Policy Wording

Motor trade combined

underwriting

Contents

Q Underwriting "Yes Claim Bonus" claims initiative

Early Notification Excess Reduction

If **you** comply with the conditions set out below, **we** will reduce the applicable **excess** shown in **your schedule** by £200 in respect of a motor accident claim.

1. When the excess reduction applies

The **excess** reduction applies where all of the following conditions are met:

a) the claim arises from a motor accident involving an identifiable third party; and
b) **you** report the motor accident to Reserv on **our** behalf within 24 hours of the time of the accident; and
c) at the time of reporting, **you** provide Reserv with the third party's details, including (where available) their name, vehicle registration and a contact telephone number.

This **excess** reduction applies regardless of blame for the accident. However, this excess reduction does not apply to any claim arising from:

i. fire;
ii. theft or attempted theft;
iii. flood;
iv. malicious damage; or
v. mechanical or electrical breakdown.

2. How it works

Where all the conditions in 1. above are met, **we** will reduce the applicable **excess** for that motor accident claim by £200.

The excess reduction:

a) applies once per claim; and
b) will not reduce the applicable excess below £0.

Introduction

Thank you for choosing Motor Trade Combined.
Q Underwriting has issued this **policy** on behalf of your insurer(s) (**us**), under the authority granted to them by **us** under the binding authority agreement referenced in the **schedule**. Details of your insurers and Q Underwriting are set out below.

About this policy

This **policy** is a legal contract between **you** and **us**. It is made up of the following documents, all of which form one contract and must be read together:

- this wording;
- the **schedule** (including any endorsements);
- the **Certificate of Motor Insurance**;
- the **proposal**
- if applicable, the **statement of fact**;
- any other document or information stated in the **schedule** as forming part of this **policy**.

Please read all parts of this **policy** carefully to ensure that it meets your needs and that **you** understand the terms and conditions. If **you** have any questions or require changes, please contact **your** broker.
Words and phrases shown in **bold** have special meanings. These are explained in the General Definitions and, where applicable, in the relevant Sections.
Please keep all documents in a safe place and make a note of **your policy** number so these are available if **you** need to make a claim.
Your **policy** explains:

- which Sections of cover apply and the cover they provide;
- the limits of liability or **sums insured** and any applicable **excesses**;
- the **motor vehicles**, property, activities and risks insured, including permitted and prohibited uses;
- the terms, conditions, limitations and exclusions that apply;
- **your** rights and obligations, and **our** rights and obligations.

Your schedule may include endorsements that amend the terms or conditions of this **policy**.
The General Policy Conditions, Claims Conditions, and General Exclusions apply to the whole **policy** unless otherwise stated. Each Section may have more specific terms, conditions and exclusions which apply to that Section.
We have agreed the terms, conditions and premium for this **policy** based on the information provided by **you** or on **your** behalf to **Q Underwriting**. **You** must notify **your** broker immediately if any of that information is inaccurate or has changed.

Insurance Agreement

In return for:

a) **your** payment of the premium; and
b) compliance with the terms and conditions of this **policy**,

we agree to insure **you** in accordance with the terms and conditions of this **policy**.

About Us

Your Insurer in respect of all Sections.

Accelerant Insurance UK Limited is an insurance company and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm reference number: 207658). It is registered in England and Wales with company number 03326800 and has its registered office address at One Fleet Place, London, EC4M 7WS and its trading office address at Lodge Park Business Centre,Lodge Lane,Langham,Colchester,CO4 5NE.

Several liability notice

The subscribing insurers' obligations under contracts of insurance under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

About Q Underwriting

Q Underwriting is a trading name of Q Underwriting Services Limited, a company registered in England with company number 8946569 and having its registered office at Rossington's Business Park, West Carr Road, Retford, Nottinghamshire, England DN22 7SW. Q Underwriting is authorised and regulated by the Financial Conduct Authority, with firm reference number 657367.

Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (**FSCS**).

You or other persons insured under this **policy** may be entitled to receive compensation from the FSCS if **we** cannot meet **our** obligations. This will depend on eligibility of the relevant person and the circumstances of the claim.

Further information about the FSCS is available:

Website: www.fscs.org.uk

Email: enquiries@fscs.org.uk

Telephone: 0800 678 1100 or 0207 741 4100 (may incur charges)

Keep Your Information Accurate and Up to Date

Your policy has been issued based on the information provided by **you** or on **your** behalf. It is essential that this information is complete, accurate and up to date, so that **your** cover operates as intended and **we** can assess the risk correctly.

Please review all the information shown in the **schedule**, the **statement of fact**, the **proposal**, the **Certificate of Motor Insurance** and any other documents that form part of this **policy**. If anything is incorrect, incomplete or out of date, **you** must tell **your** broker immediately.

You must also tell **your** broker as soon as reasonably possible if any information **you** previously provided changes, becomes inaccurate, or if **you** become aware of anything that may change or increase the risk. This includes changes occurring during the **period of insurance**.

Changes that may need to be notified include (but are not limited to):

- acquiring, leasing or occupying new locations;
- structural alterations, extensions or changes to existing **premises**;
- changes to the nature of **your business** activities or how the **business** is operated;
- acquiring or using additional **motor vehicles**, including:
    - high-performance or high-value **motor vehicles**;
    - any **motor vehicle** listed on the 'Refer Vehicles List' provided to **you** with this **policy**);
    - any **motor vehicle** that was not previously declared and for which cover is required;
- changes to the list of drivers or their details including but not limited to their licence status or permitted use of any drivers;
- any motoring convictions or pending prosecutions of drivers, including those with conviction codes commencing AC, BA, DD, UT, IN, DR, DG, MR, XX, or codes CD40–CD99, MS50–MS59, TT99, NE99;
- any criminal convictions of, or pending prosecutions against, **persons employed** in the **business**;
- if either **you** or any of **your** directors or partners have been declared bankrupt, insolvent or been the subject of bankruptcy proceedings or insolvency proceedings or been disqualified from holding company directorship;
- if either **you** or any of **your** directors or partners has been the subject of a Country Court judgement or a Sheriff Court Decree; or
- any other change that may increase the likelihood, frequency or severity of a claim.

These examples are not exhaustive. If **you** are unsure whether a change may affect this **policy**, please contact **your** broker.

Failure to notify changes may affect **your** cover, the premium charged, or the handling of any claim.

Making a claim

Making a claim under any Section.

If an accident, loss, damage occurs or any circumstances arise which may cause a claim to be made against, **you** should notify Reserv on **our** behalf using the contact details provided below. **You** must notify the claim in accordance with the timelines required under General Claims Conditions 1. 'Your duties when making a claim'.

Reserv

By phone: 0203 878 7122

By email:

New Claims: new.claimuk+qunderwriting@reserv.com

Existing Claims: claimsuk+qunderwriting@reserv.com

Making a complaint

If **you** have a complaint regarding the sale of **your policy**, please speak with or write to **your** broker in the first instance.

Reserv

If **you** are unhappy with **our** claims service in respect of a claim under any Section, please contact Reserv:

By post: Reserv Claims Analysis

275 New North Road

PMB 3077

London

N1 7AA

By email: ukcomplaints@reserv.com

If **your** complaint is for any other reason, please contact **Q Underwriting**:

By post: Q Underwriting,40 Cathedral Road,Cardiff,CF11 9LL.

By phone 02920 301030

By email Motortradecombined@qunderwriting.com

Our Complaints Procedure

1. Complaints relating to claims under all Sections

In line with the requirements set out in DISP 1.6 we'll respond to your complaint as soon as we can and within 8 weeks.

Our investigation may take some time, so if this investigation has not been completed within four weeks, we'll write to you and let you know why we're not yet able to resolve your complaint. We'll also let you know when you can expect your next update from us.

Once we've investigated your complaint we'll write to you and let you know the outcome. If you're unhappy with the outcome you may refer the matter to the Financial Ombudsman Service. We'll include information about how to do this.

If our investigation isn't concluded within eight weeks, we'll write to you again to let you know why. If you're not happy with our progress at this stage, you may refer the matter to the Financial Ombudsman Service.

Otherwise we act in accordance with DISP 1.6.

2. For all other complaints

Q Underwriting will contact **you** within 5 working days of receiving your complaint to confirm the action they are taking.

Q Underwriting will try to resolve the problem and give **you** an answer within four weeks. If it takes **Q Underwriting** longer than four weeks, they will tell **you** when **you** can expect an answer.

3. The Financial Ombudsman Service

You may have the right to take **your** complaint to the Financial Ombudsman Service (FOS), if:

a) **you** are unhappy with the outcome of **your** complaint; or

b) **you** have not had a response to **your** complaint within eight weeks.

You must contact them within six months of the final response **you** receive from **us** or on **our** behalf, or the FOS may not be able to help **you** fully with **your** complaint.

The FOS is impartial and is free for customers to use. Taking **your** complaint to them will not affect **your** right to take legal action. **You** can find more information online by visiting: www.financial-ombudsman.org.uk

You can contact the FOS:

By Post:

Financial Ombudsman Service

Exchange Tower

London

E14 9SR

By phone:

0800 023 4567 (calls to this number are free from landlines)

Or

0300 123 9123 (calls cost no more than calls to 01 and 02 numbers)

By email: complaint.info@financialombudsman.org.uk

General definitions

This Section lists words and phrases with special meanings. **We** show them in bold throughout the policy. The words or phrases listed below carry the same meaning throughout the **policy** unless a more specific definition applies in an individual Section. If a Section has extra definitions, these appear at the start of that Section.

Advanced Driver Assistance Systems (ADAS)

means in-vehicle technology to assist, complement, or automate the function of the **motor vehicle** including safety systems designed to assist the driving process, improve crash avoidance, and reduce crash severity.

Building

means buildings at the **premises** belonging to **you** or for which **you** are responsible, including:

a) structures (including foundations, walls and roofs) built mainly of brick, stone, concrete or other similar non-combustible materials, unless **we** have agreed otherwise in writing;
b) extensions and annexes communicating with the structures in a) above;
c) landlord's fixtures and fittings, fixed glass and sanitaryware in or on the structures in a) above;
d) fixed security cameras and lights;
e) central heating systems in or on the structures in a) above, including boilers, radiators and associated pipework;
f) telephone, gas and water mains, including meters, piping, cabling and accessories, extending from the buildings to the public mains;
g) solar panels and wind turbines attached to the structures in a) above;
h) fixed fuel tanks, including associated apparatus and pipework;
i) perimeter walls, fences and gates;
j) outbuildings, raised platforms and walkways;
k) landscaping, lamp posts, street furniture and paved areas including yards, car parks, roads, pavements and forecourts; and
l) fixed signs and canopies.

Business

means the business described in the 'Business Description' in the schedule, and also includes:

a) ownership, repair, and maintenance of **your premises**;
b) the provision and management of canteen, social, sports, first aid, and welfare organisations for **your** benefit or the benefit of **employees**;
c) firefighting and security services maintained solely for the protection of the **premises**;
d) private work undertaken by any **person employed** for any of **your** directors, partners, or **employees** with **your** prior consent; and
e) **your** attendance at or participation in exhibitions, trade fairs or shows.

Business hours

means **your** normal working hours and any other period during which **you** or any director, partner, or **employee** authorised by **you** is on the **premises** in connection with the **business**.

Certificate of Motor Insurance

means the current 'Certificate of Motor Insurance' that:

a) proves **you** have the motor insurance required by the **Road Traffic Acts** to use a **motor vehicle** on a road or other public space; and
b) shows who can drive a **motor vehicle**; and
c) what the **motor vehicle** can be used for.

Computer system

means any computer, hardware, software, communications system, electronic device (for example smart phone, tablet, or laptop), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, storage device, networking equipment or back up facility, owned or operated by you or any other party.

Communicable disease

means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property

Customer's motor vehicle

means any **motor vehicle** belonging to **your** customer and held in **your** custody or control, but not including any **motor vehicles** belonging to **you** or leased or held by **you** on consignment.

Cyber act

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

Cyber incident

means:

a) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **computer systems**; or
b) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **computer systems**.

Data

means information, facts, concepts, code, data or any other information 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.

Data processing media

means all forms of electronic, magnetic and optical tapes and discs for storing **data** but not any **data** stored therein.

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**.

Employee

means any individual under a contract of service or apprenticeship with **you**.

Excess

means the amounts **we** will deduct from each claim after the application of all other terms and conditions.

Flood

means:

a) the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal, drain or dam;
b) inundation from the sea;
c) inundation by rainwater or rainwater induced run off other than where the;
d) inundation is solely caused by or solely results from ingress of rainwater through or via the roof of the **building**,

whether resulting from storm or not.

Geographical Limits

means United Kingdom, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey and the Isle of Man.

Goods carrying vehicle

means a **motor vehicle** manufactured or adapted for carriage of goods.

Insured vehicle

means the following used for purposes permitted by **your Certificate of Motor Insurance**:

a) any **motor vehicle** detailed in paragraph 1 of the Certificate of Motor Insurance; and
b) any vehicle, trailer, or agricultural implement, including its accessories and spare parts attached to a **motor vehicle** described in a) above for the purpose of being towed; and
c) any vehicle being conveyed in or on a vehicle or trailer described in a) or b) above except:
   i. any vehicle transporter (including vehicle trailer) capable of carrying more than two vehicles at any one time, unless the vehicle being conveyed is in your custody or control for sale, repair, servicing, cleaning, maintenance, inspection, testing, alteration or treatment;
   ii. any vehicle carried by a vehicle transporter (including vehicle trailer) capable of carrying more than two vehicles at any one time, unless where transportation is by rail.

Intruder alarm system

means the intruder alarm system including all component parts, devices, lines, and equipment used to transmit the signals to and from the **premises**.

Keyholder

means any person or keyholding company authorised by **you** who is available at all times when the **intruder alarm system** is set to accept notification of faults or alarm signals or messages relating to the **intruder alarm system**.

Money

means **negotiable currency** and **non-negotiable currency.**

Motor vehicle

means any motor vehicle, trailer or agricultural implement, including its accessories and spare parts while on or temporarily detached from the motor vehicle.

Motorcycle

means

a) a mechanically propelled two-wheeled **motor vehicle** with or without a sidecar or trailer attached;
b) a mechanically propelled three wheeled **motor vehicle** having two wheels on one axle where the centre points of contact of such wheels and the road are less than 46 centimetres apart.

Negotiable currency

means cash, bank notes, currency notes, uncrossed cheques (including travellers' cheques but excluding pre-signed blank cheques), uncrossed bankers' drafts, uncrossed giro cheques and drafts, uncrossed postal orders, uncrossed money orders, current postage and revenue stamps, National Insurance stamps (not fixed to cards), National Savings stamps, bills of exchange, luncheon vouchers, consumer redemption vouchers, Holiday with Pay stamps, gift tokens and trading stamps.

Non-negotiable currency

means crossed cheques (other than pre-signed blank cheques), crossed banker's drafts, crossed giro cheques and drafts, crossed postal orders, crossed money orders, unused units in franking machines, National Savings certificates, Premium Bonds, credit company sales vouchers and VAT purchase invoices.

Offshore installation

means any rig, platform, or similar installation in the sea or tidal waters including all facilities, equipment, pipes and systems.

Period of insurance

means the period beginning with the "From" date and ending on the "To" date shown on the **schedule**.

Person employed

means:

a) **employee**;
b) any of the following while under **your** direct control and supervision in connection with the **business**:
   i. labour master or labour only subcontractors or individuals supplied by any of them;
   ii. self-employed person (not being in partnership with **you**);
   iii. individual hired to or borrowed by **you**;
   iv. individual undertaking study or work experience;
   v. individuals being assessed by **you** as to their suitability for employment;
   vi. voluntary helper.

Person entitled to indemnity

means:

a) **you;**
b) **your** personal representatives in respect of legal liability incurred by **you;**
c) at **your** request:
   i. Any of **your** directors or partners;
   ii. Any **person employed;**
   iii. The officers, committees and members of **your** canteen, social, sports, first aid, firefighting, and welfare organisations in their respective capacities as such; and
   iv. Any of **your** directors or partners or **employees** in respect of private work undertaken by any **person employed** for such directors partners or **employees** with **your** prior consent,

provided that if indemnity is extended to any of these people:

(1) they will be subject to the terms of this policy so far as they can apply;
(2) they will only be covered against legal liability in respect of which **you** would have been entitled to indemnity under this **policy** if the claim had been made against **you.**

Phishing

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

Policy

means the terms and conditions of the contract of insurance including this document, the most recent **schedule** and the **Certificate of Motor Insurance**.

Premises

means the premises shown in the **schedule**

Private Car

means a passenger carrying **motor vehicle** with not more than nine seats including the driver's seat.

Property

means physical property but excluding **data**.

Road Traffic Acts

means any acts, laws, or regulations which govern the driving or use of any motor vehicle in England, Wales, Scotland, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man.

Schedule

means the schedule forming part of the **policy**.

Specified event

means:

a) fire
b) lightning
c) explosion
d) aircraft and other aerial devices, or articles dropped from them
e) earthquake
f) riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances
g) storm or **flood**
h) escape of water from any tank, apparatus or pipe
i) falling trees
j) impact
k) escape of fuel from any fixed oil heating installation
l) malicious persons other than thieves

Spouse

means the partner, civil partner, husband or wife of the person who is entitled to drive and use the **insured vehicle** as specified in the **Certificate of Motor Insurance** provided they:

a) live at the same address as, and share financial responsibilities with such person; and
b) are permitted by the **Certificate of Motor Insurance** to drive and use the **insured vehicle**.

Sudden pollution or contamination incident

means

a) all Pollution or Contamination of buildings or other structures or of water or land or the atmosphere and

b) all Injury loss or Damage directly or indirectly caused by such Pollution or Contamination

All Pollution or Contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place

Sum insured

means the value shown in the **schedule** or elsewhere in the **policy** which represents the maximum amount **we** will pay unless stated otherwise.

Terrorism

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

Unattended vehicle

means any vehicle which **you** are unable to observe and reasonably prevent any attempt to interfere with, or cause damage, to such vehicle or other property.

Unoccupied

means any **building** or portion of it which is:

a) wholly or mainly empty; or
b) not in use by you or any of your tenants; or
c) empty, vacant or disused; or
d) untenanted or unfurnished; or

e) awaiting refurbishment, redevelopment, renovation or demolition,

for more than 30 consecutive calendar days.

Virus or similar mechanism

means program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **computer systems**, **data** or operations, whether involving self-replication or not. The meaning of virus or similar mechanism includes but is not limited to trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

War

means war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

We/Us/Our

means:

a) in respect of all Sections, Accelerant Insurance UK Limited

You/Your

means the person, persons, company, companies, partnership, partnerships, or unincorporated association named as the ‘Policyholder’ in the **schedule**

General Claims Conditions

The following claims conditions apply to the whole **policy** except so far as is necessary to comply with the requirements of the **Road Traffic Acts**.

1. Your duties when making a claim

Our liability to pay any claim is conditional upon **your** full and timely compliance with these requirements.

You must:

a) notify **us** immediately of any event or occurrence that may result in a claim;
b) notify the police immediately of any loss, destruction, or damage caused by malicious persons or theft or attempted theft;
c) at **your** own expense, submit a claim to **us**, providing full details of the loss, liability, destruction, damage, accident, injury, cost or expense as soon as practicable or within seven calendar days of **you** becoming aware of the event or occurrence in the case of loss, destruction, or damage caused by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, or malicious persons, or within such further time as **we** may allow;
d) provide **us** with all information and assistance **we** reasonably require in relation to the claim;
e) if **we** require, make a statutory declaration as to the truth, accuracy and completeness of the claim and any matters connected to it.
f) immediately forward to **us**, unanswered, all communications from third parties relating to any event that may give rise to a claim under this **policy**;
g) not admit or deny liability, enter into any negotiation, or make or offer any payment or settlement in connection with any claim without **our** prior written consent;
h) allow **us** to take over and conduct, in **your** name, the defence or settlement of any claim, and permit **us**, at **our** own expense and for **our** own benefit, to pursue any claim for indemnity or compensation against any other person. **You** must provide all information and assistance **we** require;
i) notify **us** immediately upon becoming aware of any prosecution, inquest, or inquiry connected with any event or occurrence which may be the subject of indemnity under this **policy**;
j) take, and permit **us** to take, all reasonably practicable steps to prevent or minimise loss, interruption of the **business**, and any further loss, destruction, damage, injury, cost, or expense;
k) retain unaltered and unrepaired any property or items connected with a claim for as long as **we** may require.

2. Replacing or building property

If **we** agree to rebuild or replace any **property**, **you** must, at **your** own expense, provide any plans, documents, books, and information **we** require.

3. Abandonment

You may not abandon any property to **us.**

4. Control of claims

We will be entitled:

a) following damage to any property insured under this **policy**, to enter and remain upon the **premises** where the damage occurred; to take and keep possession of the property and any salvage; and to deal reasonably with such premises, property and salvage for all reasonable purposes. This **policy** will operate as **your** leave and licence for these purposes;

b) at **our** discretion, to take over and conduct in **your** name the defence or settlement of any claim, and to prosecute in **your** name, but at **our** own expense and for **our** own benefit, any proceedings to recover compensation or secure indemnity from any third party. **You** shall provide all information and assistance reasonably required;

c) to take possession of any property in respect of which a claim is paid under this **policy**, and **you** shall execute all assignments and assurances reasonably required; and

d) at **our** option, to repair or replace the property, or any part of it, for which **we** are liable, without being bound to repair or replace exactly or completely but only as circumstances reasonably permit. **We** shall not in any event be liable to expend more than the applicable **sum insured** for any item.

5. Discharge of liability

In respect of any claim, **we** may at any time discharge **our** liability under this **policy** by paying:

a) the limit of indemnity; or

b) the **sum insured**; or

c) any lesser amount for which the claim can be settled,

after deducting any sums already paid.

