not upon the same basis of reinstatement.
- (4) All the terms and conditions of this Policy shall apply:
  - a) in respect of any claim payable under the provisions of this Basis of Claims Settlement except insofar as it is varied hereby
  - b) where claims are payable as if this Basis of Claims Settlement had not been incorporated.

The maximum amount We will pay in respect of any one item is the Sum Insured.

#### **2 Indemnity**

The amount payable in respect of Stock and/or all other Property Insured shall be the value at the time of the Damage or at Our option the cost of reinstatement or replacement of such Property Insured or any part of it

Provided that:

if at the time of the Damage the Sum Insured for the item is less than the value of the item insured then Our liability shall be limited to that proportion of the Damage which the Sum Insured bears to the value of the Property Insured.

In respect of Rent, the insurance only applies if any of the Buildings or part thereof are unfit for occupation in consequence of Damage thereto but the amount payable shall not exceed such proportion of the Sum Insured on Rent as the period necessary for reinstatement bears to the term of the Rent insured.

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## Section 1 – Property Damage

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### Exclusions

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

- 1) Damage caused by or consisting of:
  - a) inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials;
  - b) the bursting by steam pressure of a boiler, economiser, vessel, machine or apparatus in which internal pressure is due to steam only and belonging to You or under Your control other than in respect of a boiler used for domestic purposes only;
  - c) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
  - d) faulty or defective workmanship, operational error or omission by You or any of Your Employees; but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded.
  
- 2) Damage caused by or consisting of:
  - a) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
  - b) change in temperature, colour, flavour, texture or finish;
  - c) theft or attempted theft;
  - d) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith;
  - e) mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates;but this shall not exclude
  - a) such Damage which itself results from other Damage and is not otherwise excluded
  - b) subsequent Damage which itself results from a cause not otherwise excluded.
  
- 3) Damage caused by or consisting of:
  - a) subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or the escape of water from any tank apparatus, or pipe;
  - b) normal settlement or bedding down of new structures;
  - c) acts of fraud or dishonesty;
  - d) disappearance unexplained or inventory shortage misfiling or misplacing of information.
  
- 4) Damage to a building or structure caused by its own collapse or cracking unless resulting from a Defined Peril insofar as it is not otherwise excluded.
  
- 5) Damage in respect of movable property in the open, fences and gates, caused by wind, rain, hail, sleet, snow, flood or dust.
  
- 6) Damage:
  - a) caused by fire resulting from its undergoing any heating process or any process involving the application of heat;
  - b) (other than by fire or explosion) resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair.
  
- 7) Damage:
  - a) caused by freezing;
  - b) caused by escape of water from any tank, apparatus or pipe;
  - c) caused (other than by fire or explosion) by malicious persons not acting on behalf of or in connection with any political organisation;
  - d) caused by theft or any attempted theft; or
  - e) to fixed glass;in respect of any Building which is Empty.
  
- 8) Damage in respect of:
  - a) glass (other than fixed glass), china, earthenware, marble or other fragile or brittle objects;
  - b) jewellery, precious stones, precious metals, bullion, furs, curiosities, works of art or rare books;
  - c) property in transit;
  - d) Money, cheques, stamps, bonds credit cards or securities of any description;

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## Section 1 – Property Damage

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other than such Damage caused by a Defined Peril insofar as it is not otherwise excluded.

- 9) Damage to:
- a) vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;
  - b) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection;
  - c) land, piers, jetties, bridges, culverts or excavations;
  - d) livestock, growing crops or trees;
- unless specifically mentioned as insured by this Policy.
- 10) Damage to Property which at the time of the happening of Damage is insured by or would, but for the existence of this Policy, be insured by any marine policy or policies 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.
- 11) Any property more specifically insured by You or on Your behalf.
- 12) Damage to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data, or any part of any computer, other equipment, component or system, whether tangible or intangible (including but without limitation any information or programs or software) and whether Your property or not where such Damage is caused by programming or operator error, Virus or Similar Mechanism or Hacking; but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded provided that such Damage does not arise by reason of any malicious act or omission.

For the purpose of this exclusion the following definitions apply:

- a) Virus or Similar Mechanism shall mean program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not. This definition of Virus or Similar Mechanism includes but is not limited to Trojan horses, worms and logic bombs;
- b) Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data.

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## Section 1 – Property Damage

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### Clauses & Conditions that apply to Section 1 – Property Damage

#### 1.1 Acquisitions

The insurance for Buildings and Machinery and Plant extends to include:

- a) additions and extensions to the Property Insured (but not appreciation in value) made after the commencement of each annual Period of Insurance;
- b) any newly built or newly acquired Buildings or Contents;

at any Premises covered by this insurance or elsewhere in the Territorial Limits.

Provided that:

- a) such additional property is not otherwise insured;
- b) the Sum Insured by each item shall be increased for that period only by the value of the additional property insured for an amount not exceeding 10% of the Buildings or Contents Sum Insured or £250,000 whichever is the less;
- c) You provide the Insurers with details of these acquisitions as soon as practicable and pay the appropriate additional premium.

#### 1.2 Architects, Surveyors, Legal and Consulting Engineers Fees

The insurance for Buildings and Contents items includes an amount in respect of architects', surveyors', legal and consulting engineers' fees necessarily incurred in the reinstatement or repair of the Property Insured consequent upon its Damage but not for preparing any claim it being understood that the amount payable under the item shall not exceed in total the limits stated in the Basis of Claims Settlement.

#### 1.3 Automatic Reinstatement after a Loss

In the event of loss the limits stated in the Basis of Claims Settlement will be automatically reinstated from the date of the loss unless written notice to the contrary is given either by the Insurers or You and You shall pay any required premiums for reinstatement from that date.

#### 1.4 Change of Tenancy

You must advise the Insurers of all changes in tenancy or occupation within the Premises within 14 days, as specified in Section 16 Policy Conditions, General Condition 16.1 – Alteration in Risk.

#### 1.5 Construction of Buildings

Except as otherwise stated the Buildings described in the Schedule are of Standard Construction.

#### 1.6 Contract Price

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

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

#### 1.7 Damage to Landscaped Gardens

The Insurers will pay the cost of restoring any Damage done to landscaped gardens, for which You are responsible, by the Emergency Services in attending the Premises as a result of a Defined Peril. The Insurer's liability under this clause shall not exceed £10,000 any one loss.

#### 1.8 Day One Basis

Applicable only to those items showing a Declared Value as stated in the Schedule.

- 1) The Declared Value (shown in brackets below the Sum Insured) incorporated in each item to which this clause applies, having been stated in writing by You, has been used as the basis for calculating the premium.

For the purposes of this clause Declared Value shall mean:

Your assessment of the cost of reinstatement of Buildings and Contents arrived at in accordance with paragraph 1 of the Basis of Claims Settlement condition of this Section at the level of costs applying at the start of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with an allowance for:

- a) the additional cost of reinstatement to comply with:
  - i) European Union Legislation
  - ii) Act of Parliament

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## Section 1 – Property Damage

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- iii) Bye-Laws of any public authority
  - b) professional fees
  - c) debris removal costs
- 2) You must notify Us of the Declared Value at the start of each Period of Insurance. If You fail to notify Us of the Declared Value at the start of any Period of Insurance We will use the last Declared Value notified to Us for the following Period of Insurance.
- 3) Provisions (2) and (4) of the Basis of Claims Settlement condition are for the purposes of this Day One Basis condition only deemed to be restated as follows:
- (2) If at the time of the Damage the Declared Value is less than the cost of reinstatement of the Property Insured arrived at in accordance with paragraph 1 of this condition at the start of the Period of Insurance Our liability for any Damage will be limited to that proportion which the Declared Value bears to the cost of reinstatement of the Property Insured arrived at in accordance with paragraph 1 of this condition.
  - (4) All the terms and conditions of this Policy shall apply:
    - a) in respect of any claim payable under the provisions of this Basis of Claims Settlement except insofar as it is varied hereby;
    - b) where claims are payable as if this Basis of Claims Settlement had not been incorporated except that the Sums Insured shall be limited to 115% of the Declared Value.

### 1.9 Designation

For the purposes of determining where necessary the heading under which any property is insured the Insurers agree to accept the designation under which such property has been entered in Your books.

### 1.10 Empty Buildings

- a) Whenever the Premises stated in the Schedule are unoccupied or not in use the Empty Buildings Condition below applies;
- b) You must notify the Insurers in writing immediately any Empty building or Empty portion of a building insured by this Policy becomes occupied or any occupied building becomes Empty and pay an additional premium if required.

### 1.11 Empty Buildings Condition

It is a condition precedent to the liability of the Insurers that whenever the Premises are Empty:

- a) You notify the Insurers immediately You become aware:
  - i) that the Building(s) are Empty; and
  - ii) of any Damage to the Empty Building(s) whether or not such loss, destruction or damage is insured;
- b) the Buildings are inspected internally and externally at least once during each week by You or on Your behalf;
- c) all trade refuse and waste materials are removed from the interior of the Premises and no accumulation of refuse and waste be allowed in the adjoining yards or spaces You own;
- d) You shall secure the Buildings and rectify any defects which render the Buildings insecure; and
- e) the gas, water and electricity supplies are turned off at the mains (except electricity needed to maintain any fire or intruder alarm system in operation).

### 1.12 European Community and Public Authorities (Including Undamaged Property)

Subject to the following Special Conditions the insurance for Buildings and Contents in this Section extends to include such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the Stipulations of:

- a) European Community Legislation; or
- b) Building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any Public Authority;

(hereafter referred to as 'Stipulations') in respect of:

- i) the lost, destroyed or damaged property thereby insured; and
- ii) undamaged portions of that property.

Excluding:

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



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## Section 1 – Property Damage

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### **Special Conditions**

- 1) The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the Damage or within such further time as the Insurers may agree (during the said twelve months) and may be carried out upon another site (if the Stipulations so necessitate) subject to the liability of the Insurers under this clause not being increased.
- 2) If the liability of the Insurers under (any item of) this Section apart from this clause shall be reduced by the application of any of the terms and conditions of the Policy then the liability of the Insurers under this clause (in respect of any such item) shall be reduced in like proportion.
- 3) The total amount payable under (any item of) this Section in respect of this clause shall not exceed:
  - a) £250,000 in respect of the lost, destroyed or damaged property;
  - b) £250,000 in respect of undamaged portions of property (other than foundations).
- 4) All the terms and conditions of the Policy except insofar as they are varied by this condition shall apply as if they had been incorporated herein.

### **1.13 Exhibitions**

The insurance for Machinery and Plant extends to cover the property described for a period not exceeding 15 days whilst at any exhibition within the Territorial Limits.

The liability of the Insurers under this clause shall not exceed £50,000.

### **1.14 Fire Break Doors and Shutters**

It is a condition precedent to liability of the Insurers that all fire break doors and shutters are kept closed except during working hours and are maintained in efficient working order.

### **1.15 Fire Extinguishing Appliances**

It is a condition precedent to liability of the Insurers that all fire extinguishing appliances will be maintained in efficient working order during the currency of the insurance.

### **1.16 Fire Extinguishment – Automatic Sprinkler Installations**

It is a condition precedent to liability of the Insurers that if:

- a) a reduced premium rate is allowed on account of such an installation;
- b) such an installation is required by the Insurers as a condition of cover; or
- c) the insurance covers Damage by the accidental escape of water from a sprinkler installation;

You will:

- a) take all reasonable steps to:
  - i) prevent frost and other damage to the installations;  
and in so far as it is Your responsibility:
  - ii) maintain the installations (including the automatic external alarm signal) in efficient condition;
  - iii) maintain ready access to the water supply control facilities;
- b) in the event that changes repairs or alterations to the installations are proposed notify the Insurers in writing and obtain Our prior agreement in writing;
- c) allow the Insurers access to the Premises at all reasonable times for the purpose of inspecting the installations; and
- d) undertake to:
  - i) make a test every week for the purposes of ascertaining that the alarm gong is in working order and that the stop valves controlling the individual water supplies and the installations are fully open;
  - ii) make a test every working day for the purposes of ascertaining the condition of the circuit between the alarm switch and the control unit;
  - iii) make a test at least once a week for the purposes of ascertaining the condition of:
    - (i) the Brigade connection; and
    - (ii) the batteries in respect of each approved system for the transmission of alarm signals from sprinkler installations to a Fire Brigade;
  - iv) make quarterly or half-yearly tests if required by the Insurers to do so for the purposes of ascertaining that each water supply is in order and record the particulars of each test;
  - v) make tests every week for the purposes of ascertaining that the pump(s) can be started both automatically and manually and that in respect of any diesel engine driven pump the battery electrolyte level and density are correct and record the completion of these tests;
  - vi) have a contract with approved installing engineers providing for the maintenance of and half-yearly inspection of the installations and to obtain from them following each inspection certification that they are in satisfactory working order; and
  - vii) remedy promptly any defect revealed by such tests or otherwise.

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## Section 1 – Property Damage

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### 1.17 Glass Breakage

The Insurers will, at their option, pay for or make good to You any breakage or malicious scratching of internal or external fixed glass being Your property for which You are responsible at the Premises occurring during the Period of Insurance and being in sound condition at the inception of this Policy.

The Insurers will in addition pay for the cost of:

- a) breakage of fixed sanitary ware;
- b) boarding up and repair to associated framework reasonably incurred as a result of an insured breakage. You may without the Insurers prior consent instruct builders or glaziers to board up where necessary;
- c) repair or replacement of lettering alarm foil or other ornamentation work on glass provided that the Insurers maximum liability for any one loss shall not exceed £500;
- d) repair or replacement of fixed mirrors provided that the Insurers maximum liability for any one loss shall not exceed £500; and
- e) removal or replacement of fixtures and fittings which may be necessary in connection with the replacement of the glass provided that the Insurers maximum liability for any one loss shall not exceed £500.

Excluding any breakage whilst buildings are Empty and or more specifically insured by You or on Your behalf.

### 1.18 Loss of Metered Water

The Insurer will pay the cost of additional metered water charges being those incurred by You following accidental discharge from a metered system as a result of Damage as insured by this Section except those in respect of any loss which has not been discovered and remedial action taken within 30 days of occurrence of the Damage provided that the Insurer's maximum liability for any one loss shall not exceed £10,000. The Insurer will not pay charges incurred in respect of any building which is Empty.

### 1.19 Mortgagees

The act or neglect of any mortgagor or occupier of any Building insured by this Policy whereby the risk of Damage is increased without the authority or knowledge of any mortgagees shall not prejudice the interest of the mortgagees in this insurance provided they shall notify the Insurers immediately on becoming aware of such increased risk and pay an additional premium if required.

### 1.20 Non Invalidation

Any act, omission or alteration, unknown to You or beyond Your control, which increases the risk of Damage, will not invalidate this insurance if, immediately You become aware, You give notice to the Insurers and pay an additional premium if required.

### 1.21 Reinstatement by the Insurer

If any Property Insured is to be reinstated or replaced by the Insurer You shall at Your own expense provide all such plans, documents, books and information as may be reasonably required. The Insurer shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner and the maximum amount payable in respect of any one of the items insured is its Sum Insured.

