

Business Combined Insurance Policy



QBE

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1 Our agreement in general

1.1 This agreement

This **policy** is between **you** and **us** as declared in the schedule. The **statement of fact**, this document, its schedule and any attached endorsements is the **policy** which sets out this insurance. It is a legal contract so please read all of it carefully.

Words in bold type face used in this **policy** document, other than in the headings, such as **you** above, have specific meanings attached to them as set out in the General definitions and interpretation section of this document.

1.2 Words in bold

Words in bold typeface used in this **policy** document, other than in the headings, have specific meanings attached to them as set out in the General definitions and interpretation.

1.3 Policy structure

1.3.1 Each **section** sets out the scope of the main coverage and the circumstances in which **our** liability to **you** is limited or may be excluded. Further, each **section** sets out other terms and conditions relevant to that **section**. The cover provided by each **section** is only operative if stated as 'insured' in the **schedule**. Where any **schedule** heading or sub-heading states 'n/a', 'not applicable' or 'not insured' then no cover applies for that item.

1.3.2 Additional clauses set out terms, exclusions or limitations that may apply to more than one **section**.

1.3.3 The following general terms apply to all **sections**, clauses and endorsements:

- a) Duties in event of a claim or potential claim;
- b) General terms and conditions;
- c) General definitions and interpretation; and
- d) Complaints.

1.4 Policy period and premium

1.4.1 The **policy** will provide insurance as described herein for the **period of insurance** provided the premium(s) and other charges are paid to and accepted by us on or before the payment date shown in the **schedule**. Taxes, levies and other relevant fiscal charges are payable in addition to the premium.

1.4.2 The premium is deemed paid and accepted on receipt by **us** or the broker appointed to place this insurance with **us**.

1.4.3 If any premium (including a premium instalment) is not paid and accepted by **us** on or before its payment date shown in the **schedule** **we** can give written notice to **you** at its address shown on the **schedule**, cancelling the **policy** with effect from the seventh (7th) day after the notice has been served. Cancellation will be prevented from taking effect and the **policy** will continue if the late premium instalment and any other remaining premium instalments are paid and accepted before the cancellation takes effect. Without prejudice to other forms of service, notice of cancellation is deemed to be served on the third (3rd) day after being posted if sent by pre-paid letter post properly addressed.

1.5 Claims procedure

In the event of an incident resulting in a claim or one that may result in a claim, please read the claims procedure to this **policy**.

1.5.1 For all claims except the Legal expenses section please either:

- a) contact your insurance broker; or
- b) by post to QBE Claims, Acclaim House, Central Park, New Lane, Leeds, LS11 5UF; and/or
- c) by telephone **us** on **0844 7369640**; or

- d) by email to SMEnewclaims@uk.qbe.com
- 1.5.2 For claims under Legal expenses section please contact **DAS**:
DAS House, Quay Side, Temple Back, Bristol BS1 6NH
Telephone **us** on **0117 9330618**
Email details to newclaims@das.co.uk or as set out in the Helpline section or the Claims notification section.

We will be able to deal with **your** claim more effectively and speedily if **you** provide **your** **policy** number on first contact.

1.6 Signature

In evidence of **our** intention to be bound by this insurance, it prints the signature of **our** Chief Executive Officer.

A handwritten signature in black ink, appearing to read 'Ruth By', with a stylized flourish at the end.

2 Helplines

These services are provided by **DAS** Law Limited and are provided in conjunction with the Legal expenses **section.DAS** Law Limited's head and registered office is DAS Law Limited, North Quay, Temple Back, Bristol, BS1 6FL. Registered in England and Wales, number 5417859. Website: www.daslaw.co.uk.

DAS Law Limited is authorised and regulated by the Solicitors Regulation Authority. **DAS** Law Limited is listed on the Financial Conduct Authority register to carry out insurance mediation activity, including the administration of insurance contracts, on behalf of **DAS** Legal Expenses Insurance Company Limited.

Lines are available 24 hours a day, seven days a week during the **period of insurance**. However, **DAS** may need to arrange to call **you** back depending on the enquiry. To help **DAS** check and improve their service standards, **DAS** record all inbound and outbound calls, except those to the counselling service.

DAS will not accept responsibility if the Helpline Services fail for reasons they cannot control. Please do not telephone to report a general insurance claim.

2.1.1 Legal advice service Call 0844 893 0859

DAS will give **you** confidential legal advice over the telephone on any commercial legal problem affecting the **business**, under the laws of the member countries of the European Union, the Isle of Man, the Channel Islands, Switzerland and Norway.

Specialist advice is provided 9am - 5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, DAS will call you back.

2.1.2 Tax advice service Call 0844 893 0859

DAS will give **you** confidential advice over the telephone on any tax matters affecting the **business**, under the laws of the **United Kingdom**.

Tax advice is provided by tax advisors 9am – 5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, DAS will call you back.

2.1.3 Counselling service Call 0844 893 9012

DAS will provide **your employees** (including any members of their immediate family who permanently live with them) with a confidential counselling service over the telephone including, where appropriate, onward referral to relevant voluntary and/or professional services. Any costs arising from the use of these referral services will not be paid by **DAS**.

The counselling service helpline is open 24 hours a day, seven days a week.

2.1.4 Employment manual

The **DAS** Employment Manual offers comprehensive, up to date guidance on rapidly changing employment law. To view it, please visit their website at www.das.co.uk. From the Home Page click on the Employment Manual icon. All the sections of this web-based document can be printed off for **your** own use. Contact **DAS** at employmentmanual@das.co.uk with **your** email address, quoting **your policy** number and they will contact **you** by email to inform **you** of future updates to the information.

2.1.5 DASbusinesslaw

Using www.dasbusinesslaw.co.uk **you** can create ready-to-sign contracts, agreements and letters in minutes. Developed by solicitors and tailored by **you** using **DAS'** smart document builders. **You** can also buy legal documents from the site, ranging from simple debt recovery letters to employment contracts.

The service also provides useful tools, articles and information on matters such as new legislation, employment issues, property law and taxation all regularly updated by legal experts to help **you** keep **your business** one step ahead.

To access DASbusinesslaw, **you** will need to visit www.dasbusinesslaw.co.uk and register using the voucher code **DAS472301** and Policy Number **TS5/6695190**. When prompted to input **your** company name, please insert the prefix **QBE** followed by the name of **your business**. If **you** experience any problems accessing the service, please email the problem to businesslaw@das.co.uk, quoting **your** policy number.

3 Section A - Contents

3.1 Property insured

Items 1 to 5 below and specified in the schedule all pertaining to the **business** but excluding any property otherwise insured, money, merchandise, gold and silver articles plate jewellery and furs.

Item 1 Fixtures, fittings, machinery, plant and all other contents

Contents within the **premises** being **your** property or held by **you** in trust for which **you** are responsible including:

- 1) landlords fixtures and fittings, interior decorations and tenants improvements insofar as they are not otherwise insured;
- 2) plans, deeds, briefs, manuscripts, books, documents and office records limit any one item £2,500;
- 3) computer discs and tapes limit any one item £2,500;
- 4) personal effects for an amount not exceeding £1,000 in respect of any one person;
- 5) wines, spirits, cigarettes and tobacco held for entertainment purposes up to a limit of £2,500 any one incident;
- 6) patterns, models, moulds, plans and designs for an amount not exceeding the cost of the labour and materials expended in reinstatement;
- 7) contents of outbuildings;
- 8) works of art, rare books, sculptures, curios and collections for an amount not exceeding £5,000 any one incident;

excluding vehicles licensed for road use (and their accessories) other than fork lift trucks used as a tool of trade, property described by Items 2, 3, 4, and 5 of this **section** and property insured by **section B**.

Item 2 Office computers and software

Computers, ancillary equipment and software used for electronic processing communication and storage of data including:

- a) fixed discs interconnecting wiring and telecommunications systems;
- b) temperature and environmental control equipment power supply voltage regulating and other protective equipment used exclusively in connection with the computer equipment;

all current and back up computer records (excluding fixed discs and paper records of any description) incorporating stored programs and/or information stored thereon being **your** property or leased hired or rented to **you** on the **premises** but excluding property insured by **section B**.

Item 3 Stock and materials in trade excluding target stock

Stock and materials in trade within the buildings being **your** property or held by **you** in trust for which **you** are responsible, excluding target stock as described by item 4 of this **section**.

Item 4 Target stock

Stock and materials in trade within the buildings being **your** property or held by **you** in trust for which **you** are responsible and as described specifically within item 4 of the schedule, excluding stock as described by item 3 of this **section**.

Item 5 Stock in open

Stock and materials in trade whilst stored in the open at the **premises**, excluding target stock as described by item 4 of this **section**.

3.2 Coverage - Insured perils

We will indemnify **you** against **damage** to the property insured specified in the schedule caused by the under noted perils:

- 3.2.1 Fire (including subterranean fire), explosion, lightning or earthquake;
- 3.2.2 Storm or flood excluding:
 - a) **damage** caused by frost subsidence ground heave or landslip;
 - b) **damage** attributable solely to change in water table level;
 - c) **damage** to moveable property in the open;
 - d) **damage** to property contained within open-fronted or open sided buildings;
 - e) the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average;
- 3.2.3 Escape of water from any tank apparatus or pipe excluding
 - a) **damage** to the contents of any building which is **empty** or not in use;
 - b) the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average;
- 3.2.4 Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons excluding:
 - a) **damage** arising from cessation of work;
 - b) as regards **damage** (other than fire or explosion) directly caused by malicious persons not acting on behalf of or in connection with any political organisation:
 - i) **damage** by theft;
 - ii) **damage** in respect of the contents of any building which is **empty** or not in use;
 - iii) the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average;
- 3.2.5 Impact by aircraft or other aerial devices or articles dropped from them or by any vehicle train animal falling branch aerial or mast or satellite dish;
- 3.2.6 Theft or any attempt thereat (including damage to the building for which **you** are responsible) involving entry to or exit from the building by forcible and violent means excluding:
 - a) **damage** to the contents of any building which is **empty** or not in use;
 - b) the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average;
- 3.2.7 Theft by violence or threat of violence to the **insured, your family or employees** excluding the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average;
- 3.2.8 Leakage of oil from any fixed heating installation;
- 3.2.9 Any other accidental **damage** occurring in the building excluding:
 - a) the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average;
 - b) **damage** caused by or resulting from:
 - i) wear and tear the action of light or atmosphere moths vermin insects;
 - ii) any process of cleaning, dyeing, restoring, adjusting or repairing;
 - iii) corrosion, dampness, dryness, wet or dry rot, marring, scratching, bruising or deterioration;
 - c) **damage** to any machine or apparatus arising from mechanical electrical or electronic breakdown or derangement or from adjustment maintenance or repair;
 - d) **damage** specifically excluded in insured perils 3.2.1 to 3.2.8 and 3.2.10;
 - e) normal maintenance or repair;
 - f) erasure or distortion of information on computer systems or other record;
 - g) **damage** to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether **your** property or not where such **damage** is caused by programming or operator error **virus or similar mechanism or hacking**;

- h) any disappearance or shortage revealed only at the time of stock taking or the making of any inventory or due to error or omission;
 - i) **damage** by confiscation or detention by customs or other officials or authorities;
 - j) **damage** following dishonesty or fraudulent action by **your employees** or any person lawfully in the building;
 - k) **damage** caused by or resulting from theft or any attempt thereat;
 - l) **damage** caused by or resulting from subsidence ground heave or landslip;
- 3.2.10 Subsidence or ground heave of any part of the site on which the **premises** stands or landslip excluding:
- a) the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average;
 - b) **damage** to yards car parks roads pavements walls gates and fences unless also affecting a building insured hereby;
 - c) **damage** caused by or consisting of:
 - i) the normal settlement of bedding down of new structures;
 - ii) settlement or movement of made-up ground;
 - iii) coastal or river erosion;
 - iv) defective design or workmanship or the use of defective materials;
 - v) fire subterranean fire explosion earthquake or the escape of water from any tank apparatus or pipe;
 - d) **damage** which originated prior to the inception of this cover;
 - e) **damage** resulting from:
 - i) demolition construction structural alteration or repair of any property; or
 - ii) groundworks or excavation;
 at the premises.
- 3.2.11 Insofar as this insurance relates to **damage** caused by subsidence ground heave or landslip:
- a) **you** shall notify **us** immediately they become aware of any demolition, groundworks excavation or construction being carried out on any adjoining site;
 - b) **we** shall then have the right to vary the terms of or cancel the cover by this clause.

3.3 Contents - Cover extensions

3.3.1 Deterioration of Stock

In the event of refrigerated contents while contained within refrigerating units suffering deterioration or putrefaction due to or arising from change of temperature or contamination caused by accidental leakage of refrigerant or refrigerant fumes from the unit, then **we** will pay to **you** the value of the refrigerated contents at the time of its deterioration, putrefaction or contamination providing that:

- a) the refrigerated contents are **your** property or held in trust for which **you** are responsible;
- b) the deterioration, putrefaction or contamination occurs during the **period of Insurance**;
- c) in respect of each occurrence of deterioration, putrefaction or contamination **our** liability under this clause will not exceed the **sum insured** specified in the schedule or £5,000 whichever is the greater.

3.3.2 Exhibitions

We will indemnify **you** against **damage** to contents and stock by any accident or misfortune whilst within the premises of any trade show or exhibition anywhere within the **United Kingdom** or European Union at which **you** are participating as an exhibitor, including whilst in transit thereto and therefrom, provided that **we** will not be liable for **damage** by theft or attempted theft from any unattended vehicle unless;

- a) all windows and other openings have been closed, all doors have been secured and any other protective devices put into full and effective operation;
- b) when any vehicle is left unattended between the hours of 22.00 and 06.00 or after the completion of any working day of the driver all windows and other openings have been closed and the vehicle is locked and garaged in a secure building or is locked and parked in a locked and completely enclosed yard;

- c) all keys to any unattended vehicle owned or operated by **you** are removed from such vehicle to a place of safety whenever the vehicle is left loaded.

Our liability under this clause will not exceed the amount of £50,000 at any one exhibition.

3.3.3 Fidelity Guarantee

This cover extension does not apply or operate unless **your** schedule states that this clause is 'included'.

- a) **We** will indemnify **you** for loss of **your money** or goods or **money** or goods for which **you** are legally responsible caused by any act of theft committed during the **period of insurance** by an **employee** normally resident within the **territorial limits** and discovered not later than six (6) months after the termination of:

- i) this insurance;
- ii) the insurance in respect of an **employee** specified by name or position;
- iii) the employment of any **employee**;

whichever occurs first.

- b) **We** will indemnify **you** for auditors fees incurred with our written consent solely to substantiate the amount of the claim.
- c) **We** will indemnify **you** for the reasonable cost of re-writing or amending the software programmes or systems where such re-writing or amending is necessary to correct the programmes or amend the security codes following the fraudulent use of computer hardware or software programmes or computer systems the subject of a claim for which liability is admitted under the **policy**.
- d) If this insurance immediately supersedes a fidelity insurance effected by **you** (the 'superseded Insurance') **we** will indemnify **you** in respect of any loss discovered during the continuation of this insurance but committed during the continuation of the superseded insurance if the loss is not recoverable thereunder solely because the period allowed for discovery has expired provided that:
 - i) such insurance had been continuously in force from the time of the loss until inception of this insurance;
 - ii) the loss would have been insured by this insurance had it been in force at the time of the loss;
 - iii) **our** liability shall not exceed whichever is the lesser of the:
 - I) amount recoverable under the insurance in force at the time of the loss
 - II) limit of indemnity under this insurance.

Our total liability in respect of any one claim continuing through both the term of the superseded insurance and the continuation of this insurance shall not exceed the limit of indemnity applicable under this insurance.

- e) **Our** liability under this extension will not exceed the limit of indemnity specified in the schedule.
- f) **We** shall not be liable under this clause for:
 - i) loss of interest or consequential loss of any kind;
 - ii) the first £250 in respect of each and every claim;
 - iii) further acts of theft by an **employee** immediately following **your** discovery of any act of theft by such an **employee**.
- g) It is further agreed that:
 - i) any money of the **employee** in **your** hands upon discovery of any loss and any money which but for the **employee's** theft would have been due from **you** to the **employee** shall be deducted from the amount of the loss before a claim is made under this insurance;
 - ii) any further monies which are recovered less any costs incurred in recovery shall accrue:
 - I) in the event that **your** claim has exceeded the limit of indemnity firstly to **your** benefit to reduce or extinguish the amount of **your** loss (but not the excess);

- II) to **our** benefit to the extent of the claim paid or payable;
- III) to **your** benefit where the excess had been deducted from the claim.

3.3.4 Glass breakage

You will be indemnified against paying for or making good the breakage or scratching of **glass** (not otherwise insured) in the **premises** and **your** private dwelling portion of the **premises** and in addition the cost of:

- a) temporary boarding-up following breakage;
- b) repair of damage to window frames as a result of such breakage or the cost of removal or replacement of fixtures and fittings in the course of replacement of glass up to a maximum amount of £2,500 for any one loss;
- c) lettering or other ornamental work and alarm foil on glass up to a maximum amount of £2,500 for any one loss.
- d) **We** will not be liable for the first £250 in respect of each and every claim.

3.3.5 Landscaped gardens

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 any of the insured perils 3.2.1-3.2.9 up to a maximum of £10,000 in any one **period of insurance**.

3.3.6 Lock replacement

In the event of the keys of the **premises** being stolen from the **premises** or from the private residence of any director partner or **employee** authorised to hold such keys **we** will pay to **you** an amount not exceeding £2,500 in any one **period of insurance** for the replacement of equivalent locks at the **premises**.

Unless **you** or an **employee** lives on the **premises**, keys to any safe or strongroom must not be left at the **premises** when closed for business.

3.3.7 Loss of metered water

The unit cost of metered water at the current rate per cubic metre consumed as a direct result of **damage** (caused by any of the insured perils 3.2.1-3.2.9) up to an amount of £10,000 in respect of any one claim.

3.3.8 Money

You will be indemnified against loss from any cause of **negotiable money** held in connection with the **business**:

- a) whilst in transit within the **United Kingdom** or in a bank night safe up to a maximum amount specified in the schedule by Limit a) for any one loss;
- b) whilst at the private residence of any principal or your authorised **employee** up to a maximum amount specified in the schedule by Limit b) for any one loss;
- c) from the **premises** during **business** hours up to a maximum amount specified in the schedule by Limit c) for any one loss;

except that when the **premises** are closed to **business**:

- d) liability for **money** not contained within a locked safe is limited to the amount specified in the schedule by Limit d) ;
- e) liability for **money** within an unspecified locked safe is limited to the amount specified in the schedule by Limit e) i) ;
- f) liability for **money** within a specified locked safe is limited to the amount specified in the schedule by Limit e) ii) .

It is further agreed as a condition precedent to our liability under this clause that

- g) keys and/or combination codes to safes are not left on the **premises** unless the **premises** are still attended by **you** or **your** authorised **employee** in which case such keys and/or combination codes shall be deposited in a secure place not in the vicinity of any safe.

- h) whenever money in transit exceeds £3,000 at any one time:
 - i) the **negotiable money** will be accompanied by not less than two (2) responsible adult persons; and
 - ii) no more than £3,000 will be carried by any one (1) person.

You will be indemnified against loss from any cause of **non-negotiable money** held in connection with the **business** up to a maximum amount of £500,000 for any one loss or as specified in the schedule by Limit f).

The insurance by this clause excludes and does not cover loss:

- a) arising from fraud or dishonesty of the **your employees** unless such loss be discovered within fourteen (14) clear working days of the occurrence;
- b) due to clerical or accounting errors;
- c) from unattended motor vehicles.

3.3.9 Personal Accident (Assault)

- a) If you or any of your **employees** between the ages of sixteen (16) and seventy (70) years shall suffer **bodily injury** caused solely or directly as a result of robbery or any attempt thereat in the course of the **business** we will pay compensation on the basis of the following table:

i) Death	£20,000
ii) Total loss or permanent and total loss of use of one or more limbs occurring within two (2) years of sustaining the bodily injury	£20,000
iii) Total and irrecoverable loss of all sight in one or more eyes occurring within two (2) years of sustaining the bodily injury	£20,000
iv) For any period up to a maximum of two (2) years of total disablement from engaging in usual occupation	£100 per week
v) For any period up to a maximum of two (2) years of partial disablement from engaging in usual occupation	£50 per week

- b) Provided that:

- i) compensation will not be payable under more than one of the items in the compensation table for the same **bodily injury**; and
- ii) no liability will attach to **us** for **bodily injury** arising from or influenced by any existing physical defect or infirmity or the medical condition of any person entitled to compensation hereunder or resulting from pregnancy or childbirth.
- c) The insurance by this clause is extended to pay for **damage** to cash carrying devices or clothing and personal effects belonging to **you** or any of **your employees** up to a limit of £1,000 in respect of any one person.
- d) The insurance by this clause is extended to pay for **damage** to any safe or strongroom at the **premises** as a direct result of theft or attempted theft of **money** up to a limit of £5,000 any one claim.
- e) The insurance by this clause is extended to include dental costs for **you** or **your employees** as a direct result of robbery or assault or attempt thereat, up to a limit of £500 in respect of any one person.