Upon making that payment, **we** will have no further liability in respect of the claim, other than for costs and expenses that have been incurred with **our** consent prior to the date of payment.

6. Subrogation

To the extent that **we** are, or may become, liable under this **policy** (whether or not we have made any payment), **we** will be entitled to exercise any rights of recovery or defence that **you**, or any other person entitled to an indemnity under this **policy**, may have in connection with a matter covered by this **policy**.

We may, at any stage, take over and/or control the conduct of any claim or legal proceedings made by or against **you**, or any such person, in relation to that matter.

At **our** written request and at **our** expense, **you** and any other person entitled to an indemnity under this **policy** must:

a) take, or allow **us** to take, all reasonable steps in **your** name (or their name) to enforce any such rights against any other party, before or after **we** make any payment under this **policy**; and

b) sign all documents and do anything else we reasonably require to secure, preserve and enable **us** to exercise those rights, including bringing or defending proceedings in **your** name (or their name).

7. Arbitration

If any dispute arises concerning the amount to be paid under this **policy** (liability otherwise being admitted) that dispute will be the subject of arbitration in accordance with ARIAS (UK) Arbitration Rules. The seat of arbitration shall be in London, and the arbitration tribunal shall apply the laws of England and Wales as the proper law of the **policy** and the procedural and supervisory law of the arbitration.

General Conditions

The following conditions apply to the whole **policy** in addition to the conditions contained in each Section.

1. Applicable law, jurisdiction, and language

This **policy** will be governed by, and construed in accordance with, the laws of England and Wales.

Any dispute over the terms of this **policy** (other than a dispute concerning the amount to be paid under this **policy** where we have otherwise admitted liability) will be subject to the exclusive jurisdiction of the Courts of England and Wales.

The language of the **policy** and all communications relating to it will be in English.

2. Complying with the terms and conditions

Our liability under this **policy** will be conditional on:

a) **you** complying; and
b) where appropriate, any other person entitled to an indemnity under this **policy** complying as if they were **you**,

with the terms and conditions of this **policy**.

If **you**, or any such other person, breach any term of this **policy** (whether express or implied), **our** liability will be suspended.

The suspension will apply only from the date and time the breach occurs until the date and time it is remedied. **We** will have no liability for any loss that occurs, or is attributable to anything that happens, during the period of suspension.

We will not rely on the breach of any term of this **policy** intended to reduce the risk of particular types of loss, damage or liability, to exclude, limit or discharge our liability if **you** can prove that the breach could not have increased the risk of the relevant loss, damage or liability in the circumstances in which it occurred.

3. Our liability

For all purposes under this **policy**, including (without limitation) applying any **sum insured**, limit, limit of liability, or limit of indemnity, and deciding when and how this **policy** will respond, all parties comprising the 'Policyholder' shown on the schedule will be treated together as a single policyholder or one party or legal entity, so that there will only be two parties to the contract of insurance, **you** and **us**.

4. Fair presentation of the risk

You must make a fair presentation of the risk to **us** at the inception of the **policy**, at each renewal, and whenever the **policy** is varied.

a) Where any failure to make a fair presentation is:
   i. deliberate or reckless; or
   ii. of a nature that, if **you** had made a fair presentation, **we** would not have issued the **policy**, or agreed the renewal or variation,

   we may, at **our** option, treat the **policy** as if it had never existed from the relevant date (being the inception date, renewal date, or date of variation, depending on when the failure occurred). **We** will return the premium to **you** from that relevant date, unless the failure to make a fair presentation is deliberate or reckless.

b) If the failure to make a fair presentation is neither deliberate nor reckless, and **we** would have issued the **policy** or renewal or agreed the variation but only on different terms, **we** may, at **our** option:
   i. reduce proportionately the amount payable on any claim, using the ratio between the premium **you** actually paid and the premium **we** would have charged from the relevant date had a fair presentation been made; and/or
   ii. apply, from the relevant date, any additional terms (other than an increased premium) that **we** would have imposed had a fair presentation been made.

5. Alteration of Risk

You must notify **us** as soon as possible if during the **period of insurance** if:

a) there has been any alteration to the **premises** or the **business** which increases the risk of injury, loss, damage, or destruction; or
b) **your** interest in the **business** ceases (other than by will or operation of the law).

Upon being notified of any such alteration, we may at our option:

i. continue to provide cover under this **policy** on the same terms;
ii. restrict the cover provided under the **policy**;
iii. impose additional terms;
iv. alter the premium; or
v. cancel the **policy** in accordance with General Condition 8 'Our Cancellation Rights'.

If **you** fail to tell **us** about an alteration in risk, **we** may:

(1) treat the **policy** as having terminated with effect from the date of the alteration of the risk, if **we** would have cancelled the policy had **you** told **us** of the alteration;
(2) reduce the amount paid or payable in respect of any claim in proportion to the premium actually charged compared to the premium **we** would have charged **you** had **we** been notified of the alteration; and/or
(3) treat the policy as if it contained such different terms (other than relating to the premium) that **we** would have applied to the policy had **you** told **us** of the alteration in risk.

6. Your cancellation rights

You have the right to cancel this **policy**:

a) at any time before the **period of insurance**; or
b) at any time after the **period of insurance** starts, by giving **us** 14 calendar days' written notice.

If **you** cancel the **policy**, **we** will refund the unused portion of the annual premium on a pro-rata basis, provided that:

i. **you** have not made any claims during the current **period of insurance**; and
ii. **you** are not aware of any incident that may give rise to a claim in respect of the current **period of insurance**.

The amount of any premium to be refunded will be reduced by all unpaid premiums or unpaid premium instalments due.

No refund will be due if **you** have made any claims during the **period of insurance**, or if **you** are aware of any incidents that may give rise to a claim in respect of the current **period of insurance**.

The Motor Insurance Database managed by the Motor Insurers' Bureau will be updated accordingly.

7. Cancellation following default of your credit agreement

If both of the following apply:

a) **your policy** is financed by a credit agreement arranged through **your** broker or **Q Underwriting**; and
b) **you** default on any instalment due under the payment schedule,

then **we**, **Q Underwriting**, or an agent acting with **our** specific authority may cancel this **policy** by providing **you** with written notice in accordance with the default termination provisions set out in that credit agreement.

If the **policy** is cancelled for these reasons, **we** will refund the unused portion of the annual premium on a pro-rata basis, provided that:

i. **you** have not made any claims during the current **period of insurance**; and
ii. **you** are not aware of any incident that may give rise to a claim in respect of the current **period of insurance**.

The amount of any premium to be refunded will be reduced by all unpaid premiums or unpaid premium instalments due.

No refund will be due if **you** have made any claims during the **period of insurance**, or if **you** are aware of any incidents that may give rise to a claim in respect of the current **period of insurance**.

The Motor Insurance Database managed by the Motor Insurers' Bureau will be updated accordingly.

8. Our cancellation rights

a) Unless **your policy** is financed by a credit agreement arranged through **your** broker or **Q Underwriting**, **we** will cancel this **policy** with effect from the inception date if the premium has not been paid in full by the inception date, and no return premium will be due. **We** or **Q Underwriting** will confirm cancellation for this reason in writing to **your** last known address.

b) In addition to any rights set out elsewhere in this policy, **we** have the right to cancel the **policy** at any time by sending 7 calendar days' written notice to **your** last known address. If **we** cancel the **policy**, **we** will refund the unused portion of the annual premium on a pro-rata basis, provided that:
   i. **you** have not made any claims during the current **period of insurance**; and
   ii. **you** are not aware of any incident that may give rise to a claim in respect of the current **period of insurance**.

The amount of any premium to be refunded will be reduced by all unpaid premiums or unpaid premium instalments due.

No refund will be due if **you** have made any claims during the **period of insurance**, or if **you** are aware of any incidents that may give rise to a claim in respect of the current **period of insurance**.

The Motor Insurance Database managed by the Motor Insurers' Bureau will be updated accordingly.

9. False or fraudulent claims

If all or part of a claim made by **you** (or anyone acting on **your** behalf), or any other person claiming to be indemnified (or anyone acting on their behalf), is:

a) false, fraudulent, or deliberately exaggerated; or

b) supported by false or fraudulent documentation, devices, or statements (whether or not the claim itself is otherwise valid); or

c) pursued in a manner which is dishonest, or involves the deliberate or reckless concealment or misrepresentation of any fact or circumstance, or suppressing any defence that might otherwise be available to **us** in dealing with the claim,

then **we** will have the right to:

   i. refuse to pay the claim;
   ii. recover from **you** any sums paid by **us** in respect of the claim; and
   iii. despite any other term or condition, treat this **policy** as being terminated with effect from the date of the fraudulent act by giving **you** written notice.

If the **policy** is treated as having been terminated under iii. above:

(1) **we** will not be liable to refund any premiums; and
(2) **you** will have no cover under the **policy** from the date of the termination.

10. Invalidity or unenforceability

If any term or condition of this **policy**, or any part of a term or condition, is found to be legally unenforceable by a court of competent jurisdiction, the other terms and conditions of this **policy** (and the remainder of any partially invalid term or condition) will not be affected and will remain in full force and effect.

11. Other insurances

a) If at the time of any loss, destruction or damage to property insured under this **policy**, there is any other insurance arranged by **you** or on **your** behalf covering the same property, **our** liability under this **policy** will be limited to **our** rateable proportion of that loss, destruction or damage.

   If such other insurance is written on terms that prevent it from contributing rateably to that loss, destruction or damage, then **our** liability under this **policy** will be limited to that proportion of the loss, destruction or damage which the **sum insured** under this **policy** bears to the value of the property concerned.

b) If any liability which is the subject of a claim under this **policy** is, or would (but for this **policy**) be, covered under any other insurance, **we** will only be liable under this **policy** for the amount in excess of the sum payable under that other insurance as if this **policy** did not exist. However, this condition will not impose any obligation on us to make payment under the policy from which we would have been relieved under Section 2 – Road Risks, Extensions to Part 2 – Liability Cover, Extension 2. Contingent Liability.

12. Payment of the premium

It is a condition precedent to **our** liability that **you** pay **us** the premium when due. If **your policy** is financed by a credit agreement, it is a condition precedent to **our** liability that payments shall be made in accordance with the terms of the credit agreement.

13. Evidence of business

If **we** ask **you** to provide evidence of **your** motor trade business and **you** do not provide it within 14 calendar days of **our** request **we** may, at **our** option:

a) avoid this **policy** from its inception;
b) cancel this **policy** from the date of a claim or alleged claim and repudiate that claim; or
c) repudiate a claim.

For the purposes of this condition, evidence of **your** motor trade **business** may include (but is not limited to):

i. an original or copy of **your** most recent business tax return; and/or
ii. an original copy of **your** most recent business bank statement; and/or
iii. **your** business VAT registration number; and/or
iv. any other evidence we consider fair and appropriate to verify **your** motor trade business.

14. Motor Insurance Database

It is a condition precedent to **our** liability that **you** must supply details of all **motor vehicles** insured on the **policy** as required by the relevant law applicable in Great Britain and Northern Ireland for entry on the Motor Insurance Database managed by the Motor Insurers' Bureau.

15. Financial and Trade Sanctions Limitation

We will not be deemed to provide cover and **we** will not be liable to pay for any claim or provide any benefit under this **policy** to the extent that the provision of such cover or benefit or payment of claim would expose **us** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union, United Kingdom or United States of America.

16. Rights of third parties

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

This clause does not affect any rights enforceable under the Third Parties (Rights against Insurers) Act 2010 or those rights that a third party may have under the **Road Traffic Acts** or where this is permitted under the European Communities (Rights Against Insurers) Regulations 2002. If third parties contact us directly in these circumstances, **we** may deal with any claim, subject to the terms and conditions of this **policy**.

17. Inspections

We may, at any reasonable time, inspect the **premises** and any property insured under this **policy**, but we are not obliged to do so. Any inspection **we** carry out is not intended to address life, safety or health issues.

Our:

a) right to make inspections;
b) carrying out of inspections; or
c) analysis, advice or inspection reports,

do not amount to an undertaking for **your** benefit or for the benefit of any other person. **We** will have no liability to **you**, or to any other person, arising from any inspection **we** make or fail to make.

18. Suspension

If **we** discover a dangerous or defective condition upon inspecting any property, **we** may by giving **you** written notice suspend all **our** liability that might otherwise arise from such dangerous or defective condition.

19. Access to records

You must, at all reasonable times, make available to **us**, **Q Underwriting**, or our appointed representatives, all books, papers and other records held by **you** or **your** agents in connection with this **policy** or its subject matter. **We** may, at **our** own expense, inspect and copy these records during the **period of insurance** and afterwards until all liability under this **policy** has expired and all claims have been finalised.

20. Salvage and recoveries

All salvage, recoveries and payments obtained after a loss has been settled under this **policy** will be treated as if they had been obtained before the settlement, and **we** and **you** will make any necessary adjustments.

21. Reasonable precautions

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

a) keep the property insured under this policy secure and in a satisfactory state of repair;
b) maintain each **insured vehicle** in a roadworthy condition including but not limited to:
   i. installing software, programme code, programme instructions or security patch updates as requested, notified or published by the manufacturer of the **insured vehicle** or software provider as soon as reasonably practicable;
   ii. when required, recalibrating any windscreen or **Advanced Driver Assistance Systems (ADAS)** of the **insured vehicle** by a qualified technician as soon as reasonably practicable;
   iii. only recharging any **insured vehicle** in accordance with the manufacturer's instructions;
   iv. only using electric vehicle charging equipment that has been installed by an Office for Low Emission Vehicles (OLEV) approved installer and maintaining such equipment in accordance with the manufacturer's and installers instructions.
c) take all reasonable precautions to prevent:
   i. loss, destruction or damage to the property;
   ii. accident or injury of any person, or loss, destruction or damage to their property;
d) comply with all applicable legal requirements and safety regulations, and conduct the **business** in a lawful manner; and
e) keep books and records which provide a complete record of purchases and sales.

22. Subjectivities

At inception and other times during each **period of insurance**, the cover provided under this **policy** may be made subject to any of the following requirements:

a) **you** providing **us** with any additional information **we** request;
b) **you** completing any actions agreed between **you** and **us**;
c) **you** allowing **us** to complete any actions agreed between **you** and **us**;
d) **you** allowing **us** access to the premises to carry out surveys and confirm **your** compliance with any identified risk improvements.

If this is the case, these requirements will be specified in the **schedule** together with the dates by which they must be completed

If these requirements are completed, or if they are not completed by the dates stated in the schedule, **we** may, at **our** absolute discretion:

i. continue to provide cover under this **policy** on the same terms;
ii. restrict the cover provided under the **policy**;
iii. impose additional terms (including requirements to comply with risk improvements identified);
iv. alter the premium; or
v. cancel the **policy** in accordance with General Condition 8 ‘Our Cancellation Rights’.

We will notify **you** of **our** decision and, where applicable, confirm any additional action required, and the date from which **our** decision takes effect. If **we** amend the premium, terms, or conditions, **you** will have 14 calendar days to accept or reject the revised basis of cover.

If **you** reject the revised premium, terms, or conditions, **you** will be entitled to a proportionate refund of premium for the unexpired period of insurance (less any unpaid premiums or unpaid premium instalments), provided no claim has been made during the current **period of insurance**.

23. Security precautions

It is a condition precedent to **our** liability that whenever the **premises** are left unattended that:

a) all locks, bolts and other protective devices are in full and effective operation; and
b) all keys are removed from the **premises** or to a part of the **premises** in which the person responsible for their safe custody lives at the time.

24. Minimum standards of security

It is a condition precedent to **our** liability in respect of loss, destruction, or damage caused by theft or attempted theft or by malicious persons, that:

a) hinged single leaf doors used as final exit doors must be secured as follows:
    i. in respect of timber framed doors, by a lock certified as meeting BS3621 and which, if it is a mortice lock, has a boxed striking plate;
    ii. in respect of aluminium framed doors, by a five pin cylinder mortice swing lock;
    iii. in respect of plastic framed doors, by a multipoint lock assembly certified as meeting PAS3621 or a multipoint fastening device comprising at least three moving fastening points operated by a central handle secured by a five pin cylinder lock;
    iv. in respect of steel doors, by any of the means described in i. or iii. above, or by a five pin cylinder mortice lock.

b) the first leaf of hinged double leaf doors used as final exit doors must be secured as follows:
    i. in respect of timber framed doors, by having, at the top and bottom of the leaf, rebate bolts or internal key operated mortice rack bolts or key operated lockable bolts;
    ii. in respect of aluminium framed doors, by having, at the top and bottom of the leaf, rebate bolts or internal key operated lockable bolts;
    iii. in respect of plastic framed doors or steel framed doors, by having a multipoint assembly certified as meeting PAS3621 or a multipoint fastening device comprising at least two moving bolts operated by a central handle secured by a five pin cylinder lock, or at the top and bottom of the leaf, rebate bolts or internal key operated lockable bolts;

c) the second leaf of all hinged double leaf doors, must be secured by the means described in a) above;

d) all hinged single leaf external cellar trap doors must be secured by an internal, centrally positioned, steel padlock bar secured by a padlock conforming to CEN Grade 4 or better, or at the top and bottom of the door, internal key operated lockable bolts;

e) all hinged double leaf external cellar trap doors must be secured by having each leaf fastened to the other by an internal, centrally positioned steel bar secured by a padlock conforming to BSEN 12320 CEN Grade 4 or better;

f) all sectional up and over doors must be secured by a padlock conforming to BSEN 12320 CEN Grade 4 or better through a hole drilled into each guide channel approximately twenty five millimetres above a guide roller;

g) all manually operated roller shutters, must be secured by:
    i. key operated bullet locks or pinson locks into each guard rail fitted as close as possible to the bottom of the door as possible; or
    ii. ground anchors secured by the manufacturers' integral locking system or a padlock complying with BSEN12320 CEN Grade 5; or
    iii. the chain of the shutter being secured to the wall bracket by BSEN 12320 CEN Grade 4 or better; or

iv. a bolt fitted to the shutter door internally with the bolt engaging into the door runner and padlocked into position using a padlock conforming to BSEN 12320 CEN Grade 4 or better.

h) all external electrically operated roller shutters, must be secured by:
   i. an internal key operated opening switch secured in the 'off' position by means of an internal lock or padlock. If this is not fitted, then by any of the means described in g) above; and
   ii. if the opening switch is external to the premises, additionally by securing the opening switch in a welded steel housing of at least three millimetres thickness with a door or cover plate secured with a padlock conforming to BSEN 12320 CEN Grade 4 or better.

i) all wicket gates in roller shutters:
   i. if secured internally, must be secured by a padlock conforming to BSEN 12320 CEN Grade 4 or better;
   ii. if secured externally, must be secured by a padlock conforming to BSEN 12320 CEN Grade 5 and matching locking bar; or
   iii. if secured internally or externally, must be by a rim lock conforming to BS3621.

j) all externally accessible opening roof lights must be secured by an integral or internal fastening device;

k) all externally accessible and opening louvre windows must be secured by internal or external steel bars or grilles;

l) all other externally accessible and opening windows must be secured by:
   i. an integral lockable fastening device; or
   ii. an internal key operated window lock; or
   iii. screwing shut by means of at least two internal screws of sufficient length to pass through the window surround and penetrate the window frame to a depth of not less than ten millimetres.

m) all external gates and posts must be secured by the manufacturers' integral locking system or padlock conforming to BSEN 12320 CEN Grade 5;

n) any type of door, lock, or fastening device that is not mentioned above is notified to **us** and then must be secured by the means **we** subsequently specify and agree in writing;

o) all locks or fastenings, including striking plates, escutcheons, cylinder roses, or other door furniture, must be fitted in accordance with the manufacturers' instructions or in the manner **we** specify and agree in writing.

25. Smoking controls

It is a condition precedent to **our** liability for damage caused by fire or explosion that **you**:

a) have and enforce a written no smoking policy for the **premises**;
b) communicate that no smoking policy to all **persons employed**, tenants, and visitors at the **premises**;
c) actively monitor compliance with, and enforce that no smoking policy at the **premises**;
d) display clear and prominent "No Smoking" signs throughout the **premises**, except in any designated smoking areas;
e) only allow smoking in clearly marked designated smoking areas that comply with all applicable legislation;
f) provide metal receptacles with metal lids in each designated smoking area for the safe disposal of waste smoking materials;
g) ensure that all waste smoking materials removed from the designated smoking areas are:
   i. kept separate from other combustible waste; and
   ii. stored in metal receptacles with metal lids until removed from the **premises**.

General Exclusions

The following Exclusions apply to the whole policy unless otherwise stated and in addition to the Exclusions contained in each Section.

Despite any other terms or conditions in the **policy**, **we** will not be liable for:

1. Pressure waves

loss, destruction, or damage directly occasioned by pressure waves caused by aircraft and other aircraft devices travelling at sonic or supersonic speeds.

2. Radioactive Contamination

damage or any other loss or expense resulting or arising 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;
c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
d) any chemical, biological, bio-chemical, or electromagnetic weapon.

3. Northern Ireland

damage, cost, expense or consequential loss of any nature in Northern Ireland directly or indirectly caused by, resulting from or in connection with riot, civil commotion, and (except for damage or interruption to the **business** caused by fire or explosion) strikers, locked out workers, or persons taking part in labour disturbances.

4. War

damage and any loss, expense, or liability caused by **war**.

a) Loss, destruction or damage, to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any other costs directly or indirectly caused by or contributed to by or arising from War, Government Action

b) Legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from War, Government Action

5. Terrorism

loss, damage, cost or expense of whatever nature directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from:

a) any act of **terrorism**;
b) any action taken in controlling, preventing, suppressing or in any way relating to an act of **terrorism**,

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

In any action, suit or other proceedings where **we** allege that any loss, damage, cost or expense is not covered, the burden of proving otherwise will be upon **you**.

If any part of this exclusion is found to be unenforceable, the remainder shall remain in full force and effect.