### 1.22 Removal of Debris

The insurance by each item of this Section extends to include costs and expenses necessarily incurred by You with the Insurers consent in:

- a) removing debris;
- b) dismantling and/or demolishing; and
- c) shoring up or propping;

of the portions of the Property Insured as a result of Damage insured against by this Policy.

Excluding any costs or expenses:

- a) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site; and
- b) arising from pollution or contamination of property not insured by this Section.

The liability of the Insurers in respect of any item shall in no case exceed the limits stated in the Basis of Claims Settlement.

### 1.23 Repairs and Alterations

Tradesmen may be employed to effect repairs or minor alterations in all or any of the Buildings insured without prejudice to this insurance.

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## Section 1 – Property Damage

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### 1.24 Sale of Property Insured

If at the time of Damage You have contracted to sell Your interest in any Building insured by this Policy and the purchase has not been, but is later, completed, the purchaser, on completion of the purchase (if and so far as the property is not otherwise insured against such Damage by him or on his behalf), shall be entitled to the benefit under this Section so far as it relates to such Damage without prejudice to the rights and liabilities of You or the Insurers until completion.

### 1.25 Seasonal Increase

The Sum Insured in respect of Stock is increased by 30% during the months of November, December and January or for any other period selected by You and stated in the Schedule.

### 1.26 Subrogation Waiver

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

- a) any Company standing in relation of parent to subsidiary (or subsidiary to parent) to You; and
- b) any Company which is a subsidiary of a parent company of which You are a subsidiary;

in each case within the meaning of the Companies Act or the Companies (NI) Order, as appropriate, current at the time of Damage.

### 1.27 Temporary Removal

The Property Insured by this Section (other than Stock if insured) is covered whilst temporarily removed for cleaning, renovation, repair or similar purposes elsewhere and in transit to and from the cleaners, renovators or repairers, all in the Territorial Limits. The liability of the Insurer under this clause in respect of each item of this Section for any Damage occurring elsewhere than at the Premises shall not exceed £50,000.

Excluding:

- a) property insofar as it is otherwise insured; or
- b) property temporarily removed to motor vehicles and motor chassis licensed for normal road use.

All the terms and conditions of the Policy except insofar as they are varied by this condition shall apply as if they had been incorporated herein.

### 1.28 Temporary Removal of Documents

The insurance of deeds and other documents (including stamps thereon) manuscripts, plans and writings of every description, computer systems records and books (written and printed) extends to cover such property for an amount not exceeding £5,000 whilst temporarily removed to any premises not in Your occupation and in transit to and from these premises all in the Territorial Limits but excluding property insofar as it is otherwise insured.

### 1.29 Theft Cover Extension

Any cover provided under this Section in respect of theft is extended to include:

#### a) Theft Damage to Buildings

Where there is no building insurance under this Section the Insurers will pay for loss or damage (except for fire) to that part of the Premises referred to in the Schedule containing the property insured under this Section directly resulting from theft or attempted theft. Provided always that You are the owner of such Premises or are legally liable for such damage and subject always to the Insurers maximum liability not exceeding £50,000.

#### b) Theft of Keys

The Insurers will pay the reasonable costs necessarily incurred in replacing external door locks at the Property Insured following the loss of keys by:

- i) theft from the Premises or registered office or from the home of; or
- ii) theft following hold-up whilst such keys are in the personal custody of;

You or any principal director, partner or Employee authorised to hold such keys.

Provided that the maximum amount payable in any one Period of Insurance shall not exceed:

- i) £1,000 in respect of any one Premises; and
- ii) £25,000 in aggregate.

### 1.30 Trace and Access

The Insurers will pay the reasonable costs necessarily incurred by You in locating the source and subsequent making good of Damage resulting from:

- a) the escape of water from any tank apparatus or pipe; and
- b) accidental damage to cables underground pipes and drains serving the Premises.

Provided that the maximum amount payable in any one Period of Insurance shall not exceed:

- a) £25,000 in respect of any one occurrence; and
- b) £25,000 in aggregate.

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## Section 1 – Property Damage

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### **1.31 Tree Felling and Lopping**

The Insurers will pay the costs and expenses necessarily and reasonably incurred by You in:

- a) felling, lopping and removing trees belonging to You or for which You are responsible at the Premises and which are an immediate threat to the safety of life or of Damage to the Property Insured;
- b) removing fallen trees belonging to You or for which You are responsible but only where there has been Damage to Property Insured.

Provided that the Insurers will not be liable for:

- a) legal or local authority costs involved in removing trees;
- b) costs incurred solely to comply with a Preservation Order;
- c) costs incurred in respect of routine maintenance.

The liability of the Insurers shall not exceed £2,500 any one claim.

### **1.32 Unauthorised Use of Utilities**

The Insurers will pay the cost of metered electricity gas or water for which You are legally responsible arising from its unauthorised use by persons taking possession, or occupying the Premises without Your authority provided that the Premises have been inspected weekly by a responsible person and You shall take all practical steps to terminate such unauthorised use as soon as it is discovered and that the Insurer's maximum liability for any one loss shall not exceed £25,000.

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## Section 2 – Business Interruption

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Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Definitions for Section 2 – Business Interruption

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

#### Business Interruption

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

#### Defined Peril

Defined Peril shall mean fire, lightning, explosion, aircraft or other aerial devices or articles dropped from aircraft or other aerial devices, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank, apparatus or pipe or impact by any road vehicle or animal.

#### Territorial Limits

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

#### Incident

- a) Loss or destruction of or Damage to property used by You at the Premises for the purpose of the Business; or
- b) Loss, destruction of or Damage to Your books of account or other business books or records at the Premises in respect of Book Debts.

#### Indemnity Period

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

#### Maximum Indemnity Period

The Period as stated in the Schedule.

#### Turnover

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

#### Gross Profit

The amount by which:

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

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

#### Uninsured Working Expenses

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

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

#### Rent Receivable

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

#### Gross Revenue

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

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## Section 2 – Business Interruption

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### **Estimated Gross Profit or Estimated Gross Revenue**

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

### **Actual Gross Profit or Actual Gross Revenue**

The Gross Profit or Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months).

### **Rate of Gross Profit**

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

### **Annual Turnover**

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

### **Standard Turnover**

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

### **Annual Rent Receivable**

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

### **Standard Rent Receivable**

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

### **Annual Gross Revenue**

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

### **Standard Gross Revenue**

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

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

### **Outstanding Debit Balances**

The total recorded debits adjusted for:

- a) bad debts
- b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Incident) to the credit accounts of the Business in the period between the date to which the last monthly record relates and the date of the Incident
- c) any abnormal condition of trade which had or could have had a material effect on the Business

so that the figures thus adjusted will represent as nearly as reasonably practicable those which would have been obtained at the date of the Incident had the Incident not occurred.

## **Cover**

In the event of Business Interruption the Insurers will pay to You in respect of each item in the Schedule the amount of loss resulting from such interruption or interference provided that at the time of the happening of the loss, destruction or Damage there is an insurance in force covering Your interest in the property at the Premises against such loss, destruction or Damage and that:

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

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## Section 2 – Business Interruption

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### Limit of Liability

The Liability of the Insurers under this Section shall not exceed:

- 1) 133.33% of the Estimated Gross Profit or Estimated Gross Revenue shown in the Schedule  
and
- 2) 100% of the Total Sum Insured shown in the Schedule for each other item stated in the Schedule.

### Basis of Claims Settlement

#### Gross Profit/Estimated Gross Profit (if shown as operative in the Schedule)

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

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

and the amount payable as indemnity shall be:

- a) in respect of a reduction in Turnover:  
the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall fall short of the Standard Turnover in consequence of the Incident; and
- b) in respect of increase in cost of working:  
the additional expenditure (subject to the provisions of the Uninsured Working Expenses Clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Incident but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction in Turnover avoided

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

Provided that:

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

#### Gross Revenue/Estimated Gross Revenue (if shown as operative in the Schedule)

The insurance is limited to:

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

and the amount payable as indemnity shall be:

- a) in respect of loss of Gross Revenue:  
the amount by which the Gross Revenue during the Indemnity Period shall fall short of the Standard Gross Revenue in consequence of the Incident; and
- b) in respect of increase in cost of working:  
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Incident but not exceeding the amount of the reduction in Gross Revenue thereby avoided

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

Provided that:

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

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## Section 2 – Business Interruption

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

The insurance is limited to:

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

and the amount payable as indemnity shall be:

- a) in respect of loss of Rent Receivable:  
the amount by which the Rent Receivable during the Indemnity Period shall fall short of the Standard Rent Receivable in consequence of the Incident; and
- b) in respect of increase in cost of working:  
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss in Rent Receivable which but for that expenditure would have taken place during the Indemnity Period in consequence of the Incident but not exceeding the amount of the reduction in Rent Receivable thereby avoided

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

Provided that:

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

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

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

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

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

Provided that:

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

### **Book Debts** **(if shown as operative in the Schedule)**

If any of Your books of account or other business books or records at the Premises suffer loss destruction or Damage preventing You from tracing or establishing the Outstanding Debit Balances, the Insurers will indemnify You for:

- a) the difference between the Outstanding Debit Balances and the total of the amounts received or traced in connection with such balances;
- b) the additional expenditure incurred with the consent of the Insurers in tracing and establishing customer's debit balances after the Incident.

Provided that:

- a) if the Sum Insured is less than the Outstanding Debit Balances the amount payable shall be proportionately reduced;
- b) You shall:
  - i) maintain a record elsewhere than in the building in which the original records are kept showing the total amount outstanding in the credit accounts of the Business at the end of each month and in the event of an Incident giving rise to a claim shall supply that record to the Insurers;
  - ii) keep all business records in which credit accounts of the Business are shown stored in fire resisting safes strongrooms or cabinets when not in use.



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## Section 2 – Business Interruption

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### Exclusions

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

- 1) Business Interruption caused by or consisting of:
  - a) inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials;
  - b) the bursting by steam pressure of a vessel, machine or apparatus in which internal pressure is due to steam only and belonging to You or under Your control other than in respect of any boiler or economiser on the Premises or a boiler used for domestic purposes only;
  - c) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
  - d) faulty or defective workmanship, operational error or omission by You or any of Your Employees; but this shall not exclude subsequent Business Interruption which itself results from a cause not otherwise excluded.
  
- 2) Business Interruption caused by or consisting of:
  - a) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
  - b) change in temperature, colour, flavour, texture or finish;
  - c) theft or attempted theft;
  - d) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith;
  - e) mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates;
  - f) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunication services; but this shall not exclude:
    - a) such Business Interruption not otherwise excluded which itself results from a Defined Peril or from any other accidental loss destruction or Damage;
    - b) subsequent Business Interruption which results from a cause not otherwise excluded.
  
- 3) Business Interruption caused by or consisting of:
  - a) subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or the escape of water from any tank apparatus, or pipe;
  - b) normal settlement or bedding down of new structures;
  - c) acts of fraud or dishonesty.
  
- 4) Business Interruption arising directly or indirectly from:
  - a) disappearance unexplained or inventory shortage, misfiling or misplacing of information;
  - b)
    - i) erasure, loss, distortion or corruption of information on computer systems or other records, programs or software caused deliberately by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotions or malicious persons;
    - ii) other erasure, loss, distortion or corruption of information on computer systems or other records, programs or software unless resulting from a Defined Peril insofar as it is not otherwise excluded.
  
- 5) Business Interruption resulting from destruction of or Damage to a building or structure used by You at the Premises caused by its own collapse or cracking unless resulting from a Defined Peril insofar as it is not otherwise excluded.
  
- 6) Business Interruption in respect of movable property in the open, fences and gates, caused by wind, rain, hail, sleet, snow, flood or dust.
  
- 7) Business Interruption:
  - a) caused by fire resulting from its undergoing any heating process or any process involving the application of heat;
  - b) (other than by fire or explosion) resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair.

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## Section 2 – Business Interruption

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- 8) Business Interruption:
- a) caused by freezing;
  - b) caused by escape of water from any tank, apparatus or pipe;
  - c) caused (other than by fire or explosion) by malicious persons not acting on behalf of or in connection with any political organisation;
  - d) caused by theft or any attempted theft; or
  - e) to fixed glass;
- in respect of any Building which is Empty.
- 9) Business Interruption in respect of:
- a) glass (other than fixed glass), china, earthenware, marble or other fragile or brittle objects;
  - b) property in transit;
  - c) vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;
  - d) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection;
  - e) land, roads, pavements, piers, jetties, bridges, culverts or excavations;
  - f) livestock, growing crops or trees;
- other than in respect of such Business Interruption caused by a Defined Peril insofar as it is not otherwise excluded.
- 10) Business Interruption directly or indirectly caused by or arising from any programming or operator error, Virus or Similar Mechanism or Hacking.

For the purpose of this exclusion the following Definitions apply:

- a) Virus or Similar Mechanism shall mean program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not. This definition of Virus or Similar Mechanism includes but is not limited to trojan horses, worms and logic bombs;
- b) Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data.

## Clauses & Conditions that apply to Section 2 – Business Interruption

### 2.1 Alternative Trading

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

### 2.2 Automatic Reinstatement after a Loss

In the event of loss the limits stated in the Basis of Claims Settlement will be automatically reinstated from the date of the loss unless written notice to the contrary is given either by the Insurers or You and You shall pay any required premiums for reinstatement from that date.

### 2.3 New Business

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

### 2.4 Payments on Account

Payments on Account may be made during the Indemnity Period if required.

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## Section 2 – Business Interruption

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### 2.5 Premium Adjustment

The following provisions apply separately to each item on Gross Profit or Gross Revenue.

- a) Where the premium paid is not provisional.  
At the end of the Period of Insurance the Insurers will allow a pro rata return of premium (not exceeding 50% of the premium paid) if the premium calculated at the appropriate rate on the Actual Gross Profit or Actual Gross Revenue (as reported by Your auditors) is less than the premium paid.

Provided that if the Actual Gross Profit or Actual Gross Revenue has been affected by Damage as insured the Insurers will add to the amount declared the additional amount of Gross Profit or Gross Revenue which would have been earned in the relative financial year had the Damage not occurred and the adjusted figure will be deemed to be the declaration.

- b) Where a provisional premium is paid.  
The premium paid at the commencement of each Period of Insurance is provisional and You shall declare to the Insurers within six months of the expiry of each period the Actual Gross Profit or Actual Gross Revenue as reported by Your auditors.

The premium will be calculated at the appropriate rate on the declaration and the premium paid will be adjusted as stated below provided that if the Actual Gross Profit or Actual Gross Revenue has been affected by Damage as insured the Insurers will add to the amount declared the additional amount of Gross Profit or Gross Revenue which would have been earned in the relative financial year had the Damage not occurred and the adjusted figure will be deemed to be the declaration.

- i) If the insurance is on the Gross Profit or Gross Revenue basis:

If the premium calculated is:

- a) less than the premium paid  
the Insurers will repay the difference to You but not exceeding the difference between the premium paid and the premium payable on 50% of the Sum Insured;
- b) greater than the premium paid  
You shall pay the difference but not exceeding the difference between the premium paid and the premium payable on the full Sum Insured.

In the event that no declaration is received within six months of the expiry of the Period of Insurance the Sum Insured will be deemed to be the declaration and the additional premium due will become payable.