3.3.10 Rent

We will indemnify **you** as tenant in respect of **your** legal liability to pay rent for the period not exceeding two (2) years during which the **premises** is untenable as a result of any of the insured perils up to a maximum of twenty five (25%) percent of the **sum insured** by this **section**.

3.3.11 Signs

You will be indemnified against **damage** to signs up to a maximum amount of £2,000 in any one **period of insurance**.

3.3.12 Temporary removal of documents and contents

The insurance by item 1 of the property insured extends to cover **damage** caused by any of the insured perils 3.2.1-3.2.9 whilst temporarily removed from the **premises** but remaining within the **United Kingdom** up to a maximum of fifteen (15%) percent of the **sum insured** by Item 1.

3.3.13 Theft damage to buildings

In the event that buildings are not covered by this **policy**, **we** will pay costs for which **you** are responsible, necessarily and reasonably incurred by **you** to repair **damage** to the **premises** in consequence of theft or any attempt thereat. **Our** liability under this clause will not exceed the amount of £25,000 in any one **period of insurance**.

3.4 Contents other terms and conditions

3.4.1 Basis of claim settlement

- a) Claims for the total loss or destruction of contents (except stock, goods in trust, **employees'** effects and pedal cycles) will be settled on the basis of replacement of property similar to but no better or more extensive than the contents when new;
- b) Claims for partial loss, destruction or **damage** to contents (except stock, goods in trust, **employees'** effects and pedal cycles) will be settled on the basis of restoration to a condition no better or more extensive than the condition of the contents when new;
- c) Claims for computer systems records documents manuscripts **business** books and data carrying materials will be settled on the basis of the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value to the Insured of the information contained in them.
- d) Claims for stock and all other property will be settled on the basis of its value at the time of loss or destruction with adjustment for wear and tear
- e) All claims will be settled without deduction in respect of any increases in the **declared value** at risk between the cover date and the time of the damage provided that:
 - i) the **declared value** at the inception of this insurance is not less than the cost of reinstatement at inception
 - ii) **you** provided **us** annually at renewal a revised **declared value**
 - iii) **you** comply with general condition 17.4 - Confirmation of values at risk otherwise **our** liability for any loss is limited to the proportion of the loss that the **declared value** at inception bears to the cost of reinstatement at inception.

3.4.2 Condition of average

(Only applicable where claims are not paid under the terms of the Reinstatement Clause)
If at the time of any **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.

3.4.3 Index linking

We will adjust the **sum insured** in line with suitable indices of costs and the renewal premium for this **section** will be based on the adjusted **sum insured**.

3.4.4 **Limit of liability**

Subject to the provisions at clause 7.7 - Automatic reinstatement of sum insured, the maximum amount payable during any **period of insurance** under any item is the **sum insured** shown in the schedule for the contents of the **premises** adjusted in accordance with clause 3.4.3 - index linking.

3.4.5 **Use of Frying range**

It is a condition precedent to liability under **section A** that in respect of any use of deep fat frying ranges at the **premises** the undernoted precautions will be complied with:

- a) an extraction system is fitted to all frying ranges;
- b) frying ranges are fitted with an oil sump which is emptied at least once every seven (7) days;
- c) hoods, ducting or flues have not been installed within eighty millimetres (80mm) of any combustible material including combustible partitions, ceilings and doors unless suitably protected by fire resistant substances or materials;
- d) all frying ranges are equipped with thermostats designed to prevent the temperature of fat and or oils rising above two hundred and five degrees centigrade (205°C) or the supplier's maximum recommended temperature if this is less than two hundred and five degrees centigrade (205°C);
- e) the cooking range, extraction and electrical equipment be serviced regularly at least once a year, either under a maintenance or service agreement, or by **you** or member of **your** staff; provided that a record be kept of all maintenance and servicing work undertaken by **you** or a member of **your** staff such record shall be stored away from the insured **premises**;
- f) all readily accessible equipment is thoroughly cleaned at least once every seven (7) days;
- g) all fats and/or oils or other frying substances not needed for cooking that day are stored in an area separate from the cooking/frying ranges;
- h) metal receptacles with metal lids are used to store waste and batter scraps prior to disposal and are removed from the insured **premises** at the end of each frying session.

4 Section B - All Risks: Specified business equipment

4.1 Specified business equipment coverage

4.1.1 **We** shall indemnify **you** against **damage** to the property insured as specified in the schedule by any accident or misfortune occurring anywhere within the **territorial limit** specified against each item excluding:

- a) the first £100 of each claim;
- b) any property otherwise insured;
- c) **damage** arising from wear and tear or from any process of cleaning, dyeing restoring, adjusting or repairing;
- d) **damage** arising from or attributable to the action of light or atmosphere moth, parasites, vermin, corrosion, dampness, marring, scratching, bruising or deterioration;
- e) **damage** (other than by fire) to any machine or apparatus arising from mechanical or electrical breakdown or derangement or arising from adjustment maintenance or repair;
- f) erasure or distortion of information on computer systems or their records;
- g) **damage** to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property is **yours** or not where such **damage** is caused by programming or operators error, **virus or similar mechanism** or **hacking**;
- h) **damage** by confiscation or detention by customs or other officials or authorities;
- i) **damage** to **money**, documents, securities, motor vehicles, caravans, boats, cycles, household goods, sports equipment, contact or corneal lenses;
- j) **damage** by theft from an unattended motor vehicle unless such vehicle has been securely locked at all points of access.

4.2 Specified business equipment - Cover extensions

4.2.1 Reinstatement

Claims will be settled on the basis of the cost of repair or current replacement value without deduction for wear and tear provided that all necessary repairs or replacements are carried out without delay.

4.2.2 Condition of average

If at the time of any **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.

4.2.3 Index linking

We will adjust the **sum insured** in line with suitable indices of costs and the renewal premium for this **section** will be based on the adjusted **sum insured**.

4.2.4 Automatic reinstatement of sum insured

In the event of a loss the **sum insured** hereby shall not be reduced by the amount of such loss provided that **you** shall:

- a) pay the appropriate extra premium on the amount of loss from the date thereof to the date of expiry of the **period of insurance**;
- b) if the loss results from theft give effect to any additional protective devices which **we** may require for the further security of the property insured.

4.2.5 Limit of liability

Subject to the provision at clause 4.2.4 – Automatic reinstatement of sum insured, the maximum amount payable during any **period of insurance** under any item is the **sum insured** shown in the schedule for **section B - All Risks - Specified business equipment** adjusted in accordance with clause 4.2.3 - Index linking.

5 Section C - Buildings

5.1 Property insured

Item 1 Buildings

The fixed permanent structure at the **premises** including outbuildings, landlords fixtures and fittings therein and thereon, walls, gates, fences, yards, car parks, pavements, footpaths, paved areas, fuel oil tanks and diesel tanks, air conditioning units, piping, ducting, cables, wires and associated control gears and accessories and extending to the public mains, security cameras and lights and other fire and security protection devices, affixed signs, television, radio, satellite receiving aerials, communication aerials, their fittings and masts affixed to the buildings and solar panels installations.

Item 2 Tenants improvements

The tenants improvements alterations and decorations at the **premises**.

Item 3 Rent payable

Rent payable by **you** in respect of the buildings at the **premises** becoming unfit for occupation, in whole or in part, as a consequence of **damage**, provided that **we** will not pay for more than the proportion of the **sum insured** on rent that the period necessary for reinstatement bears to the term of rent covered.

5.2 Coverage - Insured perils

We shall indemnify **you** against **damage** to the property insured caused by the under noted perils:

- 5.2.1 Fire (including subterranean fire), explosion, lightning or earthquake;
- 5.2.2 Storm or flood excluding:
 - a) **damage** caused by frost, subsidence, ground heave or landslide;
 - b) **damage** attributable solely to change in water table level;
 - c) **damage** to moveable property in the open;
 - d) **damage** to open-fronted or open sided buildings;
 - e) the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average.
- 5.2.3 Escape of water from any tank, apparatus or pipe excluding:
 - a) **damage** to any building which is **empty** or not in use;
 - b) the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average.
- 5.2.4 Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons excluding:
 - a) **damage** arising from cessation of work;
 - b) as regards **damage** (other than fire or explosion) directly caused by malicious persons not acting on behalf of or in connection with any political organisation:
 - i) **damage** by theft;
 - ii) **damage** in respect of any building which is **empty** or not in use;
 - iii) the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average.
- 5.2.5 Impact with the building by aircraft or other aerial devices or articles dropped from them or by any vehicle, train, animal, falling branch, aerial or mast or satellite dish.
- 5.2.6 Theft or any attempt thereat involving entry to or exit from the building by forcible and violent means excluding:
 - a) **damage** in respect of any building which is **empty** or not in use;
 - b) the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average.
- 5.2.7 Theft by violence or threat of violence to **your** family or **employees** excluding the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average.

- 5.2.8 Leakage of oil from any fixed heating installation.
- 5.2.9 Any other accidental **damage** occurring in the **premises** excluding:
- a) the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average.
 - b) **damage** caused by or resulting from:
 - i) wear and tear the action of light or atmosphere moths, vermin or insects;
 - ii) any process of cleaning, dyeing, restoring, adjusting or repairing;
 - iii) corrosion, dampness, dryness, wet or dry rot, marring, scratching, bruising or deterioration;
 - c) **damage** to any machine or apparatus arising from mechanical electrical or electronic breakdown or derangement or from adjustment maintenance or repair;
 - d) **damage** specifically excluded in insured perils 5.2.1-5.2.8 and 5.2.10
 - e) normal maintenance or repair;
 - f) erasure or distortion of information on computer systems or other records;
 - g) **damage** to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property is **yours** or not or where such **damage** is caused by programming or operator error, **virus or similar mechanism or hacking**;
 - h) any disappearance or shortage revealed only at the time of stock taking or the making of any inventory;
 - i) **damage** by confiscation or detention by Customs or other officials or authorities;
 - j) **damage** following dishonesty or fraudulent action by **your employees** or any person lawfully in the building;
 - k) any shortage due to error or omission;
 - l) **damage** by theft or any attempt thereat;
 - m) **damage** by subsidence ground heave or landslip;
 - n) **damage** to any tank, apparatus or pipe caused by freezing.
- 5.2.10 Subsidence or ground heave of any part of the site on which the **premises** stands or landslip excluding:
- a) the amount of the excess stated in the schedule in respect of each and every loss as ascertained after the application of any condition of average;
 - b) **damage** to yards, car parks, roads, pavements, walls, gates and fences unless also affecting a building insured hereby;
 - c) **damage** caused by or consisting of:
 - i) the normal settlement of 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;
 - v) fire subterranean fire, explosion, earthquake or the escape of water from any tank apparatus or pipe;
 - d) **damage** which originated prior to the inception of this cover.
 - e) **damage** resulting from:
 - i) demolition construction structural alteration or repair of any property; or
 - ii) groundworks or excavation at the **premises**.

Insofar as this insurance relates to **damage** caused by subsidence, ground heave or landslip:

- a) **you** shall notify **us** immediately when **you** become aware of any demolition groundworks, excavation or construction being carried out on any adjoining site;
- b) **we** shall then have the right to vary the terms or cancel the cover.

5.3 Buildings - Other terms and conditions

5.3.1 Basis of claim settlement

- a) Claims for the total loss, destruction or **damage** to buildings will be settled on the basis of rebuilding or replacement of destroyed property or the repair or restoration of the damaged portion of the property in each case in a condition equal to but not better or more extensive than its condition when new provided that:
- i) the buildings are maintained in good repair;
 - ii) no payment beyond the amount which would have been payable under this **section** if this provision had not been incorporated therein shall be made until the cost of reinstatement has actually been incurred.
- b) All claims will be settled without deduction in respect of any increases in the **declared value** at risk between the inception date and the time of the **damage** provided that:
- iv) the **declared value** at the inception of this insurance is not less than the cost of reinstatement at inception;
 - v) **you** provided **us** annually at renewal a revised **declared value**
 - vi) **you** comply with General condition 17.4 - Confirmation of values at risk otherwise **our** liability for any loss is limited to the proportion of the loss that the **declared value** at inception bears to the cost of reinstatement at inception.

5.3.2 Condition of average

(Only applicable where claims are not paid under the terms of the Reinstatement clause 7.2)

If at the time of any **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.

5.3.3 Damage to cables and underground pipes

We will pay the cost of repairing accidental **damage** for which **you** are responsible to cables and underground pipes and drains (and their inspection covers) on the **premises** or connecting them to the public mains provided such **damage** is not caused by rust, corrosion or other wear and tear.

5.3.4 Index linking

We will adjust the **sum insured** in line with suitable indices of costs and the renewal premium for this **section** will be based on the adjusted **sum insured**

5.3.5 Limit of liability

Subject to the provisions at clause 7.7 - Automatic reinstatement of sum insured, the maximum amount payable during any **period of insurance** under any item is the **sum insured** shown in the schedule for buildings of the **premises** adjusted in accordance with clause 5.3.4 - Index linking.

5.3.6 Trace and access

We will pay the reasonable costs necessarily incurred by **you** in locating the source and subsequent making good **damage** resulting from:

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

provided that **our** liability in respect of any one **premises** shall not exceed £25,000 in any one **period of insurance**.

5.3.7 Use of Frying range

It is a condition precedent to liability under **section C** that in respect of any use of deep fat frying ranges at the **premises** the undernoted precautions will be complied with:

- a) an extraction system is fitted to all frying ranges;
- b) frying ranges are fitted with an oil sump which is emptied at least once every seven (7) days;

- c) hoods, ducting or flues have not been installed within eighty millimetres (80mm) of any combustible material including combustible partitions, ceilings and doors unless suitably protected by fire resistant substances or materials;
- d) all frying ranges are equipped with thermostats designed to prevent the temperature of fat and or oils rising above two hundred and five degrees centigrade (205°C) or the supplier's maximum recommended temperature if this is less than two hundred and five degrees centigrade (205°C);
- e) the cooking range, extraction and electrical equipment be serviced regularly at least once a year, either under a maintenance or service agreement, or by **you** or member of **your** staff; provided that a record be kept of all maintenance and servicing work undertaken by **you** or a member of **your** staff such record shall be stored away from the insured **premises**;
- f) all readily accessible equipment is thoroughly cleaned at least once every seven (7) days;
- g) all fats and/or oils or other frying substances not needed for cooking that day are stored in an area separate from the cooking/frying ranges;
- h) metal receptacles with metal lids are used to store waste and batter scraps prior to disposal and are removed from the insured **premises** at the end of each frying session.

5.3.8 **Glass breakage**

You will be indemnified against paying for or making good the breakage or scratching of **glass** (not otherwise insured) in the **premises** and **your** private dwelling portion of the **premises** and in addition the cost of:

- e) temporary boarding-up following breakage;
- f) repair of damage to window frames as a result of such breakage or the cost of removal or replacement of fixtures and fittings in the course of replacement of glass up to a maximum amount of £2,500 for any one loss;
- g) lettering or other ornamental work and alarm foil on glass up to a maximum amount of £2,500 for any one loss.
- h) **We** will not be liable for the first £250 in respect of each and every claim.

5.3.9 **Theft damage**

We will pay costs for which **you** are responsible, necessarily and reasonably incurred by **you** to repair **damage** to the **premises** in consequence of theft or any attempt thereat. **Our** liability under this clause will not exceed the amount of £25,000 in any one **period of insurance**.

6 Section D - Computer breakdown

6.1 Computer breakdown coverage

6.1.1 **We** shall indemnify **you** against **damage** to property insured caused by the undernoted perils:

- a) breakdown or failure of any part of the computer equipment or computer records whilst in ordinary use arising from either mechanical or electrical defect causing a stoppage of normal functions;
- b) failure or fluctuation of the supply of electricity to the computer equipment;
- c) erasure destruction corruption or distortion of software contained or data stored on fixed disks or computer records.

6.2 Computer breakdown cover extensions

The insurance **section D** is further extended to indemnify **you** against:

6.2.1 Increased cost of working

Increased cost of working being the additional expenditure necessarily and reasonably incurred by **you** for the sole purpose to:

- a) prevent or minimise the interruption of or interference with the work normally carried out by or on the computer equipment;
- b) recompile or restore data or software or replace third party proprietary software in direct consequence of **damage** to property insured;

provided that **our** liability does extend beyond the number of months specified in the schedule and does not exceed the **sum insured** stated in the schedule for each of a) and b) above in any one **period of insurance**.

6.2.2 Incompatibility of computer records

the costs of:

- a) modification of the computer equipment; or
- b) replacement of computer records together with **reinstatement** of programs and/or information thereon whichever is the lesser amount to achieve compatibility in the event that the loss of computer equipment has resulted in undamaged computer records being incompatible with the replacement computer equipment;

provided that **our** liability does not exceed £10,000 in any one **period of insurance**.

6.2.3 Additional rental

the additional rental arising out of the replacement of a lease/hire agreement in respect of the property insured by a new contract for a similar property consequent upon **damage** insured by this **section**, provided that **our** liability shall not exceed £10,000 in any one **period of insurance**.

6.2.4 Loss of income

loss as a result of interruption of or interference with the business following **damage**, as defined by clause 6.1.1 above to the computer equipment or computer records against loss of **gross profit** in accordance with the terms and definitions stated in clause 8, by paying for the **indemnity period** (number of months stated in the schedule) the amount by which the **gross profit** during the **indemnity period** shall fall short of the **gross profit** during the equivalent period immediately before the **damage** provided that **our** liability does not exceed the **sum insured** stated in the schedule.

6.3 Computer breakdown exclusions

The insurance by this **section D** excludes and does not cover:

6.3.1 **damage** to the property insured:

- a) occasioned by its own breakdown unless there is in force an approved maintenance agreement providing a minimum service of on call remedial and or corrective maintenance at inclusive costs;
- b) for which any manufacturer supplier agent or maintenance undertaking is responsible under the terms of a guarantee or maintenance agreement;

- c) for which **you** are relieved of responsibility under any rental hire or lease agreement;
- d) caused by any of the insured perils defined under clause 3.2;
- e) caused by or consisting of wear and tear deterioration due to atmospheric or climatic conditions but this exclusion shall not apply to subsequent **damage** which itself results from a cause not otherwise excluded;
- f) caused by a deliberate act of a supply undertaking in withholding the supply of electricity or telecommunication services unless for the sole purpose of safeguarding life;
- g) caused by the inability of the supply undertaking to maintain the supply system due to industrial action by its employees;
- h) caused by the use of telecommunications equipment which is not approved by the telecommunications authority;
- i) caused by it undergoing any process of production, packaging, treatment, testing, commissioning, servicing or repair;
- j) caused by the use of unproven software which has not been finalised or which has not passed all the testing procedures or which has not been successfully proven;
- k) caused by programming errors or design defects in software.

6.3.2 any payment beyond the number of months or **sum insured** stated in the schedule.

6.3.3 the first £250 of each and every loss.

6.3.4 **damage** to computer equipment or other equipment or component system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including without limitation computer records any information or programs or software) directly or indirectly caused by occasioned by or arising from programming or operator error, **virus or similar mechanism** or **hacking**.

6.3.5 in respect of coverage extensions any loss cost or expense incurred in consequence directly or indirectly of programming or operator error, **virus or similar mechanism** or **hacking**.

6.4 Computer breakdown other terms and conditions

6.4.1 Condition of average

Where any claim not paid under the terms of the Reinstatement clause 7.2 then if at the time of any **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.

6.4.2 Index linking

We will adjust the **sum insured** in line with suitable indices of costs and the renewal premium for this **section** will be based on the adjusted **sum insured**.

6.5 Limit of liability

Subject to the provisions of Clause 7.7 - Automatic reinstatement of sum insured the maximum amount payable during any **period of insurance** under any item is the **sum insured** shown in the schedule for the contents of the **premises** adjusted in accordance with clause 6.4.2 - Index linking.

7 Coverage clauses (applicable to sections A, C and D)

7.1 European Community and Public Authorities (including undamaged property)

7.1.1 Subject to clause 7.1.2, the insurance by the **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 'the stipulations') in respect of:
 - i) the **damaged** property thereby insured;
 - ii) undamaged portions thereof.

but excluding:

- a) the cost incurred in complying with the stipulations:
 - i) in respect of **damage** occurring prior to the granting of this clause;
 - ii) in respect of **damage** not insured by the **section**;
 - iii) under which notice has been served upon **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;
 - v) in respect of property entirely undamaged by an insured peril.
- b) the additional cost that would have been required to make good the property **damaged** to a condition equal to its condition when new had the necessity to comply with any of the stipulations not arisen.
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with the stipulations.