This exclusion will not apply in respect of:

- Section 5 – Public and Products Liability
- Section 6 – Employers' Liability

6. Communicable Disease

Insurers will not be liable for any loss damage liability claim cost or expense (whether such loss damage liability claim cost or expense has been suffered by an Insured or a third party) of whatsoever nature directly or indirectly caused by contributed to by resulting from arising out of in connection with or otherwise in any way directly or indirectly attributable to:

a) Coronaviruses; and

b) Coronavirus disease (COVID-19); and

c) Severe acute respiratory syndrome coronavirus 2 (SARS- CoV-2); and

d) any mutation of or variation of a), b) or c) above; and

e) any infectious disease that is designated or treated as a pandemic by the World Health Organisation; and

f) any fear or anticipation of a), b), c), d) or e) above, regardless of any other cause or event contributing concurrently or in any other sequence thereto

This exclusion will not apply in respect of Section 6 – Employers Liability

7. Perfluoroalkyl and perfluoroalkyl substances

in respect of:

a) bodily injury, personal injury or damage to property which would not have occurred, in whole or in part, but for the actual, alleged, threatened, or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, or exposure to, existence of, or presence of any perfluoroalkyl or polyfluoroalkyl substances; or

b) any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, perfluoroalkyl or polyfluoroalkyl substances, by you or by any other person or entity

8. illegal Deliberate and Criminal Activities

Damage or liability of any nature or any associated costs relating thereto, arising directly or indirectly from:

a) damage or liability caused as a result of the Premises being used for illegal activities by You; or

b) deliberate or criminal acts by You.

9. Cyber and data recognition

loss, damage, cost or expense directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from:

a) any cyber act including but not limited to hacking, phishing, denial of service attack or the transmission of any virus or similar mechanism;

b) any cyber incident;

c) any failure of equipment (including computer systems) to correctly recognise any given date or to process data or to operate properly due to failure of a recognised date,

other than direct physical damage resulting from fire, lightning, explosion, aircraft or other aerial devices dropped from them and which is not otherwise excluded.

Section 1 – Material Damage

Definitions

The following definitions apply in addition to the General Definitions and carry the same meaning throughout this Section unless otherwise stated. If a word or phrase is defined in both this Section and the General Definitions, the definition in this Section will apply for the purposes of this Section.

Average

A) Each Sum Insured, shown in the Schedule, other than under Rent, Vehicles and Stock, is separately subject to the following Condition of Average: whenever a Sum Insured is declared to be subject to Average, if such sum shall at the commencement of any Damage be less than the value of the Property covered within such Sum Insured, the amount payable by Us in respect of such Damage shall be proportionately reduced.

B) Each Sum Insured under Vehicles and Stock in the Schedule is separately subject to the following Condition of Average: whenever a Sum Insured is declared to be subject to Average, then, if such sum shall at the commencement of any Damage be less than 85% of the value of the Property covered within such Sum Insured, the amount payable by Us shall not exceed that proportion of the amount of the Damage which the said Sum Insured

All other contents

means machinery, plant, tools, and, insofar as they are not more specifically described, all other contents whilst at the **premises** including:

a) office furniture and equipment;
b) **valuable papers and records** for their cost as stationery and clerical labour needed in reproducing records for an amount not exceeding £25,000;
c) **data processing media** for their cost as blank materials and not any **data**;
d) patterns, moulds, models, plans or designs
e) fixed fuel installations including fuel pumps, underground tanks, associated pipes and accessories;
f) electrical vehicle charging installations, charging cables, adapters, and connectors;
g) rare books, antiques, paintings or other works of art for an amount not exceeding £2,500 in respect of any one item and £10,000 in total for any one claim;
h) wines, spirits, cigarettes, and tobacco held for your own private and business entertainment purposes for an amount not exceeding £1,000;
i) personal effects belonging to directors, partners, visitors, and employees for an amount not exceeding £1,000 for any one person while on the **premises** in connection with the **business**.

each belonging to **you** or for which **you** are responsible, but excluding **motor vehicles**, **portable hand tools**, and **stock.**

Alternative basis of settlement

means:

a) the value of the property at the time of its destruction; or
b) the amount of the loss or damage,

together with, insofar as the insurance by the item provides, due allowance for:

c) the additional costs of construction to comply with any legislation, regulation or local authority bye-law;
d) professional fees including architects, engineers, and surveyors fees;
e) costs of removing debris including dismantling, demolishing and propping up costs;
f) costs of re-erecting and fixing machinery and plant including testing and commissioning.

Non-target stock

means stock and materials in trade, works in progress, spare vehicle parts, fuel and oil stocks each belonging to **you** or for which **you** are responsible but excluding **motor vehicles**, **vehicle audio/pictorial or navigation equipment,** and **other target stock.**

Other target stock

means any of the following held as retail stock at the **premises**:

a) cigars, cigarettes and tobacco;
b) wines and spirits;
c) radio, television, audio, video equipment, tapes, cassettes and discs, except **vehicle audio/pictorial or navigation equipment**;
d) jewellery, watches, precious metals and precious stones;
e) cameras, binoculars and photographic equipment;
f) clothing;
g) computers, computer equipment and games; and
h) mobile phones, equipment and accessories,

each belonging to **you** or for which **you** are responsible.

Portable hand tools

means portable hand tools of every description including handheld vehicle diagnostic equipment.

Property insured

means:

the following at the **premises**:

i. **buildings**
ii. **tenants' improvements**
iii. **all other contents**
iv. **portable hand tools**
v. **stock**
vi. **motor vehicles**

all as defined in the **policy** or more fully described in the **schedule** and all being **your property** or for which **you** are responsible in connection with the **business**, but excluding **money** and the contents and commercial loads of **customer's motor vehicles**.

Rent

means the amounts:

a) **you** are liable to pay for **your** occupation of the **premises** under any lease, licence, or tenancy agreement, including service charges;
b) payable to **you** under any tenancy or licence of the **premises**, including service charges.

Reinstatement

means:

the costs of:

a) rebuilding or replacement of **property** lost or destroyed;
b) repairing or restoring damaged portions of **property**,

to a condition substantially the same as but not better or more extensive than its condition when new, together with, insofar as the insurance by the item provides, due allowance for:

i. the additional costs of construction to comply with any legislation, regulation or local authority bye-law;
ii. professional fees including architects, engineers, and surveyors fees;
iii. costs of removing debris including dismantling, demolishing and propping up costs;
iv. costs of re-erecting and fixing machinery and plant including testing and commissioning.

Stock

means:

a) **non-target stock**
b) **vehicle audio/pictorial or navigation equipment,** and
c) **other target stock**

Tenants' Improvements

means fixed alterations or additions made to the **building** by a tenant or landlord that cannot be removed without damage, and which belong to **you** or for which **you** are responsible.

Valuable papers and records

means written or printed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts.

Vehicle audio/pictorial or navigation equipment

means any audio, pictorial, video, or satellite navigation equipment, designed to form a fixture within a **motor vehicle** and associated accessories and disks, that are held as retail stock at the **premises**, and which belong to **you** or for which **you** are responsible.

What is covered

We will pay for direct physical loss or damage to the **property insured** under this Section that happens at the **premises** during the **period of insurance**, unless the cause of the loss or damage is excluded.

We will, at our option:

a) repair the damage; or

b) rebuild or replace the damaged property or any part of it; or

c) pay you the value of the property at the time of the damage or the amount of the loss.

How much will we pay

1. Overall limits

We will pay for each claim under this Section up to the lowest of:

a) the **sum insured** shown in the **schedule** for the relevant item;
b) the total **sum insured** for this Section; or
c) any other applicable limit stated in this **policy** or **schedule**.

For each category of **property insured** (for example, **buildings**, **tenants' improvements**, **stock** or **all other contents**), the **sum insured** shown in the **schedule** (or any other stated limit) applies as a single total for that category, unless **we** state otherwise.

Where an **excess** applies, **we** will deduct the applicable **excess** from the amount **we** would otherwise pay for each claim.

If more than one **excess** applies, only the highest **excess** will apply unless otherwise stated.

2. Designation

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

3. Basis of settlement - property insured other than motor vehicles

The basis on which the amount payable in respect of all **property insured,** other than **motor vehicles,** for which a **sum insured** is specified in the **schedule** is to be calculated will be **reinstatement**, provided that:

a) the work of reinstatement must start and proceed as quickly as possible;
b) **we** will not be liable for additional costs incurred due to unreasonable delay;
c) where loss or damage occurs to only part of the property, **our** liability will not exceed the amount **we** would have been liable to pay had the property been wholly destroyed;
d) the work of **reinstatement** may be carried out wholly or partly upon another site and in any manner suitable to **your** requirements, provided this does not increase **our** liability;

e) **our** liability will be limited to the **alternative basis of settlement**:
   i. until the cost of **reinstatement** has actually been incurred;
   ii. unless the work of **reinstatement** starts and proceeds without unreasonable delay
   iii. where the **property insured** at the time of the loss or damage is covered by any other insurance effected by **you** or on **your** behalf and such other insurance is not on the same basis of **reinstatement**.

f) if, at the time of the loss or damage, the **sum insured** is less than 85% of the full cost of **reinstatement**, **you** will be regarded as **your** own insurer for the difference and will bear the same proportion of any loss as that difference bears to the full cost of **reinstatement**.

4. Basis of settlement - motor vehicles

The basis on which the amount payable in respect of **motor vehicles,** for which a **sum insured** is specified in the **schedule** is to be calculated will be the actual market value at the time of the loss, destruction or damage provided that:

a) **we** may at **our** option:
   i. repair, reinstate or replace the **motor vehicle**; or
   ii. pay the amount of loss or damage,

b) **we** can choose to use suitable parts not supplied by the original manufacturer;

c) if, at the time of the loss or damage, the **sum insured** is less than 85% of the actual market value, **you** will be regarded as **your** own insurer for the difference and will bear the same proportion of any loss as that difference bears to the actual market value.

5. Special basis of settlement – valuable papers and records

In respect of **valuable papers and records** forming part of the **sum insured** for **all other contents**, the basis on which the amount payable is to be calculated will be:

a) the value of the materials as stationery;
b) the necessary and reasonable cost of clerical labour in writing up documents;
c) the necessary and reasonable cost incurred in reproducing the information,

provided that our liability will not exceed £25,000 for any one loss.

6. Special basis of settlement – data processing media

In respect of **data processing media** forming part of the **sum insured** for **all other contents**, the basis on which the amount payable is to be calculated shall be the cost of the blank media and does not include any amount pertaining to the value of the **data** stored therein

Extensions

The following Extensions apply, subject to all other terms, limits and exclusions of this Section. Unless **we** state otherwise, these Extensions do not increase any **sum insured** or **policy** limit.

1. Automatic restoration

We will automatically restore the **sum insured** following a claim, unless **we** tell you otherwise in writing within 30 calendar days of the loss being notified to **us.**

This Extension does not apply to:

a) limits or sums that apply "in the aggregate" during the **period of insurance**; or
b) any overall Section or **policy** limit.

You must pay any additional premium required from the date of the loss and comply with any risk improvements or protections **we** reasonably require.

2. Capital additions

We will pay for physical loss or damage to:

a) alterations, additions or improvements to **buildings**, **tenants' improvements**, or **all other contents** at the **premises**; and
b) newly acquired or newly constructed **buildings**, **tenants' improvements** or **all other contents** elsewhere in Great Britain, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man,

from the date **you** become responsible, by any cause not otherwise excluded.

We will pay up to the lower of:

a) 10% of the **sum insured** for the relevant item; and
b) £1,000,000 at any one **premises** or new location,

provided that:

i. the **property** is not otherwise insured;
ii. **you** tell us within 6 months of the date **you** become responsible, and before the end of the **period of insurance**; and
iii. **you** pay any extra premium **we** require from that date.

3. Clearing drains

We will pay the necessary and reasonable costs of cleaning and repairing drains, gutters and sewers at the **premises** for which you are responsible, following insured damage to **buildings**, **tenants' improvements**, or **all other contents** at the **premises** under this Section subject to a limit of £25,000

4. Professional fees

The **sum insured** in respect of each item on **buildings**, **tenants' improvements**, or **all other contents** includes an amount for architects', surveyors', legal and consulting engineers' fees necessarily incurred, with **our** written consent, in the rebuilding, replacement or repair of the **property insured**, as a result of its damage, but not for preparing any claim.

We will not pay more for any item than its **sum insured**.

5. Machinery re-erection

The **sum insured** in respect of each item on **buildings**, **tenants' improvements**, or **all other contents** includes an amount for the necessary cost of re-erection and fixing of machinery and plant and testing and commissioning as a result of its damage.

We will not pay more for any item than its **sum insured**.

6. Contract sale price

If a contract of sale is cancelled solely due to direct physical loss or damage by a cause not excluded to:

a) **stock** sold by **you**;
b) **motor vehicles** sold by **you**; or
c) **motor vehicles** sold by a motor trader with whom **you** are contracted to provide services in connection with the **business**,

and which are not delivered and still **your** responsibility, **we** will calculate the value of the loss or damage based on the contract price and not the market value.

7. Debris removal

The **sum insured** for each item (other than **rent**) specified in the **schedule** includes costs and expenses **you** necessarily incur with **our** consent for:

a) removal of debris;
b) dismantling;
c) demolishing;
d) shoring or propping up,

any part of the **property insured** that have suffered insured damage.

We will also cover **you** for up to £10,000 for the additional costs and expenses **you** incur with **our** consent, to sort and segregate recyclable materials of the **property insured** which has suffered physical loss or damage and remove them from the **premises** to recycling facilities.

We will not pay:

a) more than the **sum insured** for each item;
b) costs or expenses incurred in removing debris except from the site of the damage and the area immediately adjacent to that site; or
c) loss, costs, or expenses arising from pollution or contamination of property not insured under this Section.

8. Deterioration of stock

Despite Exclusion 8 'Corrosion, rot and similar causes; and breakdown' of this Section, **we** will indemnify you against direct physical loss or damage to **stock** kept in any refrigeration cabinet or cold room at the **premises** by deterioration or putrefaction arising from:

a) a change in temperature solely and directly due to:
   i. breakdown of the refrigeration cabinet or cold room;
   ii. inherent defect in any thermostatic or automatic controlling device of the refrigeration cabinet or cold room;
   iii. failure of the public supply of electricity;
b) accidental leakage of refrigerant or refrigerant fumes from the refrigeration cabinet or cold room,

occurring during the **period of insurance**.

The most **we** will pay in respect of any one claim under this Extension is £10,000, except we will automatically increase this limit to £15,000 during the months of November, December, and January.

We will not pay:

i. for loss or damage caused by a change in temperature arising from the deliberate act of the supply undertaking, unless that act is performed for the sole purpose of safeguarding life or property;
ii. for loss or damage caused by any wilful neglect by **you.**

9. Discount to effect sale

We will pay **you** the value of any reasonable discount **you** give on the sale price of a new and unregistered **motor vehicle**, not previously owned and held for sale, where:

a) the **motor vehicle** has suffered loss or damage insured under this Section; and
b) **you** are required to declare to a prospective purchaser that the **motor vehicle** has been:
   i. repaired as a result of that loss or damage, or
   ii. that it was stolen; and
c) the discount is given directly as a result of that declaration to effect a sale; and
d) **we** have agreed the level of discount before the sale is completed.

The most **we** will pay under this Extension is £10,000 in respect of any one **insured vehicle** and £25,000 for any one claim.

10. Electric vehicle components and charging equipment

We will pay for physical loss of or damage to:

a) the electric vehicle charging cables, adapters and connectors for the **motor vehicle**;
b) any batteries of the **motor vehicle**, including loss, destruction or damage caused by a power surge whilst charging,

resulting from insured damage to an electric or hybrid **motor vehicle** during the **period of insurance,** provided that:

i. the most **we** will pay under this Extension is £10,000 in any one **period of insurance**; and
ii. if the batteries are leased or hired, any payment in respect of them will be made to the legal owner named in that agreement, whose receipt will be a full and final discharge of **our** liability.

11. Employees' portable hand tools away from the premises

We will pay for direct physical loss of or damage to **employees' portable hand tools** while away from the **premises** anywhere in Great Britain, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man and being used in connection with the **business** by any cause not otherwise excluded, provided that the most **we** will pay will be the lower of:

a) £15,000 any one employee;
b) £5,000 any one tool; and
c) the applicable sum insured.

12. Environmentally friendly improvements

Following insured damage to **buildings**, if **you** choose to carry out **reinstatement** in a manner that aims to reduce potential harm to the environment or improve energy efficiency, **we** will pay the additional rebuilding costs you incur with **our** written consent provided that:

a) the most we will pay for any one claim will be 10% of the **buildings sum insured** or £100,000 whichever is less;
b) if **our** liability under this Section, apart from this Extension, is reduced by the application of any terms or conditions of this **policy**, **our** liability will be reduced proportionately;
c) indemnity will not apply in respect of:
    i. such costs incurred in connection with any enforcement notice under any legislation, regulation or local authority bye-law;
    ii. such costs incurred in connection with rebuilding or repair work that was already planned by **you** prior to the loss or damage; or
    iii. any charge or assessment arising from capital appreciation which may be payable by the owner of the **building** by reason of the works funded by this Extension.

13. Lease gap cover

We will pay the difference between the **insured value** at the time of the loss or damage and the settlement figure required under the terms of a lease contract if:

a) the **insured vehicle** is not in its first year of registration since new; and

b) the **insured vehicle** is not more than 4 years old from the date of first registration since new; and

c) the **insured vehicle** is not held by **you** for sale; and

d) **we** declare the **insured vehicle** to be a total loss following loss or damage insured under this Section,

provided that:

i. if the settlement figure exceeds the **insured value** at the time of the loss or damage, **we** will pay the settlement figure less any fees or arrears; and

ii. the most **we** will pay under this Extension is £1,000 in respect of any one **insured vehicle** and £5,000 for all claims during any one **period of insurance**.

14. Fire extinguishment and security equipment resetting

We will pay reasonable and necessary:

a) costs of refilling, recharging or replacing fire extinguishers and used sprinkler heads;
b) costs of resetting fire and intruder alarms; and
c) fire brigade and other firefighting charges,

directly arising from insured damage to property under this Section, provided that **you** maintain all equipment in accordance with the manufacturers' instructions.

We will not pay:

i. for costs recoverable from the fire and rescue service or any maintenance provider; or
ii. more than £25,000 for all costs from any one original cause.

15. Index linking

If the **schedule** states 'Index Linking' applies, the **sums insured** in respect of **property insured** will be adjusted for movements in the following indices or any suitable alternative **we** decide upon:

a) in respect of **buildings** and **tenants Improvements**, the General Buildings Cost Index issued by the Building Cost Information Service of the Royal Institution of Chartered Surveyors; and
b) in respect of all other **property insured**, the Retail Price Index.

If an index goes down, **we** will keep **your** current **sums insured** unless **you** tell **us** to reduce them.

These adjustments will continue during the:

i. **period of insurance**; and
ii. period of repair, replacement, or rebuilding provided that such work is carried out and completed without undue delay.

16. Rent

If a **sum insured** for **rent** is shown on the **schedule**, we will indemnify **you** in respect of loss of **rent** resulting from the **premises** or any part of them being unfit for occupation as the result of physical loss or damage insured by this Section.

We will pay:

a) the actual reduction in **rent** received solely as a result of the damage if the loss relates to **rent** receivable by **you**;
b) the amount of **rent** which continues to be payable by **you** in respect of the **buildings** or portions thereof whilst unfit for occupation solely as a result of the damage, if the loss relates to **rent** receivable by **you**,

provided that **our** liability will be limited to the loss suffered within the period beginning with the damage and ending no later than the **period of rent** shown in the **schedule**, during which the **buildings** are unfit for occupation.

The most **we** will pay in respect of loss of **rent** is the proportion of the **rent sum insured** relating to the period from the date of the damage until the **premises** is repaired or rebuilt.

17. New vehicle replacement

We will pay for the cost of replacing a **motor vehicle** with a new vehicle of the same make, model, and specification (subject to availability) if, during the first 12 months from the date of its first registration, it suffers loss or damage insured under this Section and:

a) is lost by theft and not recovered within 28 calendar days from the date the theft is first reported to **us**; or
b) is damaged to an extent greater than 50% of its list price (inclusive of VAT) at the time of the damage,

provided that the **motor vehicle** is:

i. owned and registered by **you** since new, or subject to a hire purchase, lease or contract hire agreement entered into by **you** within the first year of registration from manufacture; or
ii. a **private car**, **motorcycle**, or **goods carrying vehicle** under 7.5 tonnes gross vehicle weight, owned and registered in the name of **your** customer since new, or subject to a hire purchase, lease or contract hire agreement entered into by that customer within the first year of registration from manufacture, and in **your** custody and control in connection with the **business** at the time of the loss or damage.

At **your** request, and subject to the consent of any other interested parties known to **us** and the availability of a suitable replacement, **we** will arrange the replacement.

If a replacement vehicle of the same make and model is not available, the most **we** will pay is the **insured value**.

18. Additional utility charges

We will pay additional water, gas, electricity, oil or other metered supply charges **you** incur as a direct result of insured damage, except for charges in respect of loss or damage which has not been discovered and remedial action taken within 30 calendar days of the loss or damage first occurring.

We will calculate the amount payable in respect of supply charges by:

a) comparing charges made by the suppliers on **your** account during the period in which the loss occurred with the normal charge; and
b) adjusting to account for relevant factors (for example changes in your consumption).

We will not pay more than £25,000 for any one claim.

19. Unauthorised use of utilities

We will pay additional water, gas, and electricity charges **you** incur arising from unauthorised use by persons occupying the **premises** without **your** permission, provided that **you** take all practical steps to stop the unauthorised use as soon as **you** discover it.

We will not pay more than £25,000 in total for all claims arising from one original cause under this Extension.

20. Workmen

Workmen are allowed in and about the **premises** for the purpose of carrying out minor alterations, repairs, decoration, general maintenance and the like from time to time without prejudice to the terms of this Section.