- ii) If the insurance is on the Estimated Gross Profit or Estimated Gross Revenue basis:

If the premium calculated is:

- a) less than the premium paid  
the Insurers will repay the difference to You;
- b) greater than the premium paid  
You shall pay the difference.

### 2.6 Professional Accountants

The Insurers will pay the reasonable charges payable by You to Your professional accountants for producing information required by the Insurers, under 1e) of the Claims Procedure (on page 7), and for reporting that such information is in accordance with Your accounts, but not for any other purposes in the preparation of any claim.

Provided that the sum of the amount payable under this clause and the amount otherwise payable under the Policy shall in no case exceed the Sum Insured.

### 2.7 Renewal Clause

(Applicable if Estimated Gross Profit or Estimated Gross Revenue Cover is operative)

Prior to each renewal You shall provide the Insurers with the Estimated Gross Profit or Estimated Gross Revenue for the financial year most nearly concurrent with the ensuing Period of Insurance.

### 2.8 Uninsured Working Expenses

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

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## Section 2 – Business Interruption

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### 2.9 Value Added Tax

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

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

The maximum amount payable in respect of the following extensions shall not exceed in respect of any one event the percentage of the Sum Insured as shown in the Schedule or the monetary amount whichever is the lesser.

### 2.1 Contract Sites

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of an Incident at any site in the Territorial Limits not in the occupation of You where You are carrying out a contract.

### 2.2 Essential Employees

This Section includes loss resulting from interruption of or interference with the Business carried on at the Premises following loss of an Employee from Your service as a result of:

- a)
  - i) death of the Employee;
  - ii) bodily injury which, in the opinion of the Insurer's medical officer, will in all likelihood prevent the Employee from carrying out their usual employment or usual occupation for the remainder of their life, caused solely and directly by violent, accidental, external and physical means not otherwise excluded by the terms of Section 8 – Personal Accident;
- b) the Employee winning a prize on the national lottery, premium bonds or football pools providing their win exceeds £100,000;

but excluding losses where the Employee:

- a) has been employed by You for a period of less than 12 months;
- b) has served notice or has been served notice of termination of their employment prior to the occurrence;
- c) has been absent from work through sickness, disability or suspension for a period exceeding 4 weeks at the time of the occurrence.

The insurance by this extension shall only apply for the period beginning with the death or permanent total disability or lottery win, premium bond win or football pools win and lasting no longer than 3 months thereafter.

### 2.3 Failure of Supply

This Section includes loss resulting from interruption of or interference with the Business as insured as a result of failure of supply due to Damage of:

- a) electricity at the terminal ends of the service provider's feeders at the Premises;
- b) gas at the service provider's meters at the Premises;
- c) water at the service provider's main stop cock serving the Premises (other than by drought);
- d) telecommunications services (excluding the provision of extranets or access to or presence on the internet or access to applications and related services over the internet) at the incoming line terminals or receivers at the Premises but excluding satellites;

not occasioned by the deliberate act of any service provider nor by the exercise by any such provider of its power to withhold or restrict supply or provision of telecommunication services.

#### **Special Conditions applicable to this clause:**

- 1) the Maximum Indemnity Period shall not exceed 3 months in respect of telecommunications services;
- 2) the Indemnity Period shall commence 24 hours after the commencement of the failure of supply including telecommunications services and not as stated in the Definitions.

### 2.4 Murder Suicide & Defect

This Section is extended to include loss directly resulting from interruption of or interference with the Business carried on by You at the Premises in consequence of;

- a) murder or suicide occurring at the Premises
- b) injury or illness sustained by any guest arising from, or traceable to, foreign or injurious matter in food or drink provided on the Premises
- c) the closing of the whole or part of the Premises by the order or on the advice of a competent Public Authority as a result of: -
  - i) defects in the drains or sanitary installations at the Premises

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## Section 2 – Business Interruption

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- ii) the Premises becoming infested with vermin or pests

For the purpose of this clause, Indemnity Period means the period during which the Business shall be affected in direct consequence of the interruption or interference commencing the date the restrictions on the Premises were applied for a period not exceeding three months thereafter.

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

### 2.5 Public Utilities

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss destruction or Damage to property at any:

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

from which You obtain electricity, gas, water or telecommunications services within the Territorial Limits which shall be deemed to be an Incident.

### 2.6 Prevention of Access

Subject to the terms and conditions of this Section, loss resulting from interruption of or interference with the Business in consequence of loss, destruction of or Damage to property within 1 mile of the Premises, where such loss, destruction or damage shall prevent or hinder the use of or access to the Premises, whether or not Your Premises or Your property in the Premises is damaged, shall be deemed to be an Incident, but excluding loss resulting from loss or destruction of or Damage to property of any supply undertaking from which You obtain electricity, gas, water or telecommunications services which prevents or hinders the supply of such services.

### 2.7 Specified Customers

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction or Damage at the premises of Your customers as stated in the Schedule.

### 2.8 Specified Suppliers

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction or Damage at the premises of Your suppliers as stated in the Schedule.

### 2.9 Storage Sites

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction or Damage at the premises of any site where Your goods are stored in the Territorial Limits, which shall be deemed to be an Incident.

### 2.10 Transit

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction or Damage to Your property while in transit in Great Britain or Northern Ireland, but excluding loss in respect of impact to or collision with the conveying road or rail vehicle or waterborne craft.

### 2.11 Unspecified Customers

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction or Damage at the premises of any of Your Customers, all in the Territorial Limits, which shall be deemed to be an Incident.

Provided that for the purposes of this extension the term Customers means the companies, organisations or individuals with whom, at the time of the Incident, You have contracts or trading relationships to supply goods or services.

### 2.12 Unspecified Suppliers

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction or Damage at the premises of any of Your suppliers, manufacturers or processors of components goods or materials, all in the Territorial Limits, which shall be deemed to be an Incident, but excluding loss resulting from loss or destruction of or Damage to property of any supply undertaking from which You obtain electricity, gas, water or telecommunications services which prevents or hinders the supply of such services.

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## Section 3 – Goods In Transit

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Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Definitions for Section 3 – Goods In Transit

#### **Clothing and Personal Effects**

Personal possessions of You or Your drivers worn or carried during transit excluding cash bank notes credit cards watches and jewellery.

#### **Consignment**

All property sent at one time in one or more packages in one load to the same destination.

#### **Damage**

Loss or destruction of or Damage.

#### **Money**

Cash, bank and currency notes, cheques, postal orders, money orders, crossed bankers drafts, current postage stamps, unused units in franking machines, National Savings Stamps and Certificates, National Insurance Stamps, trading stamps, gift tokens, customer redemption vouchers, VAT purchase receipts, credit company sales vouchers, credit card counterfoils, travellers tickets and, insofar as such are not otherwise insured, holidays with pay stamps and luncheon vouchers.

#### **One Event**

Any one occurrence or series of occurrences attributable to one original cause.

#### **Property**

Goods, Tools and all other items belonging to You or for which You are responsible relating to the Business shown in the Schedule except for any goods specifically excluded by this Section.

#### **Territorial Limits**

Anywhere in Great Britain, Northern Ireland, the Channel Islands, the Isle of Man and the Republic of Ireland including sea or air transits between these territories.

#### **Tools**

Tools, tool kits or test equipment which You own or are hired by You or used by You in connection with the Business and for which You are responsible.

#### **Vehicle**

Motor vehicle, articulated vehicle, trailer, semi-trailer.

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## Section 3 – Goods In Transit

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### Cover

In the event of Damage to Property in transit to destinations within the Territorial Limits whilst being carried by Vehicles operated by You, hauliers, rail or post, the Insurers will pay You the value of the Property at the time of the Damage or, at their option reinstate, replace or repair the Property. In the event of Damage affecting labels, capsules or wrappers the Insurer shall not be liable for more than an amount sufficient to pay the cost of new labels, capsules or wrappers and the cost of reconditioning the Property but in no event shall the Insurer be liable for more than the insured value of the damaged Property.

Cover commences when the Property is lifted immediately prior to despatch or loading and continues until arrival at destination including unloading.

Cover includes temporary housing in the course of transit, whether on or off the means of conveyance, and does not include temporary housing of Property unloaded from a Vehicle at any premises owned or rented by You.

Cover includes incoming supplies and Property consigned to You from addresses within the Territorial Limits if it is Your responsibility.

### Limit of Liability

The liability of the Insurers under this Section shall not exceed any Limit of Liability as stated in the Schedule or any other Limit of Liability as stated herein.

### Extensions

#### Expenses

The Insurers will pay expenses reasonably incurred for which You are responsible in:

- a) the removal of debris and site clearance of Property damaged whilst in transit from the immediate area of the site where the Damage occurred;
- b) transferring Property to any other Vehicle following fire, collision, overturning or impact of the conveying Vehicle including carrying the Property to the original destination or to place of collection;
- c) reloading onto the Vehicle any Property which has fallen from the Vehicle; and
- d) re-securing the Property where there is dangerous movement of the load in transit.

Subject to a limit of £5,000 in respect of any one loss.

#### Clothing and Personal Effects

In the event of the payment of a claim under this Section for Property the Insurers will also pay up to £500 for Damage to Clothing and Personal Effects (excluding wear and tear) whilst they are in Vehicles operated by You but the Insurers will not pay for audio visual and telecommunications equipment or clothing watches and jewellery whilst being worn.

#### Ropes and Sheets

The Insurers will pay for Damage (excluding wear and tear) to tarpaulins, sheets, trailer curtains, ropes, chains, webbing straps and packing materials which belong to You or for which You are responsible whilst carried on any Vehicle operated by You.

Subject to a limit of £1,000 in respect of any one loss.

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## Section 3 – Goods In Transit

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### Exclusions

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

We will not provide an indemnity in respect of:

- 1) Damage caused by:
  - a) defective or inadequate packing insulation or labelling, inadequate documentation, disappearance or unexplained or inventory shortage;
  - b) evaporation or ordinary leakage;
  - c) vermin insects wear tear inherent vice latent defect gradual deterioration;
  - d) an existing or hidden defect;
  - e) vibration denting scratching or bruising;
  - f) mechanical or electrical breakdown derangement defect or failure.
- 2) Shortage in weight.
- 3) Damage caused by deterioration or variation in temperature unless directly consequent upon fire, theft or overturning or collision of the carrying Vehicle.
- 4) Damage arising from:
  - a) confiscation requisition or destruction by order of any government or any public authority;
  - b) riot civil commotion strikes lockouts or labour disturbances.
- 5) Damage;
  - a) occurring outside the Territorial Limits;
  - b) not connected with the Business.
- 6) Damage to:
  - a) jewellery precious stones watches clocks gold and silver articles furs curios;
  - b) wines spirits perfumes and tobacco products;
  - c) audio visual equipment;
  - d) computer hardware and software;
  - e) rare books and works of art;
  - f) Money and bullion
  - g) non ferrous metals;
  - h) living creatures;
  - i) explosives;unless such Property is specifically stated in the Schedule as insured and the Damage is not otherwise excluded.
- 7) Damage caused by theft or attempted theft of the Property insured and/or Tools and/or Clothing and Personal Effects from any unattended Vehicle being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle unless You have ensured that:
  - a) all doors windows and other points of access have been locked where locks have been fitted; and
  - b) all manufacturers' security devices have been put into effect; and
  - c) the keys have been removed from any unattended Vehicle; and
  - d) unattached trailers have anti-hitching devices fitted and they are put into effect.
- 8) Damage resulting from theft or attempted theft from any unattended Vehicle during the hours from 9pm until 6am unless such Vehicle is garaged in:
  - a) a securely locked building of substantial nature; or
  - b) a compound which has secure walls and/or fences and securely locked gates.
- 9) Property in transit for hire or reward.
- 10) loss of market, loss of profits, delay or any Consequential Loss.
- 11) the Excess as stated in the Schedule.



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## Section 3 – Goods In Transit

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### Clauses & Conditions that apply to Section 3 – Goods In Transit

#### 3.1 Average

If at the time of the Damage the Sum Insured is less than the total value of the Property You will be considered as Your own insurer for the difference and bear a proportionate share of the loss.

#### 3.2 Basis of Claims Settlement

This will normally be a payment in money but the Insurers have the option to repair, replace or reinstate Property lost or damaged.

In the event of Damage to any part of a machine which, when complete for sale or use, consists of several parts the Insurers will only pay for the value of the part actually lost or damaged including any replacement charges.

#### 3.3 Basis of Valuation

The valuation of Property shall be at invoice cost. If an invoice has not been raised the basis of valuation will be the value of the Property at the time of the commencement of the transit.

#### 3.4 Limitations and Requirements

If Your Vehicles are left unattended all doors and the boot must be securely locked and windows and other openings securely closed.

#### 3.5 Reasonable Precautions

It is a Condition precedent to Our Liability that You must take all reasonable precautions to prevent Damage by:

- a) exercising reasonable care in the selection of drivers obtaining references and providing instruction;
- b) exercising reasonable care in the packaging and labelling or addressing of the Property;
- c) maintaining Vehicles in an efficient and roadworthy condition and ensure they are suitable for the purpose for which they are to be used;
- d) complying with regulations imposed by any lawful authority.

#### 3.6 Reinstatement of Sum Insured

The Insurers will automatically reinstate the Vehicle limits shown in this Section from the date of any loss unless written notice to the contrary is given by the Insurers.

You may be required to pay extra premium and if the loss has resulted from theft the Insurers may require You to fit additional protective devices to the Vehicle.

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## Section 4 – Money and Assault

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Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Definitions for Section 4 – Money and Assault

#### **Bodily Injury**

Bodily Injury by violent and visible means which, directly and independently of any other cause, results in death or disablement.

#### **Business Hours**

Your normal working hours and any other period during which You or any Employees entrusted with Money are on the Premises in connection with the Business.

#### **Insured Person**

You or any of Your Employees, within the age limits 16 to 70 years.

#### **Loss of Limb**

Physical severance of one or more limbs at or above the wrist or ankle or the total and permanent loss of use of an entire hand arm foot or leg.

#### **Loss of Sight**

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

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

#### **Money**

Cash, bank and currency notes, cheques, postal orders, money orders, crossed bankers drafts, current postage stamps, unused units in franking machines, National Savings Stamps and Certificates, National Insurance Stamps, trading stamps, gift tokens, customer redemption vouchers, VAT purchase receipts, credit company sales vouchers, credit card counterfoils, travellers tickets and, if not otherwise insured, holidays with pay stamps and luncheon vouchers.

#### **Non-Negotiable Items**

Crossed cheques, crossed postal orders, crossed money orders, crossed bankers drafts, National Savings Certificates, credit company sales vouchers or receipts, National Insurance Stamps affixed to cards and VAT purchase receipts.

#### **Permanent Total Disablement**

Permanent total disablement (other than by Loss of Limb or Loss of Sight) which, after 24 months of the Bodily Injury, prevents You or any of Your Employees from pursuing any occupation.

#### **Temporary Total Disablement**

Total disablement which, within 24 months of the Bodily Injury, prevents You or any of Your Employees from pursuing their normal occupation.