7.1.2 Special conditions

- a) The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve (12) months after the **damage** or within such further time as **we** may allow (during the said twelve (12) months and may be carried out upon another site (if the stipulations so necessitate) subject to **our** liability under this clause not being thereby increased;
- b) If **our** liability under the section apart from this clause shall be reduced by the application of any of the terms and conditions of the **policy** then **our** liability under the **section** shall be reduced in like proportion.
- c) The total amount recoverable under any item of the **section** in respect of this clause shall not exceed:
 - i) in respect of the damaged property:
 - I. fifteen (15%) percent of its **sum insured**;
 - II. where the **sum insured** by the item applied to property at more than one **premises**, fifteen (15%) percent of the total amount for which **we** would have been liable had the property insured at the **premises** where the **damage** has occurred been wholly destroyed;
 - ii) in respect of undamaged portions of property (other than foundations) fifteen (15%) percent of the total amount for which **we** would have been liable had the property insured by the items at the **premises** where the **damage** has occurred been wholly destroyed.
- d) The total amount recoverable under any item of the **policy** shall not exceed its **sum insured**.
- e) All the terms and conditions of the **policy** except insofar as they are varied hereby shall apply as if they had been incorporated herein.

7.2 Reinstatement

7.2.1 In the event of the property insured under **section A** (Items 1 and 2), **C** and **section D** being **damaged** the basis upon which the amount payable hereunder is to be calculated shall be the reinstatement of the property **damaged**.

7.2.2 For this purpose 'reinstatement' means

- a) the rebuilding or replacement of property 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 **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.

7.2.3 Special conditions

- a) **Our** liability for the repair or restoration of property **damaged** in part only shall not exceed the amount which would have been payable had such property been wholly destroyed;
- b) If at the time of reinstatement the sum representing eighty five (85%) percent of the cost which would have been incurred in reinstating the whole of the property covered by any item subject to this clause 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 said **sum insured** shall bear to the sum representing the total cost of reinstating the whole of such property at that time;
- c) No payment beyond the amount which would have been payable in the absence of this clause shall be made:
 - i) unless reinstatement commences and proceeds without unreasonable delay;
 - ii) until the cost of reinstatement shall have been actually incurred;
 - iii) if the property insured at the time of its **damage** shall be insured by any other insurance effected by or on **your** behalf which is not upon the same basis of reinstatement.
- d) All the terms and conditions of the **policy** shall apply:
 - i) in respect of any claim payable under the provisions of this clause except insofar as they are varied hereby;
 - ii) where claims are payable as if this clause had not been incorporated.

7.3 Architects, surveyors, legal and consulting engineers fees

Such fees as are 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 its **sum insured**.

7.4 Removal of debris

7.4.1 Costs and expenses necessarily incurred by you with our consent in:

- a) removing debris;
- b) dismantling and/or demolishing;
- c) shoring up or propping of the portion or portions of the property insured as a result of **damage** hereby insured against.

We shall not pay for any costs or expenses:

- a) incurred in removing debris except from the site of such property **damaged** and the area immediately adjacent to the site;
- b) arising from pollution or contamination of property not insured by **sections A, C and D**.

7.4.2 **Our** liability under this clause and **sections A, C and D** in respect of any item shall in no case exceed the **sum insured** thereby.

7.5 Temporary removal

- 7.5.1 The property insured is covered whilst temporarily removed for cleaning, renovation, repair or similar purposes elsewhere and in transit thereto and therefrom all in the **United Kingdom**;
- 7.5.2 **Our** liability under this clause in respect of each item of the **section** for any **damage** occurring elsewhere than at the **premises** shall not exceed fifteen (15%) percent of the **sum insured** by the item;
- 7.5.3 This clause does not apply to property insofar as it is otherwise insured nor as regards losses occurring elsewhere than at the **premises** from which the property is temporarily removed to motor vehicles and motor chassis licensed for normal road use;
- 7.5.4 All the terms and conditions of the **policy** except insofar as they are varied hereby shall apply as if they had been incorporated herein.

7.6 Capital additions

- 7.6.1 The insurance by **sections A, C and D** is extended to cover any newly acquired and/or newly erected buildings or buildings in course of erection (excluding any property for which a building contractor is responsible) and contents insofar as the same are not otherwise insured; and
- a) alterations additions and improvements to buildings and contents but not in respect of any appreciation in value anywhere in the United Kingdom provided that:
- i) at any one situation this cover shall not exceed ten (10%) percent of the **sum insured** or £500,000 whichever is the lower;
 - ii) **you** undertake to give particulars of such extension of cover as soon as practicable and to effect specific insurance thereon retrospective to the date of the commencement of **our** liability;
 - iii) the provisions of this clause shall be fully maintained notwithstanding any specific insurance effected under clause 7.6 1 a) ii).

7.7 Automatic reinstatement of sum insured

- In the event of a loss the **sum insured** hereby shall not be reduced by the amount of such loss provided that **you** shall:
- 7.7.1 pay the appropriate extra premium on the amount of loss from the date thereof to the date of expiry of the **period of insurance**;
- 7.7.2 if the loss results from theft give effect to any additional protective devices which we may require for the further security of the property insured.

7.8 Notice of unoccupancy

We must be notified in writing immediately the **premises** become unoccupied and a suitable extra premium paid if required.

7.9 Amount excluded aggregation clause

Where a claim is to be dealt with under **sections A, C and D** and under the terms of the **policy**, **you** are responsible for the first £250 of **damage** under each **section**. **We** agree that **you** will only be responsible for the first £250 of the claim in aggregate under **sections A and B**.

7.10 Acquisitions

You must inform **us** as soon as practicable of any additional **premises** they acquire

7.11 Change of tenancy

You must advise **us** of all changes in tenancy or occupation within the **premises** in accordance with General condition 17.8 of this **policy**.

7.12 Contract price

In respect only of goods sold but not delivered for which the Insured 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 our** liability 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.

7.13 Empty buildings

7.13.1 Whenever the **premises** stated in the schedule are **empty** the following special terms and conditions will apply:

- a) **you** shall notify **us** immediately they become aware:
 - i) that the building(s) are **empty**;
 - ii) of any **damage** to the **empty** building(s) whether such **damage** is insured or not;
- 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 owned by **you**;
- d) **you** shall secure the buildings and rectify any defects which render the buildings insecure;
- 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).

7.13.2 **We** must be notified in writing immediately any **empty** building or **empty** portion of a building insured hereby becomes occupied or any occupied building becomes **empty** and a suitable extra premium paid if required.

7.14 Fire break doors and shutters

It is a condition precedent to **our** liability that all fire break doors and shutters be kept closed except during working hours and be maintained in efficient working order.

7.15 Fire extinguishing appliances

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

7.16 Mortgagees

The act or neglect of any mortgagor or occupier of any building hereby insured whereby the risk of **damage** is increased without the authority or knowledge of any mortgagees shall not prejudice the interest of the latter party (or parties) in this insurance provided they shall notify **us** immediately on becoming aware of such increased risk and pay additional premium if required.

7.17 Non invalidation

This insurance shall not be invalidated by any act or omission or by an alteration whereby the risk of **damage** is increased unknown to or beyond **your** control provided that immediately **you** become aware thereof shall give **us** notice and pay an additional premium if required.

7.18 Repairs and alterations

Tradesmen may be employed to effect repairs or minor structural alterations in all or any of the buildings insured without prejudice to the insurance hereby

7.19 Sale of property insured

If at the time of **damage you** shall have contracted to sell **your** interest in any building hereby insured and the purchase shall not have been but shall be thereafter 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 **section C** without prejudice to **your** or **our** rights and liabilities until completion

7.20 Subrogation waiver

In the event of a claim arising under **sections A, C and D** we agree to waive any rights remedies or relief to which they might have become entitled by subrogation against:

- 7.20.1 any company standing in relation of parent to subsidiary (subsidiary to parent) to the **insured** as defined in the Companies Act or the Companies (NI) Order as appropriate current at the time of **damage**;
- 7.20.2 any company which is a subsidiary of a parent company of which the **insured** are themselves 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**.

7.21 Designation

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

7.22 Seventy Two Hours Clause

Damage occurring within seventy two (72) consecutive hours of and arising from insured perils 3.2.2 and 5.2.2 (storm or flood) is deemed to be one claim.

You have the right to select the moment from which the seventy-two (72) hour period shall be deemed to have commenced within the terms of **sections A and C**, provided that such **damage** occurred prior to expiry of the **period of insurance**.

7.23 Fire extinguishment expenses and emergency services damage

We will pay an amount for;

- a) extinguishment expenses reasonably incurred by **you** in order to minimise **damage**;
- b) expenses incurred in recharging or repairing **damage** to any gas or sprinkler fire extinguishment system;
- c) damage to lawns gardens playing surfaces and landscaped areas car parks private roads and pathways at the **premises** caused by emergency service vehicles while attending an incident involving **damage** for which **we** have accepted a claim under **sections A and C**;
- d) costs and expenses reasonably incurred by **you** to upgrade or improve any gas or sprinkler fire extinguishment rendered necessary to comply with regulation introduced after the installation of the original system following an incident involving **damage** for which **we** have accepted a claim under **sections A and C**;

except that **our** liability for costs and expenses relating to:

- i) a), b) or c) above and **damage** will not exceed £20,000; or
- ii) d) above will not exceed £50,000,

during any one **period of insurance**.

7.24 Dismantling and re-erection costs

We will pay to **you**, to the extent that the property insured includes machinery and plant, the costs of dismantling, re-erection and re-setting of the machinery and plant as a direct result of **damage** insured by **section A**.

7.25 Accidental discharge of gas systems

In the event of accidental discharge of any gas flooding system installed solely for the protection of the property insured **we** will pay the cost of refilling the cylinder(s) of the system, provided that **our** maximum liability for any one occurrence shall not exceed £10,000.

8 Section E - Business interruption

8.1 Business interruption coverage

8.1.1 If there is **damage** to property used by **you** at the **premises** during the **period of insurance** and in consequence the **business** carried on by **you** at the **premises** is interrupted or interfered with, then **we** will pay in respect of each item of business interruption insurance stated in the schedule the amount of loss resulting from such interruption or interference provided that:

- a) at the time the **damage** occurs there is in force either
 - i) cover under the **sections** Buildings or Contents, or
 - ii) an insurance policy covering the interest of **you** in the property at the **premises** against such **damage** and such property is of a type and kind not excluded by this **section**;
- b) at the time the **damage** occurs **you** have claimed under the policy referred to in a) above and the relevant insurer has paid such claim in full or admitted liability for such claim or would have done so but for the operation of a proviso in such insurance policy excluding liability for losses below a specified amount; and
- c) our liability under this **section** shall not exceed the **sum insured(s)** or any applicable sub limit.

8.1.2 Gross profit/estimated gross profit

Our liability in respect of **gross profit/estimated gross profit** is limited to loss of **gross profit/estimated gross profit** caused by a reduction in **turnover** or an **increase in cost of working**. **Our** liability under this **section** in respect of **gross profit/estimated gross profit** will be:

- a) in respect of reduction in **gross profit**: the sum produced by applying the **rate of gross profit** to the amount by which the **turnover** during the **indemnity period** will, in consequence of the **damage**, fall short of the **standard turnover**;
- b) in respect of **increased cost of working**: the additional expenditure (subject to the provisions of the Specified 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 **damage**, but not exceeding the sum produced by applying the **rate of gross profit** to the amount of the reduction thereby avoided;
- c) minus, regardless of whether the calculation is based on the reduction of **turnover** or **increased cost of working**, any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **gross profit** as may cease or be reduced in consequence of the **damage**;

except that, in either case, if the **sum insured** in respect of **gross profit** is less than the sum produced by applying the **rate of gross profit** to the **annual turnover** (or to a proportionately increased multiple thereof where the **maximum indemnity period** exceeds twelve months), **our** liability will be proportionately reduced.

8.1.3 Gross fees/estimated gross fees

Our liability in respect of **gross fees/estimated gross fees** is limited to loss of **gross fees/estimated gross fees** and **increase in cost of working**. **Our** liability under this **section** in respect of **gross fees/estimated gross fees** will be:

- a) in respect of the reduction in **gross fees**: the amount by which the **gross fees** during the **indemnity period** will, in consequence of the **damage**, fall short of the **standard gross fees**;
- b) in respect of **increased cost of working**: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **gross fees** which but for that expenditure would have taken place during the

indemnity period in consequence of the **damage**, but not exceeding the amount of the reduction thereby avoided;

- c) minus, regardless of whether the calculation is based on, the reduction in **gross fees** or the **increased cost of working** any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **gross fees** as may cease or be reduced in consequence of the **damage**;

except that, in either case, if the **sum insured** in respect of **gross fees** is less than the **annual gross fees** (or a proportionately increased multiple thereof where the **maximum indemnity period** exceeds twelve months), **our** liability will be proportionately reduced.

8.1.4 **Gross revenue/estimated gross revenue**

Our liability in respect of **gross revenue/estimated gross revenue** is limited to loss of **gross revenue/estimated gross revenue** and **increase in cost of working**. **Our** liability under this **section** in respect of **gross revenue/estimated gross revenue** will be:

- a) in respect of the reduction in **gross revenue**: the amount by which the **gross revenue** during the **indemnity period** will, in consequence of the **damage**, fall short of the **standard gross revenue**;
- b) in respect of **increased cost of working**: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **gross revenue** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **damage**, but not exceeding the amount of the reduction thereby avoided;
- c) minus, regardless of whether the calculation is based on, the reduction in **gross revenue** or the **increased cost of working** any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **gross revenue** as may cease or be reduced in consequence of the **damage**;

except that, in either case, if the **sum insured** in respect of **gross revenue** is less than the **annual gross revenue** (or a proportionately increased multiple thereof where the **maximum indemnity period** exceeds twelve months), the **insurer's** liability will be proportionately reduced.

8.1.5 **Increased cost of working**

Our liability under this **section** is limited to the **increased cost of working**.

8.1.6 **Rent receivable**

Our liability in respect of rent receivable is limited to loss of **rent receivable** and additional expenditure and the amount payable under this **section** will be:

- a) in respect of loss of **rent receivable**: the amount by which, in consequence of the damage, the **rent receivable** during the **indemnity period** falls short of the **standard rent receivable**;
- b) in respect of additional expenditure: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **rent receivable** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **damage**, but not exceeding the amount of the reduction in **rent receivable** thereby avoided;
- c) minus any sum saved during the **indemnity period** in respect of such of the expenses and charges payable out of **rent receivable** as may cease or be reduced in consequence of the **damage**;

except that if the **sum insured** in respect of **rent receivable** is less than the **annual rent receivable** (or a proportionately increased multiple thereof where the **maximum indemnity period** exceeds twelve (12) months), **our** liability will be proportionately reduced

8.1.7 **Book debts**

In the event of any of **your** books of account or other business books or records at the **premises** up to a sum insured stated in the schedule being **damaged** by:

- a) an insured peril under Clause 3.2 or 5.2;
- b) glass breakage;

so as to render it impossible for **you** to obtain from **customers** all the sums due to them and outstanding at the date of the **damage** and for which payment shall have been made or liability admitted by an insurer under any insurance covering **your** interest in the property **damaged** then;

we shall indemnify **you** in respect of loss of **book debts** by paying:

- a) the difference solely due to the **damage** between the amount of the **book debts** at the date of the **damage** and the total amount received in payment of them during the twelve (12) months after the **damage**;
- b) any reasonable expenditure incurred in avoiding or diminishing the loss of **book debts** but not more than the loss avoided.

The indemnity provided under this clause shall be void if the **business** be wound up or carried on by a liquidator or receiver or permanently discontinued without **our** consent.

No claim shall be payable unless **you**:

- a) take all action which may be reasonably practicable to minimise or check any interruption or interference with the **business** or to avoid or diminish the loss;
- b) at **your** own expense deliver to **us** in writing a statement setting forth particulars of **your** claim.

8.2 **Business interruption - Cover extensions**

8.2.1 **Additional increased cost of working**

We shall indemnify **you** in respect of additional increased cost of working with the amount limited to the additional expenditure necessarily and reasonably incurred in consequence of the **damage** for the sole purpose of preventing or minimising a reduction in **turnover** or resuming or maintaining normal **business** operations for an amount not exceeding

- a) the **sum insured** stated on the schedule by this item; or
 - b) £50,000
- whichever is the greater.

8.2.2 **Alternative trading clause**

If during the **indemnity period** **goods** are sold or services 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 will be brought into account in calculating the **turnover** during the **indemnity period**.

8.2.3 **Automatic reinstatement of sum insured**

In the event of a loss the **sum insured** hereby shall not be reduced by the amount of such loss provided that **you** shall:

- a) pay the appropriate extra premium on the amount of loss from the date thereof to the date of expiry of the **period of insurance**;
- b) if the loss results from theft give effect to any additional protective devices which **we** may require for the further security of the property insured.

8.2.4 **Contract sites and transit**

We shall indemnify **you** in respect of interruption of or interference with the **business** caused by **damage**, as defined in clause 8.1, to contents and **goods** belonging to or held in trust by **you** whilst temporarily at **premises** not occupied by **you** or whilst in transit by road, rail or inland waterway anywhere within the **United Kingdom** provided that **our** liability under this clause shall not exceed ten (10%) percent of the **sum insured** by this **section** or £100,000 whichever is the greater.

8.2.5 **Denial of access**

We shall indemnify **you** in respect of interruption of or interference with the **business** caused by **damage**, as defined in clause 8.1, to property in the vicinity of the **premises** which shall prevent or hinder the use of the **premises** or access thereto whether the **premises** or **your** property therein shall be **damaged** or not (but excluding **damage** to property of any supply undertaking from which **you** obtain electricity, gas or water or telecommunications services which prevents or hinders the supply of such services).

8.2.6 **Murder, suicide or disease**

We shall indemnify **you** in respect of interruption of or interference with the **business** caused by **damage**, as defined in clause 8.1, arising from:

- a) any human infectious or human contagious disease (excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition) an outbreak of which the local authority has stipulated shall be notified to them manifested by any person whilst in the **premises** or within a twenty five (25) mile radius of it;
- b) murder or suicide in the **premises**;
- c) injury or illness sustained by any person arising from or traceable to foreign or injurious matter in food or drink provided in the **premises**;
- d) vermin or pests in the **premises**;
- e) the closing of the whole or part of the **premises** by order of a competent public authority consequent upon defect in the drains or other sanitary arrangements at the **premises**.

The insurance by this clause shall only apply for the period beginning with the occurrence of the loss and ending not later than three (3) months thereafter during which the results of the **business** shall be affected in consequence of the **damage**.

8.2.7 **Professional accountants charges**

We shall indemnify **you** in respect of reasonable charges payable by **you** to **your** professional accountants for producing any particulars or details contained in **your business** books or such other proofs information or evidence as **we** may require under clause 16.2.1 e) and reporting that such particulars or details are in accordance with **your** business books or documents

8.2.8 **Suppliers**

We shall indemnify **you** in respect of interruption of or interference with the **business** caused by **damage**, as defined in clause 8.1, at any **premises** of any of **your** suppliers within the **United Kingdom**, provided that **our** liability under this clause shall not exceed fifteen (15%) percent of the **sum insured** by this **section** or £250,000 whichever is the greater.

8.2.9 **Supply utilities**

We shall indemnify **you** in respect of interruption of or interference with the **business** caused by **damage**, as defined in clause 8.1, giving rise to **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;
- d) land based **premises** of the public telecommunications undertaking;

from which **you** obtain electricity, gas, water or telecommunication services within the **United Kingdom**

In addition we will indemnify **you** in respect of interruption of or interference with the **business** caused by accidental failure of:

- i) the terminal ends of the electricity supply utility service feeders;
- ii) the supply of gas at the supply utility metres;
- iii) the supply of water at the supply utility main stopcock;
- iv) the supply of telecommunication services at the incoming line terminal or receivers

provided that **our** liability under this clause shall not exceed (fifteen) 15% percent of the **sum insured** by this **section** or £250,000 whichever is the greater.

8.2.10 **Unspecified customers**

We shall indemnify **you** in respect of interruption of or interference with the **business** caused by **damage**, as defined in clause 8.1 at the premises of any of the **insured's** customers' but excluding:

- a) customers specified by a more specific clause by this **policy**;
- b) the premises from which the **insured** obtains electricity, gas, water or telecommunication services;
- c) premises outside the **United Kingdom** or **Eire**;

provided that **our** liability under this clause shall not exceed fifteen (15%) percent of the **sum insured** by this **section** or £250,000 whichever is the greater.

8.2.11 **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.

8.2.12 **Research and development**

We will pay to **you** the additional expenditure incurred as a result of **damage** insured under **sections** Contents and Buildings to property at the **premises** that interrupts the current research and development programme of the **business** except that:

- a) cover will be limited to the additional expenditure necessary to reinstate research and development projects to the stage that they were at immediately prior to the **damage**;
- b) **our** liability under this clause will not exceed £25,000 for any one claim.