21. Non-invalidation

This Section will not be invalidated by any act, omission or alteration that increases the risk of damage, where this is unknown to **you** and beyond **your** control, provided that:

a) **you** tell us immediately once **you** become aware; and
b) **you** pay any additional premium and comply with any terms **we** reasonably require.

22. General interests

We will note the legal interests of third parties (including mortgagees, freeholders and lessors) in this insurance, provided **you** disclose their names and interests at the time of a claim.

23. Mortgagees, freeholders, lessors

We will not prejudice the interest of any mortgagee, freeholder or lessor by any increase in risk caused by a mortgagor, lessee, freeholder or occupier of the **buildings**, provided that:

a) the increase in risk is without their knowledge or authority; and
b) they tell **us** immediately when they become aware and pay any extra premium **we** require.

24. Contracting purchaser's interest

We will pay for damage to **buildings** insured under this Section in the name of the purchaser if, at the time of the damage, **you** have contracted to sell your interest in the **buildings**, provided that:

a) the damage happens between exchange and completion;
b) completion takes place; and
c) the **buildings** are not otherwise insured by or on behalf of the purchaser.

This does not affect **your** rights or **our** rights under the **policy.**

25. Theft damage to buildings

We will pay the cost of repairing damage to **buildings** at the **premises** caused by theft or attempted theft, if:

a) **you** are legally responsible for the repairs; and
b) the damage is not otherwise insured,

whether or not the **buildings** themselves are insured under this Section.

26. Landscaped grounds

We will pay the reasonable costs **you** incur following insured damage to property at the **premises** to:

a) restore landscaped grounds to their original appearance when first laid out; and
b) replant trees, shrubs, plants and turf forming part of those landscaped grounds,

except for costs relating to germination or propagation of plants.

The most **we** will pay is £25,000 for all costs arising from one original cause.

27. Public authorities and increased cost of construction

We will pay the necessary and reasonable additional cost of **reinstatement you** incur solely to comply with any legislation, regulation or local authority bye-law following insured damage to the **property insured**, including **reinstatement** of undamaged parts (other than foundations), provided that:

a) the legislation or regulation is in force at the date of the damage and **you** receive an enforcement notice directly as a result of that damage;
b) the underlying damage is insured under this Section; and
c) the work of **reinstatement** is started and carried out without unreasonable delay (and completed within 12 months of the date of damage, unless **we** agree otherwise).

We will not pay:

i. more than the **sum insured** for the damaged property; or
ii. in respect of undamaged portions (other than foundations), more than 15% of the amount **we** would otherwise have paid to rebuild or replace the whole property at that **premises** if it had been destroyed.

We will not pay for:

(1) any requirement relating to property or damage not insured under this Section;
(2) any requirement where notice was served before the damage;

(3) any existing requirement with a fixed completion date;
(4) any additional cost that would have been required to rebuild the property to a new condition regardless of the legislation; or
(5) any rate, tax, duty, development or other charge arising from capital appreciation.

28. Exhibitions in the UK

We will pay for direct physical loss or damage to **property insured** that happens while at any indoor exhibition (not exceeding 7 calendar days) within the United Kingdom, the Bailiwick of Jersey, the Bailiwick of Guernsey or Isle of Man, during the **period of insurance**, unless the cause of the loss or damage is excluded.

We will not pay for:

a) loss or damage due to theft or attempted theft, unless it involves forcible and violent entry to or exit from the exhibition premises or hold-up by violence or threats of violence;
b) loss or damage from any structure incapable of being locked;
c) loss of or damage to any property kept in the open, unless **we** agree otherwise in writing; or
d) any property more specifically insured elsewhere.

We will not pay more than:

i. £25,000 in total for all claims from one original cause under this Extension; and
ii. £50,000 in respect of vehicles in total in any one period of insurance.

29. Property in transit

We will pay for direct physical loss or damage to **property insured,** other than **motor vehicles**, that happens while in transit by road, rail, air, inland waters, or sea within the United Kingdom, the Bailiwick of Jersey, the Bailiwick of Guernsey or Isle of Man, during the **period of insurance**, unless the cause of the loss or damage is excluded.

We will not pay:

a) more than £15,000 in respect of any one claim;
b) for loss of or damage to **employees' portable hand tools**;
c) for loss of or damage to contents of **customers' motor vehicles**;
d) for loss of or damage to personal property in any other **motor vehicle**;

30. Temporary removal

We will pay for direct physical loss or damage to **property insured**, other than **motor vehicles**, that happens while it is temporarily removed from the **premises** for **business** purposes, anywhere within the United Kingdom, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man during the **period of insurance**, unless the cause of the loss or damage is excluded.

We will not pay:

a) more than 10% of the **sum insured** shown on the **schedule** or £25,000 whichever is less;
b) for any **property insured** which is removed from the **premises** for more than 90 consecutive calendar days, unless **we** agree a longer period in writing;
c) for any property whilst at any exhibition;
d) for property whilst at any **employee's** home;
e) for **employees' portable hand tools**;
f) for property in or on any **motor vehicle**;
g) for property whilst in transit; or
h) for property which is more specifically insured.

31. Working from home

We will pay for direct physical loss or damage to **property insured**, other than **motor vehicles**, that happens while it is temporarily removed from the **premises** to the home of any **employee** whilst undertaking clerical activities working from home, anywhere within Great Britain, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man during the **period of insurance**, unless the cause of the loss or damage is excluded.

We will not pay:

a) more than £1,500 for any one item or £3,000 in respect of all items at any one employee's home;
b) more than the **sum insured** shown on the **schedule**;
c) for **portable hand tools**;
d) for property whilst in transit; or
e) for property which is more specifically insured.

32. Locks and keys

We will pay the cost of replacing locks or lock mechanisms, keys, key cards and remote control transmitters, and recoding or, if necessary, replacing any alarm system used at the **premises**, for **motor vehicles** or for any safe or strongroom, where this is necessary to maintain security following theft of keys, key cards or remote control transmitters by force and violence (or the threat of violence) against **you**, **your** partners, directors or **employees**.

We will pay up to £10,000 for any one theft and £50,000 in total for all such thefts in any one **period of insurance**.

33. Seasonal increase – vehicles and stock

We will automatically increase the **sums insured** by 30% during:

a) In respect of **motor vehicles**, February, March, August and September;
b) In respect of **stock**, November, December and January

34. Seventy-two hours clause – storm or flood

We will treat all damage occurring at any one **premises** caused by storm or **flood** within any continuous 72 hour period as one claim.

You may choose when the 72 hour period starts, provided the entire period falls within the **period of insurance** and all relevant damage occurs before expiry of the **period of insurance**.

35. Subrogation waiver

In the event of a claim arising under this Section, **we** agree to waive any rights, remedies or relief, to which **we** might become entitled under General Claims Condition 6. ‘Subrogation’ against:

a) any company which is **your** parent or subsidiary; or
b) any company which is a subsidiary of **your** parent,

as defined in the Companies Act 2006 or Companies (Northern Ireland) Order, as applicable, at the time of the damage.

36. Trace and access

We will pay up to £10,000 any one claim for the reasonable and necessary costs **you** incur to:

a) locate the source of physical loss or damage caused by escape of water or fuel oil from any tank, apparatus or pipe, or leakage of fuel from any fixed oil heating installation; and
b) make good physical damage caused by locating the source.

37. Rebuilding or replacing with modern materials

We will pay the reasonable additional costs necessarily incurred following direct physical loss or damage to **property insured** by any cause not excluded, in replacing damaged **property insured** where, having regard to the scientific and technical knowledge at the time of its original installation, construction or fitting, it was reasonably deemed fit for its intended purpose but now requires replacement with more suitable modern materials, provided that:

a) the **property insured** will not, by reason of such replacement, be regarded as being better or more extensive than when new; and
b) **our** liability for such additional costs will not exceed 10% of the **sum insured** applicable to the damaged **property insured**.

The cover provided under this Extension will not:

i. apply in respect of any **motor vehicle**;
ii. apply in respect of such costs incurred in connection with any enforcement notice under any legislation, regulation, or local authority bye-law; and
iii. operate in addition to, or to increase the amount payable under Extension 12 ‘Environmentally friendly improvements’.

Any amount payable under this clause and Extension 12 ‘Environmentally friendly improvements’ together will not exceed the highest single limit provided by either.

Conditions

The following conditions apply in addition to the General Conditions and General Claims Conditions.

1. Motor vehicle security

In respect of any **motor vehicle** on the **premises** in the open, it is a condition precedent to **our** liability that:

a) when the **premises** are attended:

i. all points of access to the **motor vehicle** are closed and secured by all the locks, window fastenings, and other protections; and
ii. the **motor vehicle** keys, key cards, and lock transmitters are removed and kept in a vehicle keys safe or equivalent agreed by **us**,

unless the person in charge of the **motor vehicle** is immediately beside that **motor vehicle**.

b) when the **premises** are not attended by **you** or an authorised **employee**:
i. all points of access to the **motor vehicle** are closed and secured by all the locks, window fastenings, and other protections; and
ii. the **motor vehicle** keys, key cards, and lock transmitters are removed and kept in a vehicle keys safe or equivalent agreed by **us**; and
iii. the keys for such safe are removed from the **premises** or to a part of the **premises** in which the person responsible for their safe custody lives at the time.

2. Intruder Alarm System

It is a condition precedent to **our** liability that where the **premises** or any part of the **premises** is protected by an **intruder alarm system**, **you** ensure that:

a) the **premises** are not left without at least one person **you** have authorised to be responsible for the security of the **premises** if the **intruder alarm system** is not set in its entirety;
b) the **intruder alarm system**:
i. is not altered or amended in any way unless approved in writing by **us**; and
ii. is maintained under contract to provide both corrective and preventive maintenance with the installer or another contractor approved in writing by **us**.
c) All keys and other devices used to operate the **intruder alarm system** are removed from the **premises** when the **premises** are unattended.
d) **You** maintain the secrecy of all codes for operating the **intruder alarm system** and do not leave details of such codes at the **premises** when the **premises** are left unattended.
e) **You** must immediately notify **us** on receipt of any communication advising that the level of response to the **intruder alarm system** has been or will be reduced or delayed and ensure the **premises** are not left without at least one person **you** have authorised to be responsible for the security of the **premises**.
f) **You** must appoint at least two **keyholders** and record details of the **keyholders** with the alarm company, the alarm receiving centre, and, where required, the police or local authority.
g) **You** must immediately notify any change of **keyholder** details to the alarm company, the alarm receiving centre, and, where required, the police or local authority.
h) If, when the **intruder alarm system** is set, **you** are notified of any fault in the **intruder alarm system**, any activation of the **intruder alarm system**, or any interruption of the means to communicate with the **intruder alarm system**, **you** must ensure that:
i. a **keyholder** attends the **premises** as soon as possible to check the security of the **premises** and to fully reset the **intruder alarm system**;
ii. if the **intruder alarm system** cannot be fully reset, or any signalling path is not in full operation, the keyholder must remain at the premises, unless **we** agree otherwise

3. Additional protections

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

a) **you** implement any additional protections **we** require as detailed in the **schedule** within the timescales specified in the **schedule**; and
b) **you** ensure such additional protections are in good working order and put into full and effective operation.

4. Change of occupancy

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

a) **you** must notify in writing immediately **you** become aware that:
i. any occupied **buildings** or parts thereof become **unoccupied**;
ii. any **unoccupied buildings** or parts thereof become occupied,

and **you** pay **us** any additional premium **we** require and keep to any additional terms required by **us** in respect of such **buildings**.

b) in respect of any **buildings** or parts thereof that are **unoccupied** or become **unoccupied** during the **period of insurance**, **you** or **your** nominees must:

i. turn off electricity at the switch where it enters the **building** or portion thereof except electrical circuits required to maintain power to any fire alarm, **intruder alarm system**, or CCTV monitoring system;
ii. shut off gas and any fuel supplies at the switch or stopcock where they enter the **building** or portion thereof unless necessary to maintain a heating system required to prevent the freezing of any automatic sprinkler installation;
iii. turn off all water supplies and drain down the water system including any heating system unless required to prevent the freezing of any automatic sprinkler installation;
iv. if an automatic sprinkler system is present, maintain a level of heating sufficient to prevent freezing;
v. secure the **building** or portion thereof and all points of access against unauthorised entry and put any **intruder alarm system** into full and effective operation;
vi. additionally board up all ground floor and other accessible external doors and windows;
vii. remove all waste, unfixed combustible materials, and gas bottles within the **buildings** away from the **premises**;
viii. carry out an internal and external inspection of the **premises** at least once every seven calendar days and:
    (a) maintain a written record of such inspections detailing as a minimum, the name of the person carrying out the inspection, the date and time of the inspection, details of any defects in condition or state of repair, and details of any action taken;
    (b) ensure that any defects in the condition or state of repair of the buildings, or any defects in the security, alarm, or fire protection installations are rectified immediately;
    (c) notify **us** immediately if there is evidence of unauthorised entry or damage and complete any improvements **we** require in the timescales **we** require;
    (d) notify **us** immediately if the **buildings** are to be occupied by workmen for the purposes of renovating or altering the **building**.

5. Motor Garage Condition

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

a) All oily and/or dirty waste and greasy cloths be kept in metal receptacles, with metal lids and removed outside the buildings every night and completely removed at least once a week.

b) All cellulose paint or other paint with a flash point below 32 degrees centigrade must be stored in tightly sealed containers in a cool, dry and well-ventilated place which is at least five metres away from any potential source of ignition and in its original container.

c) No woodworking by power be undertaken.

d) All battery charger benches must be covered with slate, glass, tile or other non-conducting and non-porous materials. There must be no overnight charging of batteries unless the battery forms part of a hybrid or electric type vehicle in which case the vehicle and charger must be outside the building and:

    i. a minimum distance of at least 2 metres must be clear of waste, vegetation, storage of stock, and any combustible materials; and

    ii. a minimum distance of at least 5 metres away from any external combustible or flammable storage areas, such as waste compounds, pallet storage, gas cylinder cages or the like.

e) No motor spirit with a flash point below 32 degrees centigrade other than 45 litres in closed tins be kept except under the following conditions:

    i. in or on any vehicle for the use of such vehicle only.

    ii. in closed tins in a compartment constructed of non-combustible materials, providing a fire resistance of at least 2 hours and having a closely fitting door, constructed of incombustible material or hardwood, to each opening; or

    iii. in an enclosed underground tank filled and emptied by hose connection or pump only.

6. Electrical Inspection Condition

It is a condition precedent to our liability that you:

1. ensure that the premises (or any part of the premises for which you are responsible) is inspected and tested by a competent electrical contractor who is:

    a) a member of the National Inspection Council for Electrical Installation Contracting (NICEIC), the Electrical Contractors' Association (ECA), the Electrical Contractors' Association of Scotland (SELECT), the National

Association of Professional Inspectors and Testers (NAPIT) or the Safety Assessment Federation (SAFED); or

  b) another suitably qualified person approved by us in writing;

2. ensure that each such inspection and test is carried out in accordance with current IET Wiring Regulations (or any regulations that replace them), and that an electrical installation condition report or equivalent certificate is issued following each inspection and test;
3. ensure that any defect, recommendation or requirement identified in any such report or certificate is remedied within the timescale stated in that report or certificate, or within any alternative timescale agreed by us in writing;
4. arrange for the electrical installation to be re-inspected and re-tested:
   a) within the timescale recommended in the most recent report or certificate; and
   b) immediately following any refurbishment, structural alteration or water damage affecting the premises,

   and ensure that any defect identified is remedied within the timescale stated in the relevant report or certificate, or within any alternative timescale agreed by us in writing;
5. keep full and accurate records of all such reports, certificates, inspections, tests and remedial works, and provide these to us on request; and
6. where no valid inspection report or certificate is in place for the premises (or any part of the premises for which you are responsible) at the start of any period of insurance, ensure that all requirements of this condition are complied with by arranging the inspection and testing, and completing any resulting remedial work, within 60 calendar days of the start of that period of insurance.

7. Paint Spraying Condition.

It is a condition precedent to our liability that whenever spraying of cellulose or other paint with a flash point below 32 degrees centigrade is carried out at the premises, the following precautions are complied with on each occasion:

1. all such spraying is undertaken within a purpose designed spray booth only;
2. the spray booth is provided with a mechanically driven ventilating fan exhausting to the open air, which:
   a) is in operation at all times whilst spraying is in progress; and
   b) continues in operation for at least fifteen minutes after spraying has ceased.
3. all electrical equipment within the booth and its associated extraction system is of flameproof construction;
4. all switches and electrical control gear for the booth and its lighting are located outside and clear of the booth and are fitted with flameproof fittings;
5. all electrical lamps within or immediately adjacent to the booth are suitably protected by guards or double globes;
6. no heating appliance involving the use of flame (fire or gas) or any exposed electric element is used in or near the spray booth;
7. no smoking, naked lights or other open sources of ignition are permitted in or near the spray booth or paint mixing area;
8. the booth, including floors, walls, ceilings, filters and extraction ductwork so far as reasonably accessible, is thoroughly cleaned at least once in every seven days during which spraying is carried out and whenever a changeover is made from cellulose paints to synthetic paints;
9. cleaning is carried out using stiff fibre or non ferrous metal brushes or scrapers only, and all residues and scrapings are placed in water or in suitable closed non combustible containers immediately after removal and removed from the spray area without delay;
10. only the quantity of paint and thinners required for the work in hand and, in any event, not more than the amount reasonably required for one day's use is kept within the booth or immediate work area at any one time;
11. all other stocks of cellulose paints, varnishes, thinners and other flammable liquids are kept in sealed containers in a separate brick, concrete or steel paint store or cabinet which is kept securely locked when not in immediate use;
12. at least one nine litre foam type fire extinguisher is kept immediately adjacent to the booth at all times whilst spraying is undertaken.

What is not covered

The following exclusions apply in addition to the General Exclusions.

We will not provide indemnity in respect of:

1. Excess

the amount of any **excess**;

2. Loss of use

loss of use;

3. Loss of value

loss of value except to the extent specifically provided under Extension 9 'Discount to effect sale'.

4. Indirect or consequential loss

indirect or consequential loss except to the extent specifically provided for **rent** in this Section;

5. Inherent vice, latent defects, faulty design, deterioration and depreciation

loss or damage to property caused by or consisting of:

a) inherent vice or latent defect;
b) its own faulty design;
c) gradual deterioration or wear and tear; or
d) depreciation,

however, **we** will indemnify **you** in respect of any subsequent physical loss or physical damage which results from a cause not otherwise excluded.

6. Frost or change in the water table

loss or damage to property caused by or consisting of:

a) frost; or
b) change in the water table,

however, **we** will indemnify **you** in respect of any subsequent physical loss or physical damage which results from a cause not otherwise excluded.

7. Building collapse or cracking

loss or damage to **buildings** caused by or consisting of its own collapse or cracking other than physical damage caused by a **specified event** and which is not otherwise excluded.

8. Corrosion, rot and similar causes; and breakdown

loss or damage to property caused by or consisting of:

a) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
b) change in temperature, colour, flavour, texture or finish;
c) nipple or joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them;
d) mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment where the breakdown or derangement originates,

other than physical damage caused by a **specified event** which is not otherwise excluded.

9. Subsidence and ground movement

loss of or damage to property caused by:

a) subsidence, ground heave or landslip, unless resulting from fire, explosion, earthquake or escape of water from any tank, apparatus or pipe;
b) normal settlement or bedding down of new structures; or
c) the settlement or movement of made up ground.

10. Weather damage to property in the open

loss of or damage caused by wind, rain, hail, sleet or snow, storm or **flood**, or dust to:

a) gates or fences; or
b) moveable property which is not designed to be kept in the open, while that moveable property is in the open.

11. Pollution or contamination

loss or damage to property caused by or consisting of pollution or contamination, however we will indemnify you in respect of damage not otherwise excluded caused by:

a) pollution or contamination which itself results from a **specified event**; or
b) a **specified event** which itself results from pollution or contamination.

12. Confiscation

loss or damage caused by or arising from confiscation, requisition, or destruction by or under the order of any local or public authority

13. Riot or civil commotion outside Great Britain, the Bailiwick of Jersey, the Bailiwick of Guernsey or Isle of Man

loss or damage caused by or arising from riot or civil commotion outside Great Britain, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man.

14. Deliberate, wilful or unlawful acts by you

loss, damage, cost, or expense caused or allowed to be caused deliberately, wilfully, maliciously, illegally or unlawfully by **you.**

15. Faulty workmanship and operational error

loss or damage to property caused by or consisting of faulty or defective workmanship, operational error, or omission by **you** or any **person employed**, however, **we** will indemnify you in respect of any subsequent physical loss or physical damage which results from a **specified event** and is not otherwise excluded.

16. Fraud or dishonesty by you or a person employed

loss or damage to property caused by or consisting of fraud or dishonesty by **you** or any **person employed**, however, **we** will indemnify **you** in respect of any subsequent physical loss or physical damage which results from a **specified event** and is not otherwise excluded.

17. Communicable disease

loss, damage, cost or expense of whatever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with

a) a **communicable disease**;
b) or the fear or threat of a **communicable disease**,

regardless of any other cause or event contributing concurrently or in any other sequence thereto, however, **we** will indemnify you in respect of subsequent direct physical loss or physical damage which results from a **specified event** and is not otherwise excluded.

18. Excluded property

loss or damage to:

a) **money**;
b) jewellery, precious stones, precious metals, bullions, furs, or curiosities
c) china, earthenware, marble, or other fragile or brittle objects.
d) railway locomotives or rolling stock;
e) watercraft or aircraft;
f) property in the course of construction including materials for use in the construction;
g) land, roads, piers, jetties, bridges, culverts or excavations;
h) livestock
i) growing crops or trees,

however, **we** will provide indemnity if such property is specifically described on the **schedule**.