#### **Territorial Limits**

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

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## Section 4 – Money and Assault

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### Cover - Money

The Insurers will indemnify You up to the Limit of Liability any one loss stated in the Schedule in respect of loss from any cause of Money held in connection with the Business:

- a) while in transit within the Territorial Limits or in a bank night safe until removed by the bank;
- b) from the Premises during Business Hours;
- c) from the Premises out of Business Hours;
  - i) in locked safes or strongrooms as specified in the Schedule;
  - ii) in all other unspecified locked safes or strongrooms;
  - iii) not in a locked safe or strongroom;
- d) while at Your residence or that of any of Your principals or authorised Employees.

### Non-Negotiable Items

Notwithstanding the limits referred to in the Schedule the limit for Non-Negotiable Items shall be £250,000 any one loss.

### Safes and machines

The Insurers will pay the cost of repair or replacement of safes, strong rooms, tills, cash registers, franking machines and special Money-carrying cases following loss or destruction of, or Damage to, safes, strong rooms, tills, cash registers, franking machines and special Money-carrying cases if loss, destruction or Damage results from theft or attempted theft of Money or Non-Negotiable Items, subject to a limit of £1,000 for any one loss.

### Clothing and personal effects

The Insurers will pay for Damage to clothing and personal effects belonging to You or any of Your Employees as a result of robbery or attempted robbery up to a limit of £500 in respect of any one person.

## Exclusions

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

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

- 1) arising from fraud or dishonesty of any director partner or Employee unless discovered and reported to the Police and Us in writing within 14 days after the event, in which case the liability of the Insurers shall be limited to £5,000 and subject to an Excess of £500;
- 2) resulting from use of any form of payment which proves to be counterfeit false invalid uncollectible or irrecoverable for any reason;
- 3) where a more specific insurance is in force except for any excess beyond the amount recoverable thereunder;
- 4) due to errors or omissions;
- 5) from unattended vehicles being any vehicle with no person in charge or keeping the vehicle under observation and able to observe or prevent any attempt by any person to interfere with the vehicle;
- 6) outside the Territorial Limits;
- 7) resulting directly or indirectly from forgery fraudulent alteration or substitution fraudulent use of a computer or electronic transfer;
- 8) from any gaming machine vending machine or automated teller machine or cash dispensing machine unless specifically stated in the Schedule.

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## Section 4 – Money and Assault

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### Cover - Assault

If the Insured Person shall suffer Bodily Injury caused solely or directly as a result of robbery or attempted robbery in the course of the Business the Insurer will pay Benefit on the basis of the Table of Compensation as stated in the Schedule;

Provided that Benefits 1, 2 or 3 must occur within 2 years of sustaining Bodily Injury.

### Exclusions

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

No liability will attach to the Insurers for Bodily Injury arising from or influenced by:

- a) any existing physical defect or infirmity;
- b) the medical condition of any person entitled to compensation hereunder; or
- c) resulting from pregnancy or childbirth.

Compensation will not be payable:

- a) under more than one of the Benefits for the same injury; or
- b) under more than one Section of this Policy in respect of the same injury.

No further Compensation will be payable to the same Insured Person after payment of any Compensation made under Benefits 1, 2, 3 or 4.

## Clauses & Conditions that apply to Section 4 – Money and Assault

### 4.1 Money Carryings

It is a condition precedent to the liability of the Insurers that Money in transit shall be carried by the number of able bodied and responsible adults or by the security carrier described below:

- |                                      |   |
|--------------------------------------|---|
| a) Up to £2,500                      | One able bodied and responsible adult;    |
| b) greater than £2,500 up to £5,000  | Two able bodied and responsible adults;   |
| c) greater than £5,000 up to £7,500  | Three able bodied and responsible adults; |
| d) greater than £7,500 up to £10,000 | Four able bodied and responsible adults;  |
| e) greater than £10,000              | Approved Security Carrier.                |

### 4.2 Key Security

It is a condition precedent to the liability of the Insurers that outside Business Hours the safes or strongrooms be kept locked and the keys and/or combination codes of the safes or strongrooms shall not be left on the Premises unless the Premises are occupied by You or any of Your authorised Employees in which case such keys and/or combination codes if left on the Premises shall be deposited in a secure place not in the vicinity of the safes or strongrooms.

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## Section 5 – Employers’ Liability

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Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Scope of Cover

#### *What is covered*

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

#### **Limit of Indemnity**

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

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

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

#### **Geographical Limits**

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

#### **Rights of Recovery**

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

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## Section 5 – Employers’ Liability

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### Extensions

The following Extensions apply to this Section:

#### 1. Unsatisfied Court Judgements

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

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

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

#### 2. Offshore

If We are required by compulsory insurance regulations then We will make a payment in respect of Injury occurring Offshore. Our total liability to pay damages inclusive of costs and expenses shall not exceed the minimum statutory limit of £5,000,000 in respect of any one occurrence.

#### 3. Terrorism

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

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

General Exclusion 17.3 does not apply to the extent that this Extension 3 provides cover.

#### 4. Indemnity to Principal

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

Provided that:

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

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

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

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

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## Section 5 – Employers’ Liability

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(2) the Corporate Manslaughter and Corporate Homicide Act 2007.

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

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

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

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

We will not cover You in respect of:

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

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

### 6. Court Attendance Costs

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

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

## Exclusions

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

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

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## Section 5 – Employers’ Liability

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

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

Our liability to pay compensation including costs and expenses shall not exceed the minimum statutory limit of £5,000,000 in respect of any one occurrence.



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## Section 6 – Public and Products Liability

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

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Scope of Cover

#### *What is covered*

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

in connection with the Business and occurring anywhere within the Geographical Limits given below during the Period of Insurance stated in the Schedule.

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

#### **Limits of Liability**

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

Any costs and expenses incurred by You in respect of this Section under this Policy are included in the Limit of Indemnity stated in the Schedule.

#### **Geographical Limits**

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

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## Section 6 – Public and Products Liability

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### Extensions

The following Extensions apply to this Section:

#### 1. Motor Vehicles Tool of Trade Risk

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

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

We will not cover You against liability:

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

#### 2. Motor Contingent Liability

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

We shall not cover You against liability:

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

#### 3. Movement of Obstructing Vehicles

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

We will only cover You under this Section extension if:

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

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## Section 6 – Public and Products Liability

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We will not cover You against liability:

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

### 4. Defective Premises Act

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

We will not cover You against liability:

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

### 5. Leased or Rented Premises

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

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

### 6. Overseas Personal Liability

The Insurers will within the terms of this Section indemnify

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

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

Provided that

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

We shall not cover You in respect of:

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

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## Section 6 – Public and Products Liability

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### 7. Data Protection

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

We will not cover You in respect of:

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

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

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

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

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

### 8. Indemnity to Principal

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

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

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## Section 6 – Public and Products Liability

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### 9. Cross Liabilities

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

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

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

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

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

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

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

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

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

### 11. Court Attendance Costs

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

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

## Exclusions

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

1. Loss of, or damage to, Property belonging to You, or in Your custody or control, or in the custody or control of Your Employees other than:
  - (i) personal effects (including vehicle and their contents) of Employees or visitors;
  - (ii) any premises including their contents, not being premises leased or rented to You, which are temporarily occupied by You for the purpose of carrying out work there;
  - (iii) any other Property on which You or any of Your Employees or agents is or has been carrying out work, but We will not cover You in respect of loss or damage to that part of any Property being worked upon;
2. Loss arising from the ownership, possession or use under Your control or the control of any of Your Employees of:

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## Section 6 – Public and Products Liability

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- (i) any mechanically propelled vehicle, including anything attached to it, used in circumstances where insurance or security is required by any road traffic legislation or where insurance is provided by any other policy or security;
  - (ii) any craft intended to travel through air or space, or other aerial devices, hovercraft, or watercraft (other than hand propelled watercraft or sailing craft not exceeding six metres in length);
3. Loss caused by any Goods after they have left Your custody or control, other than food or drink supplied primarily for the use of Your Employees or for entertainment purposes;
4. Loss arising from professional advice given separately for a fee or other charge by You or by anyone on Your behalf or in circumstances where a fee would normally be charged;
5. The amount shown as Excess stated in the Schedule.
6. Any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgment award or settlement either in whole or part) unless You have requested that there shall be no such limitation and have accepted the terms offered by Us in granting such cover, which offer and acceptance must be subject to specific endorsement to this Policy.
7. Any liability for punitive, multiplied or exemplary damages, fines or penalties.
8. Any liability which is assumed by You by agreement, unless such liability would have attached in the absence of such agreement.
9. Loss of, or damage to, or any costs or expense incurred in repairing, replacing, removing, rectifying, recalling, or making any refund in respect of Goods.
10. Liability arising from Goods used with Your knowledge in connection with aircraft and other aerospace devices (including drones), watercraft, or Offshore structures.
11. Liability arising from or contributed to by:
  - a) the mining, processing, manufacture, production, storage, handling, removal, stripping out, demolition, transportation, sale, ownership, disposal, products or materials containing asbestos;
  - b) inhalation or ingestion of asbestos;
  - c) exposure to or fear of the consequences of exposure to asbestos;
  - d) the presence of asbestos in any property or buildings or on land;
  - e) investigating managing removing controlling or remediation of asbestos.
12. Injury, loss, damage, cost or expense of any kind caused by, resulting from or in connection with any fungus of any kind, including but not limited to mildew, mould, spores or allergens.
13. Any liability caused by, or arising out of pollution, or contamination of buildings or other structures or of water or land or the atmosphere, but this exclusion shall not apply in respect of pollution or contamination caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the Period of Insurance stated in the Schedule.
14. Injury sustained by an Employee which arises out of and in the course of their employment or engagement by You.
15. Liability arising in connection with any work undertaken in or on:
  - a) Aircraft, drones and other aerial devices
  - b) Any airport, aerodrome or helipad including runways, manoeuvring areas or aprons or any part of an airport, aerodrome or helipad to which aircraft ordinarily have access.

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## Section 6 – Public and Products Liability

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

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Scope of Cover

#### What is Covered

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

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

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

#### Limit of Indemnity

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

Any costs and expenses incurred by You in respect of this Section under this Policy are included in the Limit of Indemnity stated in the Schedule.

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

#### Geographical Limits

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

### Extensions

The following Extensions apply to this Section:

#### 1. Consumer Protection Act and Food Safety Act

We will cover You, and at Your request any principal, including any director, partner, senior official, or any Employee of Yours, under this Section 6 Extension, for legal costs and expenses incurred with Our written consent in the defence of any criminal proceedings brought for a breach of Part II of the Consumer Protection Act 1987 and Sections 7 and 8 of the Food Safety Act 1990, including such legal costs and expenses incurred in an appeal against conviction arising from such proceedings and prosecution costs awarded in connection.

Provided that:

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

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## Section 6 – Public and Products Liability

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

We shall not cover You in respect of:

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

### 2. Cross Liabilities

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

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

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

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

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

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

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

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

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

### 4. Court Attendance Costs

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

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



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## Section 6 – Public and Products Liability

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### Exclusions

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

1. The amount shown as Excess in the Schedule.
2. Any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgment award or settlement either in whole or part) unless You have requested that there shall be no such limitation and have accepted the terms offered by Us in granting such cover, which offer and acceptance must be subject to specific endorsement to this Policy.
3. Any liability for punitive, multiplied or exemplary damages, fines or penalties.
4. Any liability which is assumed by You by agreement, unless such liability would have attached in the absence of such agreement.
5. Liability arising from or contributed to by:
  - a) the mining, processing, manufacture, production, storage, handling, removal, stripping out, demolition, transportation, sale, ownership, disposal, products or materials containing asbestos;
  - b) inhalation or ingestion of asbestos;
  - c) exposure to or fear of the consequences of exposure to asbestos;
  - d) the presence of asbestos in any property or buildings or on land;
  - e) investigating managing removing controlling or remediation of asbestos.
6. (a) Loss of, or damage to, or any costs or expense incurred in repairing, replacing, removing, rectifying, recalling, or making any refund in respect of Goods;  
  
(b) Liability or loss caused by, arising from or in connection with any Goods:
  - (i), which to Your knowledge are for export to, or use in, the United States of America or Canada;
  - (ii) in Your custody or control;
  - (iii) used with Your knowledge in connection with aircraft and other aerospace devices (including drones), watercraft, or Offshore structures.
7. Injury, loss, damage, cost or expense of any kind caused by, resulting from or in connection with, any component building material that must be removed, encapsulated or otherwise abated because its presence or release is a hazard to human health.
8. Injury, loss, damage, cost or expense of any kind caused by, resulting from or in connection with any fungus of any kind, including but not limited to mildew, mould, spores or allergens.
9. Caused by, or arising out of pollution, or contamination of buildings or other structures or of water or land or the atmosphere, but this exclusion shall not apply in respect of pollution or contamination caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the Policy Period stated in the Schedule.
10. Damage or Injury or any associated cost or expenses arising from the installation of insulating material or solar panels in connection with any government or local authority sponsored energy efficiency or energy saving scheme where such damage or Injury occurs after installation.
11. Injury sustained by an Employee which arises out of and in the course of their employment or engagement by You.

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## Section 7 – All Risks (Specified Items)

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Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Definitions for Section 7 – All Risks (Specified Items)

#### Geographical Area

- A) The Premises;
- B) Great Britain, Northern Ireland, the Channel Islands and the Isle of Man;
- C) European Union, including Great Britain, Northern Ireland, the Channel Islands, the Isle of Man;
- D) Worldwide

### Cover

The Insurer shall indemnify You against Damage to any of the property shown in the Schedule occurring anywhere in the Geographical Area shown on the Schedule.

#### Limit of Liability

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

#### Average

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

#### Basis of Claims Settlement

The basis of claims settlement is the cost of repair or the current replacement value without deduction for wear and tear provided that all necessary repairs or replacements are carried out without delay.

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## Section 7 – All Risks (Specified Items)

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### Exclusions

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

This Section does not cover:

- 1) loss or Damage arising from wear and tear or from any process of cleaning or restoring or adjusting or repairing;
- 2) loss or Damage arising from or attributable to the action of light or atmosphere, moths, parasites or vermin;
- 3) loss by official confiscation or detention;
- 4) loss or Damage to any electrically driven machine or apparatus directly caused by its own overrunning short-circuiting self-heating or by the application of excessive electrical energy or mechanical derangement not arising from external impact;
- 5) loss or Damage to any component part of any item insured in the Schedule while such part is removed from its normal position in the item;
- 6) loss, destruction or Damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds;
- 7) loss or Damage by theft from any unattended motor vehicle unless such vehicle has been securely locked at all points of access;
- 8) loss or destruction of or Damage to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data or any part of any computer, other equipment, component or system, whether tangible or intangible (including but without limitation any information or programs or software) and whether or not Your property where such loss, destruction or Damage is caused by programming or operator error Virus or Similar Mechanism or Hacking.

For the purpose of this exclusion the following Definitions apply:

- a) Virus or Similar Mechanism shall mean program code programming instruction or any set of instructions intentionally constructed with the ability to Damage interfere with or otherwise adversely affect computer programs data files or operations whether or not involving self-replication. This definition of Virus or Similar Mechanism includes, but is not limited to trojan horses, worms and logic bombs.
  - b) Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data.
- 9) Damage caused by:
- a) acts of fraud or dishonesty by Your Employees;
  - b) unexplained disappearance, unexplained or inventory shortage, misfiling or misplacing of information; or
  - c) any process of fitting, testing, servicing, repair, renovation or adjustment.