8.3 **Business interruption - Exclusions**

The insurance by this **section** excludes and does not insure:

- a) **damage** arising from deliberate erasure loss distortion or corruption of information on computer systems or other records programs or software;
- b) **damage** directly or indirectly caused by or arising from any programming or operator error **virus or similar mechanism** or **hacking** including where this results from the actions of malicious persons other than thieves;
- c) mislaying or misfiling of records and tapes;
- d) the deliberate act of the supply undertaking in restricting or withholding electricity supply;
- e) subject to the provisions of clause 8.2.2 - Automatic reinstatement of sum insured and clause 8.2.6 professional accountants charges, any amount in excess of the **sum insured** shown in the schedule that is the maximum amount **we** are liable to pay during any one **period of insurance**. For the avoidance of doubt professional accounts charges are payable in addition to the **sum insured**.
- f) any payment beyond the **indemnity period** shown on the schedule.

9 Section F - Terrorism

9.1 Terrorism coverage

We will indemnify **you** for **damage** to the **property insured** under the **Section A**-Contents, **Section B** All risks specified business equipment, **Section C** Buildings, and **Section G**- Goods in Transit where such **sections** are shown as operative in the **schedule** caused by an **act of terrorism**;

9.1.1 occurs in Great Britain (meaning England, Wales and Scotland, but not the territorial seas adjacent thereto, as defined by the Territorial Sea Act 1987, nor Northern Ireland nor the Isle of Man nor the Channel Islands); and

9.1.2 it is occasioned by or happening through or in consequence of any act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence; and

9.1.3 such act is certified by HM Treasury or a competent tribunal from time to time as an **act of terrorism**;

provided that in any action, suit or other proceedings where **we** allege that any **damage** or costs and expenses are not covered by this **policy**, the burden of proving the contrary will be upon **you**. However, the burden of proving that an **act of terrorism** is proximately caused by an organisation controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state will be on the **insurer**

9.2 Terrorism exclusions

9.2.1 In addition to the limitations and exclusions applicable to this **section** in the General Exceptions, the following are excluded from and not covered by the insurance under this **section**:

- a) 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**.
- b) any land or building which is occupied as a private residence or any part thereof which is so occupied, unless:
 - i) insured under the same contract of direct insurance as the remainder of the building which is not a private residence and the commercial element of the building occupies more than twenty percent (20%) of the building; or
 - ii) not insured in the name of an individual.

For the purpose of this exclusion, a trustee, beneficiary, executor of a will or sole trader is not deemed to be an individual unless they occupy the premises or any part thereof as their own private residence;

- c) any losses whatsoever 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;
- d) any losses whatsoever directly or indirectly caused by 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** which caused:
 - i) damage to or the destruction of any **computer system**;
 - ii) alteration, modification, distortion, erasure, corruption of **data**; or
 - iii) loss of 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;

whether the property of the **insured** or not.

This exclusion shall not apply to:

- i) losses which are 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; and
- ii) cost or business interruption losses resulting directly from damage to or destruction of **property insured** if any alteration, modification, distortion, erasure or corruption of **data** causes, directly or indirectly, any of the **specified perils** which then indirectly result in **specified losses**.

Electronic risks exclusion or any other electronic, digital or cyber liability exclusion in this policy shall not apply to the extent of loss or liability covered by the Terrorism insured section.

9.3 Other terrorism terms and conditions

9.3.1 Restricted terms

The insurance by this **section** is subject otherwise to all the terms and conditions of this **policy** except that any:

- a) long term undertaking;
- b) terms which provide for adjustments of premium based upon declarations on expiry or during the **period of insurance**;
- c) coverage in respect of **premises** to locations outside England and Wales and Scotland;

will not apply to losses covered under this **section** .

9.3.2 Limit of Liability

Our liability under this **section** in any one (1) **period of insurance** shall not exceed the **sum insured** stated in the **schedule** in respect of all losses arising out of any one (1) occurrence and in the aggregate.

9.3.3 Maximum period

Where the **period of insurance** shown in the **schedule** is for a period greater than twelve (12) months, the cover provided by this **insured section** shall only apply for a period of twelve (12) months and shall be subject to renewal at each annual anniversary.

9.3.4 Seventy two (72) hours clause

The word occurrence shall mean a single loss or series of losses arising out of and directly occasioned by a single event or a single original cause. However, the duration and extent of any single occurrence shall be limited to all individual losses arising in respect of a continuous period of seventy two (72) hours of which the proximate cause is the same **act of terrorism**.

The insured may choose the date and time when any such period of seventy two (72) hours shall commence provided that no two periods overlap and no period commences earlier than the date and time of the happening of the first recorded individual loss to the **insured** as a result of the **act of terrorism**.

Should any such seventy two (72) consecutive hour period extend beyond the expiry or cancellation date, the insurer shall be liable as if such period had fallen entirely within the **period of insurance** of the **policy**.

10 Section G - Goods in transit

10.1 Goods in transit coverage

10.1.1 **We** agree to indemnify **you** against **damage** to **goods** in transit to destinations anywhere in or between the **United Kingdom** and Eire whilst being carried by vehicles operated by you, hauliers, rail or post.

10.1.2 Cover under clause 10.1.1:

- a) commences when the **goods** are lifted immediately prior to loading and continues until arrival at destination including unloading;
- b) 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 **you** own or rent;
- c) includes incoming supplies and **goods** consigned to **you** from addresses within the **United Kingdom** and Eire but only where the supplies and **goods** consigned to **you** are **your** responsibility.

10.2 Goods in transit - cover extensions

10.2.1 Expenses

We will pay expenses reasonably incurred for which **you** are responsible in:

- a) the removal of debris and site clearance of **goods damaged** whilst in transit from the immediate area of the site where the **damage** occurred;
- b) transferring **goods** to any other vehicle following fire collision overturning or impact of the conveying vehicle including carrying the **goods** to original destination or to place of collection;
- c) reloading onto the vehicle any **goods** which have fallen from the vehicle;
- d) resecuring the **goods** where there is dangerous movement of the load in transit.

10.2.2 Personal effects

In the event of the payment of a claim under this **section we** will pay up to £250 for **damage** to drivers personal effects (excluding wear and tear) whilst they are in vehicles operated by **you** but we will not pay for audio/visual/ telecommunications equipment or clothing watches and jewellery whilst being worn.

10.2.3 Ropes and sheets

We 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** except for any **goods** specifically excluded by this **section G**.

10.3 Goods in transit exclusions

The insurance by this **section** excludes and does not cover:

10.3.1 **damage** to money securities for money (which includes certificates of bond stock certificates bills of exchange promissory notes) stamps watches precious stones jewellery bullion nuclear waste or loss of or injury to living creatures;

10.3.2 any indirect or consequential loss;

10.3.3 natural deterioration;

10.3.4 the deterioration of **goods** conveyed in frozen chilled or insulated condition due to:

- a) faulty stowage
- b) incorrect setting or operation of the equipment
- c) variations in temperature

- unless directly caused by fire accident (but not breakdown) to the conveying vehicle theft or attempted theft;
- 10.3.5 electrical or mechanical derangement unless caused by impact;
- 10.3.6 **damage to goods** during any erection dismantling or installation;
- 10.3.7 theft or attempted theft from any unattended vehicle operated by the **insured** unless there are outward signs of forced entry to the vehicle;
- 10.3.8 theft or attempted theft from any unattended vehicle operated by the **insured** between the hours of 9 pm and 6 am unless it is secured at all points of access and is garaged within enclosed **premises** which are securely locked or have a watchman in constant attendance;
- 10.3.9 theft or attempted theft from any unattended vehicle operated by the **insured** unless all doors and points of access are securely locked and windows and other openings securely closed;
- 10.3.10 any amount in excess of the limits shown in the schedule.

10.4 Other goods in transit terms and conditions

10.4.1 Basis of valuation

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

10.4.2 Basis of claims settlement

This will normally be a payment in money but **we** have the option to repair replace or reinstate goods **damaged**. In the event of **damage** to any part of a machine which when complete for sale or use consists of several parts **we** will only pay for the value of the part actually **damaged** including any replacement charges.

10.4.3 Reinstatement of sum insured

We will automatically reinstate the limits shown in the **policy** schedule from the date of any loss unless we give written notice to the contrary. **You** may be required to pay extra premium and if the loss has resulted from theft **we** may require that **you** fit additional protective devices to the vehicle

11 Section H - Personal accident

11.1 Personal accident coverage

We agree to pay compensation to the **insured person** on the basis of and in accordance with the terms of this **section** and the benefit amounts specified in the schedule in respect of **injury** sustained during the **period of insurance** causing:

- Item 1 Death or other capital benefits being total loss or permanent total loss of use of one or more limbs, total and irrecoverable loss of:
- a) all sight in one or both eyes
 - b) speech
 - c) hearing

Item 2 **Permanent total disablement** (other than specified in Item 1 above)

Item 3 **Temporary total disablement**

Item 4 **Temporary partial disablement**

provided that:

- a) compensation will not be payable under more than one of the items above for the same **injury**; and
- b) payment under Item 3 or item 4 will cease if benefit under either Item 1 or 2 becomes payable when the sums paid under Items 3 and/or 4 will be deducted from the amount of benefit payable under Item 1 or 2.

11.1.1 Benefit period

- a) Item 3 is payable for a maximum period of 104 weeks (but not necessarily consecutive weeks) in respect of any one injury sustained by an **insured person**;
- b) Item 4 is payable for a maximum period of 52 weeks (but not necessarily consecutive weeks) in respect of any one injury sustained by an **insured person**.

11.2 Personal accident - exclusions

The insurance by this **section** excludes and does not cover:

11.2.1 the **deferment period**.

11.2.2 **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 the practice of 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 any sport undertaken on a professional or semi-professional basis;
- e) due to contributed to or accelerated by insanity;
- f) resulting from any operational duties as a member of the Armed Forces;
- g) resulting directly or indirectly from pregnancy or childbirth;
- h) resulting from or engaging in winter sports other than curling or skating.

11.2.3 suicide self inflicted injuries (other than in an attempt to save life) or venereal infection.

11.2.4 **injury** sustained whilst under the influence of or disablement due wholly or partly to the effects of alcohol 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;

- 11.2.5 any claim arising directly or indirectly from Injury attributable to HIV (Human Immune Deficiency Virus) and/or any HIV related illness including AIDS (Acquired Immune Deficiency Syndrome) and/or mutant derivative(s) or variation(s) thereof however caused;
- 11.2.6 death or disablement directly or indirectly resulting from or consequent upon any **pre-existing condition** not declared to and accepted by us in writing, or any **injury** contributed to or aggravated by any specifically excluded or **pre-existing condition**, and any condition or body part specifically excluded by endorsement attached to or incorporated in the schedule.
- 11.2.7 **injury** resulting from **terrorism**.

11.3 Other Personal accident terms and conditions

- 11.3.1 On the happening of any event which may give rise to a claim **you** shall provide all certificates information and evidence required by **us** at our expense and in such form as **we** may require. The **insured person** as often as required shall submit to medical examination on **our** behalf and at **our** expense in respect of any alleged **injury**.

12 Section I - Employers' liability

12.1 Employers' liability coverage

We will indemnify **you** against all sums that **you** shall become legally liable to pay as damages, including claimant costs recoverable from **you**, arising out of **bodily injury** caused during the **period of insurance**, within the **territorial limits** and sustained by an **employee** in the course of employment by **you** in the course of the **business** except where such employment is undertaken temporarily outside the **United Kingdom** the **employee** must be:

- a) ordinarily resident within the **United Kingdom** at the time the **bodily injury** is caused; and
- b) intending to return to the **United Kingdom** following completion of the temporary overseas employment and the temporary overseas employment outside the **United Kingdom** is not intended or planned to exceed twelve (12) months duration.

Provided that any temporary overseas employment undertaken in **North America** applies only to clerical, promotional, sales conference attendance and other similar non-manual work.

12.1.1 Limit of indemnity

Our liability under this **section** for damages including **costs and expenses** payable in respect of any one claim against **you** or series of claims against **you** arising out of one cause shall not exceed the amount stated as the limit of indemnity in the schedule.

12.1.2 Right of recovery

The indemnity granted by **section I** is deemed to be in accordance with the provisions of the Employers' Liability (Compulsory Insurance) Act 1969 and the Employers Liability (Compulsory Insurance) Regulations 1998 or any subsequent amendment or re-enactment or similar legislation in Northern Ireland, the Isle of Man and the Channel Islands.

Where any condition precedent, exclusion, term or condition of this **policy** is deemed prohibited by the act or regulations, then **we** will provide an indemnity to the **employee** under the terms of **section I** but **you** will repay to the **insurer** that part of **our** indemnity for which **we** would not otherwise have been liable under this **policy** by reason of any such breach of condition precedent, term, condition or exclusion.

12.2 Employers' liability - cover extensions

This **section** shall extend to include the following:

12.2.1 Additional persons insured

- a) In the event of the death of any person entitled to indemnity under this **section**, **we** will indemnify in the terms of this **policy** the deceased's legal personal representatives but only in respect of liability incurred by such deceased person;
 - b) At **your** request **we** will indemnify in the terms of this **section**:
 - i) any principal in respect of liability arising out of the performance by **you** of any agreement entered into by **you** with the principal to the extent required by such agreement;
 - ii) any director of **yours** or **employee** in respect of liability arising in connection with the **business** provided that **you** would have been entitled to indemnity under the **section** if the claim had been made against **you**;
 - iii) any officer, committee or member of **your** canteen, sports, social or welfare organisations, fire security, first aid, medical or ambulance services in their respective capacities as such;
 - iv) any director or senior official of **yours** in respect of private work undertaken by any **employee** for such director or senior official;
- provided that:
- I) each person shall as though he were the **insured** observe fulfil and be subject to the terms of this **policy** insofar as they can apply;
 - II) **we** shall retain the sole conduct and control of all claims.

12.2.2 Compensation for court attendance

In the event of any of the under-mentioned persons attending court as a witness at **our** request in connection with a claim in respect of which **you** are entitled to indemnity under this **section**, **we** shall provide compensation to **you** at the following rates per day for each day on which attendance is required for:

- | | |
|---|------|
| a) any of your directors or partners | £500 |
| b) any employee | £250 |

12.2.3 Contractual liability

Where any contract or agreement entered into by **you** so requires **we** will:

- a) indemnify **you** against liability arising in connection with and assumed by **you** by virtue of such contract or agreement but only so far as concerns liability as defined in this **section** to **your employees**; and

- b) waive rights of subrogation against any party specified in the contract or agreement;

provided that:

- i) **you** shall arrange for such other parties as may be indemnified by any such contract or agreement, to observe and fulfil the terms and conditions of this insurance so far as they can apply;
- ii) **we** shall retain the sole conduct and control of all claims.

12.2.4 Cross liabilities

If more than one insured is referred to in the **policy** schedule this **section** shall apply to each one as if a separate **policy** had been issued to each provided that the total amount of indemnity payable to all parties in respect of damages shall not exceed the limit of indemnity.

12.2.5 Data Protection Act 1998

We will indemnify **you** and if **you** so require any **employee** in respect of their liability under the Data Protection Act 1998 ('DPA') to pay:

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

12.2.6 Injury to working partners

If **you** are a working partner the cover will apply as though **you** were an employed person as long as:

- a) **bodily injury** is sustained while **you** are working in connection with the **business**;
- b) **bodily injury** is caused by another partner or employed person while working in connection with the **business**;
- c) **you** have a valid right of action for negligence against the other partner or employed person.

12.2.7 Statutory defence costs including Health and Safety at Work, etc. Act 1974

We will, with its prior consent, indemnify **you** and at **your** request, any additional insured person, in respect of **costs and expenses** reasonably incurred in defending:

- a) any alleged breach of statutory duty (including any prosecution brought under sections 2 to 8 of the Health and Safety at Work, etc. Act 1974, Health and Safety at Work (Northern Ireland) Order 1978 or similar legislation in the Isle of Man or the Channel Islands) or criminal proceedings brought; and / or
- b) any alleged breach of statutory duty under the Protection from Harassment Act 1997; and/or
- c) allegations (whether under common law or statute) of manslaughter, corporate manslaughter or corporate homicide made against **you** or any additional insured person;

provided that the prosecution or proceedings relate to:

- i) an offence alleged to have been committed during the **period of insurance** and in the course of **business**;
- ii) **bodily injury** to or potential **bodily injury** to **employees** including their health, safety and welfare;

and, **we** will also pay:

- iii) the **costs and expenses** of appeal including appeal against improvement and prohibition notices incurred with **our** written consent;
- iv) prosecution costs awarded against **you**;

but the indemnity by this clause excludes and does not cover any amount (including **defence costs**):

- v) for which **you** or any additional insured person are entitled to indemnity by any other legal expenses, motor or employment protection policy;
- vi) in respect of allegations provided by this clause (statutory defence costs) but not those relating to prosecution costs (clause viii below) or manslaughter, corporate manslaughter or corporate homicide (clause vii below), in excess of a **sub-limit of indemnity** of £1,000,000, any one claim or series of claims arising out of the same prosecution or proceedings.
- vii) in respect of allegations of manslaughter, corporate manslaughter or corporate homicide (manslaughter defence costs), in excess of a **sub-limit of indemnity** of £1,000,000, any one claim or series of claims arising out of the same prosecution or proceedings.
- viii) in respect of prosecution costs (prosecution costs) in excess of a **sub-limit of indemnity** of £1,000,000, any one claim or series of claims arising out of the same prosecution or proceedings.

12.2.8 Unsatisfied court judgments

In the event of **bodily injury** caused during the **period of insurance**, within the **territorial limits** and sustained by an **employee** in the course of employment by **you** in the course of the **business** which results in a judgement for damages being obtained by such **employee** or his personal representatives and which remains unsatisfied in whole or in part six (6) months after the date of such judgement, **we** will at **your** request pay to the **employee** or his personal representatives the amount of any such damages and any awarded costs to the extent that they remain unsatisfied provided that:

- a) the judgement for damages is obtained
 - i) in a court of law within the **United Kingdom**;
 - ii) against a company partnership or individual other than **you** conducting business at or from **premises** within the territories described in 12.2.7 a) i);
- b) there is no appeal outstanding;
- c) the judgement relates to **bodily injury** which would otherwise be within the terms of the **policy**;
- d) if any payment is made under the terms of this extension the **employee** or the personal representatives of the **employee** shall assign the judgment to **us**;

12.3 Employers' liability exclusions

12.3.1 Vehicles

This **section** excludes and does not cover liability for **bodily injury** sustained by an **employee** when the **employee** is:

- a) being carried in or upon a vehicle; or
- b) entering or getting onto or alighting from a vehicle

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

12.3.2 Radioactive contamination

So far as concerns the liability of any principal or liability assumed by **you** under agreement and which would not have attached in the absence of such agreement this **section** excludes and does not cover liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

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

12.3.3 Offshore work

This **section** excludes and does not cover liability arising from or caused by work **offshore**.

13 Section J - Public and products liability

13.1 Public and products liability coverage

13.1.1 **We** will indemnify **you** against all sums that **you** shall become legally liable to pay as damages and claimant's cost in respect of accidental:

- a) **bodily injury** to any person;
 - b) **damage** to tangible property;
 - c) obstruction trespass nuisance or interference with any right of way air, light or water or other easement;
 - d) wrongful arrest detention imprisonment or eviction of any person or invasion of the right of privacy;
 - e) **advertising injury**;
- occurring during the **period of insurance**:
- i) within the **territorial limits**;
 - ii) in the course of the **business**; or
 - iii) caused by the **products**;

but excluding liability arising from or caused by **pollution**.

Provided that any temporary overseas work undertaken outside the **United Kingdom** and other member state of the European Union applies only to clerical, promotional, sales conference attendance and other similar non-manual activities.

13.1.2 **Pollution coverage**

Further **we** will indemnify **you** against all sums that **you** shall become legally liable to pay as damages and claimant's cost in respect of accidental:

- a) **bodily injury** to any person;
- b) **damage** to tangible property;
- c) denial of access;

arising out of or from **pollution** occurring during the course of **business** provided that the **pollution** is caused by a sudden, identifiable, unintended and unexpected incident that takes place in its entirety at a specific moment in time and place during the **period of insurance**.

13.1.3 **Limit of indemnity**

Our liability for all damages payable to any claimant or number of claimants as a result of any one occurrence or all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the limit of indemnity stated in the schedule but this limit of indemnity shall be the maximum amount payable in any one **period of insurance** in respect of liability arising from or caused by:

- a) **products**; or
- b) **pollution**;

For the avoidance of doubt **costs and expenses** are payable in addition to the limit of indemnity except as provided for in clause 13.1.4.

13.1.4 **USA and Canada**

Insofar as this **policy** applies to legal liability arising in the United States of America or Canada or if an action for damages is commenced therein or if any subsequent action in connection therewith is brought elsewhere in the world **our** liability in respect of all damages payable, claimant's costs and all other **costs and expenses** incurred with **our** written consent shall not exceed the limit of indemnity.