19. Property more specifically insured

any property more specifically insured by **you** or on **your** behalf

20. Marine insurance

loss or damage insured by any marine policy or which would be insured under a marine policy if this **policy** did not exist.

21. Theft unless involving force or violence

physical loss or damage to property, other than **motor vehicles**, caused by or arising from theft or attempted theft unless:

a) involving entry to or exit from **buildings** at the **premises** by forcible and violent means;
b) following hold up involving violence or threat of violence.

22. Motor vehicles away from the premises

loss or damage to any:

a) **motor vehicle**, including accessories, plant, equipment, and other contents;
b) trailer whilst attached to a **motor vehicle** for the purpose of being towed or whilst being conveyed on another **motor vehicle** or its trailer

including loss or damage sustained while loading or unloading to a) or b) above, occurring elsewhere than the **premises**.

23. Unattended charging

loss or damage to property caused by or arising from fire resulting from:

a) the charging of any vehicle;
b) the charging of any battery,

within the **buildings** at the **premises** while they are unattended.

24. Glass – other excluded causes

loss or damage to glass:

a) when the **premises** are **unoccupied**;
b) in transit or while being fitted;
c) by workmen carrying out alterations or repairs to the **premises**.

25. Tyres

loss or damage to tyres caused by:

a) braking;
b) punctures, cuts, or bursts.

26. Fraud, trick, and unexplained loss

loss of or damage to property caused by:

a) theft where possession is obtained by fraud, trick or false pretence; or
b) disappearance, unexplained loss, loss or shortage discovered on taking inventory, misfiling or misplacing of information, or clerical error.

27. Unoccupied premises – other excluded causes

loss of or damage to property insured caused by:

a) escape of water from any tank, apparatus or pipe;
b) malicious persons (other than by fire or explosion);
c) theft or attempted theft,

when the **premises** are **unoccupied**.

28. Portable hand tools – other excluded causes

physical loss or damage to **portable hand tools** on the **premises**:

a) outside **business hours**; or
b) whilst the **premises** are not attended by **you** or an authorised **employee**,

caused by theft or attempted theft, unless all such **portable hand tools** are stored:

i. in locked tool chests which are secured to the fabric of the **building** by chains approved to 'Sold Secure' Gold or a bar with minimum 6mm thickness, and a closed shackle padlock to at least CEN Grade 4; or
ii. protected by a method agreed by **us** in writing.

29. Self ignition and processes involving heat

loss or damage to property caused by:

a) fire resulting from its undergoing any process involving the application of heat; or
b) its own self ignition, leakage of electricity, short circuiting, or overrunning.

30. Production, packaging, treatment, service or repair

loss or damage to property resulting from its undergoing any process of:

a) production or packaging;
b) treatment, testing, or commissioning; or
c) servicing or repair,

other than physical loss or damage caused by fire or explosion and which is not otherwise excluded.

31. Explosion of pressure vessels

loss or damage to property caused by explosion arising from:

a) the bursting of any boiler, economiser or other vessel, machine or apparatus belonging to **you** or which is under **your** control; and
b) in which internal pressure is due to steam only,

however, **we** will indemnify **you** in respect of physical loss or damage caused by explosion of any boiler or gas used for domestic purposes only.

Section 2 – Road Risks

Definitions

The following definitions apply in addition to the General Definitions and carry the same meaning throughout this Section unless otherwise stated. If a word or phrase is defined in both this Section and the General Definitions, the definition in this Section will apply for the purposes of this Section.

Additional insured

means:

a) **your** personal representatives in respect of legal liability you incur;
b) any person who is permitted by the Certificate of Motor Insurance to drive and use the **insured vehicle**, while driving or using the **insured vehicle**;
c) at your request:
    i. any passenger travelling in, or getting into or out of the **insured vehicle**;
    ii. the owner of the **insured vehicle**;
    iii. any principal for whom you are carrying out a contract, to the extent required by the contract conditions,

    or the personal representatives of any of these persons, in respect of legal liability for which **you** would have been entitled to indemnity if the claim had been made against **you**,

provided that each additional insured will be subject to the terms of this Section so far as they apply.

Green card

means a document required by certain countries which are:

a) not members of the European Union; and
b) members of, and comply with, the Green Card system to provide proof of the minimum compulsory insurance cover required by law to drive in that country.

Extended geographical limits

means:

a) Andorra, Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France (including Monaco), Germany, Gibraltar, Greece, Hungary, Iceland, Italy (including San Marino and the Vatican City), Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, the Republic of Ireland, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden and Switzerland (including Lichtenstein), including transit between these countries; and
b) any other territory for which we have issued a **green card** to you.

Insured value

means the actual market value of the **insured vehicle** at the time of the loss, destruction or damage.

Misfuelling

means the accidental filling of the fuel tank of the **insured vehicle** with inappropriate fuel for the engine type during the **period of insurance** within the **geographical limits**.

Novice driver

means a driver who:

a) holds a provisional licence; or
b) has held a full licence for less than 12 months.

Part 1 – Damage cover

Cover under Part 1 – Damage cover only applies where the cover option shown in your schedule is either 'Comprehensive' or 'Third Party Fire & Theft'.

What is covered under Part 1 – Damage cover

1. **We** will indemnify **you** in respect of accidental loss, destruction or damage to the **insured vehicle** up to the **insured value** occurring during the **period of insurance** within the **geographical limits,** caused by
   a) any accidental cause including those more specifically described in b) and c) below;
   b) fire, self-ignition, lightning, or explosion; or
   c) theft or attempted theft,

   provided that, if the cover option shown on **your schedule** is 'Third Party Fire & Theft' cover will be limited to accidental loss, destruction, or damage caused by b) and c) above.

   We may, at **our** option

   i. repair, reinstate or replace the **insured vehicle**; or
   ii. pay the amount of loss or damage.

   We can choose to use suitable parts not supplied by the original manufacturer.

   You may commence reasonable repairs to the **insured vehicle** without prior notice provided **we** are immediately supplied with a detailed estimate. **We** reserve the right to seek alternative estimates.

2. **We** will also indemnify you for the necessary and reasonable costs of:
   a) protecting and removing the **insured vehicle** to the nearest repairer; and
   b) delivering the **insured vehicle** to **your premises** after repair.

How much will we pay under Part 1 – Damage Cover

1. The most **we** will pay for any one **insured vehicle** will be the Maximum Vehicle Limit shown in the **schedule**.
2. Unless stated otherwise, **we** will calculate the amount of loss based on the **insured value**.
3. If an **insured vehicle** is subject to a hire purchase, leasing or contract agreement, any payment will be made to the legal owner described in that agreement whose receipt will be a full and final discharge of **our** liability.

Extensions to Part 1 – Damage Cover

The following Extensions apply, subject to all other terms, limits and exclusions of this Section. Unless **we** state otherwise, these Extensions do not increase any **sum insured** or **policy** limit.

1. Accidental misfuelling

We will pay for the necessary and reasonable costs arising from loss or damage by **misfuelling** covered by this Section for:

a) a specialist contractor to attend the **insured vehicle** to drain and clean the fuel system; or
b) transporting the **insured vehicle** (including the driver and up to six passengers) to the nearest repairer to drain and clean the fuel system,

provided that **you** immediately notify **us** of the **misfuelling** incident and follow the advice we give.

We will not pay for:

i. any reduction in the market value of the **insured vehicle** or the loss of warranty;
ii. any claim arising from contamination other than by **misfuelling**; or
iii. the cost of more than 20 litres of the correct fuel.

2. Accompanied use for demonstration, tuition and driving tests

We will also cover **you** while the **insured vehicle** is being driven, with **your** permission, for the purpose of demonstration, tuition, or an official driving test by any person who is not a **person employed**, provided that such person:

a) is at all times accompanied by **you**, or a **person employed** named in the current **Certificate of Motor Insurance**, or an Official Examiner of the Driver and Vehicle Standards Agency;
b) holds a licence to drive such vehicle, or has held and is not disqualified from holding or obtaining such a licence;
c) must comply with and be subject to the terms and conditions of this **policy** in so far as they can apply as though they were **you**; and
d) is not entitled to indemnity under any other insurance.

3. Contents of customers' vehicles

We will also indemnify **you** in respect of accidental loss, destruction or damage to the contents of customers' vehicles while in **your** care custody and control occurring during the **period of insurance** within the **geographical limits**.

The most we will pay in respect of any one event and all events in one period of insurance is £5,000.

4. Contract sale price

If an **insured vehicle** sold by **you** which is:

a) undelivered; and
b) **your** responsibility,

suffers loss, destruction, or damage insured by this Section and as a consequence, the contract of sale is cancelled under the conditions of sale, then **our** liability will be based on the contract price for the **insured vehicle** and not the **insured value**, provided this is not more than the Maximum Vehicle Limit shown in the **schedule**.

5. Child car seats

We will pay up to £250 towards the cost of replacing any child car seat, whether portable or fitted as an accessory, in any **insured vehicle** where:

a) the **insured vehicle** suffers loss, destruction, or damage; and
b) that loss, destruction, or damage arises from an event covered under 'What is covered under Part 1 – Damage cover',

regardless of whether there is any visible damage to the child car seat.

6. Discount to effect sale

We will pay **you** the value of any reasonable discount **you** give on the sale price of a new and unregistered **motor vehicle**, not previously owned and held for sale, where:

a) the **motor vehicle** has suffered loss or damage insured under this Section; and
b) **you** are required to declare to a prospective purchaser that the **motor vehicle** has been:
   i. repaired as a result of that loss or damage, or
   ii. that it was stolen; and
c) the discount is given directly as a result of that declaration to effect a sale; and
d) **we** have agreed the level of discount before the sale is completed.

The most **we** will pay under this Extension is £10,000 in respect of any one **insured vehicle** and £25,000 for any one claim.

7. Electric vehicle components and charging equipment

We will also pay for loss, destruction, or damage covered by this Section to the following in relation to an electric or hybrid **insured vehicle**:

a) the electric vehicle charging cables, adapters and connectors for the **insured vehicle**;
b) any batteries of the **insured vehicle**, including loss, destruction or damage caused by a power surge whilst charging;
c) **your** electric vehicle charging point; and
d) at **your** written request, the domestic electric vehicle charging point at the property of a **person employed**, to whom **you** have provided the **insured vehicle**, provided that neither **you** nor they are entitled to indemnity under any other insurance or contract.

Provided that:

i. the most **we** will pay under this Extension is £10,000 in any one **period of insurance**; and
ii. if the batteries are leased or hired, any payment in respect of them will be made to the legal owner named in that agreement, whose receipt will be a full and final discharge of **our** liability.

8. Foreign use cover

We will indemnify **you** in respect of accidental loss, damage, or destruction of an **insured vehicle**, within the **extended geographical limits**, provided that you:

a) restrict any such visit to a maximum period of 21 calendar days;
b) restrict all such visits to a maximum period of 60 calendar days in any one **period of insurance**;
c) restrict the use of the insured vehicle to social, domestic, and pleasure purposes only.

9. Lease gap cover

We will pay the difference between the **insured value** at the time of the loss or damage and the settlement figure required under the terms of a lease contract if:

a) the **insured vehicle** is not in its first year of registration since new; and
b) the **insured vehicle** is not more than 4 years old from the date of first registration since new; and
c) the **insured vehicle** is not held by **you** for sale; and
d) **we** declare the **insured vehicle** to be a total loss following loss or damage insured under this Section.

Provided that:

i. if the settlement figure exceeds the **insured value** at the time of the loss or damage, **we** will pay the settlement figure less any fees or arrears
ii. the most **we** will pay under this Extension is £1,000 in respect of any one **insured vehicle** and £5,000 for all claims during any one **period of insurance**.

10. Medical expenses

If an **insured vehicle** is involved in an accident, **we** will pay medical expenses for each person in the **insured vehicle** who is injured except medical expenses in respect of psychological intervention or physiotherapy.

The most we will pay is £500 per person and £2,000 in total for all claims arising from one event.

The cover provided under this Extension 10 'Medical expenses' applies in addition to Extension12. 'Physiotherapy' and Extension 13. 'Psychological intervention'.

11. New vehicle replacement

We will pay for the cost of replacing an **insured vehicle** with a new vehicle of the same make, model, and specification (subject to availability) if, during the first 12 months from the date of its first registration, it suffers loss or damage insured under this Section and:

a) is lost by theft and not recovered within 28 calendar days from the date the theft is first reported to **us**; or
b) is damaged to an extent greater than 50% of its list price (inclusive of VAT) at the time of the damage,

provided that the **insured vehicle** is:

i. owned and registered by **you** since new, or subject to a hire purchase, lease or contract hire agreement entered into by **you** within the first year of registration from manufacture; or
ii. a **private car**, **motorcycle**, or **goods carrying vehicle** under 3.5 tonnes gross vehicle weight, owned and registered in the name of **your** customer since new, or subject to a hire purchase, lease or contract hire agreement entered into by that customer within the first year of registration from manufacture, and in **your** custody and control in connection with the **business** at the time of the loss or damage.

At **your** request, and subject to the consent of any other interested parties known to **us** and the availability of a suitable replacement, **we** will arrange the replacement.

If a replacement vehicle of the same make and model is not available, the most **we** will pay is the **insured value**.

The most we will pay is £50,000 for any one claim.

This Extension will not apply to any trailer or agricultural implement.

12. Physiotherapy

If an **insured vehicle** is involved in an accident, and any occupant of the **insured vehicle** is injured as a direct result, **we** will pay for treatment from a chartered physiotherapist appointed by **us** if, in that chartered physiotherapist's professional opinion, the treatment would aid such person's recovery.

The most we will pay is £400 per person and £2,000 in total for all claims arising from one event.

The treatment will end:

a) when in the chartered physiotherapist's opinion, the person has recovered from their injury, or
b) the limit under this Extension has been reached

whichever is sooner.

We will not pay for treatment of any muscular skeletal condition or illness which existed prior to the accident.

13. Psychological intervention

If an **insured vehicle** is involved in an accident **we** will pay for any occupant of the **insured vehicle** to receive psychological support or treatment from a clinician, with a suitable qualification from the British Psychological Society and appointed by **us** if, in that clinician's opinion, such support or treatment would aid such person's recovery.

The most we will pay is £1,200 per accident regardless of the number of occupants.

The treatment will end:

a) when in the clinician's opinion, the person has recovered, or
b) the limit under this Extension has been reached

whichever is sooner.

We will not pay for treatment of any psychological condition or illness which existed prior to the accident.

14. Replacement locks and keys

We will pay the cost of replacing:

a) affected locks;
b) keys or key cards, remote control transmitters and central locking interfaces;
c) affected parts of engine control units;
d) alarms or immobilisers,

necessary to maintain the security of the **insured vehicle** following the theft or loss of the keys, key cards or remote control transmitters, provided that there is a reasonable belief that

i. such keys, key cards or remote control transmitters are in the possession of someone other than **you**; and
ii. that person will know the identity or the garaging address of the **insured vehicle**.

The most **we** will pay is £25,000 for any one claim, subject to a maximum of £100,000 during any one **period of insurance**.

15. Sub-contractors

We will indemnify **you** in respect of accidental loss, destruction or damage to an **insured vehicle** while temporarily in the custody or control of a subcontractor appointed by you for service, repair, cleaning, or examination by a qualified MOT tester.

16. Personal property

We will pay for loss of or damage to personal property (excluding vehicles and any property fixed to them) belonging to any of **your** partners, directors, or **employees**, while such property is in or on any **insured vehicle** where:

a) the **insured vehicle** suffers loss, destruction, or damage; and
b) that loss, destruction, or damage arises from an event covered under 'What is covered under Part 1 – Damage cover',

The most **we** will pay is £500 for any one claim.

We will not pay for:

i. loss of or damage to money, securities, jewellery, furs, goods, equipment or samples carried in connection with any trade or business, or to any property insured under any other policy;
ii. any loss where the **insured vehicle** is left unlocked;
iii. loss of or damage to personal property whilst in the custody or control of any person who is working or travelling in connection with the **business**;
iv. despite the **excess** shown in the **schedule**, the first £50 of each loss.

What is not covered under Part 1 – Damage Cover

The following exclusions apply in addition to the General Exclusions and 'What is not covered under Section 2 – Road Risks'.

1. We will not provide indemnity in respect of the applicable **excesses** specified in the **schedule** or elsewhere in this Section.
2. **We** will not be liable to pay for:
   a) depreciation, deterioration, wear and tear, or other damage which happens gradually;
   b) mechanical, electronic, or electrical breakdowns, failures or breakages;
   c) loss of use;

d) loss, damage, or destruction to any **motor vehicle** detailed in the list of 'Unacceptable Vehicle Types and Cars' shown on the Unacceptable Vehicles Listprovided to **you** with this **policy**.).
e) loss, damage, or destruction arising while the **insured vehicle** is being used for demonstration purposes (whether accompanied or unaccompanied), except to the extent specifically provided under Extension 2 'Accompanied use for demonstration, tuition and driving tests';
f) loss of market value following the repair of any **insured vehicle** except to the extent specifically provided under Extension 6 'Discount to effect sale' and Extension 11'New vehicle replacement';
g) damage to tyres by braking or by punctures, cuts, or bursts;
h) loss of an **insured vehicle** when left **unattended**, unless the ignition key is removed and all doors, windows and other openings have been closed and locked;
i) loss, damage, or destruction arising from or in connection with riot or civil commotion happening outside Great Britain, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man;
j) loss, damage, or destruction arising from confiscation, requisition, or destruction by or under order of any government or any local or public authority;
k) loss, damage, or destruction caused by any malicious act, theft, or attempted theft by any **person employed** or brought about in any way by a **person employed**;
l) loss or damage through deception, fraud, trick or pretence;
m) loss or damage arising from or in connection with disappearance, unexplained inventory shortage, misfiling, misplacing of information, or clerical error; or
n) **computer system** failure or malfunction.

3. The indemnity provided by this Section does not cover any costs arising from the need for:
   a) the rectification of the original repair or alteration giving rise to any loss, damage, or destruction to the **insured vehicle**; or
   b) carrying out again the service, maintenance, treatment, test, or examination that gave rise to any loss, damage, or destruction to the **insured vehicle**.

Part 2 – Liability cover

Cover under Part 2 – Liability cover only applies where the cover option is shown in **your schedule**.

What is covered under Part 2 – Liability cover

We will indemnify you and any **additional insured**:

1. against legal liability for damages (including claimants' costs and expenses) in respect of:
   a) accidental death or bodily injury to any person; and
   b) accidental damage to property,

   arising out of an accident caused by or in connection with the **insured vehicle**, including its loading and unloading, during the **period of insurance** and within the **geographical limits**.

2. in respect of costs and expenses:
   a) in connection with the defence of any claim;
   b) legal representation at any coroner's inquest or inquiry in respect of any death;
   c) legal representation in any proceedings brough under the **Road Traffic Acts**;
   d) legal representation at proceedings in any court arising out of any alleged breach of statutory duty,

incurred with **our** written consent in connection with any event which may be the subject of indemnity under 1. above, except costs or expenses in respect of:

i. appeals; or
ii. pleas in mitigation, unless such plea is in respect of an offence that you are charged with and which carries a custodial sentence.

How much will we pay under Part 2 – Liability Cover

1. In respect of accidental death or bodily injury to any person, **we** will pay any sum as may be required by the **road traffic acts**;
2. In respect of accidental damage to property, the most **we** will pay:
   a) in respect of any one event or series of events arising from one original cause is 5,000,000
   b) any greater sum as may be required by the **Road Traffic Acts**.

Extensions to Part 2 – Liability cover

The following Extensions apply, subject to all other terms, limits and exclusions of this Section. Unless **we** state otherwise, these Extensions do not increase any **sum insured** or **policy** limit.

1. Contents of customers' vehicles

We will indemnify **you** for **your** legal liability for accidental loss of or damage to the contents of **your** customers' vehicles while in your custody and control.

The most **we** will pay in respect of any one event is:

a) £50,000 for any one commercial load; and
b) £5,000 for all other contents.

The most **we** will pay for all events in one **period of insurance** is £150,000.

2. Contingent Liability

We will indemnify **you** against **your** legal liability legal liability for damages (including claimants' costs and expenses) in respect of:

a) accidental death or bodily injury to any person; and

b) accidental damage to property,

arising in connection with:

i. any **motor vehicle** which does not belong to **you** nor is in **your** custody or control, while it is being used in the course of the **business** within the **geographical limits**;
ii. an **insured vehicle** while it is:
   (1) in the custody or control of **your** subcontractor
   (2) hired or loaned to **your** customer while the **customer's motor vehicle** is in **your** custody or control for repair, servicing, cleaning, maintenance, inspection, testing, alteration, or treatment.

It is a condition precedent to **our** liability under this Extension that in respect of:

a) any **motor vehicle** being used in connection with the **business** which does not belong to **you**, nor is in **your** custody or control; and
b) an **insured vehicle** in the custody or control of **your** customer or subcontractor,

you must take all reasonable measures to ensure a valid motor insurance exists for the period that vehicle is in the custody or control of such persons.

We will not pay for any circumstances for which an indemnity is provided under any other insurance.

3. Corporate Manslaughter and Health and Safety at Work Act defence costs

We will indemnify **you** in respect of legal costs and expenses incurred with **our** consent in the defence of any criminal proceedings (including any appeal against such proceedings) brought under the provisions of:

a) the Corporate Manslaughter and Corporate Homicide Act 2007; or
b) the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978,

in respect of an actual or alleged offence occurring during the **period of insurance** and in the course of the **business** in connection with a claim which is the subject of indemnity under 'What is covered under Part 2 – Liability Cover' 1, arising from the ownership, possession or use of a vehicle by **you** or on **your** behalf in circumstances where compulsory insurance or security is necessary to meet the requirements of the **Road Traffic Acts**.