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## Section 8 – Personal Accident

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Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Definitions for Section 8 – Personal Accident

**Accident**

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

**Accident Accumulation Limit**

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

**Bodily Injury**

A physical injury which:

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

**Director**

Any executive director under a contract of service with You.

**Insured Person**

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

**Loss of Hearing**

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

**Loss of Limb**

Physical severance of one or more limbs at or above the wrist or ankle or the total and permanent loss of use of an entire hand arm foot or leg.

**Loss of Sight**

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

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

**Loss of Speech**

Total and permanent loss of speech.

**Operative Time of Cover**

At any time during the Period of Insurance.

**Permanent Total Disablement**

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

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## Section 8 – Personal Accident

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### Cover

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

### Table of Benefits

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

### Exclusions

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

This Section does not cover:

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

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## Section 8 – Personal Accident

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### Clauses & Conditions that apply to Section 8 – Personal Accident

#### **8.1 Accident Accumulation Limit**

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

#### **8.2 Changes in Circumstances**

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

#### **8.3 Claims Evidence**

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

#### **8.4 Payment of Benefit**

We will not pay a claim under:

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

#### **8.5 Transferring the Policy**

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

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## Section 9 – Directors and Officers Liability

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Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Definitions for Section 9 – Directors and Officers Liability

#### Claim

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

#### Continuity Date

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

#### Defence Costs

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

#### Employment Practice Violation

Any actual or alleged:

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

#### Insured Director

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

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

#### Knowledge, First Discovered or Discovery

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

#### Loss

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

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

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

#### Single Act or Single Wrongful Act

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

#### Transaction

Any of the following events:

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

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## Section 9 – Directors and Officers Liability

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### Wrongful Act

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

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

### Cover

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

### Limit of Liability

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

### Exclusions

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

Any Loss:

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

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

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

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



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## Section 9 – Directors and Officers Liability

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

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## Section 10 – Equipment Breakdown

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

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

This Section is underwritten by HSB Engineering Insurance Limited.

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Definitions for Section 10 – Equipment Breakdown

**Accident(s)** means:

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

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

**Biomass and Biogas Installations** means:

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

**Breakdown** means:

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

**Collapse** means:

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

**Computer Equipment** means:

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

**Covered Equipment** means:

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

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

Excluding

- (a) any supporting structure foundation masonry brickwork or cabinet
- (b) any insulating or refractory material
- (c) any vehicle aircraft floating vessels or any equipment mounted thereon (other than vehicle recovery crane or equipment which is included but not the actual vehicle)

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## Section 10 – Equipment Breakdown

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

**Derangement** means:

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

**Explosion** means:

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

**Hazardous substance** means:

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

**Hydroelectric Installations** means:

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

**Manufacturing Production or Process Equipment** means:

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

**Media** means:

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

**Portable Computer Equipment** means

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

**Verified** means:

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

## Cover

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

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

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## Section 10 – Equipment Breakdown

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### Extensions of Cover and Sub-limits

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

#### 1. Hazardous Substances

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

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

#### 2. Reinstatement of Data and Computer Increased Costs of Working

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

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

Provided that

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

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

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

#### 3. Business Interruption

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

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

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

#### 4. Public Authorities/Law or Ordinance

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

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

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

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

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

#### 5. Expediting Expenses

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

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

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## Section 10 – Equipment Breakdown

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### 6. Hire of Substitute Item

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

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

### 7. Storage Tanks and Loss Of Contents

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

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

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

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

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

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

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

### 9. Additional Access Costs

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

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

### 10. Debris Removal

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

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

### 11. Repair Costs Investigation

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

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

## Basis of Claims Settlement

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

## Additional Conditions

### 1. Precautions

You shall exercise due diligence in:

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

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## Section 10 – Equipment Breakdown

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### 2. Back-Up Records

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

### Exclusions

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

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

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## Section 11 – Legal Expenses

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

**Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.**

### Definitions for Section 11 – Legal Expenses

#### Appointed advisor

The

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

#### Business

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

#### Collective Conditional Fee Agreement

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

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

#### Conditional Fee Agreement

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

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

#### Employee

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

#### Legal Costs & Expenses

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

#### Period of insurance

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

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## Section 11 – Legal Expenses

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### Reasonable Prospects of Success

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

### Territorial Limit

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

## Cover

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

- a) the limit of indemnity specified in the schedule to which this policy attaches for all claims related by time or originating cause;
- b) an aggregate limit of £1,000,000 for compensation awards under Insured event 2 Employment compensation awards;

subject to all the following requirements being met:

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

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

## INSURED INCIDENTS

### 1) Employment

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

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

You can claim under the policy as soon as all internal procedures as set out in the

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

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

Any claim arising from or relating to:

- 1) the pursuit of an action by You other than an appeal against the decision of a court or tribunal



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## Section 11 – Legal Expenses

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- 2) actual or alleged redundancy that is notified to Employees within 180 days of the start of this policy, except where You have had equivalent cover in force up until the start of this policy
- 3) costs You incur to prepare for an internal disciplinary hearing, grievance or appeal
- 4) a pension scheme where actions are brought by ten or more Employees or ex-Employees.

### 2) Employment Compensation Awards

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

- a) basic and compensatory award
- b) an amount agreed by us in settlement of a dispute.

Provided that compensation is:

- c) agreed through mediation or conciliation or under a settlement approved by us in advance or
- d) awarded by a tribunal judgment after full argument unless given by default.

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

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

### 3) Employment Restrictive Covenants

- a) A dispute with Your Employee or ex-Employee which arises from their breach of a restrictive covenant where You are seeking financial remedy or damages.  
Provided that the restrictive covenant
  - i) is designed to protect Your legitimate Business interests, for a period not exceeding 12 months and
  - ii) is evidenced in writing and signed by Your Employee or ex-Employee, and
  - iii) extends no further than is reasonably necessary to protect the Business interests.
- b) A dispute with another party who alleges that You have breached their legal rights protected by a restrictive covenant.

### 4) Tax Disputes

- a) A formally notified enquiry into Your Business tax.
- b) A dispute about Your compliance with HMRC regulations relating to Your Employees, workers or payments to contractors.
- c) An enquiry with HMRC about Value Added Tax.

Provided that:

- a) You keep proper records in accordance with legal requirements and
- b) in respect of any appealable matter You have requested an Internal Review from HMRC where available.

#### ***What is not covered under Insured Incident 4***

Any claim arising from or relating to:

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

### 5) Property

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

- a) following an event which causes physical damage to Your material property
- b) following a public or private nuisance or trespass

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## Section 11 – Legal Expenses

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- c) which You wish to recover or repossess from an Employee or ex-Employee.

### ***What is not covered under Insured Incident 5***

Any claim arising from or relating to:

- 1) a contract between You and a third party except for a claim under 5 c)
- 2) goods lent or hired out
- 3) compulsory purchase, demolition restrictions, controls or permissions placed on land or property by any government, local or public authority.

### **6) Legal Defence**

- a) A criminal investigation and/or enquiry by:
  - i) the police
  - ii) other body with the power to prosecute where it is suspected that an offence may have been committed that could lead to the Insured being prosecuted.
- b) The charge for an offence or alleged offence which leads to the Insured being prosecuted in a court of criminal jurisdiction.

### ***What is not covered under Insured Incident 6***

Any claim relating to a parking offence.

### **7) Compliance & Regulation**

- a) Receipt of a Statutory Notice that imposes terms against which You wish to appeal.
- b) Notice of a formal investigation or disciplinary hearing by any professional or regulatory body.
- c) A civil action alleging wrongful arrest arising from an allegation of theft.
- d) A claim against You for compensation under the Data Protection Act 2018 provided that
  - i) You are registered with the Information Commissioner
  - ii) You are able to evidence that You have in place a process to
    - investigate complaints from data subjects regarding a breach of their privacy rights
    - offer suitable redress where a breach has occurred and that Your complaints process has been fully engaged.
- e) A civil action alleging that an Insured has
  - i) committed an act of unlawful discrimination; or
  - ii) failed to correctly exercise their fiduciary duty as a trustee of a pension fund set up for the benefit of Your Employees. The charge for an offence or alleged offence which leads to the Insured being prosecuted in a court of criminal jurisdiction.

### ***What is not covered under Insured Incident 7***

Any claim arising from or relating to:

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

### **8) Statutory Licence Appeals**

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

### **9) Loss of Earnings**

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

### ***What is not covered under Insured Incident 9***

Any sum which can be recovered from the court.

### **10) Personal Injury**

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

### ***What is not covered under Insured Incident 10***

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## Section 11 – Legal Expenses

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

### 11) Executive Suite

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

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

#### ***What is not covered under Insured Incident 11***

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

### 12) Contract & Debt Recovery

A breach or alleged breach of an agreement or alleged agreement which has been entered into by You or on Your behalf to buy, sell, hire or lease goods or services or to rent Your Business premises, provided that if You are claiming for an undisputed debt You have exhausted Your normal credit control procedures.

#### ***What is not covered under Insured Incident 12***

Any claim arising from or relating to:

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

### 13) Crisis Communication

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

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

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## Section 11 – Legal Expenses

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

Any claim arising from or relating to:

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

## Exclusions

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

The Insured is not covered for any claim arising from or relating to:

- 1) costs or compensation awards incurred without our consent
- 2) any actual or alleged act, omission or dispute happening before, or existing at the start of the insurance provided by this policy, and which the Insured knew or ought reasonably to have known could lead to a claim
- 3) an allegation against the Insured involving:
  - a) assault, violence, malicious falsehood or defamation
  - b) indecent or obscene materials
  - c) the use of alcohol or its unauthorised or unregulated manufacture, unlicensed dealing in alcohol or dealing in or using illegal drugs
  - d) illegal immigration
  - e) money laundering or bribery offences, breaches of international sanctions, fraud, or any other financial crime activitiesexcept in relation to Insured event 13 Crisis Communication.
- 4) defending a claim in respect of damages for personal injury (other than injury to feelings in relation to Insured event 1 Employment), or loss or damage to property owned by the Insured
- 5) National Minimum Wage and/or National Living Wage Regulations
- 6) patents, copyright, passing-off, trade or service marks, registered designs and confidential information (except in relation to Insured event 3 Employment restrictive covenants)
- 7) a dispute with any subsidiary, parent, associated or sister company or between shareholders or partners (except in relation to mediation under Insured event 11 d)
- 8) a) a franchise agreement  
b) an agency agreement through which one party has the legal capacity to alter the legal relations of the other
- 9) a judicial review
- 10) a dispute with Us, the Insurer or the party who arranged this cover not dealt with under Condition 6
- 11) The payment of fines, penalties or compensation awarded against the Insured (except as covered under Insured event 2 Employment compensation awards); or costs awarded against the Insured by a court of criminal jurisdiction.

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## Section 11 – Legal Expenses

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

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

#### 11.1 The Insured's Responsibilities

An Insured must:

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

#### 11.2 Freedom to choose an Appointed Advisor

- a) In certain circumstances as set out in 2.b) below the Insured may choose an Appointed Advisor. In all other cases no such right exists and We shall choose the Appointed Advisor.
- b) If:
  - i) a suitably qualified advisor considers that it has become necessary to issue proceedings or proceedings are issued against an Insured, or
  - ii) there is a conflict of interestthe Insured may choose a qualified Appointed Advisor except, where the Insured's claim is to be dealt with by the Employment Tribunal, We shall always choose the Appointed Advisor.
- c) Where the Insured wishes to exercise the right to choose, the Insured must write to Us with their preferred representative's contact details.
- d) Where the Insured chooses to use their preferred representative, the Insurer will not pay more than We agree to pay a solicitor from our panel and will pay only the costs that the insurer would have been liable to pay. (Our panel solicitor firms are chosen with care and We agree special terms with them including rates which may be lower than those available from other firms.)
- e) If the Insured dismisses the Appointed Advisor without good reason, or withdraws from the claim without our written agreement, or if the Appointed Advisor refuses with good reason to continue acting for an Insured, the Insurer's liability in respect of that claim will end immediately.
- f) In respect of pursuing a claim under Insured Incident 12 Contract & Debt Recovery You must enter into a Conditional Fee Agreement (unless the Appointed Advisor has entered into a Collective Conditional Fee Agreement) where legally permitted.

#### 11.3 Consent

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

#### 11.4 Barrister's Opinion

We may require the Insured to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of the claim. If the opinion supports the Insured, then the insurer will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by Us, then the Insurer will pay for a final opinion which shall be binding on the Insured and Us. This does not affect the Insured's right under Condition 6 below.

#### 11.5 Other Insurance

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

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## Section 11 – Legal Expenses

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### Helpline Services

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

#### **Legal and tax advice 0344 571 7978**

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

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

#### **Redundancy assistance 0330 303 1955**

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

#### **Executive suite – identity theft resolution 0333 000 2083**

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

#### **Crisis communication 0344 571 7964**

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

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

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

#### **Counselling assistance 0333 000 2082**

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

### Business legal services

[www.araglegal.co.uk](http://www.araglegal.co.uk)

#### **Getting started**

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

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

#### **Choosing Your legal documents**

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

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## Section 11 – Legal Expenses

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### More help?

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

### Privacy Notice

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

#### Collecting personal information

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

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

#### Using personal or sensitive information

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

Please refer to our full privacy statement for full details.

#### Keeping personal information

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

#### Your rights

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

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

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## Section 12 – Deterioration of Stock

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Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Definitions for Section 12 – Deterioration of Stock

#### Appliance

Any frozen food cabinet deep freezer cold room cold store refrigerator or chilled unit at the Premises.

#### Damage

Loss or destruction of or damage.

### Cover

The Insurers will indemnify You in respect of Damage occurring during the Period of Insurance, by deterioration or putrefaction, to stock belonging to You or for which You are responsible while contained in any Appliance caused by:

- a) a change in temperature as a result of:
  - i) the breaking, distortion or burning out of any part of the:
    - (i) unit;
    - (ii) unit wiring;
    - (iii) supply cable to the unit, including the plug and fuse;caused by mechanical or electrical defects in the unit while it is being used under normal working conditions;
  - ii) failure of temperature controls to operate correctly;
  - iii) failure due to Damage of the public electricity supply but only if this is not deliberately caused by the supply authority.
- b) accidental leakage of refrigerant or refrigerant fumes from the Appliance.

#### Limit of Liability

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

#### Average

If at the time of any loss or Damage the value of the Property Insured under any item is greater than its Sum Insured You shall be considered as being Your own insurer for the difference and shall bear a rateable share of the loss accordingly.

### Exclusions

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

We shall not indemnify You in respect of:

- 1) Damage caused by:
  - a) wear and tear, deterioration or gradually developing flaws or defects in the unit;
  - b) failure to correctly set any temperature controls;
  - c) Your wilful neglect.
- 2) any Appliance which is more than 10 years old.
- 3) loss, destruction or Damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.
- 4) the Excess as stated in the Schedule.

### Clauses & Conditions that apply to Section 12 – Deterioration of Stock

#### 12.1 Maintenance

It is a condition precedent to liability under this Section that You must ensure that You arrange a maintenance contract on any Appliance which is over 5 years old.