13.2 Public and products liability cover extensions

13.2.1 Additional persons insured

- a) In the event of the death of any person entitled to indemnity under this **section**, **we** will indemnify in the terms of this **policy** the deceased's legal personal representatives but only in respect of liability incurred by such deceased person;
- b) At **your** request **we** will indemnify in the terms of this **section**:
 - i) any principal in respect of liability arising out of the performance by **you** of any agreement entered into by **you** with the principal to the extent required by such agreement;
 - ii) any director of **yours** or **employee** in respect of liability arising in connection with the **business**, provided that **you** would have been entitled to indemnity under the **section** if the claim had been made against **you**;
 - iii) any officer, committee or member of **your** canteen, sports, social or welfare organisations, fire, security, first aid, medical or ambulance services in their respective capacities as such;
 - iv) any director or senior official of **yours** in respect of private work undertaken by any **employee** for such director or senior official;

provided that:

- I. each person indemnified by this clause shall as though he were **you** observe fulfil and be subject to the terms of this **policy** insofar as they can apply;
- II. **we** shall retain the sole conduct and control of all claims;
- III. where **we** are required to indemnify more than one party the total amount of indemnity payable to all parties in respect of damages shall not exceed the limit of indemnity.

13.2.2 Compensation for court attendance

In the event of any of the under-mentioned persons attending court as a witness at **our** request in connection with a claim in respect of which **you** are entitled to indemnity under this **section** **we** shall provide compensation to **you** at the following rates per day for each day on which attendance is required:

- a) any of **your** directors or partners £500
- b) any **employee** £250

13.2.3 Contingent motor liability

Notwithstanding exclusion at 13.3 d) of this **section**, **we** shall indemnify **you** against legal liability in respect of **bodily injury** or **damage** arising out of the use in connection with the **business** of any motor vehicle not owned or provided by **you**.

The indemnity will not apply to legal liability:

- a) in respect of **damage** to such vehicle or to goods conveyed therein or thereon;
- b) in respect of **injury** or **damage** arising while such vehicle is being:
 - i) driven by **you**;
 - ii) driven with **your** general consent or of **your** representative by any person who to **your** knowledge or **your** representative knowledge does not hold a licence to drive a vehicle unless such person has held and is not disqualified from holding such a licence;
 - iii) used elsewhere than in the **United Kingdom**;
- c) in respect of which **you** are entitled to indemnity under any other insurance.

13.2.4 **Contractual liability**

Where any contract or agreement entered into by **you** so requires **we** will:

- a) indemnify **you** against liability arising in connection with and assumed by **you** by virtue of such contract or agreement but only so far as concerns liability as defined in this section; and
- b) waive rights of subrogation against any party specified in the contract or agreement;

provided that:

- i) **you** shall arrange for such other parties as may be indemnified by any such contract or agreement, to observe and fulfil the terms and conditions of this insurance so far as they can apply;
- ii) **we** shall retain the sole conduct and control of all claims.

13.2.5 **Cross liabilities**

If more than one **insured** is referred to in the **policy** schedule this **section** shall apply to each one as if a separate **policy** had been issued to each provided that the total amount of indemnity payable to all parties in respect of damages shall not exceed the limit of indemnity.

13.2.6 **Data Protection Act 1998**

We will indemnify **you** and if **you** so require any **employee** in respect of their liability under the Data Protection Act 1998 ('DPA') to pay:

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

13.2.7 **Defective premises Act**

We will indemnify **you** in respect of **bodily injury** or **damage** to property which **you** may incur as owner by virtue of the Defective Premises Act 1972 in connection with any premises which have been disposed of by **you** and which prior to disposal were occupied by **you** in connection with the **business**, provided that **we** shall not be liable for:

- a) any liability for which **you** are entitled to indemnity under any other policy of insurance;
- b) **bodily injury** or **damage** happening prior to such disposal;
- c) the cost of repairing, replacing or reinstating any defect giving rise to such claim or for the rectification of faulty workmanship.

13.2.8 Motor vehicle liability

Notwithstanding exclusion 13.3.d) **section J** Public and products liability is extended to indemnify **you** in respect of liability arising out of or from:

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

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

13.2.9 Overseas personal liability

We shall indemnify **you** and if **you** so request any director or partner of **yours** or any **employee** or spouse of such person against legal liability incurred in a personal capacity whilst temporarily outside the **United Kingdom** in the course of the **business**.

The indemnity provided by this clause will not apply to legal liability:

- a) arising out of the ownership or occupation of land or buildings;
- b) in respect of which any person referred to above is entitled to indemnity under any other insurance.

13.2.10 Statutory defence costs including Health and Safety at Work, etc. Act 1974

We will, with its prior consent, indemnify **you** and at **your** request, any additional insured person, in respect of **costs and expenses** reasonably incurred in defending:

- d) any alleged breach of statutory duty (including any prosecution brought under sections 2 to 8 of the Health and Safety at Work, etc. Act 1974, Health and Safety at Work (Northern Ireland) Order 1978 or similar legislation in the Isle of Man or the Channel Islands) or criminal proceedings brought; and / or
- e) any alleged breach of statutory duty under the Protection from Harassment Act 1997; and/or
- f) allegations (whether under common law or statute) of manslaughter, corporate manslaughter or corporate homicide made against **you** or any additional insured person;

provided that the prosecution or proceedings relate to:

- ix) an offence alleged to have been committed during the **period of insurance** and in the course of **business**;
- x) **bodily injury** to or potential **bodily injury** to persons other than **employees** including their health, safety and welfare;

and, **we** will also pay:

- xi) the **costs and expenses** of appeal including appeal against improvement and prohibition notices incurred with **our** written consent;
- xii) prosecution costs awarded against **you**;

but the indemnity by this clause excludes and does not cover any amount (including **defence costs**):

- xiii) for which **you** or any additional insured person are entitled to indemnity by any other legal expenses, motor or employment protection policy;
- xiv) in respect of allegations provided by this clause (statutory defence costs) but not those relating to prosecution costs (clause viii below) or manslaughter, corporate manslaughter or corporate homicide (clause vii below), in excess of a **sub-limit of indemnity** of £1,000,000, any one claim or series of claims arising out of the same prosecution or proceedings.
- xv) in respect of allegations of manslaughter, corporate manslaughter or corporate homicide (manslaughter defence costs), in excess of a **sub-limit of indemnity** of £1,000,000, any one claim or series of claims arising out of the same prosecution or proceedings.
- xvi) in respect of prosecution costs (prosecution costs) in excess of a **sub-limit of indemnity** of £1,000,000, any one claim or series of claims arising out of the same prosecution or proceedings.

For the avoidance of doubt the under noted statutes, whilst not exhaustive, are included within the statutes or regulations contemplated for which defence costs are insured by this clause:

- a) Health and Safety at Work, etc. Act 1974, but only sections 2 to 8,
- b) Health and Safety at Work (Northern Ireland) Order 1978,
- c) The Trade Description Act 1968
- d) Part II of the Consumer Protection Act 1987
- e) Part II of the Food Safety Act 1990.

13.2.11 Tenants liability

If the **premises** are leased, let, rented, hired or lent to **you**, exclusion 13.3 b) ii) of this **section** shall not apply provided that the indemnity will not apply to legal liability in respect of:

- a) **damage** arising under agreement unless liability would have attached to **you** in the absence of such agreement;
- b) the first £100 of any claim caused otherwise than by fire or explosion;
- c) **damage** caused by fire or any other peril against which a tenancy or other agreement stipulates that insurance shall be effected by or on **your** behalf.

In addition **we** will indemnify **you** for legal liability in respect of all sums which **you** may be legally liable to pay as tenant for the cost of repairing accidental **damage** to cables and underground pipes and drains (and their inspection covers) on the **premises** or connecting them to the public mains.

13.3 Public and products liability exclusions

The insurance by this **section** excludes and does not cover liability for any claim in respect of:

- a) **bodily injury** to any **employee**;
- b) **damage** to:
 - i) property belonging to **you**;
 - ii) property which is leased let rented hired or lent to or which is the subject of a bailment to **you**;
- c) the costs of remedying any defect or alleged defect in land or **premises** sold or disposed of by **you** or for any reduction in value thereof;
- d) the ownership possession or use by or on **your** behalf of any craft (air or waterborne) or mechanically-propelled vehicles (including power assisted cycles) other than mechanically-propelled garden implements used within the grounds of the **premises**;
- e) work on **offshore** installations;
- f) or arising out of or in connection with advice, design, plans, specifications, formulae, surveys or directions prepared or given by **you** or on **your** behalf for a fee but this shall not exclude such liability arising in conjunction with **products** supplied;
- g) any action for damages brought in a Court of Law of any territory outside the **United Kingdom** in which **you** have a branch or subsidiary or is represented by a party domiciled in such territory or by a party holding **your** Power of Attorney;
- h) legal liability which attaches by virtue of an express warranty indemnity or guarantee given or entered into by **you** in connection with any **products** supplied and which would not have attached in the absence of such warranty or guarantee;
- i) the first £250 of each and every claim for **damage** to property;
- j) **bodily injury, damage or pollution** caused by or in connection with anything sold or supplied by **you** or which to **your** knowledge are directly or indirectly exported to the United States of America or Canada;
- k) liquidated damages, fines or penalties, punitive damages, aggravated damages, any additional damages resulting from the multiplication of compensatory damages;
- l) anything (other than the **products**) that **you** have sold or supplied;
- m) or caused by any work involving the manufacture, mining, processing, use, installation, storage, removal, stripping out, demolition, disposal, distribution, inspection or testing of or exposure to asbestos, asbestos fibres, asbestos dust, or asbestos containing materials;
- n) any **product** or part thereof which with the **Insured's** knowledge is intended to be incorporated into the structure, machinery or controls of any aircraft, other aerial device or satellite;
- o) pure financial loss that is not consequent upon **bodily injury or damage**;
- p) work undertaken in or on aircraft or watercraft, airport or aerodrome runways manoeuvring areas or aprons or those parts of airports or aerodromes to which aircraft have access, railways or railway installations, chemical or petro-chemical works, oil refineries, gas works, fuel storage facilities, power stations, nuclear plant, bridges, viaducts, tunnels, dams, chimney shafts, towers or steeples;
- q) work involving the use of explosives;
- r) work involving excavations below three (3) metres in depth;
- s) work carried out at a height in excess of fifteen (15) metres.

13.4 Other Public and products liability terms and conditions

13.4.1 Discharge of liability

We may pay the limit of indemnity or any lesser amount for which any claim or claims against **you** can be settled and **we** shall be under no further liability in respect of such claim or claims except for costs or expenses incurred prior to the date of such payment.

13.4.2 Heat away from premises

It is a condition precedent to **our** liability under this insurance that, when using a naked flame or other heat source including but not limited to:

- a) oxyacetylene;
- b) electric arc or similar welding, cutting, grinding or other spark emitting equipment;
- c) blow lamps;
- d) otherwise applying heat;

away from **your** premises, **you** and **your employees** shall take all reasonable precautions to prevent **damage**.

Where the use of heat away from **your** premises involves:

- a) oxyacetylene;
- b) electric arc or similar welding, cutting, grinding or other spark emitting equipment;
- c) blow lamps;
- d) otherwise applying heat;

and the work is subcontracted; then **you** shall require the subcontractor to also take all reasonable precautions to prevent **damage**.

The term 'reasonable precautions' shall include but not be limited to the following:

- a) Before Starting Work:
 - i) a person shall be made responsible for fire safety and for ensuring that reasonable precautions are taken;
 - ii) all persons shall be made aware of the location of the site's fire alarms and fire fighting equipment;
 - iii) the responsible person shall examine all property within a radius of six (6) metres from where the heat is being applied and where possible, remove all combustible materials or otherwise cover and protect by overlapping sheets or screens of non-combustible material.
- b) During the Process of Work
 - i) a person shall work alongside the operator of the equipment to look out for an outbreak of fire and there shall be available for immediate use a hose connected to the nearest hydrant with water turned on and controllable at the nozzle of the hose. If water is not available or unsuitable or provision of such a hose is not practical, then two (2) fully charged fire extinguishers must be available and if used during the process, the heat work must cease until two (2) fully charged fire extinguishers are made available,
 - ii) the lighting of equipment shall be in accordance with manufacturer's instructions and no piece of lighted equipment shall be left unattended,
 - iii) gas cylinders not required for immediate use shall be kept at least six (6) metres from where the heat is being applied.
- c) After Ceasing Work
 - i) a continuous examination for one (1) hour shall be made of the area within a radius of six (6) metres from where the heat has been applied to ensure that there is no risk of fire.

Furthermore where **you** or persons acting on **your** behalf burns debris away from their **premises**, it is a condition precedent to **our** liability under this insurance that the following precautions must be taken on each occasion:

- a) fires to be in a cleared area and at a distance of at least ten (10) metres from any property;
- b) fire not to be left unattended at any time;

- c) a suitable fire extinguisher to be kept available for immediate use;
- d) fires to be extinguished at least one (1) hour prior to leaving site at the end of each working day.

13.4.3 **Bona fide subcontractors**

It is a condition precedent to **our** liability under **section J** that whenever work is undertaken on **your** behalf by bona fide subcontractors **you** will establish and maintain an administrative procedure for obtaining evidence that bona fide subcontractors effect public liability insurance that:

- a) covers the work to be undertaken by the bona fide subcontractor;
- b) is subject to a limit of indemnity of not less than £2,000,000;
- c) includes an indemnity to principles' clause;
- d) is revalidated every twelve (12) months throughout the duration of their contract with **you**.

14 Section K - Legal expenses

14.1 Legal expenses cover

14.1.1 This **section** will cover the **person insured** in respect of any insured incident arising in connection with the **business** shown in the **schedule** provided that:

- a) **reasonable prospects** exist for the duration of the claim;
- b) the **date of occurrence** of the insured incident is during the **period of insurance**;
- c) any legal proceedings will be dealt with by a court, or other body which **we** agree to, within the **territorial limits**; and
- d) the insured incident happens within the **territorial limits**.

For the purpose of this **section** 'insured incident' refers to the indemnity provided by:

- I) Employment dispute and compensation awards
- II) Legal defence
- III) Statutory licence appeal
- IV) Property protection and bodily injury
- V) Tax protection
- VI) Contract disputes

as describe more fully under.

14.1.2 What we will pay

We will pay an **appointed representative**, on **your** behalf, **legal expenses costs** incurred following an insured incident, and any compensation awards that **we** have agreed to, provided that:

- a) the most **we** will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is shown as the limit of indemnity in the **schedule**;
- b) the most **we** will pay in **legal expenses costs** is no more than the amount **we** would have paid to a **preferred law firm or tax consultancy**;
- c) in respect of an appeal or the defence of an appeal, **you** must tell **us** within the time limits allowed that **you** want to appeal. Before **we** pay the **legal expenses costs** for appeals, **we** must agree that **reasonable prospects** exist;
- d) for an enforcement of judgment to recover money and interest due to **you** after a successful claim under this policy, **we** must agree that **reasonable prospects** exist; and
- e) where an award of damages is the only legal remedy to a dispute and the cost of pursuing legal action is likely to be more than any award of damages, the most **we** will pay in **legal expenses costs** is the value of the likely award;
- f) in respect of insured incident – Legal defence the maximum **we** will pay is the **person insured's** net salary or wages for the time that the **person insured** is absent from work less any amount the court pays.

14.1.3 What we will not pay

- a) In the event of a claim, if **you** decide not to use the services of a **preferred law firm or tax consultancy**, **you** will be responsible for any costs that fall outside the **DAS standard terms of appointment** and these will not be paid by **us**.
- b) The total of the compensation awards payable by **us** shall not exceed £1,000,000 in any one **period of insurance**.

14.2 Employment disputes and compensation awards

14.2.1 Employment disputes

We will defend **your** legal rights:

- a) prior to the issue of legal proceedings in a court or tribunal following the dismissal of an **employee**; or
- b) in the resolution of unfair dismissal disputes under the ACAS Arbitration Scheme; or
- c) in legal proceedings in respect of any dispute relating to:
 - i) a contract of employment with **you**; or
 - ii) an alleged breach of the statutory rights of an **employee**, prospective **employee** or ex-**employee** under employment legislation.

14.2.2 Compensation awards

We will pay:

- a) any basic and compensatory award; and/or
- b) an order for compensation following a breach of **your** statutory duties under employment legislation;

in respect of a claim **we** have accepted under clause 4 provided that:

- c) in cases relating to performance and/or conduct, **you** have throughout the employment dispute either:
 - i) followed the ACAS Code of Disciplinary and Grievance Procedures; or
 - ii) followed equivalent codes of practice issued by the labour relations agency in Northern Ireland; or
 - iii) sought and followed advice from **our** legal advice service.
- d) for an order of compensation following **your** breach of statutory duty under employment legislation **you** have at all times sought and followed advice from **our** legal advice service since the date when **you** should have known about the employment dispute.
- e) for any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, **you** have sought and followed advice from **our** claims department prior to serving notice of redundancy.
- f) the compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by **us**.
- g) the total of the compensation awards payable by **us** shall not exceed £1,000,000 in any one **period of insurance**.

14.2.3 Employee civil legal defence

We will defend the **person insured's** (other than **your**) legal rights if:

- a) an event arising from their work as an **employee** leads to civil action being taken against them under legislation for unlawful discrimination; or
- b) civil action is taken against them as a trustee of a pension fund set up for the benefit of **your employees**.

*Please note that **we** will only provide cover for a **person insured** (other than **you**) at **your** request.*

14.2.4 Service Occupancy

We will negotiate for **your** legal rights against an **employee** or ex-**employee** to recover possession of premises owned by, or for which **you** are responsible.

14.3 Legal defence

At **your** request

14.3.1 **We** will defend the **person insured's** legal rights:

- a) prior to the issue of legal proceedings when dealing with the:
 - i) police;
 - ii) health and safety executive and/or local authority health and safety officer;

where it is alleged that the **person insured** has or may have a criminal offence; or

- b) following an event which leads to the **person insured** being prosecuted in a court of criminal jurisdiction (please note **we** will only cover criminal investigations and/or prosecutions which arise in direct connection with the activities of the **business** shown in the **schedule**); or
- c) if civil action is taken against the **person insured** for compensation under section 13 of the Data Protection Act 1998. **We** will also pay any compensation award made against the **person insured** under section 13 of the Data Protection Act 1998; or
- d) in an appeal against the refusal of the Information Commissioner to register **your** application for registration.

14.3.2 **We** will defend **your** legal rights following civil action taken against **you** for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the **period of insurance**.

14.3.3 **We** will represent the **person insured** in appealing against the imposition or terms of any statutory notice issued under legislation affecting **your business** except for any claim in connection with **your** license, mandatory registration or British Standard Certificate of Registration, or a Statutory Notice issued by a **person insured's** regulatory or governing body.

14.3.4 **We** will pay for a **person insured's** absence from work:.

- a) to perform jury service
- b) to attend any court or tribunal at the request of the **appointed representative**.

The maximum **we** will pay is the **person insured's** net salary or wages for the time that they are absent from work less any amount **you** the court or tribunal, have paid them.

Provided that:

- c) in so far as proceedings under the Health and Safety at Work etc Act 1974 are concerned, in respect of clause 4. a) and b) the **territorial limit** shall be any place where the act applies;
- d) in respect of clause 4 c), at the time of the insured incident **you** have registered with the information commissioner.

14.4 Statutory licence appeal

We will represent **you** in appealing to the relevant statutory or regulatory authority, court or tribunal following a decision by a licensing or regulatory authority to suspend, or alter the terms of, or refuse to renew, or cancel **your** licence, mandatory registration or British standard certificate of registration.

14.5 Property protection and bodily injury

14.5.1 Property protection

We will negotiate for **your** legal rights in any civil action relating to material property which is owned by **you**, or is **your** responsibility, following:

- a) any event which causes physical damage to such material property; or
- b) a legal nuisance (meaning any unlawful interference with **your** use or enjoyment of **your** land, or some right over, or in connection with it); or
- c) a trespass.

*Please note that **you** must have established the legal ownership or right to the land that is the subject of the dispute.*

14.5.2 Bodily injury

At **your** request, **we** will negotiate for a **person insured's** and their family members' legal rights following a specific or sudden accident that causes the death of, or bodily injury to them.

14.6 Tax protection

14.6.1 A full enquiry or aspect enquiry.

14.6.2 A cross-tax enquiry.

14.6.3 An employer compliance dispute.

14.6.4 A VAT dispute.

Provided that:

- a) **you** have taken reasonable care to ensure that all returns are complete and correct and are submitted within the statutory time limits allowed; and
- b) **we** will not pay more than £2,000 for claims in respect of **aspect enquiries**.

*Please note **we** will only cover tax claims which arise in direct connection with the activities of the **business** shown in the **schedule**.*

14.7 Contract disputes

We will negotiate for **your** legal rights in a contractual dispute arising from that agreement or that alleged agreement which has been entered into by you or on your behalf for the purchase, hire, sale or provision of goods or of services provided that:

- a) the amount in dispute exceeds £500 (including VAT). If the amount in dispute exceeds £5,000, **you** will be responsible for the first £500 of **legal costs** in each and every dispute.
- b) if the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £500.
- c) if the dispute relates to money owed to **you**, a claim under this **section** is made within ninety (90) days of the money becoming due and payable.