Provided that:

i. **we** will, at our discretion, be entitled but not obliged to assume the conduct of the defence of criminal proceedings; and
ii. **we** agree the specific solicitor or counsel who are to act on **your** behalf before they are appointed; and
iii. regardless of the number of offences, claims, or claimants, the most **we** will pay in respect of all legal costs and expenses under this Extension in one **period of insurance** will not exceed £1,000,000. This limit is included within the applicable limit of liability shown under 'How much will we pay under Part 2 – Liability Cover'.

We will not pay for:

(1) any costs of proceedings brought outside Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man;
(2) any fines or penalties of any kind, remedial or publicity orders, or prosecution costs imposed as a consequence of the prosecution;

(3) any circumstances for which indemnity is provided by any other insurance; or
(4) proceedings as a result of a deliberate act by **you**.

4. Court attendance costs

If **we** require any of **your** directors, partners or **employees** to attend court as a witness in connection with a claim under this Section, **we** will pay **you** the amount shown below for each day that attendance is required:

a) any director or partner £500
b) any **employee** £250

5. Cross liabilities

If more than one entity is named as **you** in the **schedule**, **we** will indemnify each entity as if a separate policy had been issued to each; provided, however, that the total amount payable will not exceed the limits described under 'How much will we pay under Part 2 – Liability Cover' regardless of the number of parties claiming to be indemnified.

6. Detached trailers

We will indemnify **you** against **your** legal liability legal for accidental death or bodily injury to any person and accidental damage to property arising from any trailer detached from an **insured vehicle**, but only to the extent required by the **Road Traffic Acts** and provided that insurance of that trailer is **your** responsibility.

7. Driving other vehicles

We will indemnify **you** or any of **your** partners or directors, against legal liability for:

a) accidental death of, or accidental bodily injury to any person; and
b) accidental damage to property,

arising from driving for social, domestic or pleasure purposes any **motor vehicle** which is:

i. not owned by **you**, or in your custody or control in connection with the business; or
ii. not owned by, or hired under a hire purchase agreement to that partner or director.

Provided that:

(1) indemnity is not provided under any other insurance;
(2) the limit of indemnity will not be exceeded as a result of indemnifying more than one person; and
(3) each person indemnified under this Extension will be subject to the terms, conditions and exclusions of this policy so far as they can apply.

8. Emergency treatment fees

We will pay emergency treatment fees where liability for such treatment arises under the **Road Traffic Acts**.

9. Loss of use of customers' vehicles

We will indemnify **you** for **your** legal liability for loss of use of a **customer's motor vehicle** following accidental damage to that vehicle while in **your** custody or control, where the damage is insured under 'Part 1 – Damage Cover' of this Section.

Provided that **you** must repair or replace the **customer's motor vehicle** as soon as practically possible.

The most **we** will pay under this Extension is £50,000 in respect of any one **event**.

10. Movement of third party vehicles

We will indemnify **you** against **your** legal liability for:

a) accidental death of, or accidental bodily injury to any person; and
b) accidental damage to property, including accidental damage to the vehicle being moved,

arising from the movement of any **motor vehicle** which does not belong to **you** and is not in **your** custody or control, when such movement is carried out by **you** or of **your** partners, directors, or employees for the purpose of parking, loading or unloading, or allowing free passage of any **insured vehicle**.

11. Unauthorised use of an insured vehicle

We will indemnify **you**:

a) against **your** legal liability for:
   i. accidental death of, or accidental bodily injury to any person; and
   ii. accidental damage to property,

and

b) for damage to an **insured vehicle**,

arising from the use of that **insured vehicle** without **your** knowledge or consent.

Provided that **we** will not provide an indemnity to the person driving or using the vehicle in such circumstances.

What is not covered under Part 2 – Liability Cover

The following exclusions apply in addition to the General Exclusions and 'What is not covered under Section 2 – Road Risks'.

We will not provide indemnity in respect of:

1. liquidated damages, fines, or penalties.
2. 1) any use for racing, any form of race track de-restricted toll road (including the Nurburgring) or off road activity
3. any claim if any person covered does not observe the terms, conditions, and exclusions of this policy, or if they can claim under any other insurance.
4. accidental death of, or accidental bodily injury to any:
   a) **person employed** which arises out of, or in the course of, employment by **you**, except to the extent **we** must provide cover under the **road traffic acts**;
   b) principal, other than for any amount **you** would have had to pay if no agreement with them existed;
   c) person caused by food poisoning or anything harmful contained in products supplied.
5. damage to the **insured vehicle**, except to the extent specifically provided under Extension 12 'Unauthorised use of an insured vehicle'.
6. damage to property belonging to, or held in trust by **you** or in **your** custody or control, except to the extent specifically provided under specifically Extension 1 'Contents of customers' vehicles'.
7. damage to property belonging to or held in trust by a person claiming to be indemnified or in their custody or control including property being carried in the **insured vehicle**.
8. accidental damage to property or accidental death or accidental bodily injury:
   a) that happens beyond the limits of any carriageway or thoroughfare and involves anyone, other than the driver or attendant of **your** vehicle, bringing a load to the **insured vehicle** for loading or taking a load away from the **insured vehicle** after unloading it;
   b) Damage caused by pollution or contamination other than pollution or contamination caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance
   c) while the **insured vehicle** is being used:
      i. in that part of an aerodrome or airport provided for the take-off and landing of aircraft on the surface;
      ii. on aircraft parking aprons including associated service roads and ground equipment areas; or
      iii. on those parts of passenger terminals which come within the customs examination area;
   d) if the **insured vehicle** is an agricultural vehicle, arising out of any event directly or indirectly caused by, accelerated by or attributable to the coming into contact with any person, property, land or crops of any substance or compound that is used, in whole or part, as an insecticide, herbicide or other control of pests, disease or weeds, or as a desiccant, defoliant or growth regulator which arises from the spreading or spraying of such substance or compound in connection with the **insured vehicle**,

   except to the extent **we** must provide cover under the **road traffic acts**.
9. any contractual liability.

Extensions applying to both Part 1 – Damage cover and Part 2 – Liability cover

The following Extensions apply, subject to all other terms, limits and exclusions of this Section, in respect of **Part 1 – Damage cover and Part 2 – Liability cover.**

1. Car sharing

We agree that the receipt of financial contributions in respect of the carriage of passengers on a journey in a **private car** as part of a car sharing arrangement for social or similar purposes will not be deemed to constitute the carriage of passengers for hire or reward, provided that:

a) passengers are not being carried in the course of a business carrying passengers; and
b) total contributions received for such journey do not involve an element of profit

2. Continental use – compulsory insurance requirements

Where an accident is caused by or in connection with the use of an **insured vehicle** in any country:

a) which is a member of the European Union; or
b) for which the Commission of the European Communities is satisfied that arrangements have been made to meet the requirements of EC Directive 2009/103/EC Article 8 relating to civil liabilities arising out of the use of motor vehicles; or
c) for which **we** have issued a **green card**,

we will provide the minimum indemnity required to comply with the laws relating to compulsory insurance of motor insurance in that country or in the United Kingdom, the Bailiwick of Jersey, the Bailiwick of Guernsey and Isle of Man, whichever is the higher.

3. Foreign use extension

Where **you** have notified **us** of intended use of the **insured vehicle** in countries outside the **geographical limits** and **extended geographical limits** which are members of, and comply with, the **Green Card System**, this Section will be extended to include those countries and transit between them, provided that we have agreed to do so and issued a **green card** which remains effective.

4. General average and other charges

We will indemnify you in respect of legal liability incurred for the enforced payment of:

a) customs duty on the **insured vehicle** after its temporary importation into any country to which this Section applies;
b) general average contributions, salvage, and sue and labour charges arising during the transportation of the **insured vehicle** by sea between ports in any country to which this Section applies,

as a direct result of accidental loss, damage or destruction which results in a payment under 'Part 1 – Damage Cover' of this Section.

5. No claim discount

If **you** do not make a claim under this policy, **your** no claim discount will be adjusted in accordance with our scale of no claim discount which applies at the time.

6. Our right of recovery

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to the compulsory insurance of motor vehicles in any territory to which this Section applies; provided, however, that **you** will repay to **us** all sums which **we** would not have been liable to pay but for the provisions of such law.

7. Unauthorised movement

Any obstructing vehicle driven or moved by **you** or on **your** behalf will be deemed to be an **insured vehicle**.

For the purposes of this clause an obstructing vehicle means as a **motor vehicle** interfering with the loading or unloading or the legitimate passage of an **insured vehicle**.

8. Unlicensed drivers

Any requirement of the **Certificate of Motor Insurance** that the person driving must hold or have held a licence to drive will be inoperative when a licence is not required by law, provided that:

a) the person driving is of an age to drive the **insured vehicle**;
b) the **insured vehicle** is being driven within the limitations of any relevant health and safety legislation; and
c) the terms of the **Certificate of Motor Insurance** are otherwise observed.

Conditions applying to both Part 1 – Damage cover and Part 2 – Liability cover

The following conditions apply in addition to the General Conditions and General Claims Conditions to both Part 1 – Damage cover and Part 2 – Liability cover.

1. Motor Insurance Database

You will immediately arrange for details of all relevant **insured vehicles** and trade plates to be provided in electronic format to the Motor Insurance Database managed by the Motor Insurers' Bureau in order to satisfy the requirements of the relevant law applicable to England, Wales, Scotland and Northern Ireland.

2. Safeguarding the vehicle against damage

If in relation to any claim **you** have failed to fulfil the following conditions, **you** will lose **your** right to indemnity or payment for that claim, except so far as is necessary to meet the requirements of the **road traffic acts**.

You must

a) take all reasonable precautions to safeguard the **insured vehicle** against loss, damage, or destruction; and
b) maintain the **insured vehicle** in a roadworthy condition.

We will have free access to examine the **insured vehicle**.

3. Young and novice drivers excess

Unless stated otherwise in the **schedule**, the following **excesses** will apply in addition to any other **excess** while the **insured vehicle** is being driven by a person who is:

a)	aged under 21 years	£500
b)	aged over 21 years but under 25 years	£250
c)	a novice driver agreed 25 years or over	£250

What is not covered under Section 2 – Road Risks

The following exclusions apply in addition to the General Exclusions and exclusions under both Part 1 – Damage cover and Part 2 – Liability cover.

We will not provide indemnity:

1. while the **insured vehicle** is in or on premises owned by **you** or occupied by **you** in connection with the business, except so far as is necessary to meet the requirements of the **Road Traffic Acts**.
2. while the **insured vehicle** is being driven or used other than in accordance with the terms of the **Certificate of Motor Insurance**, except in the circumstances described under Extensions to Part 2 – Liability Cover, Extension 12 'Unauthorised use of an insured vehicle'.
3. if the **insured vehicle** is registered and being used elsewhere than in the **geographical limits**, other than as provided under Extensions to Part 2 – Liability Cover, Extension 11 'Movement of third party vehicles'.
4. in respect of:
   a) damage to any property whatsoever or any loss or expense whatsoever or any consequential loss; or
   b) any legal liability of any nature,

   directly or indirectly caused by or contributed to by or arising from:

   i. ionising radiations or contamination by radioactivity from any irradiated fuel or from any nuclear waste; or
   ii. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component.
5. in respect of any claim which arises directly or indirectly from or consists of the failure or inability of any:
   a) **computer system**
   b) media or systems used in connection with a) above,

   whether your property or not, at any time to achieve any or all of the purposes and consequential effects intended by the use of any number, symbol or word to denote a date and this includes without limitation the failure or inability to recognise, capture, save, retain or restore and/or correctly to manipulate, interpret, transmit, return, calculate or process any date, data, information, command, logic or instruction as a result of:

   i. recognising, using or adopting any date, day of the week or period of time, otherwise than as, or other than, the true or correct date, day or the week or period of time; or
   ii. the operation of any command or logic which has been programmed or incorporated into anything referred to in a) and b) above.
6. in respect of any consequence whatsoever which is directly or indirectly from or in connection with any **cyber act**, except to the extent **we** are obliged by the **Road Traffic Acts** to provide insurance.
7. in respect of any consequence whatsoever which is directly or indirectly from or in connection with any loss of use of **data** or reproduction of **data**, including any amount pertaining to the value of such **data**, except to the extent **we** are obliged by the **Road Traffic Acts** to provide insurance.
8. in respect of any consequence whatsoever which is the direct or indirect result of **terrorism**, or anything connected with **terrorism**, whether or not such consequence has been contributed to by any other cause or event, except to the extent that **we** are obliged by the Road Traffic Acts to provide insurance.

Section 3 – Money Cover

What is covered

We will indemnify **you** for physical loss or damage to **money** held in connection with the business happening during the **period of insurance**, while the **money** is:

1. on the **premises** during **business hours**;
2. on the **premises** outside of **business hours** and kept in a locked safe or strong room;
3. on the **premises** outside of **business hours** and not in a locked safe or strong room;
4. in vending or gaming machines at the **premises**;
5. in transit while in **your** custody or in the custody of persons authorised by **you** anywhere within Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man;
6. in a bank night safe until removed by the bank;
7. at **your** home, or the home of any of **your** directors, partners, or **employees**.

How much will we pay

The most **we** will pay for any one claim is:

1	Money on the **premises** during **business hours**: **a) Non-negotiable currency** **b) Negotiable currency**	a) £250,000 b) Per limit shown on **schedule**
2	Money on the **premises** outside of **business hours** and kept in a locked safe or strong room	Per limit shown on **schedule**
3	Money on the **premises** outside of **business hours** and not kept in a locked safe or strong room	Per limit shown on **schedule**
4	Money in vending or gaming machines at the **premises**	Per limit shown on **schedule**
5	Money in transit while in **your** custody or in the custody of persons authorised by **you**	Per limit shown on **schedule**
6	Money in a bank night safe until removed by the bank	Per limit shown on **schedule**
7	Money at **your** home, or the home of any of **your** directors, partners, or **employees**	£250

Extensions

The following Extensions apply, subject to all other terms, limits and exclusions of this Section. Unless **we** state otherwise, these Extensions do not increase any **sum insured** or **policy** limit.

1. Automatic restoration

We will restore the limits after loss or damage, unless **we** write to **you** saying otherwise within 30 calendar days of the loss being notified to **us**, provided that:

a) this Extension does not apply to limits or **sums insured** that apply “in the aggregate” during the **period of insurance** or to any overall Section or policy limit;
b) **you** pay the appropriate extra premium on the amount of loss or damage from the date of the loss; and
c) if **we** require it, **you** promptly put in place any improvements or changes to protections or controls.

Conditions

The following conditions apply in addition to the General Conditions, General Claims Conditions and 'Conditions' under Section 1 – Material Damage.

1. Accompaniment condition

It is a condition precedent to **our** liability for loss or damage to **money** in transit that such **money** is escorted by the following minimum number of adult persons, each authorised by **you** to carry the **money**:

Amount of **money** in transit	Accompaniment requirement
Up to £3,000	1 person
Over £3,000 and up to £6,000	2 persons
Over £6,000 and up to £12,000	3 persons

Any amounts in excess of £12,000 must be carried by a security company approved by **us**.

2. Records

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

a) **you** keep complete records of **money** in a secure place away from the **premises**; and
b) provide **us** with those records at the time **you** make a claim

3. Intruder Alarm System

It is a condition precedent to **our** liability that where the **premises** or any part of the **premises** is protected by an **intruder alarm system**, you ensure that:

a) the premises are not left without at least one person **you** have authorised to be responsible for the security of the **premises** if the **intruder alarm system** is not set in its entirety;
b) the **intruder alarm system**:
   i. is not altered or amended in any way unless approved in writing by **us**; and
   ii. is maintained under contract to provide both corrective and preventive maintenance with the installer or another contractor approved in writing by **us**.
c) all keys and other devices used to operate the **intruder alarm system** are removed from the **premises** when the **premises** are unattended.
d) **you** maintain the secrecy of all codes for operating the **intruder alarm system** and do not leave details of such codes at the **premises** when the **premises** are left unattended.
e) **you** must immediately notify **us** on receipt of any communication advising that the level of response to the **intruder alarm system** has been or will be reduced or delayed and ensure the premises are not left without at least one person **you** have authorised to be responsible for the security of the **premises**.
f) **you** must appoint at least two **keyholders** and record details of the **keyholders** with the alarm company, the alarm receiving centre, and, where required, the police or local authority.
g) **you** must immediately notify any change of **keyholder** details to the alarm company, the alarm receiving centre, and, where required, the police or local authority.
h) If, when the **intruder alarm system** is set, **you** are notified of any fault in the **intruder alarm system**, any activation of the **intruder alarm system**, or any interruption of the means to communicate with the **intruder alarm system**, **you** must ensure that:
   i. a **keyholder** attends the **premises** as soon as possible to check the security of the **premises** and to fully reset the **intruder alarm system**;
   ii. if the **intruder alarm system** cannot be fully reset, or any signalling path is not in full operation, the **keyholder** must remain at the **premises**, unless **we** agree otherwise

What is not covered

The following exclusions apply in addition to the General Exclusions.

1. **We** will not be liable for any loss or damage:
   a) to **money** in a safe or strongroom outside of **business hours**, unless the safe or strongroom is locked and all keys and access codes are removed from the **premises**;
   b) arising from theft, fraud, or dishonesty of any kind by any of **your** directors, partners, or **employees**;
   c) arising from forgery, fraudulent alteration, or fraudulent substitution;
   d) arising from fraudulent use of a computer or electronic transfer;

   e) arising from theft from any **unattended vehicle**;
   f) arising outside Great Britain, Northern Ireland, the Bailiwick of Jersey, Bailiwick of Guernsey, or Isle of Man.
   g) in connection with any **money** which proves to be counterfeit, false, fraudulent, invalid, uncollectible or irrecoverable for any reason;
   h) arising from error or omission;
   i) due to clerical or accounting errors, depreciation, or currency fluctuation; or
   j) due consequential loss of any kind.
2. **We** will not be liable for loss, damage, cost or expense directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from:
   a) any **cyber act** including but not limited to **hacking**, **phishing**, **denial of service** attack or the transmission of any **virus or similar mechanism**;
   b) any **cyber incident**;
   c) any failure of equipment (including **computer systems**) to correctly recognise any given date or to process **data** or to operate properly due to failure of a recognised date,

   other than direct physical damage resulting from fire, lightning, explosion, aircraft or other aerial devices dropped from them and which is not otherwise excluded.
3. **we** will not be liable for any loss, damage, cost or expense of whatever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with
   a) a **communicable disease**;
   b) or the fear or threat of a **communicable disease**,

   regardless of any other cause or event contributing concurrently or in any other sequence thereto, however, **we** will indemnify you in respect of subsequent direct physical loss or physical damage which results from a **specified event** and is not otherwise excluded.
4. **We** will not be liable for any loss of market or indirect loss of any kind.

Section 4 – MOT Loss of Licence

Definitions

The following definitions apply in addition to the General Definitions and carry the same meaning throughout this Section unless otherwise stated. If a word or phrase is defined in both this Section and the General Definitions, the definition in this Section will apply for the purposes of this Section.

Annual turnover

means the **turnover** during the twelve month period immediately before the date on which the **MOT licence** is suspended or withdrawn.

Gross profit

means the amount by which the sum of **turnover** and the amounts of closing stock and work in progress exceeds the sum of opening stock and work in progress, less purchases and discounts received and allowed.

The amounts of opening and closing stock (including work in progress) will follow your usual accounting methods, with provision for depreciation.

Indemnity period

means the period beginning with the suspension or withdrawal of the **MOT licence** and ending no later than the **maximum indemnity period**, during which the results of the **business** are affected as a consequence of the suspension or withdrawal of the **MOT licence**.

Maximum indemnity period

means the 'Maximum indemnity period' shown in the schedule

MOT testing

means Department of Transport testing and retesting, and vehicle repair work carried out in connection with such testing including the supply of goods necessary for repair work.

MOT licence

means the licence granted by the Vehicle and Operator Services Agency to carry out tests on motor vehicles under Section 45 of the Road Traffic Act 1988 issued to **you** as an authorised examiner or to a nominated tester, employed by **you** in connection with the **business**.

Turnover

means the money paid or payable to **you** in respect of **MOT Testing** in the course of the **business** at the **premises**.

Rate of gross profit

means the **gross profit** earned on the **turnover** during the financial year immediately before the date on which the **MOT licence** is suspended or withdrawn.

Standard turnover

means the **turnover** during the period corresponding with the **indemnity period** in the twelve months immediately before the date of suspension or withdrawal of the **MOT licence**.

What is covered

We will indemnify **you** for loss of **gross profit** resulting from interruption of or interference with the **business** carried on by **you** at or from the **premises** if during the **period of insurance**, the **MOT licence** is suspended or withdrawn.

We will pay **you** the amount of loss resulting from the interruption or interference provided that **our** liability will in no case exceed the limit shown in the **schedule**.

How much will we pay

We will pay for loss of **gross profit** during the **indemnity period** caused by:

a) reduction in **turnover** – **we** will pay the amount produced by applying the **rate of gross profit** to the amount by which the **turnover** during the **indemnity period** falls short of the **standard turnover** as a direct result of the suspension or withdrawal of the **MOT licence**;

b) increase in cost of working - **we** will pay the additional cost **you** necessarily and reasonably incur solely to avoid or reduce a reduction in **turnover** during the **indemnity period** as a consequence of the suspension or withdrawal of the **MOT** licence, but not more than the amount produced by applying the **rate of gross profit** to the amount of the reduction which has been avoided by this additional cost, less any amount saved during the **indemnity period** for the charges and expenses of the **business**, payable out of **gross profit** that may stop or be reduced as a consequence of the suspension or withdrawal of the **MOT licence.**

Provided that, if the **sum insured** for Loss of MOT Licence shown in **your schedule** is less than the **sum insured** produced by applying the **rate of gross profit** to the **annual turnover** (or to a proportionately increased multiple where the **maximum indemnity period** exceeds twelve months), the amount payable will be proportionately reduced.