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## Section 13 – Loss of Licence

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Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Definitions for Section 13 – Loss of Licence

#### Licence

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

#### Loss of Licence

- a) Forfeiture of a Licence under the provisions of the appropriate legislation covering the issue of the Licence;
  - b) refusal to renew a Licence by the licensing authority;
- due to causes beyond Your control.

### Cover

The Insurers will indemnify You for reduction in the value of Your interest in:

- a) the Premises; or
- b) the Business

following Loss of Licence.

In addition We will also pay for costs and expenses incurred with Our written consent where You appeal against the Loss of Licence.

#### Limit of Liability

The liability of the Insurers under this Section shall not exceed the Limit of Indemnity as shown in the Schedule.

### Exclusions

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

We will not pay where:

- 1) You can obtain statutory compensation for Loss of Licence;
- 2) the Loss of Licence arises out of:
  - a) any town or country planning improvement or redevelopment;
  - b) compulsory purchase or surrender;
  - c) reduction or redistribution of Licences;
  - d) a change in the law affecting the grant surrender or forfeiture or refusal to renew the Licence.

### Clauses & Conditions that apply to Section 13 – Loss of Licence

#### 13.1 Change in Risk

It is a condition precedent to liability under this Section that You must notify Us in writing immediately that You become aware of any:

- a) change in tenancy or management of the Premises;
- b) transfer or proposed transfer of the Licence;
- c) complaint against the Premises or the control of the Premises;
- d) action or complaint against the:
  - i) Licence holder;
  - ii) manager;
  - iii) tenant or other occupier of the Premises;for any breach of the licensing law, or any other matter where the character or reputation of the person concerned is affected or brought into question with respect to their honesty moral standing or sobriety;
- e) objection to renewal of the Licence, or other reasons which could endanger the Licence or its renewal.

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## Section 13 – Loss of Licence

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### **13.2 Notification**

It is a condition precedent to liability under this Section that, in the event of a Loss of Licence, You must inform Us in writing within 24 hours. You are also required to provide any assistance or information We may request.

### **13.3 Replacement**

In the event of the death bankruptcy or incapacity or desertion of the Premises or conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect to their honesty moral standing or sobriety) of the Licence holder tenant manager or occupier You will where practicable and at Our request procure a suitable person to replace the person concerned and one to whom the Licence will be transferred or a new Licence will be granted by way of renewal.

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## Section 14 – Terrorism

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Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Definitions for Section 14 – Terrorism

#### Act of Terrorism

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

#### Computer Systems

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

#### Cyber Risks

Cyber Risks means any loss or losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from

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

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

#### Data

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

#### Denial of Service Attack

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

#### Excluded Property

Excluded Property means:

1. any land or building which is insured in the name of an individual unless:
  - (a) the property is of sole commercial use; or
  - (b) it is insured in the name of a sole trader or a trustee or an executor and is not solely occupied as the private residence of the sole trader, or the trustee or the executor or a beneficiary of a trust or will; or
  - (c) it is partially occupied as private residence and the commercially occupied portion of the property exceeds 20% and it is insured under the same policy as the remainder of the building which is not a private residence;
2. any Nuclear Installation or Nuclear Reactor and all fixtures and fittings situated thereon and attached thereto and all pipes, wires, cables, drains or other conduits or service media of any description which are affixed or connected to or in any way serve such Nuclear Installation or Nuclear Reactor;
3. solely in respect of the Cyber Risks exclusion 4 above
  - (a) any money, currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever;
  - (b) any Data;
4. property excluded in the Insurance to which this Extension attaches.

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## Section 14 – Terrorism

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### Hacking

Hacking means unauthorised access to any Computer System, whether the property of the Insured or not.

### Nuclear Installation

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

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

### Nuclear Reactor

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

### Phishing

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

### Property

Property means means all property whatsoever other than Excluded Property.

### Virus or Similar Mechanism

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

### War and Allied Risks

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

## Cover

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

- A. loss of or damage to Property insured, as stated in the Schedule to this Insurance, situated in the United Kingdom other than Northern Ireland (meaning England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987); and
- B. where applicable under this Insurance business interruption resulting from damage to Property insured;

occasioned by or happening through or in consequence of an Act of Terrorism duly certified as such by Her Majesty's Government or HM Treasury or any successor or other relevant authority.

## Limitations

1. Underwriters' liability in respect of all losses arising out of any one occurrence and, where applicable under this Insurance, in total in any one Period of Insurance, shall not exceed the limits as otherwise specified in this Insurance.
2. Irrespective of the currency in which this Insurance is expressed, the Limit of Liability and the Premium for the Terrorism Insurance provided by this Extension will be determined in Pounds Sterling.
3. The cover provided by this Extension does not apply to any Long Term Agreement / Undertaking to which this Insurance is subject.
4. The cover provided by this Extension does not apply to any terms in this Insurance that provide for adjustments of premium based upon declarations on expiry or during the period of insurance.

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## Section 14 – Terrorism

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### Conditions

1. In any action, suit or other proceedings where the Underwriters allege that any loss or damage is not covered by this Extension, the burden of proving that such loss or damage is covered shall be upon the Assured/Insured. However, this condition shall not apply in respect of subparagraph (c) of Exclusion 4.
2. The only exclusions applicable to this Extension are those stated under Exclusions below.

### Exclusions

This Extension does not cover:

1. any Excluded Property;
2. any losses whatsoever arising under Marine, Aviation, Transit, Motor or Bankers Bond policies or any form of reinsurance policy or agreement.
3. War and Allied Risks;
4. Cyber Risks.

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

- (a) results directly (or, solely as regards (b) iii. below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any Computer Systems; and
- (b) comprises:
  - i. the cost of reinstatement, replacement or repair in respect of damage to or destruction of the Property insured by the Assured/Insured; or
  - ii. the amount of business interruption loss suffered directly by the Assured/Insured itself by way of loss of or reduction in profits, revenue or turnover or increased cost of working as a direct result of either damage to or destruction of the Property insured by that Assured/Insured or as a direct result of denial, prevention or hindrance of access to or use of the Property insured by the Assured/Insured by reason of an Act of Terrorism causing damage to other Property within one (1) mile of the Property insured by the Assured/Insured to which access is affected; or
  - iii. the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to or destruction of the type of property not excluded by this Insurance and any additional costs or charges reasonably and necessarily paid by the Assured/Insured to avoid or diminish such loss; and
- (c) is not proximately caused by an Act of Terrorism in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.

Irrespective of the exclusion of Data from the application of this Exclusion as per the definition of Excluded Property, to the extent that damage to or destruction of any Property within the meaning of subparagraph (b) above indirectly results from any alteration, modification, distortion, erasure or corruption of Data due to the occurrence of one or more of the matters referred to in subparagraph (a) above results directly or indirectly from any alteration, modification, distortion, erasure or corruption of Data, that shall not prevent cost or business interruption loss directly resulting from damage to or destruction of such Property and otherwise falling within subparagraphs (a) and (b) above from being recoverable under this Insurance. In no circumstances other than as provided in this paragraph, however, will any loss or losses directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of Data be recoverable under this Insurance.

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## Section 15 – Cyber

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This Section is underwritten by HSB Engineering Insurance Limited.

Certain words have specific meanings for the purpose of this Section, these are shown below (where applicable), and the General Definitions shown on page 13 also apply to this Section. The General Conditions in Sub-Section 16A, the Special Conditions and Clauses in Sub-Section 16B and the General Exclusions in Section 17 also apply to this Section.

### Definitions for Section 15 – Cyber

#### Business Income

This means:

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

#### Computer Equipment

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

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

#### Computer System

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

#### Computer Virus

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

#### Cyber Event

This means:

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

#### Damage

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

#### Damages

This means:

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

#### Data

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

#### Data Privacy Obligations

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

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

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## Section 15 – Cyber

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### **Defence Costs**

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

### **Denial of Service Attack**

Malicious and unauthorised attack which overloads any Computer System.

### **Directors and Officers**

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

### **Electronic Office Equipment**

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

### **Employee**

This means any:

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

### **Hacking**

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

### **Hardware**

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

### **Indemnity Period**

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

### **Personal Data**

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

### **Portable Equipment**

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

### **Service Provider**

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

### **Sum Insured**

The amount shown in the schedule as the Sum Insured.

### **Time Excess**

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

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## Section 15 – Cyber

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### What is covered?

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

#### (a) – Cyber liability

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

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

#### (b) – Data-breach expense

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

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

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

- o the Data Privacy Obligations You have failed to keep to relate to Personal Data; or
- o You must provide the relevant service under Your Data Privacy Obligations.

- Public-relations and crisis-management expenses, if We have given our written permission, for communicating with the media, Your customers and the public to minimise Damage to brands and Business operations, and any Damage to Your reputation.

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

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

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

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



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## Section 15 – Cyber

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

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

### **(d) – Cyber crime**

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

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

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

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

### **How much We will pay**

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

### **Defence Costs**

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

### **Paying out the Sum Insured**

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

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

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## Section 15 – Cyber

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### What is not covered?

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

**1. Associated companies or other insured parties**

Any claim brought against You by:

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

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

**2. Circumstances before Your policy started**

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

**3. Confiscation**

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

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

**4. Credit-card or debit-card fraud**

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

**5. Deficiency or improvements**

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

**6. Deliberate defamation or disparagement**

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

**7. Employer liability**

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

**8. Excess**

The amount specified as the ‘Excess’ in the schedule.

**9. External Network Failure**

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

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

**10. Extortion or ransom**

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

**11. Financial reporting**

Any mistakes in financial statements or representations concerning Your Business.

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## Section 15 – Cyber

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### 12. Fines and penalties

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

### 13. Indirect loss

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

### 14. Intentional acts

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

### 15. Legislation and regulations

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

### 16. Nuclear risks

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

### 17. Normal upkeep

The cost of normal Computer System maintenance.

### 18. Patent

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

### 19. Product liability or professional indemnity

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

### 20. Sanctions laws and regulations

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

### 21. Telecommunications systems

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

### 22. Terrorism

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

### 23. Time excess

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

### 24. Trading risk

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

### 25. War

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

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

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## Section 15 – Cyber

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### 26. Wear and tear

Losses due to:

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

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

### 27. Your insolvency or bankruptcy

Your insolvency or bankruptcy.

## Extra cover

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

#### 1. Avoiding corruption

If We have agreed in writing:

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

#### 2. Security audit

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

#### 3. Investigation cost

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

#### 4. Loss-prevention measures

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

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

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

#### 5. Temporary and fast-tracked repair

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

#### 6. Accountants' fees

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

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

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## Section 15 – Cyber

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### Special conditions

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

**1. Enforcing Your rights**

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

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

**2. Protecting Data**

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

**3. Controlling defence**

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

**4. Other insurances**

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

**5. Salvage and recoveries**

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

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

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

**6. Reasonable care**

You must:

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

If You do not keep to this condition We may:

- refuse to pay part or all of Your claim; and
- cancel Your policy (see Section 16A General Conditions 16.4 Cancellation).

**7. Defence software**

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

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

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## Section 15 – Cyber

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

### **8. Data backup**

You must back up original Data at least every 7 days.

If a Service Provider processes or stores Data for You, You must make sure that the terms of the contract between You and the Service Provider allow Data to be backed up in line with this condition.

You must take precautions to make sure that all Data is stored safely.

If You have failed to keep to this condition, We may still pay a claim if You can show that formal procedures are in place to keep to this condition and that the failure was an accidental oversight or as a result of circumstances beyond Your control.

### **9. More than one insured**

If more than one 'Insured' is named in the schedule, the first named insured will receive all notices and agree any changes to the policy and will be treated as acting for all the named insureds. We will not remove any named insured without their permission.

For any claim, the total amount We will pay will not be more than the Sum Insured or limit of liability, regardless of the number of people or organisations insured by the policy.

### **10. Paying the premium**

You must pay the premium on or before the start of the Period of Insurance or on dates agreed by us.

If You do not pay a premium on time, We may cancel the policy (see Section 16A General Conditions 16.4 Cancellation)

### **11. Right to survey**

If We ask, You must give us access to Your insured location at an agreed date and time to carry out a risk survey.

If You do not keep to this condition We may cancel the policy (see Section 16A General Conditions 16.4 Cancellation)

### **12. Tax**

Any claim We pay will not include VAT, unless You cannot recover part or all of the VAT You have paid.

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## Section 16 – Policy Conditions

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### Sub-Section 16A – General Conditions

These General Conditions apply to all Sections of the Policy unless otherwise stated and are in addition to the terms specific to each Section.

#### 16A.1 Alteration in Risk

This Policy shall be avoided if after the commencement of this insurance there is any alteration in risk:

- a) by removal;
- b) by change of occupation or use of the property insured;
- c) whereby the risk of loss or Damage or accident or liability is increased;
- d) whereby the Business is wound up or carried on by a liquidator or receiver or permanently discontinued; or
- e) whereby Your interest ceases except by will or operation of law;

unless such alteration is notified to and accepted by the Insurer in writing and, in respect of General Condition 16A.1 c) above, the Insurer agrees not to avoid the Policy provided that:

- i) such alteration is not of such a nature that if the alteration had occurred prior to the commencement of this Policy the Insurer would not have entered into this Policy on any terms;
- ii) You shall pay an appropriate additional premium if required by the Insurer with effect from the date of the alteration;
- iii) the Insurer shall be entitled to impose appropriate additional terms, other than premium, with effect from the date of the alteration.

#### 16A.2 Arbitration

If any difference shall arise as to an amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to a sole arbitrator to be appointed in accordance with the provisions of the Arbitration Act 1996. An award made by the arbitrator shall be a condition precedent to any right of legal action against the Insurer.

#### 16A.3 Average

Where a Sum Insured is subject to Average if at the time of the Damage the Sum Insured is less than the actual value of the property You will be considered as Your own insurer for the difference and bear a proportionate share of the loss. Average does not apply to Section 15 – Cyber.

#### 16A.4 Cancellation

- a. In respect of all Sections other than 5, 6 and 11 the Insurer shall not be bound to accept any renewal of this Policy and may at any time give You thirty days notice to cancel this Policy. This termination shall be without prejudice to any rights or claims of the Insurer or You prior to the expiry of such notice.  
You can cancel this insurance at any time by writing to Your broker. Any return premium due to You will depend on how long this insurance has been in force and whether You have made a claim or incidents have occurred that might give rise to a claim. The Insurer reserves the right on refunding any premium paid if You have made a claim under this Policy.
- b. In respect of Sections 5 and 6 only We can cancel this insurance by giving You fourteen (14) days' notice in writing. We will only do this for a valid reason (examples of valid reasons are as follows):
  - i. non-payment of premium;
  - ii. a change in risk occurring which means that We can no longer provide You with insurance cover;
  - iii. non-cooperation or failure to supply any information or documentation We request; or
  - iv. 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 broker. If We have paid any claim, or part of any claim, then no refund of premium will be allowed.

- c. In respect of Section 11 only;  
Where there is a valid reason for doing so, the Insurer has the right to cancel the policy at any time by giving at least 21 days' written notice to the Insured.  
The Insurer will refund part of the premium for the unexpired term. We will set out the reason for cancellation in writing. Valid reasons may include but are not limited to:

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## Section 16 – Policy Conditions

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- i) where the party claiming under this policy fails to co-operate with or provide information to Us or the Appointed Advisor in a way that materially affects Our ability to process a claim, or Our ability to defend the insurer's interests,
- ii) where the Insured uses threatening or abusive behaviour or language, or intimidation or bullying of Our staff or suppliers,
- iii) where We reasonably suspect fraud.