14.8 Specific Legal expenses limitations and exclusions

This **section** excludes and does not cover:

14.8.1 Employment disputes and compensation awards

a) Employment disputes

- i) A dispute where the cause of action arises within the first ninety (90) days of the start of the cover provided by this **section**.
- ii) A dispute with an **employee** under a written or oral warning (formal or informal) within one hundred and eighty (180) days immediately before the start of the cover provided by this **section** if the **date of occurrence** was within the first one hundred and eighty (180) days of the start of the cover provided by this **section**.
- iii) Any redundancy or alleged redundancy or unfair selection for redundancy arising within the first one hundred and eighty (180) days of the start of the cover provided by this **section**.
- iv) Any claim in respect of damages for personal injury or loss of or damage to property.
- v) Any claim arising from or relating to the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Transfer of Employment (Pension Protection) Regulations 2005.

b) Compensation awards

- i) Any compensation award relating to the following:
 - I) trade union activities, trade union membership or non-membership;
 - II) pregnancy or maternity rights, paternity, parental or adoption rights;
 - III) health and safety related dismissals brought under section 44 of the Employment Rights Act 1996;
 - IV) statutory rights in relation to trustees of occupational pension schemes;
- ii) Non-payment of money due under the relevant contract of employment or statutory provision relating thereto.
- iii) Any award ordered because **you** have failed to provide relevant records to **employees** under the National Minimum Wage laws.
- iv) Any compensation award or increase in compensation award ordered by the tribunal for failure to comply with a current or previous recommendation it has made.

c) Service occupancy

Any claim relating to defending **your** legal rights other than defending a counter-claim.

14.8.2 Legal defence

- a) Any claim which leads to the **person insured** being prosecuted for infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.
- b) the cost of fines imposed by the Information Commissioner.

14.8.3 Statutory licence appeal

- a) Assistance with the application process either in relation to an original application or application for renewal of a statutory licence, mandatory registration or British standard certificate of registration.
- b) Any licence appeal relating to the ownership, driving or use of a motor vehicle.

14.8.4 Property protection and bodily injury

a) Property Protection

Any claim relating to the following:

- i) a contract entered into by **you**;
- ii) goods in transit or goods lent or hired out;
- iii) goods at premises other than those occupied by **you** unless the goods are at such premises for the purpose of installations or use in work to be carried out by **you**;

- iv) mining subsidence;
- v) defending **your** legal rights other than in defending a counter-claim;
- vi) a motor vehicle owned or used by, or hired or leased to a **person insured** other than damage to motor vehicles where **you** are engaged in the business of selling motor vehicles.
- vii) the enforcement of a covenant by or against **you**.

b) **Bodily injury**

Any claim relating to the following:

- i) any illness or bodily injury which develops gradually or is not caused by a specific or sudden accident; or
- ii) defending a **person insured's** or their family members' legal rights other than in defending a counter-claim; or
- iii) clinical negligence
- iv) psychological injury or mental illness unless the condition follows a specific or sudden accident that has caused physical bodily injury.

14.8.5 **Tax protection**

- a) **We** will not pay the first £200 of **legal expenses costs** of each and every claim in respect of **aspect enquiries**.
- b) Any tax avoidance schemes.
- c) Any failure to register for Value Added Tax or Pay as You Earn.
- d) Any investigation or enquiries by, with or on behalf of HM Revenue & Customs Special Investigations Section, Special Civil Investigations, Criminal Investigations Unit, Criminal Taxes Unit, under Public Notice 160 or by the Revenue & Customs Prosecution Office.
- e) Any claim relating to import or excise duties and import VAT.
- f) Any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

14.8.6 **Contract disputes**

- a) a dispute arising from an agreement entered into prior to the start of the **policy** if the date of occurrence is within the first 90 days of the cover provided by the **policy**.
- b)
 - i) the settlement payable under an insurance policy (we will cover a dispute if your insurer refuses your claim, but not for a dispute over the amount of the claim).
 - ii) The sale, purchase, terms of a lease, licence, or tenancy of land or buildings.

However, **we** will cover a dispute with a professional adviser in connection with these matters.

- iii) a loan, mortgage, pension, guarantee or any other financial product and choses in action.
 - iv) a motor vehicle owned by, or hired or leased to **you** other than agreements relating to the sale of motor vehicles where **you** are engaged in the business of selling motor vehicles.
- c) a dispute with an **employee** or ex-**employee** which arises out of, or relates to, a contract of employment with **you**.
- d) a dispute which arises out of the:
 - i) sale or provision of computer hardware,
 - ii) software, systems or services; or
 - iii) the purchase or hire of computer hardware, software, systems or services tailored by a supplier to your own specification.

- e) a dispute arising from a breach or alleged breach of professional duty by an **insured person**.
- f) the recovery of money and interest due from another party, other than disputes where the other party indicates that a defence exists.

14.9 General legal expenses limitations and exclusions

This **section** excludes and does not cover:

- 14.9.1 Any claim reported to **us** more than one hundred and eighty (180) days after the date the **person insured** should have known about the insured incident.
- 14.9.2 **Legal expenses costs** incurred before the written acceptance of a claim by **us**.
- 14.9.3 Fines, penalties, compensation or damages which the **person insured** is ordered to pay by a court or other authority, other than compensation awards as covered under Compensation awards clause and the Legal defence clause above.
- 14.9.4 Legal action a **person insured** takes which **we** or the **appointed representative** have not agreed to, or where the **person insured** does anything that hinders **us** or the **appointed representative**.
- 14.9.5 Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
- 14.9.6 Any claim relating to rights under a franchise or agency agreement entered into by **you**.
- 14.9.7 Any insured incident deliberately or intentionally caused by a **person insured**.
- 14.9.8 A dispute with **us** not otherwise dealt with under clause 4.
- 14.9.9 Any claim relating to a shareholding or partnership share in the **business** shown in the **schedule**.
- 14.9.10 Judicial review, coroner's inquest or fatal accident inquiry.
- 14.9.11 Any claim caused by, contributed to by or arising from:
 - a) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from burning nuclear fuel;
 - b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear part of it;
 - c) war, invasion, foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, military force or coup, or any act of terrorism or alleged act of terrorism as defined by the Terrorism Act 2000 ;
 - d) pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.
- 14.9.12 When either at the commencement of or during the course of a claim, **you** are declared bankrupt or have filed a bankruptcy petition or winding-up petition, or have made an arrangement with **your** creditors, or have entered into a deed of arrangement or are in liquidation or part or all of **your** affairs or property are in the care or control of a receiver or administrator.
- 14.9.13 Any claim directly or indirectly caused by or resulting from any device failing to recognise, interpret, or process any date as its true calendar date.
- 14.9.14 Any claim where legal action resulting from one or more event arising at the same time or from the same originating cause which could lead to the Court making a group Litigation Order.
- 14.9.15 Any claim relating to written or verbal remarks that damage the **person insured's** reputation.
- 14.9.16 Any claim where a **person insured** is not represented by a law firm, barrister or tax expert.

14.10 Legal expenses other terms and conditions

- 14.10.1 On receiving a claim, if representation is necessary, **we** will appoint a **preferred law firm, tax consultancy** or in-house lawyer as **your appointed representative** to deal with **your** claim. They will try to settle **your** claim by negotiation without having to go to court.
- a) If the appointed **preferred law firm, tax consultancy** or **our** in-house lawyer cannot negotiate settlement of **your** claim and it is necessary to go to court and legal proceedings are issued or there is a conflict of interest, then **you** may choose a law firm or tax expert to act as the **appointed representative**. **We** will choose the **appointed representative** to represent **you** in any proceedings where **we** are liable to pay a compensation award.
 - b) If **you** choose a law firm as **your appointed representative** who is not a **preferred law firm or tax consultancy**, **we** will give **your** choice of law firm the opportunity to act on the same terms as a **preferred law firm or tax consultancy**. However if they refuse to act on this basis, the most **we** will pay is the amount **we** would have paid if they had agreed to the **DAS standard terms of appointment**.
 - c) The **appointed representative** must co-operate with **us** at all times and must keep **us** up to date with the progress of the claim.
- 14.10.2 A **person insured** must:
- a) co-operate fully with **us** and the **appointed representative**; and
 - b) give the **appointed representative** any instructions that **we** ask **you** to.
- 14.10.3 A **person insured** must tell **us** if anyone offers to settle a claim and must not negotiate or agree to any settlement without **our** written consent.
- a) If a **person insured** does not accept a reasonable offer to settle a claim, **we** may refuse to pay further **legal expenses costs**.
 - b) **We** may decide to pay a **person insured** the reasonable value of the claim that the **person insured** is claiming or is being claimed against them instead of starting or continuing legal action. In these circumstances a **person insured** must allow **us** to take over and pursue or settle a claim in their name. A **person insured** must allow **us** to pursue at **our** own expense and for their benefit, any claim for compensation against any other person and a **person insured** must give **us** all the information and help **we** need to do so.
 - c) Where a settlement is made on a without-costs basis **we** will decide what proportion of that settlement will be regarded as **legal expenses costs** and payable to **us**.
- 14.10.4 A **person insured** must:
- a) instruct the **appointed representative** to have **legal expenses costs** taxed, assessed or audited if **we** ask for this; and
 - b) must take every step to recover **legal expenses costs** and court attendance and jury service expenses that **we** have to pay and must pay **us** any amounts that are recovered.
- 14.10.5 If the **appointed representative** refuses to continue acting for a **person insured** with good reason or if a **person insured** dismisses the **appointed representative** without good reason, the cover **we** provide will end at once, unless **we** agree to appoint another **appointed representative**.
- 14.10.6 If a **person insured** settles a claim or withdraws their claim without **our** agreement, or does not give suitable instructions to the **appointed representative**, **we** can withdraw cover and will be entitled to reclaim any **legal expenses costs** **we** have paid.
- 14.10.7 **We** may require **you** to get, at **your** own expense, an opinion from an expert, that **we** consider appropriate, on the merits of the claim or proceedings, or on a legal principle. The expert must be approved in advance by **us** and the cost agreed in writing between **you** and **us**. Subject to this **we** will pay the cost of getting the opinion if the expert's opinion indicates that it is more likely than not that **you** will recover damages (or obtain any other legal remedy that **we** have agreed to) or make a successful defence.

- 14.10.8 If there is a disagreement between **you** and **us** about the handling of a claim and it is not resolved through **our** internal complaints procedure and **you** are a small business, **you** can contact the Financial Ombudsman Service for help. Details available from www.financial-ombudsman.org.uk. Alternatively there is a separate arbitration process (this applies to all sizes of business). The arbitrator will be a barrister chosen jointly by **you** and **us**. If there is a disagreement over the choice of arbitrator, **we** will ask the Chartered Institute of Arbitrators to decide.
- 14.10.9 A **person insured** must:
- a) keep to the terms and conditions of this **section**
 - b) take reasonable steps to avoid and prevent claims
 - c) take reasonable steps to avoid incurring unnecessary costs
 - d) send everything **we** ask for in writing, and
 - e) report to **us** full and factual details of any claim as soon as possible and give **us** any information **we** need.
- 14.10.10 **We** will not pay the claim if a claim the **person insured** has made to obtain benefit under this **section** is fraudulent or intentionally exaggerated, or a false declaration or statement is made in support of a claim.
- 14.10.11 Apart from **us**, **you** are the only person who may enforce all or any part of this policy and the rights and interests arising from or connected with it. This means that the Contracts (Rights of Third Parties) Act 1999 does not apply to this **section** in relation to any third-party rights or interest.
- 14.10.12 If any claim covered under this **section** is also covered by another policy, or would have been covered if this **section** did not exist, **we** will only pay **our** share of the claim even if the other insurer refuses the claim.
- 14.10.13 This policy is governed by the law that applies in the part of the United Kingdom, Channel Islands or Isle of Man where **your business** is registered. Otherwise the law of England and Wales applies. All Acts of Parliament mentioned in this policy include equivalent laws in Scotland, Northern Ireland, the Isle of Man and the Channel Islands as appropriate.

15 General exceptions

15.1 Date recognition

This **policy** excludes and does not cover any 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:

- 15.1.1 correctly to recognise any date as its true calendar date;
- 15.1.2 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;
- 15.1.3 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 any 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 in respect of **section A** – Contents; **section B** - All Risks – Specified business equipment; **section C**- Buildings and **section E** - Business interruption subsequent **damage** not otherwise excluded which itself results from fire, lightning, explosion, theft, aircraft or other aerial devices or articles dropped therefrom 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 contingency is insured by the **section**.
- 15.1.4 This exception is not applicable to **section I** – Employers' liability

15.2 Electrical plant

Except in respect of claims arising under **sections F, I and J** this **policy** excludes and does not cover any **damage** to or destruction of any electrical plant or electrical appliance i.e. dynamo, transformer, motor or other working electrical machinery apparatus or fittings directly caused by its own over-running, short-circuiting, excessive pressure or self-heating but should fire extend to and **damage** or destroy any other part of the plant or appliances or other property insured hereby such **damage** or destruction is not excluded by the **policy**.

15.3 Heat processes

Except in respect of claims arising under **sections F, I and J** this **policy** excludes and does not cover any **damage** to property insured due to its undergoing any process necessarily involving application of heat.

15.4 Northern Ireland

Except in respect of claims arising under **sections F, I and J** this **policy** excludes and does not cover any **damage** in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of:

- 15.4.1 riot, civil commotion and (except in respect of **damage** by fire or explosion) strikers locked-out workers or persons taking part in labour disturbances or malicious persons;
- 15.4.2 Terrorism.
In any action suit or other proceedings where **we** allege that by reason of this exclusion any **damage** is not covered by this **policy** the burden of proving that such **damage** is covered shall be upon **you**.

15.5 Nuclear risks

Except in respect of claims admissible under **section I**:

- 15.5.1 **damage** to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss;
- 15.5.2 any legal liability of whatsoever nature;

- 15.5.3 any sum which **you** become legally liable to pay or any loss or expense;
directly or indirectly caused by or contributed to by or arising from or, in the case of 15.5.3 above, attributable to:
- a) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

15.6 Pressure waves

This **policy** excludes and does not cover any **damage** directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

15.7 War and terrorism

Except in respect of claims arising under **sections F, I and J** this **policy** excludes and does not cover any **damage** cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with:

- 15.7.1 any act of **war** or **terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
- 15.7.2 any action taken in controlling preventing suppressing or in any way relating to any act of **war** or **terrorism**.

If **we** allege that by reason of this exception any **damage** cost or expense is not covered by this **policy** the burden of proving the contrary shall be upon **you**.

15.8 War, political risk and terrorism limitation applicable only to section I – Employers' liability

- 15.8.1 **Section I** excludes and does not cover any liability which arises directly or indirectly out of or caused by **war** or **terrorism** except that this exclusion shall not apply to the first £5,000,000 of any liability for an act of **war** or **terrorism** provided that **our** maximum liability will not exceed £5,000,000 in respect of:
- a) any one claim against **you** or series of claims against **you**; and
 - b) any claim or series of claims made by **you** under **section I**;
- arising out of one occurrence.

15.9 War and terrorism cover amendment clause applicable only to section J - Public and products liability

- 15.9.1 **Section J** excludes and does not cover any liability which arises directly or indirectly out of or caused by **war** or **terrorism** except that this exclusion shall not apply to the first £2,000,000 (in the aggregate) of any liability for an act of **war** or **terrorism** provided that:
- a) **our** maximum liability will not exceed £2,000,000 in the aggregate during any one **period of insurance**; and
 - b) notwithstanding the indemnity granted at the above paragraph this **policy** excludes and does not cover liability of whatsoever nature directly or indirectly caused or occasioned by or happening through or in consequence of **war** or **terrorism** or any action taken in controlling preventing suppressing or in any way relating to **terrorism**;
 - i) arising by through or in connection with:
 - I. the provision of police, fire or security services of any kind
 - II. any public or private utility including telecommunications, electricity, gas, water, radio and television;
 - III. public transport services whether rail, road, sea or air.
 - ii) arising out of the ownership operation or occupation of or work in at or on:
 - IV. airports, airfields, ports, rail or underground stations freight or passenger terminals;
 - V. government, military or local authority establishments;
 - VI. buildings of more than twenty (20) floors in height including basements and underground car parks;

- VII. facilities for the manufacture processing, refining, distribution or storage of liquid or gaseous fuel, oil, petrochemical, chemicals, explosives or ammunition;
- VIII. tunnels, bridges, viaducts, aqueducts, dams, river or sea defences;
- IX. schools, colleges, universities, or places of education or religious worship;
- X. sports, stadiums, theatres or entertainment, arenas, amusement, parks, exhibition or conference halls.

16 Claim procedure

16.1 Claim notification - all sections except section K

16.1.1 On the happening of any event which may give rise to a claim **you** must:

- a) notify **us** immediately;
- b) inform the police immediately if the **damage** has been caused by thieves malicious persons or vandals or by riot civil commotion strikes or labour disturbances.

16.1.2 You may contact **us** directly or indirectly as follows:

- a) by first advising your insurance broker; and/or
- b) by post to QBE Claims, Acclaim House, Central Park, New Lane, Leeds, LS11 5UF; and/or
- c) by telephone **us** on **0800 328 9640**; or
- d) by email to SMEnewclaims@uk.qbe.com

We will be able to deal with **your** claim more effectively and speedily if **you** provide **your** policy number on first contact.

16.2 Your Duties - all sections except section K

16.2.1 On the happening of any event which may give rise to a claim **you** must:

- a) give all information and assistance **we** may require;
- b) not make or allow to be made on **your** behalf any admission offer promise payment of indemnity without **our** written consent;
- c) take all practicable steps to recover property lost and otherwise minimise the claim
- d) within thirty (30) days or such further time as **we** may allow in writing deliver to **us** a written claim providing at **your** own expense all details proofs and information regarding the cause and amount of **damage** as **we** may reasonably require together with details of any other insurances on any property insured by this **policy** and (if demanded) a statutory declaration of the truth of the claim and or any related matters; and
- e) as regards **section E** within thirty (30) days after the expiry of the indemnity period or within such further time as the **we** may in writing allow at **your** own expense deliver to **us** a statement setting out particulars of the claim together with details of all other insurance covering any part of the damage or resulting loss of **gross profit**. You shall at **your** own expenses also provide **us** with such books of account and other **business** books vouchers invoices balance sheets and other documents proofs information explanation and other evidence as may reasonably be required by **us** for the purpose of investigating or verifying such claim together with (if demanded) a statutory declaration of the truth of the claims and any related matter. No claim under this **section E** shall be payable unless the terms of these conditions have been complied with and in the event of non compliance therewith in any respect any payment on account of the claim already made shall be repaid to **us** immediately.

16.2.2 In respect of any event which may give rise to a claim under **sections I or J**, **you** must:

- a) immediately forward to **us** every letter claim writ summons and process immediately upon receipt without acknowledgement;
- b) advise **us** in writing immediately **you** have knowledge of any pending prosecution inquest fatal accident or ministry inquiry.

16.3 Claim notification - Section K

To make a claim under this **section** please telephone us on **0117 9330618**. **DAS** will ask **you** about **your** legal dispute and if necessary call **you** back at an agreed time to give **you** legal advice. If **your** dispute needs to be dealt with as a claim under this **section**, **DAS** will provide **you** with a claim reference number. At this point **DAS** will not be able to confirm that **you** are covered but they will pass the information **you** have given to the claims handling teams and explain what to do next.

If **you** would prefer to report **your** claim in writing please send it to the Claims Department, DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol BS1 6NH.

Alternatively **you** can email **your** claim to us at newclaims@das.co.uk

Claims are usually handled by a representative appointed by **DAS**, but sometimes **DAS** deal with them themselves. Claims outside the **United Kingdom** may be dealt with by other **DAS** offices elsewhere in Europe.

Please do not ask for help from a solicitor or accountant before **DAS** have agreed. If **you** do, **DAS** will not pay the costs involved.

17 General conditions

17.1 Arbitration

If any difference arises as to the amount to be paid under this **policy** (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions. Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the **insurer**.

17.2 Basis of contract

Any reference to 'basis of the contract' in this **policy**, in the proposal form (if any) or **statement of fact** is of no effect.

17.3 Cancellation

17.3.1 Our rights

We shall not be bound to accept any renewal of this **policy** and may at any time give twenty one (21) days notice of cancellation by recorded delivery to **your** last known address. **You** shall be entitled to the return of a proportionate part of the premium paid in respect of the unexpired term of this **policy** provided that there have been:

- a) no claims made under the **policy** for which **we** have made a payment;
- b) no claims made under the **policy** which are still under consideration;
- c) no incident likely to give rise to a claim but is yet to be reported to **us**;

during the current **period of insurance**

This termination will be without prejudice to **your** or **our** rights or claims incurred prior to the expiration of such notice. If a claim has been submitted or there has been any incident likely to give rise to a claim during the current **period of insurance** no refund for the unexpired portion of the premium will be given.

17.3.2 Your rights

You may cancel this **policy** in the first year of insurance during the fourteen (14) days after the contract has been concluded by giving notice in writing to **your** insurance adviser at the address shown in their correspondence or to QBE Insurance (Europe) Ltd. This right does not apply at the first or any subsequent renewal of the **policy**. Provided that there have been:

- a) no claims made under the **policy** for which **we** have made a payment;
- b) no claims made under the **policy** which are still under consideration;
- c) no incident likely to give rise to a claim but is yet to be reported to **us**;

during this fourteen (14) day period **we** will give a refund for the proportionate part of the premium paid in respect of the unexpired term of this **policy** subject to a minimum premium of £50.