We will also make adjustments to account for:

i. trends in the **business**; and

ii. variations or special circumstances affecting the **business**,

before or after the suspension or withdrawal of **MOT licence**, or which would have affected the **business** had the suspension or withdrawal not occurred, so that the adjusted figures represent as closely as possible the results that would have been achieved but for the suspension or withdrawal of the **MOT licence**.

Conditions

The following conditions apply to this Section, in addition to the General Conditions and General Claims Conditions.

1. Additional duties when claiming

It is a condition precedent to **our** liability that in the event of the **MOT licence** being suspended or withdrawn, **you** will:

a) give **us** written notice within 48 hours including full details for suspension or withdrawal;
b) at **our** request, apply for the grant of a new **MOT licence** for the same or alternative premises that will enable **you** to continue the **business** in a similar or alternative form
c) provide a statement of **your** loss, together with documents, statements and accounts that **we** may require to verify the loss, and if **we** require, make a statutory declaration as to their truth, accuracy and completeness.

2. Maintenance of premises and equipment

You must maintain the **premises**, MOT bays, equipment and machinery used in connection with the **MOT licence** in good general repair and in accordance with all requirements issued by the Department for Transport.

3. Records and documentation

You must keep full, accurate and up-to-date documentation and records as required by the Department for Transport in connection with the **MOT licence** and the **business**.

4. Compliance with regulations and guidance

You must comply with all statutory requirements, regulations, conditions and guidance that apply to the licence and to MOT testing at or from the **premises**.

5. Mitigation of loss

You must take all reasonable steps to minimise any interruption of, or interference with, the **business** and to avoid or reduce any loss arising from suspension or withdrawal of the licence.

What is not covered

The following exclusions apply in addition to the General Exclusions.

We will not be liable for:

1. loss arising from any suspension of, or formal warning about, the **MOT licence** that occurs or is notified to **you** during the four weeks immediately following the inception of cover under this Section;
2. loss arising from actual or proposed compulsory purchase of the **premises**;
3. loss arising from any scheme of town or country planning, improvement or development affecting the **premises** or the area in which the **premises** are located;
4. loss arising from any policy decision by the Department for Transport to reduce the number of authorised examiners, nominated testers or MOT testing stations;
5. loss arising from or connected with any alteration in any relevant law, regulation or official requirement that takes effect after the start of cover under this Section, unless **we** have confirmed in writing that cover will continue after such alteration;
6. loss arising from or connected with failure by **you** to maintain the **premises**, equipment or machinery in good general repair;
7. loss arising from or connected with failure by **you** to keep accurate and up-to-date documentation and records as required by the Department for Transport or the Driver and Vehicle Standards Agency; or
8. loss arising from or connected with a criminal conviction of **you**, any partner, director or any Nominated Tester employed by **you**.

9. loss, damage, cost or expense directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from:
   a) any **cyber act** including but not limited to **hacking**, **phishing**, **denial of service** attack or the transmission of any **virus or similar mechanism**;
   b) any **cyber incident**;
   c) any failure of equipment (including **computer systems**) to correctly recognise any given date or to process **data** or to operate properly due to failure of a recognised date,

   other than direct physical damage resulting from fire, lightning, explosion, aircraft or other aerial devices dropped from them and which is not otherwise excluded.
10. loss, damage, cost or expense of whatever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with
    a) a **communicable disease**;
    b) or the fear or threat of a **communicable disease**,

    regardless of any other cause or event contributing concurrently or in any other sequence thereto, however, **we** will indemnify you in respect of subsequent direct physical loss or physical damage which results from a **specified event** and is not otherwise excluded.

Section 5 – Public and Products Liability

Definitions

The following definitions apply in addition to the General Definitions and carry the same meaning throughout this Section unless otherwise stated. If a word or phrase is defined in both this Section and the General Definitions, the definition in this Section will apply for the purposes of this Section.

Asbestos

means

a) crocidolite, amosite chrysotile, fibrous actinolite, fibrous anthophyllite, or fibrous tremolite or any mixture containing any of those minerals;
b) fibres or particles of the substances described in a) above;
c) any material containing any of the substances described in either a) or b) above.

Bodily injury

means

a) accidental physical injury, disease or psychiatric injury of a person who is not a person entitled to indemnity.
b) 'bodily injury' does not include suffering or death unless directly arising from a) above.

Event

means an any one occurrence or all occurrences of a series consequent on, or attributable to one source or originating cause, including continuous or repeated exposure to substantially the same or similar set of conditions.

Geographical limits

a) United Kingdom, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, and the Isle of Man

b) in respect of Products Supplied anywhere in the world except for the United States of America or Canada or their dependencies or trust territories unless specifically agreed by the Insurer provided that the Products Supplied are from or worked upon in the territories specified in a) above

c) elsewhere in the world where any person normally resident in the territories described in a) above is temporarily engaged in non-manual work in connection with Your Business

Nuisance

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

Perfluoroalkyl or polyfluoroalkyl substances

means any:

a) chemical or substance that contains one or more alkyl carbons on which hydrogen atoms have been partially or completely replaced by fluorine atoms, including but not limited to:
   i. polymer, oligomer, monomer or non-polymer chemicals and their homologues, isomers, telomers, salts, derivatives, precursor chemicals, degradation products or by-products;
   ii. perfluoroalkyl acids (PFAA), such as perfluorooctanoic acid (PFOA) and its salts, or perfluorooctane sulfonic acid (PFOS) and its salts;
   iii. perfluoropolyethers (PFPE);
   iv. fluorotelomer-based substances; or
   v. side-chain fluorinated polymers; or
b) good or product, including containers, materials, parts or equipment furnished in connection with such goods or products, that consists of or contains any chemical or substance described in a) above.

Personal injury

means:

a) false arrest, false imprisonment, wrongful detention, or malicious prosecution; and
b) wrongful entry, wrongful eviction or other physical invasion of privacy not otherwise excluded by this policy.

Product(s)

means any product that **you** have sold, supplies, provided, or delivered including containers, packaging, labelling, instructions or advice in connection with the product in the course of the **business**.

What is covered

We will indemnify any **person entitled to indemnity**:

1. against their legal liability to pay damages (including claimants' costs and expenses) in respect of:
   a) **bodily injury**;
   b) **personal injury**;
   c) physical loss of or damage to material property; or
   d) **nuisance**,

   resulting from or arising out of an **event** happening during the **period of insurance**, that takes place within the **geographical limits** in connection with the **business**.

2. in respect of:
   a) costs and expenses incurred by **you** in connection with the defence of any claim;
   b) costs of legal representation at any coroner's inquest or inquiry in respect of any death; and
   c) costs of legal representation at proceedings in any court arising out of any alleged breach of statutory duty,

   incurred with **our** written consent in connection with any **event** which may be the subject of indemnity under 1. above.

How much will we pay

1. Irrespective of the number of **persons entitled to indemnity** or the number of claimants, the total amount payable by **us** under 'What is covered' 1. above and all Extensions will not exceed the limit of indemnity shown in the **schedule** in respect of:
   a) any one **event**;
   b) all **events** happening during the **period of insurance** in respect of **products** supplied;
   c) Damage caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance
   d) all incidents which **we** consider to have occurred during any one **period of insurance** in respect of an act of **terrorism**.
2. **We** will pay the costs and expenses described under 'What is Covered' 2. above in addition to the limit of indemnity except:
   a) where stated otherwise in the **policy** or endorsed on the schedule; or
   b) where a claim is brought in the United States of America, any territory within its jurisdiction, or the Dominion of Canada. In those cases, the limit of indemnity will be the maximum amount payable and will include any costs and expenses incurred with **our** written consent in connection with any **event** which may be the subject of indemnity under 'What is Covered' 1.
3. In respect of any claim, **we** may at any time pay the limit of indemnity applicable (after deducting amounts already paid), or at **our** discretion pay any lesser amount for which such claim can be settled. **We** will then relinquish control of the claim and will not be liable to make any further payment in respect of it, except for costs or expenses for which **we** were responsible before the date of such payment.

Extensions

The following Extensions apply, subject to all other terms, limits and exclusions of this Section. Unless **we** state otherwise, these Extensions do not increase any **sum insured** or **policy** limit.

1. Court attendance costs

If **we** require any of **your** directors, partners or **employees** to attend court as a witness in connection with a claim under this Section, **we** will pay **you** the amount shown below for each day that attendance is required:

a) any director or partner £500
b) any **employee** £250

2. Consumer Protection Act and Food Safety Act

We will indemnify **you** and, at **your** written request, any director, partner or **employee**, in respect of legal costs and expenses incurred with **our** consent in the defence of any proceedings (including any appeal against such proceedings) brought under the provisions of:

a) Part II of the Consumer Protection Act 1987; or

b) Part II of the Food Safety Act 1990,

in respect of an actual or alleged breach occurring during the **period of insurance** and in the course of the **business** in connection with a claim which is the subject of indemnity under 'What is covered' 1.

Provided that:

i. **we** will, at our discretion, be entitled but not obliged to assume the conduct of the defence of criminal proceedings; and
ii. **we** agree the specific solicitor or counsel who are to act on **your** behalf before they are appointed.

We will not pay for:

(1) any costs of proceedings brought outside Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man;
(2) any fines or penalties of any kind;
(3) any circumstances for which indemnity is provided by any other insurance;
(4) proceedings as a result of a deliberate act by, or omission of, any **person entitled to indemnity** under this Extension; or
(5) proceedings arising out of any activity or risk excluded from this Section or **policy**.

3. Corporate Manslaughter and Health and Safety at Work Act

We will indemnify **you** and, at your written request, any director, partner or **employee**, in respect of legal costs and expenses incurred with **our** consent in the defence of any criminal proceedings (including any appeal against such proceedings) brought under the provisions of:

a) the Corporate Manslaughter and Corporate Homicide Act 2007; or
b) the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978,

in respect of an actual or alleged offence occurring during the **period of insurance** and in the course of the **business** in connection with a claim which is the subject of indemnity under 'What is covered' 1.

Provided that:

i. **we** will, at our discretion, be entitled but not obliged to assume the conduct of the defence of criminal proceedings; and
ii. **we** agree the specific solicitor or counsel who are to act on your behalf before they are appointed; and
iii. regardless of the number of offences, claims, or claimants, the most **we** will pay in respect of all legal costs and expenses under this Extension in one **period of insurance** will not exceed £1,000,000. This limit is included within the applicable limit of liability shown under 'How much will we pay'.

We will not pay for:

(1) any costs of proceedings brought outside Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man;
(2) any fines or penalties of any kind, remedial or publicity orders, or prosecution costs imposed as a consequence of the prosecution;
(3) any circumstances for which indemnity is provided by any other insurance;
(4) proceedings as a result of a deliberate act by, or omission of, any **person entitled to indemnity** under this Extension if the result of such act or omission could reasonably have been expected having regard to the nature and circumstances; or
(5) proceedings arising out of any activity or risk excluded from this Section or **policy**.

4. Cross liabilities

If more than one entity is named as **you** in the **schedule**, **we** will indemnify each entity as if a separate policy has been issued to each; provided, however, that the total amount payable will not exceed the limits described under 'How much will we pay'.

5. Customers' vehicles – defective workmanship

Despite Exclusion 5 'Damage to products sold or supplied' of this Section, **we** will indemnify **you** against

a) **your** legal liability to pay damages in respect of loss of or damage to a **customer's motor vehicle** arising from:
   i. repair, servicing, treatment, maintenance, renovation, or cleaning;
   ii. installation of any parts, components, or accessories; or
   iii. examination, including examination in accordance with the Motor Vehicles (Tests) Regulations,

   carried out in connection with the **business** by **you** or **your** subcontractors; and

b) the necessary and reasonable cost of vehicle components, parts, accessories, paint and other materials to rectify the original work,

provided that under b) above, the most **we** will pay during one **period of insurance** is £5,000 in respect of any one **motor vehicle** and £25,000 in total for all such costs.

We will not pay for:

i) the first £1,000 of each claim; or
ii) any labour costs or charges.

6. Customers' vehicles – loss of use

The indemnity provided by this Section will apply in respect of consequential loss following damage to your customers' **motor vehicles** arising from:

a) repair, servicing, treatment, maintenance, renovation, or cleaning;
b) installation of any parts, components, or accessories; or
c) examination, including examination in accordance with the Motor Vehicles (Tests) Regulations,

carried out in connection with the **business** by **you** or **your** subcontractors,

provided that:

i. **you** must repair or replace the **motor vehicle** as soon as practically possible; and
ii. the most we will pay in respect of any one **event** is £50,000.

7. Data protection act

We will indemnify **you** for your legal liability to pay damages for damage or distress described under Section 168 of the Data Protection Act 2018 or under Article 82 of the General Data Protection Regulation (Regulation(EU) 2016/679), as a result of any loss, misuse or unauthorised disclosure of personal **data** held by **you**, occurring within the United Kingdom and arising in the course of the **business**.

We will also indemnify you for claimants' costs and expenses which **you** are legally liable to pay in connection with an **event** which may be the subject of indemnity under the paragraph above provided that:

a) **we** have given our prior written approval; and
b) **you** have paid the appropriate fee under the Data Protection (Charges and Information) Regulations 2018, or are exempt from doing so.

The most **we** will pay under this Extension for all liability, costs, and expenses in any one **period of insurance**, regardless of the number of claims or claimants, will not exceed £500,000 in the aggregate or the limit shown on the **schedule** whichever is lower.

This Extension does not cover:

i. liability, costs, or expenses where cover is provided under any other insurance;
ii. liability, costs, or expenses in connection with any deliberate act or omission by **you** if the result of that could reasonably have been expected by **you** having regard to the nature and circumstances of such act or omission;
iii. fines or penalties;
iv. costs of replacing, reinstating, rectifying, blocking, erasing, or destroying **data**.

8. Defective premises act

We will indemnify **you** in respect of legal liability for **bodily injury**, or loss of or damage to physical property arising under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with any premises which **you** previously owned or occupied for the purposes of the **business**.

This Extension does not cover:

a) liability for which **you** are entitled to indemnity under any other insurance
b) costs of remedying any defect or alleged defect in such premises, including but not limited to the presence of **asbestos**.

9. Employees' and visitors' personal belongings

Despite Exclusion 23 'Property in your custody or control' of this Section, the indemnity granted by this Section will apply in respect of:

a) the personal property of any of **your** partners, directors, or **employees** including motor vehicles; and
b) visitors' property, including **motor vehicles**, whilst temporarily on **your** premises, other than any property being investigated or worked upon by **you** or on **your** behalf.

10. Financial loss from products supplied

Please note: the insurance provided by this Extension is on a 'claims made' basis.

We will indemnify **you** against legal liability, other than arising under contract, incurred in connection with the **business** for damages and claimants' costs and expenses in respect of financial loss arising out of any claim:

a) where the claimant alleges their financial loss arises from a defect in, or the unsuitability of, a **product** sold, supplied, delivered or installed by **you**; and
b) which is first made in writing to **you** during the **period of insurance**; and
c) which is notified to, and accepted by, **us** during or within 14 calendar days after expiry of the same **period of insurance**.

Provided that:

i. the financial loss is sustained within Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man;
ii. the most we will pay in connection with one **motor vehicle** is the contract price agreed with the customer or £100,000 whichever is less; and
iii. regardless of the number of claims or claimants or **products**, the most **we** will pay in respect of all claims made against **you** under this Extension during one **period of insurance** is £100,000.

We will not indemnify you:

(1) in respect of the first 10% of each claim, subject to a minimum of £1,000;
(2) in respect of **products** that are in your custody or control;
(3) in respect of **products** that have not been accepted by the claimant;
(4) in respect of failure by **you** or anyone on **your** behalf to supply or deliver **products**, or for late delivery of **products** for whatever reason, or for non-completion;
(5) in respect of any claim where the terms of a contract or agreement made by **you** prevent **us** from taking over the full defence or settlement of claims;
(6) in respect of claims caused by or arising from circumstances known to **you**, or which **you** should have been aware of, before the **period of insurance**;
(7) in respect of costs to investigate, remove, rectify, remedy, repair, replace, or install any **products**; or
(8) in respect of any refunds or reduction in value of **products** other than **motor vehicles**.
    (9) In respect of a) bodily injury or damage to property
    (10) b) the cost of refund, repair, alteration, replacement, removal or recall, of any Motor Vehicle or any other goods (including parts, components, accessories and any containers, packaging, labelling and instructions for use), sold or supplied, by or on Your behalf, which gives rise to a claim under this Extension or any refund for such Motor Vehicle or other goods.
    (11) c) legal liability arising from any professional act, error, omission or advice.
    (12) d) goods (including parts, components, accessories and any containers, packaging, labelling and instructions for use) sold or supplied which, to Your knowledge are exported to the United States of America and/or Canada and/or their dependencies or trust territories unless agreed by Us in writing;
    (13) e) legal liability directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking.

11. Leased or rented premises

Despite Exclusion 23 'Property in your custody or control' of this Section, **we** will indemnify you in respect of **your** legal liability for accidental physical damage to buildings or parts of buildings whilst on lease to or rented by **you** and occupied by **you** in connection with the **business** (including their fixtures or fittings), provided that **we** will not provide indemnity against liability assumed by **you** under any contract or agreement which would not have attached in the absence of such contract or agreement.

This Extension does not apply in respect of any buildings (including their fixtures and fittings) leased to or rented by **you** where:

a) **you** are responsible for arranging fire insurance under the terms of the contract or agreement; or
b) where **you** are named as a joint insured on the landlord's or head tenant's fire insurance.

12. Indemnity to principals

We will, at **your** written request, indemnify any principal to the extent required by contract conditions in respect of legal liability arising solely out of work performed for the principal by **you** or on **your** behalf and provided that:

a) the principal must comply with and be subject to the terms and conditions of this **policy** in so far as they can apply as though they were **you**; and

b) **our** liability under this Extension will in no way increase any limit of indemnity; and
c) such liability is not covered under any other insurance or other contract.

13. Indemnity to owners of hired in plant

We will, at your written request, indemnify the owner of plant hired by **you** to the extent required by contract conditions in respect of legal liability arising in connection with such plant and in respect of which **you** are legally liable and would have been entitled to indemnity under this Section if the claim had been made against **you**.

Provided that:

a) the owner of the plant must comply with and be subject to the terms and conditions of this **policy** in so far as they can apply as though they were **you**; and
b) **our** liability under this Extension will in no way increase any limit of indemnity; and
c) such liability is not covered under any other insurance or other contract.

14. Indemnity to drivers and passengers

We will, at your written request, indemnify the driver or passenger of a **motor vehicle** belonging to **you**, hired by **you**, or which is in **your** custody and control in connection with the **business**, in respect of legal liability for which **you** would have been entitled to indemnity under this Section if the claim had been made against **you**.

Provided that:

a) the driver or passenger is using the vehicle with your permission;
b) the driver or passenger must be subject to the terms and conditions of this **policy** in so far as they can apply as though they were **you**; and
c) **our** liability under this Extension will in no way increase any limit of indemnity; and
d) such liability is not covered under any other insurance or other contract.

15. Motor contingent liability

Despite Exclusion 15, the indemnity provided by this Section will apply in respect of **your** legal liability to pay damages for:

a) **bodily injury**; or
b) physical loss of or damage to material property,

arising from the use of a **motor vehicle** by any **employee** in the course of the **business** provided that such **motor vehicle** is not **your** property nor provided by **you**.

We will not indemnify **you**:

i. in respect of legal liability for loss of or damage to such **motor vehicle** or to any property in or on the **motor vehicle**;
ii. in respect of legal liability arising whilst such **motor vehicle**:
    (1) is used for any racing or pace-making, in any contest involving competitive driving, speed trials, or any reliability testing;
    (2) is being driven by **you**;
    (3) is being driven with **your** general consent by a person who does not hold a full driving licence to drive such **motor vehicle**; or
    (4) is being driven anywhere outside of Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man.
iii. in respect of which **you** or **your employee** is entitled to indemnity under any other insurance.

16. Motor vehicles as tools of trade

Despite Exclusion 15 'Mechanical vehicles' of this Section, the indemnity provided by this Section will apply in respect of **your** legal liability to pay damages for

a) **bodily injury**; or
b) physical loss of or damage to material property,

caused by or arising from:

i. the use of plant as a tool of trade on site;
ii. the use of plant as a tool of trade on **your** premises;
iii. the loading an unloading of any **motor vehicle**,

except where indemnity is provided under any motor insurance or where insurance or security is required by law.

17. Overseas personal liability

We will indemnify **you**, and at your request, **your** directors, partners, or **employees**, against legal liability for **bodily injury**, or loss of or damage to physical property incurred in a personal capacity while temporarily outside Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, and Isle of Man in connection with the **business**.

This Extension does not cover:

a) liability for which any such person is entitled to indemnity under any other insurance; or
b) legal liability arising out of the ownership or occupation of land or buildings.

Conditions

These conditions apply in addition to the General Conditions and General Claims Conditions.

1. Hot work

It is a condition precedent to **our** liability that, each time any work is undertaken away from **your premises** which requires, uses or produces open flames or any other sources of heat or sparks that could ignite flammable or combustible materials, that **you**, **your employees** and any subcontractors acting on **your** behalf comply with all of the following:

a) the area where the hot work is to be carried out is cleared of all combustible materials;
b) the combustible floors and any other combustible property which cannot be moved, are protected by non-combustible material which, where welding, cutting or grinding equipment is being used, extends to at least 6 metres from or beneath the work area;
c) where there is a danger of ignition, whether directly or by conduction of heat through any partitions or walls, the area on the other side is inspected and all combustible material is removed;
d) where it is necessary to carry out hot work in an area of unharvested crops:
    i. so far as is possible, crops within the immediate vicinity of the work are removed to a distance of not less than 2 metres radius from the point of any hot work;
    ii. a windbreak of not less than 1.5 meters high enclosing the hot work is erected; and
    iii. the total area radiating 2 metres from the point of any hot work is saturated with water to prevent ignition of any residual combustible material.
e) at least one fire extinguisher, of a type suitable for the work being undertaken, is kept adjacent to the hot work and ready for immediate use;
f) no heat producing equipment is left out of view of its operator or a designated firewatcher whilst lighted or powered or whilst hot;
g) the battery of any vehicle, machine or equipment being worked on is disconnected and removed;
h) if any hot work is carried out on any vehicle within 1 metre of any fuel tank, pipe or line, the fuel is drained from the vehicle using a proprietary fuel retriever pump into a suitable metal canister, which is then sealed, removed to a distance of not less than 6 metres from the vicinity of the work, and fully protected by overlapping sheets or screens of non-combustible and non-heat conducting material or equivalent; and
i) a thorough safety check for signs of fire or combustion around, above, and below the work area is made at regular intervals for at least one hour after each period of hot work is completed.