The insurer may also cancel the policy and refund part of the premium for the unexpired period if at any time You

- i) enter into a voluntary arrangement or a deed of arrangement
- ii) become bankrupt, are placed into administration, receivership or liquidation
- iii) have your affairs or property in the care or control of a receiver or administrator.

The Insurer also reserves the right to withdraw from any claim.

### 16A.5 Computer Records

It is a condition precedent to liability that the Insured shall maintain a minimum of two generations of back-up computer records and software taken at intervals no less frequently than seven days, one copy as a minimum being held off site.

This condition does not apply to Section 15 – Cyber.

### 16A.6 Conditions Precedent to Liability

Every condition stated as a condition precedent that applies to this Policy (whether a Policy, Section or Special Condition) shall apply from the time the condition attaches and continue to be in force during the whole currency of this Policy. Failure to comply with any such condition shall be a bar to any claim save that in respect of any liability arising under Section 5 where application of this condition may be prohibited by the Employers' Liability (Compulsory Insurance) Act 1969 and/or the Employers Liability (Compulsory Insurance) Regulations 1998, We shall provide indemnity and You agree to repay to Us that part of any loss that We would not otherwise have been liable to pay under the Policy in accordance with the 'Rights of Recovery' condition within Section 5.

### 16A.7 Contracts (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 may be 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.

### 16A.8 Excess

This Policy does not cover the Excess being the first amount of each and every claim (as shown in the Schedule) for which You are responsible at each separate Premises after the application of all other terms and conditions of this Policy including but not limited to any condition of Average.

### 16A.9 Financial or Trade Sanctions

The Insurer shall not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit under this Policy to the extent that the provision of such cover, payment of such claim or provision of such benefit would implicate the Insurer in the breach of any sanctions, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

### 16A.10 Fraud

If any:

- a) claim made under this Policy by You or anyone acting on Your behalf is fraudulent or intentionally exaggerated in any way;
- b) false declaration or statement is made;
- c) fraudulent device is used to support the claim;
- d) loss, Injury, destruction or Damage is caused by Your wilful act or with Your connivance;

then the Insurer will:

- i) have no liability to pay any part of or the whole of the fraudulent claim;
- ii) be entitled to refuse all claims arising after the fraudulent action;
- iii) remain liable for legitimate claims before the fraudulent action;
- iv) be entitled to terminate the Policy from the date of the fraudulent action whether or not the Policy had expired before the discovery of the fraud.

### 16A.11 Insurable Interest

The insurable interest in the insurance by this Policy shall not be transferred without the written consent of the Insurers.



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## Section 16 – Policy Conditions

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### 16A.12 Interpretation

In this Policy;

- a) reference to any statute or statutory provision and orders or regulation thereunder shall include a reference to that provision, order or regulation as amended, re-enacted or replaced from time to time whether before or after the date of the inception of this Policy;
- b) reference to any statutory or other body shall include the successor to that body;
- c) words importing the singular include the plural and vice versa and references to persons includes bodies corporate or unincorporated. Words importing any gender shall include all genders;
- d) if any term, condition, exclusion or endorsement or part thereof is found to be invalid or unenforceable the remainder shall remain in full force and effect;
- e) the headings are for reference only and shall not be considered when determining the meaning of this Policy other than where they are used to specify to which Sections a particular Condition, Exclusion or other provision may or may not be said to apply.

### 16A.13 Minimum Standards of Security

The Insurer requires Your Premises to have the Minimum Standard of Security as detailed below:

#### **Exit Doors**

- a) Sliding and/or folding doors, where the door meets the stile, are to be secured with a locking bar and close shackle padlock. If a multi-leaf door then each leaf should be secured internally by bolts top and bottom.
- b) Roller shutters which are manually operated are to be secured with bullet locks or alternatively a locking bar and close shackle padlock, with a staple set into concrete and the locking bar secured to the shutter. Roller shutters which are automatically operated internally are to have operating chains secured with a hardened shackle padlock to the door frame or any other part of the building structure. Roller shutters which are electrically operated externally are to be fitted with automatic cut-off devices in the event that keys are not used.
- c) Wicket gate doors are to be secured by either a mortise deadlock which has five or more levers and/or conforms to BS 3621 with a matching box striking plate fitted, or by a locking bar and close shackle padlock.
- d) Single leaf, solid or panelled doors are to be secured by either a mortise deadlock which has five or more levers and/or conforms to BS 3621 with a matching box striking plate fitted, or by a locking bar and close shackle padlock.
- e) Double leaf, solid or panelled, doors are to be secured by flush or barrel bolts top and bottom on the first closing leaf and:
  - i) a mortise deadlock which has five or more levers and/or conforms to BS 3621 and a matching box striking plate; or
  - ii) a locking bar and close shackle padlock on the second closing leaf.
- f) Aluminium or UPVC framed doors are to be fitted with integral cylinder key operated mortise deadlocks.

#### **Internal Doors**

Internal doors giving access to any part of the Building not occupied by You or for Your Business are to be fitted on Your side of the door with either:

- a) a mortise deadlock which has five or more levers and conforms to BS 3621 with a matching box striking plate and You are to be the sole key holder;
- b) two key operated security bolts, one fitted approximately 30 cm from the top of the door and the other 30 cm from the bottom; or
- c) a locking bar and close shackle padlock.

#### **Windows, Fanlights, Rooflights and Skylights**

All opening external basement, ground floor and other accessible windows, fanlights, rooflights and skylights are to be fitted with key operated window locks or a padlock and locking bar or padlock, hasp and staple.

*Note: An accessible window is one which can easily be reached such as a window adjacent to a flat roof or fire escape, balcony, canopy or downpipe.*

This requirement does not apply to windows protected by solid steel bars, weld mesh or expanded metal grilles securely fixed to brickwork surrounding the window or demountable weld mesh or expanded metal grilles secured by means of a hardened shackle padlock.

#### **Fire Exits**

Any door or window officially designated as a fire exit by a fire authority is excluded from the above requirements. These are to be secured internally by panic bolts or fire exit bolts (capable of opening at all times). Any additional devices must be approved by the local Fire Prevention Officer.

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## Section 16 – Policy Conditions

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### *Important Note:*

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

- a) Your Premises are protected to the Minimum Standards of Security detailed above;*
- b) security devices stipulated are in full and effective operation whenever Your Premises are left unattended; or*
- c) Your Premises have been surveyed by one of Our Risk Control Surveyors and the Insurers have accepted alternative levels of security.*

### **16A.14 Observance of Terms**

It is a condition precedent to any liability on the part of the Insurer under this Policy that the terms hereof so far as they relate to anything to be done or complied with shall be duly and faithfully observed except in so far as it is necessary to comply with the requirements of any legislation enacted in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man relating to compulsory insurance of legal liability to Employees.

### **16A.15 Other Insurances and Average**

#### ***Applicable to Section 1 – Property Damage and Section 7 – All-Risks (Specified Items)***

If at the time of any Damage there is any other insurance effected by You or on Your behalf covering any of the Property damaged the liability of the Insurer under this Policy shall be limited to its rateable proportion of such Damage.

If any other insurance shall be subject to any Average (under-insurance) condition this Section if not already subject to any condition of Average shall be subject to Average in like manner.

If any other insurance is subject to any provision whereby it is excluded from ranking concurrently with this Section either in whole or in part or from contributing rateably the liability of the Insurer hereunder shall be limited to that proportion of the Damage as the Sum Insured by this Section bears to the value of the Property.

#### ***Applicable to Section 2 – Business Interruption***

If at the time of any Incident resulting in a loss under this Section there is any other insurance effected by You or on Your behalf covering such loss or any part of it the liability of the Insurer under this Policy shall be limited to its rateable proportion of such loss.

#### ***Application to Section 3 – Goods in Transit***

If at the time of a claim there is any other insurance arranged by You or on Your behalf covering anything insured under this Section the Insurer shall be liable only for a proportionate share.

If the other insurance is more specific in relation to the Property then this Section will only apply after the other insurance has been exhausted.

#### ***Applicable to Section 5 – Employers' Liability and Section 6 – Public Liability and Products Liability***

If at the time of any claim there is, or but for the existence of this Policy would be, any other insurance in favour of or purchased by You or on Your behalf, applicable to such claim, We shall not be liable under this Policy to pay You in respect of such claim except beyond the amount which would be payable under such other insurance had this Policy not been purchased.

### **16A.16 Reasonable Precautions**

You shall:

- a) take all reasonable precautions to prevent occurrences which may give rise to loss destruction or damage;
- b) take all reasonable steps to comply with statutory requirements obligations and regulations imposed by any authority;
- c) take immediate steps to make good or remedy any defect or danger which becomes apparent or take such additional precautions as circumstances may require; and
- d) take reasonable care in selecting Employees and maintain security precautions when the property insured under Section 3 is in Your custody or control.
- e) Take care to prevent accidents and maintain and keep in proper repair Your premises, plant and everything used in the Business.

### **16A.17 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.

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## Section 16 – Policy Conditions

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### 16A.18 Subjectivity

- a) If the Policy is issued with subjectivity it will clearly state in the Schedule if the cover provided by the Policy is subject to You:
  - ii) providing the Insurer with any additional information requested by the required date;
  - iii) completing any actions agreed between You and the Insurer by the required dates; or
  - iv) allowing the Insurer to complete any actions agreed between You and the Insurer.
- b) If required by the Insurer You must allow access to the Premises and the Business to carry out surveys within 60 days of the inception or renewal date, unless agreed otherwise in writing.

If cover under this Policy is subject to You completing risk improvements and complying with the risk improvements for the currency of the Policy then the risk improvements identified must be completed within the individual timescales specified and complied with for the currency of the Policy.

Following the above actions the Insurers reserve the right to:

- a) modify the premium;
- b) change the terms and conditions of the Policy;
- c) require You to make alterations to the Premises insured by required dates;
- d) cancel the Policy in accordance with General Condition 16A.4;
- e) leave the Policy terms, conditions and premium unaltered.

You will be advised of the Insurers decision and any required actions and dates. The effective date of any changes will apply unless and until the Insurers agree otherwise in writing.

If You disagree with the Insurers decision You must make Your comments in writing and the Insurers will attempt to negotiate a resolution with You. If this is unsuccessful You have the right to cancel the Policy and, subject to no claims, a proportionate part of the premium will be refunded to You.

### 16A.19 Subrogation

Any claimant under this Policy shall, at the request and at the expense of the Insurer, take and permit to be taken all necessary steps for enforcing rights against any other party in Your name before or after any payment is made by the Insurer. The Insurer shall be entitled to take over and conduct in Your name the defence or settlement of any claim or to prosecute in Your name, at its own expense and for its own benefit, any claim for indemnity or damages or otherwise.

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## Section 16 – Policy Conditions

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### Sub Section 16B – Special Conditions and Clauses

These Special Conditions and Clauses apply to all Sections of the Policy unless otherwise stated and are in addition to the terms specific to each Section.

#### 16B.1 Theft

Notwithstanding Exclusion 2c) of Section 1 and Exclusion 2c) of Section 2 the insurance by Sections 1 and 2 extends to cover Damage or Business Interruption caused by or consisting of theft or attempted theft excluding any such Damage or Business Interruption:

- a) not involving entry to or exit from the Premises by forcible and violent means or violence or threat of violence to You or any of Your Employees or any other person lawfully on the Premises; or
- b) of property in the open or property in any outbuilding or other building not communicating with the main building of the Premises.

The Definition of Defined Peril in Section 1 and Section 2 is further extended to include theft.

#### 16B.2 Subsidence Ground Heave and Landslip

Notwithstanding Exclusions 3a) and 3b) of Section 1 and Exclusions 3a) and 3b) of Section 2 the insurance by Sections 1 and 2 extends to cover Damage or Business Interruption caused by subsidence or ground heave of any part of the site on which the property stands or landslip excluding:

- a) the first £1,000 of each and every loss in respect of Section 1 at each separate Premises as ascertained after the application of any Condition of Average.
- b) Damage to and Business Interruption in respect of yards, car parks, roads, pavements, walls, gates and fences unless also affecting a Building insured by this Policy.
- c) Damage or Business Interruption caused by or consisting of:
  - i) the normal settlement or bedding down of new structures;
  - ii) the settlement or movement of made-up ground;
  - iii) coastal or river erosion;
  - iv) defective design or workmanship or the use of defective materials; or
  - v) fire, subterranean fire, explosion, earthquake or the escape of water from any tank apparatus or pipe.
- d) Damage or Business Interruption which originated prior to the inception of this cover.
- e) Damage or Business Interruption resulting from:
  - i) demolition construction structural alteration or repair of any property; or
  - ii) groundworks or excavation at the Premises.

#### *Special Conditions for Subsidence Ground Heave and Landslip Clause:*

Insofar as this insurance relates to Damage or Business Interruption caused by subsidence ground heave or landslip:

- a) You shall notify the Insurer immediately if You become aware of any demolition groundworks excavation or construction being carried out on any adjoining site;
- b) the Insurer shall then have the right to vary the terms or cancel this cover.

#### 16B.3 Financial Loss

The indemnity provided by Section 6a and Section 6b of this Policy is extended to indemnify You against all such sums that You shall become legally liable to pay as damages and costs and expenses of claimants in respect of accidental financial loss;

but the Indemnity will only apply to:

- a) a claim which is first made in writing against You during the Period of Insurance; and
- b) which is notified to the Insurer during the same Period of Insurance or within 30 days after the expiry of such Period of Insurance.

Provided that:

- a) the liability of the Insurer under this extension for all damages and claimants costs and expenses arising out of all claims first made against You during any one Period of Insurance shall not in the aggregate exceed the sum of £250,000 which is part of, and not in addition to, the Limit of Indemnity shown on the Schedule; and
- b) You shall be responsible under this extension for the first 10% of all damages and claimants costs and expenses payable in respect of each and every claim made against You subject to You being responsible for a minimum amount of £5,000 in respect of each and every such claim.

#### *Exclusions to Clause 16B.3 Financial Loss:*

The indemnity provided by this extension will not apply to legal liability:

- a) in respect of:
  - i) Injury to any person;
  - ii) loss of or damage to material property;

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- iii) nuisance, trespass, obstruction, loss of amenities or interference with any right of way, air, light or water; or
- iv) wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy.
- b) arising under contract whether by virtue of express agreement or otherwise.
- c) for the actual cost or value of any Products Supplied or replacement, repair, removal or reinstatement of any Products Supplied;
- d) for:
  - i) liquidated damages, fines, penalties or payments to any statutory authority arising out of the enforcement of any statutory requirement or duty;
  - ii) libel, slander or passing off or infringement of patent, copyright, trademark or trade name;
  - iii) financial loss sustained by any Employee arising out of or in the course of employment by You.
- e) caused by or arising from:
  - i) breach of professional duty or service or any error or omission in estimates or advice given by You or on Your behalf in a professional capacity or in design, plan, drawings or specification for which a fee is charged or would normally be charged;
  - ii) property in the custody or under the control of You or any Employee or failure to return such property;
  - iii) the storage, processing or transmission by You or on Your behalf of computer data;
  - iv) delay, non-completion or non delivery;
  - v) any act of fraud or dishonesty by You or any Employee; or
  - vi) any circumstances known to You at inception of this extension which may give rise to a claim for financial loss.
- f) arising:
  - i) outside Great Britain, Northern Ireland, the Isle of Man or the Channel Islands;
  - ii) out of any cause giving rise to financial loss happening before the Retroactive Date which, unless specified to the contrary, shall be the inception date of this Policy.