If a claim has been submitted or there has been any incident likely to give rise to a claim during the current **period of insurance** no refund for the unexpired portion of the premium will be given.

17.4 Confirmation of values at risk

You must provide to **us** at the inception of the **policy** and annually thereafter full details of the **declared value** as well as the wageroll and turnover of the **business**.

17.5 Contract (Rights of Third Parties) Act 1999

This insurance does not confer or create any right enforceable under the Contracts (Rights of Third Parties) Act 1999 or any amending or subsequent legislation, by any person who is not named as the **insured** and both **we** and **you** may amend, cancel or lapse this insurance without giving notice to, or requiring the consent of, any other third party.

17.6 Contribution

If at the time of any loss damage or liability arising under this **policy** there shall be any other insurance covering such loss damage or liability or any part thereof **we** shall not be liable for more than its proportional share thereof.

17.7 Document management

We may hold documents relating to this insurance and any claims under it in electronic form and may destroy the originals. An electronic copy of any such document will be admissible in evidence to the same extent as, and carry the same weight as, the original.

17.8 Duty of fair presentation

You must make a fair presentation of the risk (as set out in the Insurance Act 2015 or successor or amending legislation) in proposing for, or proposing to vary, this insurance.

17.9 Duty of fair presentation – remedies for breach - proposing for this insurance

If **you** or anyone acting on **your** behalf breaches **your** duty of fair presentation then **our** remedies shall be as follows:

17.9.1 if such breach is deliberate or reckless, the **we** may:

- a) treat this policy as having been terminated from its inception; and
- b) retain the premium;

17.9.2 if such breach is not deliberate or reckless and **we** would not have entered into this policy but for the breach, **we** may by notice to **you** treat this policy as having been terminated from its inception in which case **we** shall return the premium; and

17.9.3 in all other cases if, but for the said breach, **we** would have entered into this policy but:

- a) on different terms (other than terms relating to the premium), **we** may require that this policy is treated as if it had been entered into on those different terms from the outset; or
- b) would have charged a higher premium, **we** may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims). In those circumstances, **we** shall pay only X% of what **we** would otherwise have been required to pay, where $X = (\text{premium actually charged/higher premium}) \times 100$.

17.10 Duty of fair presentation– remedies for breach - variation

If **you** or anyone acting on **your** behalf breaches **your** duty of fair presentation in relation to a variation of this policy, **our** remedies shall be as follows:

17.10.1 if such breach is deliberate or reckless, **we** may:

- a) by notice to **you** treat this policy as having been terminated from the time when the variation was concluded; and
- b) retain the premium;

17.10.2 if such breach is not deliberate or reckless, and **we** would not have entered into the variation but for the breach, **we** may treat this policy as if the variation was never made, in which case **we** shall return any additional premium relating to the variation; and

17.10.3 in all other cases if, but for the said breach, **we** would have entered into the variation but:

- a) on different terms (other than terms relating to the premium), **we** may require that the variation is treated as if it had been entered into on those different terms;
- b) would have increased the premium by more than it did or at all, **we** may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, **we** shall pay only X% of what **we** would otherwise have been required to pay, where $X = (\text{premium actually charged/higher premium}) \times 100$; or

- c) would not have reduced the premium by as much as it did or at all, **we** may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, **we** shall pay only X% of what **we** would otherwise have been required to pay, where $X = (\text{premium actually charged/reduced total premium}) \times 100$.

17.11 Fraudulent claims

17.11.1 If **you** or anyone acting on **your** behalf makes a fraudulent claim under this **policy**, **we**:

- a) are not liable to pay the claim;
- b) may recover any part of the claim already paid from the relevant **insured**; and
- c) may by notice to **you** treat this **policy** as having been terminated with effect from the time of the first fraudulent act, in which case **we** are not liable to that **insured** in respect of a relevant event occurring after that time and may retain any premium.

17.11.2 These remedies shall not be available against any other entity insured under this **policy** that was not implicated in the fraud.

17.12 Late payment of claims

We shall, pursuant to section 13A of the Insurance Act 2015, pay any sum due in respect of a valid claim within a reasonable time (which includes a reasonable time to investigate and assess the claim).

17.13 Law applicable to this policy

This **policy** will be governed by and interpreted in accordance with the laws of England and subject to the exclusive jurisdiction of the High Court, London.

17.14 Material changes during the policy period

17.14.1 **You** must notify **us** within thirty (30) days of any material change to the **insured**, **your business** or the risks insured if indemnity under this insurance is sought in relation to any such change.

17.14.2 **We** shall not indemnify **you** for any liability arising out of a material change for which indemnity would otherwise have been available under this insurance unless **we** have provided valid confirmation of cover, whether by an express term of this policy, endorsement, written confirmation or otherwise.

17.15 Minimum standards of security

As regards **damage** to the property insured at the **premises** caused by or arising from or contributed to by the perils of theft or attempted theft, which occurs more than 30 days after the inception of this **policy**, it is agreed as a condition precedent to **our** liability under this insurance that **you** will operate the minimum standard of security as detailed below.

Any alternative methods of securing the **premises** must be agreed in writing by **us**.

You must make sure these measures are put into full and effective operation when the **premises** are closed for **business** or unattended and all keys removed to a secure place. Any door or window designated as a fire exit by any person who is legally responsible for fire safety at the **premises** under current fire legislation is excluded from these requirements however any such doors or windows must be secured by a proprietary emergency escape mechanism.

- a) All hinged final exit doors are secured as follows;
 - i) Timber doors – by a mortice deadlock certified as meeting BS3621 and where the frame, or if a double door, the receiving door, has a boxed striking plate
 - ii) Aluminium or UPVC framed doors – by a cylinder operated mortice deadlock. For double doors, the first closing section must have integral or surface mounted bolts which shoot into the frame at the top and the floor at the bottom of the door. The final closing section must have a cylinder operated mortice deadlock.
 - iii) Double leaf doors – by the first closing leaf having a multi-point security device operated by a central handle secured by a cylinder lock or, fitted at top and bottom of the leaf, flush or barrel bolts. The final closing leaf to be secured as i) or ii) above. Alternatively each leaf to be fastened to the other by means of a

centrally positioned hardened steel padlock bar secured by a closed shackle padlock

- b) All other hinged external doors and internal doors leading to areas of the **premises** not occupied by you, common areas, or to other premises, are secured by;
 - i) The means set out in a) above; or
 - ii) Secured internally by lockable bolts or key operated mortice rack bolts fitted at the top and bottom of the door
- c) Any cellar trap door to be secured by means of a centrally positioned internal steel padlock bar secured by a padlock
- d) All opening basement and ground floor windows or opening upper storey windows which can be reached by a person standing on adjacent or adjoining lower storey roofs or other structural features, are secured by a window lock or lockable fastening device or are screwed permanently shut from the inside or are protected by solid steel bars weld mesh or expanded metal grilles securely fixed to brickwork surrounding the window
- e) Opening roof lights are to be secured using a proprietary fastening device
- f) Roller shutters – for electrically operated roller shutters, you must fit a key operated isolation switch to the electricity supply to the controls. Where this is not fitted then one of the measures for manually operated roller shutters must be installed. For manually operated roller shutters you must;
 - i) Fit key operated pinson or bullet locks; or
 - ii) Secure the chain of the door to the wall bracket by a good quality open shackle padlock; or
 - iii) Fit a bolt to the shutter door internally with the bolt engaging into the door runner and padlocked into position using a padlock conforming to BS EN 12320 Security Grade 4.

17.16 Observance

It is a condition precedent to **our** liability under this **policy** that the terms hereof so far as they relate to anything to be done or complied with by **you** are duly and faithfully observed and fulfilled by **you** and by any other person who may be entitled to be indemnified under this **policy**.

17.17 Our right

We shall be entitled:

- a) on the happening of any **damage** to enter any building where such **damage** has happened and to take and keep possession of the property insured and to deal with salvage in a reasonable manner and this **policy** shall be proof of leave and licence for such purpose but the property may not be abandoned to **us**;
- b) at its option to either:
 - i) repair or replace the property or any part of the property for which it may be liable under this **policy**; or
 - ii) make payment in money to **you** in lieu of such repair or replacement or reinstatement effected as nearly as may be reasonably practicable shall be deemed a complete indemnity under this **policy**.

17.18 Privacy and the Data Protection Act 1998

- 17.18.1 All personal information (including sensitive personal data such as health details or criminal convictions) provided in connection with this **policy** will be processed in accordance with the Data Protection Act 1998. **You** consent to all personal information so provided being used for the purposes and being disclosed to the parties set out below.
- 17.18.2 Where personal information is provided about another person, **you** are required to inform that person of **our** identity, and why their personal information will be processed and disclosed. **We** are also required to obtain their written consent to the processing of their personal information in this way and provide, on request, such consent to **us**.
- 17.18.3 Personal information is used:
 - a) to administer the **policy**, including underwriting, renewal information, validation of claims history and claims handling;
 - b) for research, analysis, statistic creation, and customer profiling;
 - c) for fraud prevention and debt recovery.

- 17.18.4 Personal information may be disclosed to:
- a) other members of the QBE Insurance Group;
 - b) other insurance entities interested in the risk written under this **policy**;
 - c) agents and service providers appointed by **us** to carry out activities in connection with the **policy**;
 - d) credit reference and fraud databases;
 - e) law enforcement and other statutory bodies;
 - f) potential purchasers of the whole or part of the our business.
- 17.18.5 If false or inaccurate information is provided and fraud is suspected this fact will be recorded and the information will be available to other organisations that have access to the fraud databases.
- 17.18.6 Personal information may be transferred to third parties in countries outside the European Economic Area which may not have the same standards of protection for personal information as the United Kingdom. **We** will ensure that such transfers comply with the data protection law and the personal information is kept securely and protected from unauthorised access.
- 17.18.7 **We** maintain protections and procedures in the storage and disclosure of personal information to keep it secure and prevent unauthorised access to or loss of such information.
- 17.18.8 **We** may monitor and record all communications with you for compliance and training purposes.
- 17.18.9 Should **you** wish to see the information held, have any queries in relation to the way such information is used or discover any inaccuracies, **you** should write to the Data Protection Officer at QBE Insurance (Europe) Limited, Plantation Place, 30 Fenchurch Street, London EC3M 3BD.

17.19 Premium adjustments following cover amendments

- 17.19.1 In the event of cancellation, adjustment of premium or notification of a change of circumstances the premium for this insurance will be re-calculated to reflect the material change to the risk. The amended annual premium will be compared to the annual premium charged at inception or most recent annual premium following previous amendment and any difference payable or refundable calculated. This difference will be adjusted, according to the terms of the **policy**, to represent the change of premium for the unexpired **period of insurance**.
- 17.19.2 Where the difference results in an additional charge or refund of premium of less than GBP20.00 any such charge or refund will be waived and not processed. If this difference results in an additional charge or refund of premium greater than GBP20.00 this sum will be charged or refunded via **your** intermediary.

17.20 Reasonable precautions

You will take:

- 17.20.1 all reasonable precautions to prevent occurrences which may give rise to **damage**;
- 17.20.2 all reasonable steps to comply with statutory requirements obligations and regulations imposed by any authority;
- 17.20.3 immediate steps to make good or remedy any defect or danger which becomes apparent or take such additional precautions as circumstances may require.

17.21 Representation

You will act on behalf of all **other insured parties** under this **policy** with respect to the giving and receiving of any notices from **us** or **our** representatives including any notice of cancellation. The payment to **you** of any return premium that may be payable under this **policy** will satisfy **our** obligations to return premium to any **other insured party**.

17.22 Sanction limitation and exclusion

We shall not provide cover nor be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **us** or any member of **our** group to any sanction, prohibition or

restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of any country.

17.23 Subrogation

- 17.23.1 Any claimant under this **policy** shall at our request and at the expense take and permit to be taken all necessary steps for enforcing rights against any other party in the name of the **insured** before or after any payment **we** may make.
- 17.23.2 **We** 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 **our** own expense and for **our** own benefit any claim for indemnity or damages or otherwise.

17.24 Tracing office Database

- 17.24.1 Where **we** provide an indemnity under the Employers' Liability (Compulsory Insurance) Regs. 1998, **we** are required by regulation to maintain a database of all the companies and subsidiary companies covered by such insurance. **We** support and will add details of all company names to the Employers' Liability Tracing Office database.
- 17.24.2 Accordingly it is a condition of this insurance that **you** undertake to supply full details (as required by the Employers' Liability Tracing Office) of the company and all subsidiary companies to **us** at inception of this **policy** and promptly thereafter following acquisition or disposal of any subsidiary company.

18 General definitions and interpretation

The following words will have the same meaning attached each time they appear in this **policy** in **bold** type face, whether with a capital first letter or not.

Where the context so admits or requires, words importing the singular will include the plural and vice versa and words importing the masculine will import the feminine and the neuter. References to 'a person' will be construed so as to include any individual, company, partnership, or any other legal entity. References to a statute will be construed to include all its amendments or replacements. All headings within the **policy** are included for convenience only and will not form part of this **policy**.

For **section E** the words and expressions used in **your** books and accounts will have the meaning attached to them herein. Any adjustments implemented in current cost accounting will be disregarded. Further to the extent that **you** are accountable to the tax authorities for value added tax all terms in **section E** will be exclusive of such tax.

18.1 Appointed representative

Appointed representative means the **preferred law firm**, law firm, **tax consultancy**, accountant or other suitably qualified person **we** will appoint to act on the **person insured's** behalf.

18.2 Accident

Accident means a single and unexpected event, which occurs at an identifiable time and place.

18.3 Act of terrorism

18.3.1 For all territories other than England, Wales and Scotland

Act of terrorism means any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group (s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- a) endangers life other than that of the person committing the action; or
- b) involves violence against one or more persons; or
- c) involves damage to property; or
- d) creates a risk to health or safety of the public or a section of the public; or
- e) is designed to interfere with or to disrupt an electronic system.

18.3.2 For England, Wales and Scotland

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.

18.4 Advertising injury

Advertising injury means:

- a) oral, broadcast, telecast or written publication of material that slanders or libels a person or disparages a person's goods, **products** or services;
 - b) oral, broadcast, telecast or written publication of material that violates an individual's right of privacy;
 - c) misappropriation of advertising ideas or style of doing business;
 - d) infringement of copyrighted advertising materials, titles or slogans;
- in the course of advertising **your** goods, **products** or services.

18.5 Annual gross fees

Annual gross fees means the **gross fees, trend adjusted**, during the twelve months immediately before the date of the **damage**.

18.6 Annual gross revenue

Annual gross revenue means the **gross revenue, trend adjusted**, during the twelve months immediately before the date of the **damage**.

18.7 Annual rent receivable

Annual rent receivable means the **rent receivable, trend adjusted**, during the twelve months immediately before the date of the **damage**.

18.8 Annual turnover

Annual turnover means the **turnover** excluding VAT, **trend adjusted**, during the twelve months immediately before the date of the **damage**.

18.9 Aspect enquiry

For **section K** – Legal expenses, aspect enquiry means an examination by HM Revenue & Customs which considers one or more specific aspects of the **insured's** self assessment and/or corporation tax return.

18.10 Bodily injury

18.10.1 For all sections except **section K**, bodily injury means death and injury, illness or disease whether bodily or mental.

18.10.2 For **section K** – Legal expenses, bodily injury means death or injury caused by a specific or sudden accident.

18.11 Book debts

Book debts means the total amount of the balances debited to **customers** in **your** accounts after equitable allowances have been made for bad debts and for amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the **damage**) to **customers'** accounts in the period between the commencement of the **period of insurance** and the date of the **damage**.

18.12 Business

Business means the business stated in the schedule including:

18.12.1 the provision and management of canteen sports social or welfare organisations for the benefit of **employees** and fire security first aid medical and ambulance services;

18.12.2 private work undertaken with **your** prior consent by **employees** for any director or senior official of the **insured**;

18.12.3 the ownership maintenance and repair of such **premises**.

18.13 Business hours

Business hours means the period during which the **premises** are open for **business** or are otherwise occupied for **business** purposes by **you** or an authorised **employee**.

18.14 Computer systems

Computer systems means a computer or other equipment or component or system item which processes stores transmits or receives **data**.

18.15 Consignment

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

18.16 Costs and expenses

18.16.1 For **sections I** and **J** costs and expenses means costs and expenses other than claimants costs incurred with our written consent in respect of:

a) any claim which may be the subject of indemnity under **sections I** or **J**

- b) solicitors' fees incurred with **our** written consent for;
 - i) defence in any Court of Summary Jurisdiction of any proceedings brought against **you** in respect of breach or alleged breach of any statutory duty resulting in **injury**;
 - ii) representation at a Coroners Court or fatal accident Inquiry in respect of any death
- which may be the subject of indemnity under **sections I or J**.

18.17 Cross tax enquiry

Cross tax enquiry means a **full enquiry** which includes a review of Value Added Tax and/or Employer Compliance.

18.18 Customers

Customers mean all customers of yours who obtain goods from you or use your services on a credit basis.

18.19 Damage

Damage means:

18.19.1 loss of, destruction of or damage to tangible property;

18.19.2 in respect of **sections I and J** loss of use of tangible property that has been lost destroyed or damaged.

18.20 DAS

DAS means DAS Legal Expenses Insurance Company Limited.

18.21 DAS standard terms of appointment

DAS standard terms of appointment means the terms and conditions (including the amount **DAS** will pay to an **appointed representative**) that apply to the relevant type of claim, which could include a conditional fee agreement (no-win, no-fee).

18.22 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.

18.23 Date of occurrence

For **section K** – Legal expenses, date of occurrence means:

18.24 Date of occurrence

date of occurrence means:

18.24.1 for civil cases (other than under insured incident – Tax protection), the date of the event that leads to a claim. If there is more than one event arising at different times from the same originating event, the **date of occurrence** is the date of the first of these events. (This is the date the event happened, which may be before the date **you** or a **person insured** first became aware of it);

18.24.2 for criminal cases, the date the **person insured** began, or is alleged to have begun, to break the law;

18.24.3 for insured incident - Statutory licence appeal, the date when **you** first became aware of the proposal by the relevant licensing or regulatory authority to suspend, alter the terms of, refuse to renew or cancel **your** licence or British Standard Certificate of Registration.

18.24.4 for insured incident - Tax protection, the date when HM Revenue & Customs, or the relevant authority, first notifies **you** of its intention to carry out an enquiry. For **VAT** or **employer compliance disputes**, the date the dispute arises during the **period of insurance**.

18.24.5 for insured incident - Legal defence - statutory notice appeals, the date when the **person insured** is issued with the relevant notice and has the right to appeal.

18.25 Declared value

Declared value means assessment of the cost of the property insured at a level of costs applying at the time that such values are required by **us** as the basis for the calculation of the policy premium in respect of **sections A** and **C** (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;
- c) additional cost of reinstatement to comply with European Community and Public Authority requirements;

18.26 Deferment period

Deferment period means the number of consecutive days as stated in the schedule from the date the **insured person** suffers **temporary total disablement** and/or **temporary partial disablement** during which no benefits are payable. The sum of money represented by such periods will not contribute towards any claim for benefits under this insurance.

18.27 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 of networks network services network connectivity or information systems

Denial of Service Attacks include but are not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

For **section – Terrorism**

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 attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **computer systems**.

18.28 Employee

Employee means:

18.28.1 any person under a contract of service or apprenticeship with **you**;

18.28.2 any person who is hired to or borrowed by **you**;

18.28.3 any person engaged in connection with a work experience or training scheme;

18.28.4 any labour master or person supplied by him;

18.28.5 any person engaged by labour only sub-contractors;

18.28.6 any self-employed person working on a labour only basis under **your** control or supervision;

18.28.7 any voluntary helper;

while working for **you** in connection with the **business**.

18.29 Employer compliance dispute

For **section K**, employer compliance dispute means a dispute with HM Revenue & Customs concerning **your** compliance with Pay As You Earn, Social Security, Construction Industry or IR35 legislation and regulations.

18.30 Empty

Empty means wholly or mainly unoccupied or not in use for more than thirty (30) consecutive days.

18.31 Estimated gross fees

Estimated gross fees means the amount **you** declare to **us** as representing not less than the **gross fees** 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).

18.32 Estimated gross profit

Estimated gross profit means the amount **you** declare to **us** as representing not less than the gross profit which it is anticipated will be earned by the **business** during the financial year most nearly concurrent with the **period of insurance** (or a proportionately increased multiple thereof where the **maximum indemnity period** exceeds twelve months).

18.33 Estimated gross revenue

Estimated gross revenue means the amount **you** declare to **us** as representing not less than the **gross revenue** which it is anticipated will be earned by the **business** during the financial year most nearly concurrent with the **period of insurance** (or a proportionately increased multiple thereof where the **maximum indemnity period** exceeds twelve months).

18.34 Full enquiry

For **section K** – Legal expenses, full enquiry means an extensive examination by HM Revenue & Customs which considers all aspects of **your** tax affairs and includes a request to examine all **your** books and records. Excludes an examination which is limited to one or more specific aspects of **your** self assessment and/or corporation tax return.

18.35 Glass

Glass means:

18.35.1 fixed glass in windows doors and fanlights;

18.35.2 glass showcases shelves tops and mirrors;

18.35.3 sanitary fixtures and fittings.

18.36 Goods

Goods mean **your** goods and tools or for which **you** are responsible and relating to the **business**.

18.37 Gross fees

Gross fees means the **money** paid or payable to the **insured** for services rendered in the course of the **business** at the **premises**.

18.38 Gross profit

Gross profit means the amount by which the sum of the amount of the **turnover** and the amounts of the closing stock and work in progress will exceed the sum of the amounts of the opening stock and work in progress and the amount of the **specified working expenses**.

18.39 Gross revenue

Gross revenue means the **money** paid or payable to the **insured** for services rendered in the course of the **business** at the **premises**.

18.40 Hacking

Hacking means unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data, whether belonging to **you** or not.

For **section – Terrorism**

Hacking means unauthorised access to any **computer system**, whether the property of the **insured** or not.

18.41 Increased cost of working

Increased cost of working means the additional expenditure necessarily and reasonably incurred by the insured for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the damage but not exceeding the amount of the reduction thereby avoided.

18.42 Indemnity period

Indemnity period means the period beginning with the occurrence of the **damage** or the period beginning after the expiry of any **time excess** following the **damage** and ending not later than the **maximum indemnity period** thereafter during which the results of the **business** will be affected in consequence of the **damage**.

18.43 Independent lawyer

Independent lawyer means:

18.43.1 where the claim is in England, a Queen's Counsel agreed upon by both **you** and **us** or failing such agreement to be nominated by the chairman for the time being of the Bar Council of England and Wales; or

18.43.2 where the claim is in another jurisdiction, a lawyer of more than ten (10) years experience agreed upon by both **you** and **us** or failing such agreement to be nominated by the chairman of the local law society.

18.44 Injury

Injury means a specific injury which is sustained by the **insured person** during the **period of insurance**, is caused by an **accident**, and within twelve (12) months of the **accident**, solely and independently of any other cause, brings about death or disablement of the **insured person**.

18.45 Insured/you/your

Insured/you/your means the person(s) or company named in the schedule.

18.46 Insured incident

Insured incident means and refers to insuring clauses 14.2 - 14.7 under **section K**.

18.47 Insured person

Insured person means:

- a) **you** or any of **your** principals, directors, partner or **employees**; or
- b) any person acting on **your** behalf other than an employee of a security company or organisation not being over seventy (70) years of age nor being under sixteen (16) years of age;

but for **section H** insured person means the individual or group (category of person) specified in the schedule (**section H**) to whom **injury** must occur before the **we** are liable to make any payment of benefit.

18.48 Insurer/us/we/our

Insurer/we/our/us means:

18.48.1 for **sections A - J**; QBE Insurance (Europe) Limited whose Head office and registered address is:

Plantation Place, 30 Fenchurch Street, London, EC3M 3BD, tel: 020 7105 4000 fax: 020 7105 4019. Registered in England No. 1761561. Home State - United Kingdom. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registration Number 202842.

18.48.2 for **section K**; DAS Legal Expenses Insurance Company Limited, whose Head office and registered address is:

DAS House, Quay Side, Temple Back, Bristol BS1 6NH. tel: 0117 934 2000 fax: 0117 934 2109

Home State - United Kingdom. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registration Number 202106.

18.49 Legal expenses costs

Legal expenses costs means;

- a) all reasonable and necessary costs chargeable by the **appointed representative** and agreed by **us** in accordance with the **DAS standard terms of appointment**; and
- b) the costs incurred by opponents in civil cases if the **person insured** has been ordered to pay them, or the **person insured** pays them with **our** agreement.

18.50 Maximum indemnity period

Maximum indemnity period means the number of months shown in the schedule.

18.51 Money

Money means both **negotiable money** and **non-negotiable money**.

18.52 Negotiable money

Negotiable money means cash bank and currency notes cheques postal orders money orders crossed bankers drafts current postage stamps savings stamps and certificates National Insurance stamps trading stamps gift tokens customer redemption vouchers credit card company sales vouchers credit card counterfoils travellers tickets phonecards (excluding phonecards held in stock for resale) VAT purchase receipts contents of franking machines and insofar as they are not otherwise insured holiday-with-pay stamps and luncheon vouchers

18.53 Non-negotiable money

Non-negotiable money means crossed warrants crossed cheques crossed giro drafts crossed postal and money orders crossed bankers' drafts crossed National Girobank cash cheques premium bonds savings bonds stamped National Insurance cards National Savings Certificates VAT purchase invoices and credit card sales vouchers all belonging to **you** or for which **you** have accepted responsibility

18.54 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:

18.54.1 the production or use of atomic energy;

18.54.2 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

18.54.3 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.

18.55 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.

18.56 Offshore

Offshore means from the time of embarkation onto a conveyance at the point of final departure from land to any offshore rig or any offshore platform and until such time of disembarkation from a conveyance onto land upon return from any offshore rig or any offshore platform.

18.57 Pre-existing condition

Pre-existing condition means illness malady disease physical impairment defect degenerative process or infirmity of the **insured person** existing prior to the **policy** inception date. For the purpose of this definition an illness malady disease physical impairment defect degenerative process or infirmity exists prior to the **policy** inception date if it has been diagnosed by a health care practitioner prior to the **policy** inception date or in the event that it has not been so diagnosed then in the opinion of a health care practitioner the **insured person** could reasonably have been expected to be aware of its existence on the **policy** inception date.

18.58 Period of insurance

Period of insurance means the period shown as such on the schedule, both days inclusive which time is taken as Greenwich Mean Time unless otherwise stated.

18.59 Permanent total disablement

Permanent total disablement means irrecoverable disablement arising from **injury** which permanently and totally incapacitates the **insured person** for a continuous period of twelve (12) months, and that as a result of the injury the **insured person** is medically determined to **our** satisfaction to have no likelihood of improvement sufficient to participate in his occupation ever again.

18.60 Person insured

For **section K** person – Legal expenses, person insured means the **insured** and the directors, partners, managers, employees and any other individuals declared to us by the **insured**.

18.61 Phishing

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

18.62 Policy

Policy means this document, the schedule (including any schedules issued in substitution) and any endorsements attaching to this document or the schedule.

18.63 Pollution

Pollution means:

- 18.63.1 the actual alleged or threatened discharge seepage migration dispersal release or escape of pollutants at any time;
- 18.63.2 any cost expense claim or suit arising out of any request demand or order as a result of actual alleged or threatened discharge seepage migration dispersal release or escape of pollutants at any time that **you** or any other insured party test for monitor clean up remove contain treat detoxify or neutralise or in any way respond to or assess the effects of pollutants

18.64 Preferred law firm or tax consultancy

Preferred law firm or tax consultancy means a law firm, barristers' chambers or tax expert **DAS** chooses to provide legal or other services. These specialists are chosen as they have the proven expertise to deal with the **person insured's** claim and must comply with **DAS'** agreed service standard levels, which they audit regularly. They are appointed according to the **DAS standard terms of appointment**.

18.65 Premises

Premises means the buildings and land shown in the schedule being occupied by **you** for the purpose of the **business**.

18.66 Product

Product means any property including packaging containers labels and instructions for use after it has left **your** custody or control which has been designed specified formulated manufactured constructed installed sold supplied distributed treated serviced altered or repaired by or on **your** behalf.

18.67 Rate of gross profit

Rate of gross profit means the rate of gross profit earned, **trend adjusted**, on the **turnover** during the financial year immediately before the date of the **damage**.

18.68 Reasonable prospects

Reasonable prospects means:

- a) For civil cases, the prospects that the **person insured** will recover losses or damages or a reduction in tax or National Insurance liabilities (or obtain any other legal remedy that **DAS** have agreed to, including an enforcement of judgment), make a successful defence or make a successful appeal or defence of an appeal, must be at least 51%. **DAS**, or a **preferred law firm** or **tax consultancy** on their behalf, will assess whether there are **reasonable prospects**.
- b) For criminal cases there is no requirement for there to be prospects of a successful outcome, however for appeals the prospects must be at least 51%.

18.69 Rent receivable

Rent receivable means the money which the **insured** is contractually liable to pay or which is contractually payable to the **insured** for rent and other charges and for services rendered in relation to the occupation or tenancy of buildings at the **premises**.

18.70 Section

Section means all or any individually lettered sections of this **policy** that forms part of the insurance contract but only if stated as 'operative' in the schedule.

18.71 Specified losses

Specified losses means:

- a) the cost of reinstatement, replacement or repair in respect of damage to or destruction of **property insured** by the **insured**; or
- b) the amount of business interruption loss suffered directly by the **insured** 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 **property insured** as a direct result of denial, prevention or hindrance of access to or use of the **property insured** by reason of an **act of terrorism** causing damage to other property within one mile of the property insured by the **insured** to which access is affected.

18.72 Specified perils

Specified perils means 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 system, data or money**.

18.73 Specified working expenses

Specified working expenses means

18.73.1 purchases (less discounts received);

18.73.2 discounts allowed;

18.73.3 carriage, packing and freight.

18.74 Standard gross fees

Standard gross fees means the **gross fees, trend adjusted**, during that period in the twelve (12) months immediately before the date of the **damage** which corresponds with the **indemnity period**.

18.75 Standard gross revenue

Standard gross revenue means the **gross revenue, trend adjusted**, during that period in the twelve (12) months immediately before the date of the **damage** which corresponds with the **indemnity period**.

18.76 Standard rent receivable

Standard rent receivable means the **rent receivable, trend adjusted**, during the period in the twelve (12) months immediately before the date of the **damage** which corresponds with the **indemnity period**.

18.77 Standard turnover

Standard turnover means the **turnover** excluding VAT, **trend adjusted**, during that period in the twelve (12) months immediately before the date of the **damage** which corresponds with the **indemnity period**.

18.78 Statement of fact

Statement of fact means all and any information supplied to **us** by or on **your** behalf.

18.79 Sum insured

Sum insured means the sum specified as the sum insured in the schedule.

18.80 Temporary partial disablement

Temporary partial disablement means the **insured person** being partially disabled and prevented from attending to the whole of his business or occupation as a result of **injury** not being **permanent total disablement**, loss of limbs or sight as otherwise defined in the benefits.

18.81 Temporary total disablement

Temporary total disablement means the **insured person** being totally disabled and prevented from attending to any of his business or occupation as a result of **injury** not being **permanent total disablement**, loss of limbs or sight as otherwise defined in the benefits.

18.82 Territorial limits

For **section B** only:

18.82.1 territorial limit EU means **United Kingdom** and members of the European Union;

18.82.2 territorial limit Worldwide means **United Kingdom** and elsewhere in the world.

18.82.3 territorial limit UK means **United Kingdom**.

For **sections I and J**, territorial limit means:

18.82.4 anywhere within the **United Kingdom** other than **offshore**;

18.82.5 elsewhere in the world other than **offshore** in connection with temporary visits undertaken in the course of the **business** by any person normally resident in the territories described in 18.74.4 above;

18.82.6 elsewhere in the world in respect of **products**.

But for **section K** – Legal expenses, territorial limit means:

18.82.7 For **insured incidents** 14.3 Legal Defence (excluding 14.3.4), and 14.5.2(b) bodily Injury:

The European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Croatia, Gibraltar, Iceland, Liechtenstein, Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey.

18.82.8 For all other **insured incidents** set out under clauses 14.2 – 14.7 other than those stated in 18.74.7:

The **United Kingdom** and any other extension agreed with **us**.

18.83 Terrorism

18.83.1 For **sections A to G**, terrorism means an **Act of terrorism**

18.83.2 **For England, Wales and Scotland:**

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

18.83.3 For **sections H, J and K**, terrorism means:

an activity that involves a violent act or the unlawful use of force or an unlawful act dangerous to human life, tangible or intangible property or infrastructure, or a threat thereof; and appears to be intended to

- i) intimidate or coerce a civilian population, or
- ii) disrupt any segment of the economy of a government de jure or de facto, state, or country, or
- iii) overthrow, influence, or affect the conduct or policy of any government de jure or de facto by intimidation or coercion, or
- iv) affect the conduct or policy of any government de jure or de facto by mass destruction, assassination, kidnapping or hostage-taking.

18.84 Trend adjusted

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

18.85 Turnover

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

18.86 United Kingdom

United Kingdom means Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

18.87 Vat dispute

For section – Legal expenses, vat dispute means a dispute with HM Revenue & Customs following the issue of an assessment, written decision or notice of a civil penalty relating to **your** VAT affairs.

18.88 Virus or similar mechanism

Virus or similar mechanism means 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 operation whether involving self-replication

or not. Virus or similar mechanism includes but is not limited to trojan horses, worms and logic bombs.

For **section – Terrorism**

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. 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.

18.89 War

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

19 Policy endorsements

The terms, exclusions or conditions of this insurance may be varied by any endorsement that expressly state that the following clauses are 'operative'.

Each clause will override any conflicting term in the **policy** and each is subject otherwise to the **policy** exclusions, terms, conditions and definitions.

BCP001

Exclusion – Subsidence

Clauses 3.2 and 5.2 – Coverage – insured perils

Clauses 3.2.10 and 5.2.10 are deleted from this **policy**.

BCP002

Condition - Intruder alarm

Clause 3.4 – Contents other terms and conditions

It is a condition precedent to liability for loss destruction 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 BS4737 or EN50131 including where stipulated by **us** or the local Police Authority Code of Practice DD243;
- b) the intruder alarm installation and maintenance company must be both:
 - i) a member of an Alarm Inspectorate which is accredited by UKAS to EN45011 EN 45012; and
 - ii) accredited and operate a Quality Management System in accordance with ENISO 9000;
- c) 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 BS4737 or EN 50131 with the installing company or such other company as agreed with **us**;

Where remote alarm signalling is required the signal transmission must be transmitted to an Alarm Receiving Centre fully compliant with BS5979:2000 and operated by a company accredited and operating to a Quality Management System in accordance with EN ISO9000;

- d) No alteration to or substitution of:
 - i) any part of the **intruder alarm system**;
 - ii) the maintenance contract;
 - iii) the structure of the **premises** or changes to the layout of the **premises** which would affect the effectiveness of the **intruder alarm system**;
 - iv) the procedures agreed with **us** for Police or any other response to any activation of the **intruder alarm system**;

shall be made without our written agreement.

- e) The **alarmed premises** shall not be left unattended without **our** agreement:
 - i) unless the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals (including both alarm transmission systems for dual signalling systems) in full operation;
 - ii) if the Police have withdrawn their response to alarm activations;
- f) **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;
- g) **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;
- h) In the event of notification of any activation of the **intruder alarm system** or interruption of means of communication including one or both alarm transmission systems in respect of dual signalling systems during any period the **intruder alarm system** is set a **key holder** shall attend the **premises** as soon as reasonably possible;
- i) In the event of the **insured** receiving any notification:
 - i) the Police attendance in response to alarm signals/calls from the **intruder alarm system** may be withdrawn or the level of response reduced or delayed;
 - ii) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance;
 - iii) that the **intruder alarm system** cannot be returned to or maintained in full working order;

you shall advise **us** as soon as possible and comply with any subsequent requirements stipulated by **us**.

Definitions

Intruder alarm system

The component parts including the means of communication used to transmit signals to the alarm receiving centre.

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** attend and allow access to the **premises**.

Premises

The buildings occupied by or under **your** control (unless otherwise stated in the schedule).

BCP003

Condition - Electrical circuits

Sections A and C – Conditions precedent

The following condition precedent is added to **sections A and C**:

As regards **damage** caused by, arising from or contributed to by **insured perils** of fire or explosion, it is agreed as a condition precedent to **our** liability under these **sections A and C** that **you** will ensure that all electrical circuits are checked by a qualified electrical contractor every five (5) years and any remedial work necessary whether revealed by such checks or otherwise, is completed without delay, and **you** will produce a certificate confirming this to **us** within a period of thirty (30) days of being so requested.

BCP004
Condition - Waste
Sections A and C – Condition precedent

It is agreed as a condition precedent to **our** liability under **sections A and C** that waste and any other trade refuse will be:

- a) kept in closed metal receptacles outside working hours, or
- b) swept up daily and removed from the premises and not allowed to accumulate around the **premises**.

BCP005
Exclusion - Efficacy
Clause 13.3 – Section J Public and product liability exclusions

The following clause is incorporated in and forms part of clause 13.3 to this **policy**.

The insurance by this **section** excludes and does not cover liability for any claim in respect of or caused by the failure of **your product** to fulfil its intended function or to remedy, rectify or repair any work which is or alleged to have been defective.

BCP006
Inclusion - North American
Clause 13.2 - Section J - Public and products liability extensions

- a) The insurance by **section J** is extended to include **your** liability for payment of any judgment, award, payment, **costs and expenses** or settlement made or incurred within countries which operate under the laws of North America (or to any order made anywhere in the world to enforce such judgment, award, payment, **costs and expenses** or settlement either in whole or in part).
- b) The insurance by this extension clause excludes and does not cover:
 - i) any **insured**, subsidiary, party or company incorporated, domiciled, registered or resident in North America;
 - ii) **bodily injury, personal injury, damage or denial of access** caused by or arising from or in connection with **pollution**, seepage or contamination;
 - iii) **bodily injury, personal injury, damage or denial of access** including any cost, expense or liability caused by or arising from or in connection with removing, nullifying, remaking or cleaning-up any actual or alleged **pollution**, seepage or contamination;
 - iv) fines, penalties, liquidated damages or punitive damages;
 - v) liability which attaches by way of any contract or agreement that would not have attached in the absence of such contract or agreement.
- c) the limit of indemnity stated under this extension clause is deemed to be inclusive of all **costs and expenses** recoverable hereunder.
- d) Any dispute concerning the interpretation of the terms and conditions of the **policy** or this extension is understood and agreed by both **you** and **us** to be subject to English law and each party agrees to submit to the exclusive jurisdiction of the High Court, London, England and to comply with all requirements necessary to give such Court jurisdiction. All matters arising shall be determined in accordance with the law and practice of such Court.

20 Complaints

20.1 How you can complain

In respect of the Legal Expenses Section of the policy only, please contact **DAS's** customer relations department at:

DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Black, Bristol, BS16NH, telephone 0117 934 0066, email **DAS** at customerrelations@das.co.uk.

In respect of all other Sections of the policy, **you** can complain about this policy by first contacting the broker. If **you** wish to contact **us** directly **you** can:

- a) e-mail: CustomerRelations@uk.qbe.com, write to Customer Relations, QBE European Operations, Plantation Place, 30 Fenchurch Street, London EC3M 3BD, or telephone 020 7105 5988; or
- b) where the **insurer** is or includes a Lloyd's syndicate, e-mail: complaints@lloyds.com, write to Lloyd's Complaints, Fidentia House, Walter Burke Way, Chatham Maritime, Kent ME4 4RN, or telephone 020 7327 5693.

Please note that Lloyd's will consider a complaint only if **you** are considered to be an 'eligible complainant' by the Financial Ombudsman Service – see below.

In each case, **you** should quote the **policy** or claim reference.

A summary of **our** complaints handling procedure is available on request and will also be provided to **you** when acknowledging a complaint.

20.2 The Financial Ombudsman Service (FOS)

If **you** feel that **your** complaint has not been satisfactorily resolved, **you** may contact the FOS to review the complaint.

To be an eligible complainant, **you** must be:

- a) a consumer;
- b) a micro-enterprise – a business that has an annual turnover of under EUR2million employing fewer than ten (10) employees;
- c) a charity with an annual income of less than GBP1million; or
- d) a trustee of a trust with net assets of less than GBP1million.

If eligible, **you** can contact the FOS via its website: <http://www.financial-ombudsman.org.uk/consumer/complaints.htm>, write to the FOS, Exchange Tower, London E14 9SR, or telephone 0300 123 9 123 or 0800 023 4567.

You must refer **your** complaint to the FOS (a) within six (6) months of **our** final response letter or (b) when **we** have failed to resolve the issue within eight (8) weeks.

The FOS provides impartial advice free of charge and contacting them will not affect **your** legal rights.

20.3 Financial Services Compensation Scheme (FSCS)

You may be entitled to compensation from the FSCS if **we** are unable to meet **our** obligations under this **policy**.

Entitlement to FSCS compensation depends on the type of business insured and the circumstances of the claim. Further information is available from www.fscs.org.uk, or **you** can write to the Financial Services Compensation Scheme, PO Box 300, Mitcheldean, GL17 1DY.

QBE European Operations

Plantation Place
30 Fenchurch Street
London
EC3M 3BD

tel +44 (0)20 7105 4000
fax +44 (0)20 7105 4019

enquiries@uk.qbe.com
www.QBEEurope.com



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