The indemnity provided under this extension is subject otherwise to the terms Exclusions and Conditions of Section 6 of this Policy.

### 16B.4 Alarm Clause

It is a condition precedent to liability under Sections 1, 4 and 7 in respect of loss or Damage following entry or attempted entry to or exit from the Premises by forcible and violent means that:

- a) the Premises are protected by an Intruder Alarm System designed installed and maintained to British Standard BS 4737 including Code of Practice DD243 or EN 50131 by an intruder alarm installation and maintenance company who are both:
  - i) a member of an Alarm Inspectorate which is accredited by UKAS to EN 45011 or EN 45012; and
  - ii) accredited and operate a Quality Management System in accordance with EN ISO 9000.
- b) the Intruder Alarm System shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance, as per the requirements of BS 4737 or EN 50131, with the installing company or such other company as agreed with the Insurer.

Where remote alarm signalling is required the signal transmission must be transmitted to an Alarm Receiving Centre fully compliant with BS 5979:2000 and operated by a company accredited and operating to a Quality Management System in accordance with EN ISO 9000.

- c) no alteration to or substitution of:
  - i. any part of the Intruder Alarm System;
  - ii. the maintenance contract;
  - iii. the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System; or
  - iv. the procedures agreed with the Insurer for Police or any other response to any activation of the Intruder Alarm System;be made without the written agreement of the Insurer.
- d) the Alarmed Premises shall not be left unattended without the agreement of the Insurer:
  - i. unless the Intruder Alarm System is set in its entirety with the means of communication used to transmit signals in full operation;
  - ii. if the Police have withdrawn their response to alarm activations.
- e) You shall maintain secrecy of codes for the operation of the Intruder Alarm System and detail of such codes and all keys to the Intruder Alarm System shall be removed from the Premises when the Premises are left unattended.
- f) You shall appoint at least two Key Holders and lodge written details (which must be kept up to date) with the alarm company and either the Police or the Alarm Receiving Centre.
- g) in the event of notification of any activation of the Intruder Alarm System or interruption of means of communication during any period the Intruder Alarm System is set a Key Holder shall attend the Premises as soon as reasonably possible.
- h) in the event of You receiving any notification:

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## Section 16 – Policy Conditions

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- i. the Police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed;
  - ii. from a Local Authority or Magistrate imposing any requirement for abatement of nuisance;
  - iii. that the Intruder Alarm System cannot be returned to or maintained in full working order;
- You shall advise the Insurer as soon as possible and comply with any subsequent requirements stipulated by the Insurer.

### **Definitions for 16B.4 Alarm Clause:**

#### **Intruder Alarm System**

The component parts including the means of communication used to transmit signals to and from the Premises.

#### **Alarmed Premises**

The Premises or those portions of the Premises protected by the Intruder Alarm System.

#### **Key Holder**

You or any person or key holding company authorised by You who is available at all times to accept notification of faults or alarm signals to the Intruder Alarm System and attend and allow access to the Premises.

#### **Premises**

The Buildings occupied by You or under Your control (unless stated otherwise in the Schedule).

### **16B.5 Composite Panels**

- a) It is a condition precedent to liability of the Insurers in respect of any building containing composite panels with combustible cores that:
  - i) the existence and extent of the composite panels has been fully disclosed to the Insurer prior to inception of the Policy;
  - ii) all wiring passing through composite panels is, and will continue to be, encased in metal conduits and sealed with rubber grommets;
  - iii) when services, which pierce any composite panels, are removed, the openings will immediately be capped by metal plates;
  - iv) any ductwork or services that pass through composite panels and which may get hot are, and will continue to be, sleeved in non-combustible insulation sufficient to prevent any transfer of heat to the composite panels through which they pass;
  - v) no repairs will be made to composite panels that involve welding, grinding, cutting or other obvious ignition sources; and
  - vi) heat sources will be kept a minimum distance of 2 metres away from all composite panels.
- b) It is a condition precedent to the liability of the Insurers in respect of any building containing composite panels that:
  - i) fire extinguishers and fire blankets, suitable both in number and type, are supplied for all cooking areas;
  - ii) at least weekly inspections are undertaken by You to check for Damage to composite panels or panel joints;
  - iii) any defects which are found during the course of the inspections referred to at ii) are rectified or the defective panel(s) replaced by a panel(s) with a non-combustible core without delay and in any event within 7 days; and
  - iv) there is no external storage of combustible waste, stock, packaging, pallets, or skips or bins containing such items within 10 metres of any building containing composite panels.
- c) Where work involving the application of heat is to be carried out in any building containing composite panels with combustible cores, the following condition applies:

It is a condition precedent to the liability of the Insurers under the Policy that;

  - i) any work involving the application of heat is only carried out by a suitably experienced contractor;
  - ii) the contractor carrying out the work has public liability insurance in force at least to the same level as the Sums Insured shown on the Schedule to this Policy and that You confirm the same through sight of the certificate of insurance;
  - iii) You do not waive any subrogation rights against the contractor at any time;
  - iv) the area in which the work is to be carried out must be cleared of any loose debris and all movable combustible materials removed to a distance of not less than 6 metres from the area of the proposed work prior to its commencement;
  - v) if work is to be carried out overhead, the area beneath that work must be cleared of any loose debris and all movable combustible materials removed to a distance of not less than 6 metres from the area of the proposed work prior to its commencement;
  - vi) any combustible materials within a 6 metre radius of the area of the proposed work which cannot be moved, including any composite panels, are to be fully covered and protected by fire-proof blankets and/or screens. [For the avoidance of doubt, the condition at a) (vi) will still apply such that under no circumstances must hot works be carried out within 2 metres of any composite panels];

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## Section 16 – Policy Conditions

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- vii) the ground or floor or other horizontal surface (including any gutters) directly beneath the area of the proposed work is to be liberally covered with sand to a distance of not less than 50cm all around the area of the proposed work;
- viii) a suitable number of fire extinguishers with a total capacity of not less than 20 litres must be kept available for immediate use and located no more than 2 metres from the area of work;
- ix) a dedicated person, with no other responsibilities, must be in attendance to keep a constant fire watch and to damp down the area of the proposed works whilst the hot work is being carried out and for at least 15 minutes following any interruption to and/or cessation of the hot work;
- x) blow lamps and blow torches shall be lit for as short a time as possible before use and extinguished immediately after use;
- xi) lighted blow lamps and torches must not be left unattended;
- xii) any work involving the application of heat will cease at least 1 hour before the Premises close for Business for the day;
- xiii) a thorough examination of the area in which the work was carried out, including an examination of the other side of any roof or partition to the side on which the hot works were being carried out, shall be made 30 minutes and 60 minutes after hot works have ceased or been interrupted for 30 minutes or more, and immediately prior to the Premises closing for Business on any day during which hot works have been carried out; and
- xiv) You obtain written confirmation from the contractor prior to the start of work that the precautions stated on Your Hot Work Permit will be adhered to.

### 16B.6 Frying and Cooking Equipment

It is a condition precedent to liability of the Insurers in respect of any frying and/or other cooking range in the Premises that:

- a) a flame failure device is fitted if the range is gas or oil fired;
- b) all cooking equipment used for deep fat frying shall be fitted with a thermostat to prevent fat or oil exceeding 205° centigrade and a high temperature non-self resetting limit control to shut off the heat source if fat or oil exceeds 230° centigrade;
- c) all frying and other cooking ranges, equipment, flues and exhaust ducting will be kept securely fixed and free from contact with combustible materials;
- d) frying equipment will be installed, used and maintained in accordance with the manufacturer's instructions;
- e) where ducts pass through any combustible material, it should be cut away to a distance of at least 150mm from the duct and the space filled with non-combustible insulation;
- f) extraction of heat, fumes and/or combustion products be via an integral duct, or an overhead canopy and duct system, vented direct to the open;
- g) all ducts be constructed of and supported by galvanised or stainless steel;
- h) all extraction hoods, canopies, filters and grease traps will be cleaned at least once each week;
- i) all extraction ducts will be cleaned regularly and maintained and checked at least once every six months by a specialist contractor;
- j) the record of such cleaning and servicing of the extraction ducts will be kept elsewhere other than at the Premises and will be made available for inspection at any time;
- k) multi-purpose fire extinguishers and at least one fire retardant blanket which conforms to the relevant British Standard suitable for extinguishing oil and fat fires will be kept in the close proximity to the working area of the range and maintained ready for use;
- l) frying ranges will not be left unattended whilst in use;
- m) all naked flames (other than pilot lights) and all electrical elements will be turned off at the close of the working day.

### 16B.7 Waste Removal – A (Oily/Greasy Waste, Weekly Removal)

It is warranted that all oily and/or greasy waste and used cleaning cloths which remain in the buildings overnight will be kept in metal receptacles with close fitting metal lids and removed from the buildings at least once a week.

### 16B.8 Waste Removal – B (Combustible Waste, Daily Removal)

It is warranted that all combustible trade waste and refuse will be removed from the buildings every night.

### 16B.9 Waste Removal – C (Combustible Waste, Weekly Removal)

It is warranted that all combustible trade waste and refuse will be swept up daily and kept in bags or bins and removed from the buildings at least once a week.

### 16B.10 Stillage Warranty

It is warranted that all stock stored in basements and/or at ground level is stored on racks pallets or stillages at least 15cm above floor level.

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## Section 17 – General Exclusions

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These Exclusions apply to all Sections of the Policy unless stated otherwise.

Other Sections of the Policy may include additional Exclusions specific to those Sections

### 17.1 *Applicable to all Sections*

#### a) **War & Similar Risks**

The insurance by this Policy does not cover:

Damage or Business Interruption or legal liability directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection, military or usurped power, or confiscation, or nationalisation, or requisition, or destruction of or Damage to property by or under the order of any government or public or local authority.

#### *Applicable to all Sections other than Section 5 – Employers' Liability*

#### b) **Nuclear Risks & Radioactive Contamination Risks**

This insurance does not cover;

- a) loss destruction of or Damage to any property whatsoever or any liability or loss or expense whatsoever resulting or arising therefrom or any Consequential Loss; or
- b) any legal liability of whatsoever nature;

directly or indirectly caused by or contributed to by or arising from:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
- e) any chemical, biological, bio-chemical, or electromagnetic weapon.

### 17.2 *Applicable to all Sections other than Section 5 – Employers' Liability, Section 6 – Public Liability and Products Liability and Section 8 – Personal Accident*

#### **Date Recognition**

The insurance by this Policy does not apply to a:

Claim directly or indirectly caused by or contributed to by or arising from the failure of any computer or other equipment data processing service product microchip micro processor integrated circuit embedded chip or similar device computer software program or process or any other electronic system or any design or advice in connection with any of the foregoing irrespective of ownership possession or use and whether occurring before during or after the Year 2000:

- a) correctly to recognise any date as its true calendar date;
- b) to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date; or
- c) to capture save or retain or correctly to process any data as a result of the operation of any command which has been programmed into the computer software being a command which causes the loss of data or the inability to capture save retain or correctly to process such data on or after any date;

but this shall not exclude subsequent Damage in respect of Section 1 (Property Damage) subsequent Business Interruption in respect of Section 2 (Business Interruption) and subsequent loss or Damage in respect of Section 7 (All Risks-Specified Items) not otherwise excluded which itself results from fire, lightning, explosion, theft, aircraft or other aerial devices or articles dropped from aircraft or other aerial devices, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank apparatus or pipe or impact by any road vehicle or animal, provided such Peril is insured by the Section.



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## Section 17 – General Exclusions

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### **17.3 Applicable to all Sections other than Section 14 – Terrorism Terrorism**

This insurance excludes liability, loss, Damage, cost or expense of whatsoever nature:

- a) directly or indirectly caused by, resulting from or in connection with any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
- b) in Northern Ireland directly or indirectly resulting from or in connection with civil commotion.
- c) directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to a) or b) above.

If the Insurer alleges that by reason of this exclusion, any liability, loss, Damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon You.

In the event that any portion of this exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect.

This Exclusion 17.3 does not apply to Extension 3 (Terrorism) of Section 5 (Employers' Liability) to the extent that Extension 3 (Terrorism) provides cover.

### **17.4 Applicable to all Sections other than Section 5 – Employers' Liability and Section 6 – Public Liability and Products Liability**

#### **Contamination and Pollution Clause**

- a) The insurance by this Policy does not cover any loss or Damage due to contamination, pollution, soot, deposition, impairment with dust, chemical precipitation, adulteration, poisoning, impurity, epidemic and disease or due to any limitation or prevention of the use of objects because of hazards to health.
- b) This exclusion does not apply if such loss or Damage arises out of one or more of the following Perils:
  - Fire, Lightning, Explosion, Impact of Aircraft
  - Vehicle Impact, Sonic Boom
  - Accidental Escape of Water from any tank apparatus or pipe
  - Riot, Civil Commotion, Malicious Damage
  - Storm, Hail
  - Flood, Inundation
  - Earthquake
  - Landslide, Subsidence
  - Pressure of Snow, Avalanche
  - Volcanic Eruption
- c) If a Peril not excluded from this Policy arises directly from pollution and/or contamination any loss or Damage arising directly from that Peril shall be covered.
- d) All other terms and conditions of this Policy shall be unaltered and especially the exclusions shall not be superseded by this clause.

### **17.5 Applicable to all Sections other than Section 10 – Equipment Breakdown and Section 15 – Cyber**

#### **Cyber and Data Exclusion**

1. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:

1.1 Cyber Loss;

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. Save that in respect of any liability arising under Section 5 where application of this Exclusion may be prohibited by the Employers' Liability (Compulsory Insurance) Act 1969 and/or the Employers Liability (Compulsory Insurance) Regulations 1998, We shall provide indemnity and You agree to repay to Us that part of any loss that We would not otherwise have been liable to pay under the Policy in accordance with the 'Rights of Recovery' condition within Section 5.

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## Section 17 – General Exclusions

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2. In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

3. This Exclusion supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

### Definitions

4. Cyber Loss means 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.

5. Cyber Act means 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.

6. Cyber Incident means:

6.1 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

6.2 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.

7. Computer System means:

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

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

### 17.6 Sanctions

We shall 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.

### 17.7 Communicable Disease

#### ***Not applicable to Sections 5 and 8-15***

1. This Policy does not insure any liability, loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the actual or perceived fear or threat of a Communicable Disease.

2. For the purposes of this Exclusion, liability, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, contain, detoxify, remove, monitor or test:

2.1. for a Communicable Disease, or

2.2. any property insured hereunder that is affected by such Communicable Disease.

3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism and includes the substance or agent which transmits the disease, where:

3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

3.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.