2. Subcontractors condition

It is a condition precedent to **our** liability that, in respect of any work undertaken by any subcontractor on **your** behalf that, before starting work:

a) **you** obtain and retain evidence of that subcontractor's public and employers' liability insurances;
b) such insurances remain in effect throughout the duration of the contract with **you**; and
c) such insurances include 'indemnity to principals' clauses.

3. Vehicle inspections condition

It is a condition precedent to **our** liability that each **motor vehicle** sold by **you** or on **your** behalf is inspected by a competent automotive technician being a **person employed** or a subcontractor, and any faults found rectified prior to completion of sale.

What is not covered

The following Exclusions apply in addition to the General Exclusions.

We will not be liable under this Section for any actual or alleged loss, damage, liability, claim, cost, expense or any other sum of whatever nature:

1. Airside

in connection with work undertaken in or on:

a) aircraft or any description; or
b) airports, aerodromes, or airfields including runways, manoeuvring areas, aprons, hangars and any other parts of airports, aerodromes, or airfields to which aircraft ordinarily have access.

2. Asbestos

of whatever nature directly or indirectly caused or contributed to by:

a) the presence of **asbestos**;
b) investigating, managing, removing controlling or remediation of **asbestos**;
c) exposure to or fear of the consequence of exposure to **asbestos**; or
d) inhalation or ingestion of **asbestos**.

3. Contractual liability

that attaches by virtue of any express contract, agreement, warranty, indemnity, waiver or guarantee unless liability would have attached to you in the absence of the foregoing.

4. Damage to products sold or supplied

for the costs of removal, repair, alteration, or replacement of any **product** sold or supplied by **you** necessitated by any defect in or the unsuitability of the **product**.

Except this Exclusion will not apply in respect of **motor vehicles** sold or supplied by **you** where the physical loss or damage to such **motor vehicle** is a direct result of the work undertaken by **you** or on **your** behalf.

5. Defamation

in respect of any form of libel, slander, or injurious falsehood.

6. Deliberate acts

caused by or arising from any deliberate act, error or omission where the results are intended or expected, or are reasonably foreseeable by **you** or any other **person entitled to indemnity**.

7. Employers' liability

in respect of **bodily injury** or **personal injury** to any **person employed** arising in the course of their employment.

8. Employment practices

of whatever nature resulting from:

a) failure to hire a prospective **employee** or any applicant for employment;
b) employment of any person in violation of any laws as to age;
c) termination or wrongful dismissal of any **employee**;
d) failure to promote or advance any **employee**; or
e) coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or retaliation directed at any present, past, future or prospective **employee**.

9. Excess

in respect of the applicable **excess**.

10. Exemplary and punitive damages

for exemplary or punitive damages, aggravated damages, or any damages from the multiplication of compensatory damages.

11. Fines, penalties and liquidated damages

for:

a) fines or penalties;
b) liquidated damages, penalty clauses or performance warranties;
c) fees for intervention payable under the Health and Safety Fees (Regulations) 2012; or
d) compensation awarded by a court of criminal jurisdiction.

12. High hazard products

caused by or arising from any **products** which, to **your** knowledge, are intended for use in or on any:

a) aircraft, aero-spatial device, or aerial device;
b) watercraft; or
c) **offshore installations** or offshore structures.

13. Intellectual property rights

in respect of any form of passing off or infringement of any patent, trademark, copyright, design, technical or commercial information, or other intellectual property.

14. Mechanical vehicles

arising from or out of the ownership, possession or use by or on behalf of any **person entitled to indemnity** of any:

a) motor vehicle;
b) aircraft, aero-spatial or other aerial device;
c) hovercraft or other amphibious craft; or
d) watercraft (other than hand propelled craft in inland waters)

15. North America

caused by or in connection with:

a) any **products** which, to your knowledge, are for export to or use in the United States of America or Canada; or
b) any work undertaken by **you** or on **your** behalf in the United States of America or Canada.

16. Offshore installations

in respect of any travel to or from or work in or on any **offshore installations**.

17. Overseas branches or subsidiaries

caused by or arising from any of **your**:

a) associated or subsidiary companies;
b) branch offices; or
c) representatives with power of attorney,

registered in, resident in, or having premises outside of Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man.

18. Perfluoroalkyl and perfluoroalkyl substances

in respect of:

a) **bodily injury**, **personal injury** or damage to property which would not have occurred, in whole or in part, but for the actual, alleged, threatened, or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, or exposure to, existence of, or presence of any **perfluoroalkyl or polyfluoroalkyl substances**; or
b) any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, **perfluoroalkyl or polyfluoroalkyl substances**, by **you** or by any other person or entity

19. Pollution or contamination

caused by or arising out of pollution or contamination of whatever description unless caused by a **sudden pollution or contamination incident**.

20. Product recall

in respect of costs or expenses caused by or arising from a decision to recall or withdraw **products** from sale or use.

21. Professional Indemnity

arising from or in connection with any advice, design, or specification provided for a fee by **you** and not connected with the supply or intended supply of **your products**.

22. Property in your custody or control

- the cost of making good Damage to property (including the costs and expenses of repairing replacing removing rectifying altering or reinstating property)

- belonging to the Insured or
- being any Customer's Vehicle where the Damage occurs whilst the Customer's Vehicle is stored on the premises of the Insured for the purposes of Servicing (and for the avoidance of doubt not whilst the Vehicle is being worked upon by the Insured)

23. Second-hand parts and tyres

arising from or caused by the sale, supply or fitting of:

a) second-hand or part worn tyres; or
b) any other second-hand parts.

Section 6 – Employers’ Liability

Definitions

The following definitions apply in addition to the General Definitions and carry the same meaning throughout this Section unless otherwise stated. If a word or phrase is defined in both this Section and the General Definitions, the definition in this Section will apply for the purposes of this Section.

Bodily injury

means bodily injury, death, disease or illness.

Event

means an any one occurrence or all occurrences of a series consequent on, or attributable to one source or originating cause, including continuous or repeated exposure to substantially the same or similar set of conditions.

Offshore installation

means any rig, platform, or similar installation in the sea or tidal waters including all facilities, equipment, pipes and systems.

What is covered

We will indemnify any **person entitled to indemnity**:

1. against their legal liability for damages (including claimants’ costs and expenses) in respect of **bodily injury** sustained by any **person employed** caused during the **period of insurance**:
   a) in Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man; or
   b) while temporarily outside these territories,

   arising out of and in the course of their employment by **you** in connection with the **business**.
2. in respect of:
   a) costs and expenses incurred by **you** in connection with the defence of any claim;
   b) costs of legal representation at any coroner’s inquest or inquiry in respect of any death; and
   c) costs of legal representation at proceedings in any court arising out of any alleged breach of statutory duty,

   incurred with **our** written consent in connection with any **event** which may be the subject of indemnity under 1. above.

How much will we pay

1. In respect of any one event, the total amount payable by **us** under ‘What is covered’ and all Extensions will not exceed the applicable limit of indemnity shown in the **schedule** except that it will not exceed £5,000,000 in respect of an act of **terrorism**.
2. The limit of indemnity will include any costs and expenses incurred with **our** written consent in connection with any **event** which may the subject of indemnity under ‘What is Covered’ 1.
3. In respect of any claim, **we** may at any time pay the limit of indemnity applicable (after deducting amounts already paid), or at **our** discretion pay any lesser amount for which such claim can be settled. **We** will then relinquish control of the claim and will not be liable to make any further payment in respect of it, except for costs or expenses for which **we** were responsible before the date of such payment.

Extensions

The following Extensions apply, subject to all other terms, limits and exclusions of this Section. Unless **we** state otherwise, these Extensions do not increase any **sum insured** or **policy** limit.

1. Court attendance costs

If **we** require any of **your** directors, partners or **employees** to attend court as a witness in connection with a claim under this Section, **we** will pay **you** the amount shown below for each day that attendance is required:

a) any director or partner £500
b) any **employee** £250

2. Corporate Manslaughter and Health and Safety at Work Act

We will indemnify **you** and, at your written request, any director, partner or **employee**, in respect of legal costs and expenses incurred with **our** consent in the defence of any criminal proceedings (including any appeal against such proceedings) brought under the provisions of:

a) the Corporate Manslaughter and Corporate Homicide Act 2007; or
b) the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978,

in respect of an actual or alleged offence occurring during the **period of insurance** and in the course of the **business** in connection with a claim which is the subject of indemnity under 'What is covered'.

Provided that:

i. **we** will, at **our** discretion, be entitled but not obliged to assume the conduct of the defence of criminal proceedings; and
ii. **we** agree the specific solicitor or counsel who are to act on **your** behalf before they are appointed; and
iii. regardless of the number of offences, claims, or claimants, the most **we** will pay in respect of all legal costs and expenses under this Extension in one **period of insurance** will not exceed £1,000,000. This limit is included within the applicable limit of liability shown under 'How much will we pay'.

We will not pay for:

(1) any costs of proceedings brought outside Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man;
(2) any fines or penalties of any kind, remedial or publicity orders, or prosecution costs imposed as a consequence of the prosecution;
(3) any circumstances for which indemnity is provided by any other insurance;
(4) proceedings as a result of a deliberate act by, or omission of, any **person entitled to indemnity** under this Extension if the result of such act or omission could reasonably have been expected having regard to the nature and circumstances; or
(5) proceedings arising out of any activity or risk excluded from this Section or **policy**.

3. Indemnity to principals

We will, at **your** written request, indemnify any principal to the extent required by contract conditions in respect of legal liability arising solely out of work performed for the principal by **you** or on **your** behalf and provided that:

a) the principal must comply with and be subject to the terms and conditions of this **policy** in so far as they can apply as though they were **you**; and
b) **our** liability under this Extension will in no way increase any limit of indemnity; and
c) such liability is not covered under any other insurance or other contract.

4. Cross liabilities

If more than one entity is named as **you** in the **schedule**, **we** will indemnify each entity as if a separate policy has been issued each; provided, however, that the total amount payable will not exceed the limits described under 'How much will we pay'.

5. Unsatisfied Court Judgements

If a judgement for damages is obtained in any court situated in Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man:

a) by any **person employed** or their personal representatives in respect of **bodily injury** to that person caused during any **period of insurance** and arising out of and in the course of their employment by **you** in connection with the **business**;
b) against any company or individual, other than **you**, operating from premises in Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man, and
c) which remains wholly or partly unsatisfied six months after the date of the judgement,

then at **your** request, **we** will pay to that **person employed** or their personal representatives, the amount of damages and any awarded costs to the extent the judgement remains unsatisfied.

Provided that:

i. there is no appeal outstanding against the judgement; and
ii. the **person employed**, or their personal representatives, assign the judgment and all rights of recovery under it to **us**.

Conditions

These conditions apply in addition to the General Conditions and General Claims Conditions.

1. Minimum insurance and our right of recovery

The cover provided under this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance or liability for injury to any **employee** in any territory outside Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man, provided that **you** must repay to **us** all amounts **we** pay which **we** would not have been liable to pay but for that law.

What is not covered

The following Exclusions apply in addition to the General Exclusions.

We will not be liable under this Section for any actual or alleged loss, damage, liability, claim, cost, expense or any other sum of whatever nature:

2. Fines, penalties and liquidated damages

for:

a) fines or penalties;
b) liquidated damages, penalty clauses or performance warranties;
c) fees for intervention payable under the Health and Safety Fees (Regulations) 2012; or
d) compensation awarded by a court of criminal jurisdiction.

3. Offshore installations

in respect of any travel to or from or work in or on any **offshore installations**.

4. Radioactive contamination

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 which results from the combustion of nuclear fuel; or
b) the radioactive, toxic, explosive, or other hazardous properties of any explosive nuclear assembly or nuclear component thereof,

where the legal liability is:

i. that of any principal;
ii. accepted under an agreement without which the legal liability would not exist.

5. Road traffic legislation

in respect of **bodily injury** for which **you** are required to arrange motor insurance or security in accordance with the **Road Traffic Acts** or any other road

Section 7 – Business Interruption

Definitions

The following definitions apply in addition to the General Definitions and carry the same meaning throughout this Section unless otherwise stated. If a word or phrase is defined in both this Section and the General Definitions, the definition in this section will apply for the purposes of this Section.

Accounts receivable

means the total amount of the outstanding debit balances recorded in your accounts including hire purchase and credit sales accounts at the end of the month immediately preceding the **damage** and adjusted for:

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

so that the adjusted figures represent as closely as possible those figures which would have been obtained at the date of the **damage** had the **damage** not occurred.

Annual turnover

means the **turnover** during the twelve month period immediately before the date of the **damage**.

Damage

means physical loss, destruction or damage to property by the risks insured against under Section 1 – Material Damage.

Gross profit

means the amount by which the sum of **turnover** and the amounts of closing stock and work in progress exceeds the sum of opening stock and work in progress, less **uninsured working expenses**.

Notes:

a) The amounts of opening and closing stock and work in progress will follow **your** usual accounting methods, with provision for depreciation.
b) The **uninsured working expenses** will have the meaning usually attached to them in your accounts.

Indemnity period

means the period beginning with the occurrence of **damage** and ending no later than the **maximum indemnity period**, during which the results of the **business** are affected as a consequence of the **damage**.

Maximum indemnity period

means the ‘Maximum indemnity period’ shown in the **schedule**.

Rate of gross profit

means the **gross profit** earned on the **turnover** during the financial year immediately before the date of the **damage.**

Standard turnover

means the **turnover** during the period corresponding with the **indemnity period** in the twelve months immediately before the date of the **damage**.

Turnover

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

Uninsured working expenses

means the following variable costs:

a) purchases and related discounts
b) carriage, packaging and freight
c) discounts allowed
d) bad debts

What is covered under Part 1 – Business interruption

We will indemnify **you** for loss resulting from interruption of or interference with **the business** carried on by **you** at or from the **premises** if during the **period of insurance**, any **building** or other property used by **you** at the **premises** or whilst in transit for the purpose of the **business** is **damaged** by the risks insured against under Section 1 – Material Damage.

We will pay **you** for each item in the **schedule**, the amount of loss resulting from the interruption or interference provided that:

1. at the time of the **damage** occurring, there is an insurance in force covering **your** interest in the property against such **damage** and that:
   a) payment has been made or liability admitted under such insurance; or
   b) payment would have been made or liability admitted but for a provision in such insurance excluding liability for losses below a specified amount.
2. **our** liability under this Section will not exceed:
   a) the total **sum insured** or for any item its **sum insured**, at the time of the **damage**
   b) the **sum insured** remaining after the deduction for any other interruption or interference as a consequence of a claim following **damage** occurring during the same **period of insurance**, unless we have agreed to restore the **sum insured**.

How much will we pay under Part 1 – Business Interruption

1. Gross Profit

We will pay for loss of **gross profit** during the **indemnity period** caused by:

a) reduction in **turnover** - **we** will pay the amount produced by applying the **rate of gross profit** to the amount by which the **turnover** during the **indemnity period** falls short of the **standard turnover** as a consequence of the **damage**;

b) increase in cost of working - **we** will pay the additional cost **you** necessarily and reasonably incur solely to avoid or reduce a reduction in **turnover** during the **indemnity period** as a consequence of the **damage**, but not more than the amount produced by applying the **rate of gross profit** to the amount of the reduction which has been avoided by this additional cost,

less any amount saved during the **indemnity period** for the charges and expenses of the **business**, payable out of **gross profit** that may stop or be reduced as a consequence of the **damage.**

Provided that if the item on **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 where the **maximum indemnity period** exceeds twelve months), the amount payable will be proportionately reduced.

We will also make adjustments to account for:

i. trends in the **business**; and
ii. variations or special circumstances affecting the **business**,

before or after the **damage**, or which would have affected the **business** had the **damage** not occurred, so that the adjusted figures represent as closely as possible the results that would have been achieved but for the **damage.**

2. Additional increase cost of working

We will pay the further additional expenditure **you** necessarily and reasonably incur during the **indemnity period** as a direct consequence of the **damage** where:

a) the expenditure is over and above the amount **we** will pay as indemnity in respect of increased cost of working under 1. Gross Profit, above;
b) the expenditure is incurred solely to avoid or reduce a reduction in **turnover** during the **indemnity period**.

What is covered under Part 2 – Book debts

We will indemnify **you** if your books of account or other business records at the **premises** are **damaged** by the risks insured against under Section 1 - Material Damage and, as a direct result, it is impossible for **you** to establish and recover all amounts due to **you** and outstanding at the date of the **damage.**

We will pay you the amount **you** may be entitled to recover under this Section, provided that **our** liability will not exceed:

a) the total **sum insured**, or for any item its **sum insured**, at the time of the **damage**; and

b) the **sum insured** remaining after deduction for any other interruption or interference arising from a claim following damage occurring during the same **period of insurance**, unless we have agreed to restore the **sum insured**.

How much will we pay under Part 2 – Book debts

We will pay for:

1. loss of **accounts receivable** - **we** will pay the difference, solely due to the **damage**, between the amount of **accounts receivable** at the date of **damage** and the total of the amounts received or traced during the twelve month period beginning with the date of the **damage**;
2. tracing costs - **we** will pay the additional cost **you** necessarily and reasonably incur with **our** written consent in tracing and establishing customers' debit balances after the damage, but not more than the amount which would have otherwise been payable under 1. above,

provided that if at the time of the **damage** the **sum insured** is less than the total amount of the **accounts receivable**, the amount payable will be proportionately reduced.

Extensions

Any loss insured by this Section, resulting from interruption of or interference with the **business** as a consequence of physical loss, damage or destruction to property is extended to include such loss at or in the situations described in the following Extensions, and will be deemed to be loss resulting from **damage** to property used by you at the **premises** for the purposes of the **business**.

We will pay for such loss only up to the limit shown for each Extension, being the relevant percentage of the total of the **sums insured**, or the specified monetary amount, after applying all other terms, conditions and provisions of this policy.

1. Property stored at other locations

Loss resulting from interruption of or interference with the **business** in consequence of **damage** to property described under Section 1 – Material Damage while temporarily removed from the **premises** to any location, and while in transit, within Great Britain, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man, provided that:

a) **our** liability will not exceed 15% of the **sum insured** or £1,000,000, whichever is less; and

b) for the purposes of this Extension, the **maximum indemnity period** will be 12 months; and

c) this Extension does not apply to any site where **you** are exhibiting **your** goods.

2. Customers' premises

Loss resulting from interruption of or interference with the **business** in consequence of **damage** at the premises of any of your customers in Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man, where at the time of the damage **you** have agreed to supply goods or services to that customer, provided that:

a) **our** liability will not exceed 15% of the **sum insured** or £1,000,000, whichever is less; and

b) for the purposes of this Extension, the **maximum indemnity period** will be 12 months.

3. Denial of access

Loss resulting from interruption of or interference with the **business** at the **premises** in consequence of **damage** to property by any cause not excluded under Section 1 Material Damage to property happening within a 1 mile radius of the **premises** and which prevents the use of or access to **your premises,** provided that:

a) **our** liability will not exceed 15% of the **sum insured** or £250,000, whichever is less; and

b) for the purposes of this Extension, the **maximum indemnity period** will be 12 months; and

c) this Extension does not apply in respect of damage at the premises of any supply undertaking which prevents or hinders access to the premises.

4. Exhibition sites

Loss resulting from interruption of or interference with the **business** in consequence of **damage** at any site in Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man, not occupied by **you**, where **you** are exhibiting **your** goods for sale at the time of the **damage**, provided that:

a) **our** liability will not exceed 15% of the **sum insured** or £500,00, whichever is less; and

b) for the purposes of this Extension, the **maximum indemnity period** will be 12 months.

5. Unspecified suppliers - Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey and Isle of Man

Loss resulting from interruption of or interference with the **business** in consequence of **damage** at the premises of any of **your** suppliers in Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man, including any motor manufacturer or any manufacturer supplying them with components or materials, from whom **you** obtain regular supplies, provided that:

a) **our** liability will not exceed 25% of the **sum insured** or £2,500,000, whichever is less;

b) for the purposes of this Extension, the **maximum indemnity period** will be 12 months; and

c) this Extension does not apply to the premises of any supplier from whom **you** obtain electricity, gas, water or telecommunications services.

6. Unspecified suppliers - European Union (excluding Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey or Isle of Man)

Loss resulting from interruption of or interference with the **business** in consequence of **damage** caused by fire, explosion or aircraft at the premises of any of **your** suppliers in any member country of the European Union, other than Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man, including any motor manufacturer or any manufacturer supplying them with components or materials, from whom **you** obtain regular supplies, provided that:

a) **our** liability will not exceed 25% of the **sum insured** or £1,000,000, whichever is less;
b) for the purposes of this Extension, the **maximum indemnity period** will be 12 months; and
c) this Extension does not apply to the premises of any supplier from whom **you** obtain electricity, gas, water or telecommunications services.

7. Failure of supply undertakings

Loss resulting from interruption of or interference with the **business** at the **premises** in consequence of the accidental total or partial failure of the public supply of:

a) electricity at the terminal point of the supply undertaking's service feed to the **premises**;
b) gas at the supply undertaking's meters at the **premises**;
c) water at the supply undertaking's main stopcock serving the **premises** (excluding failure by drought); or
d) land based telecommunications services (excluding intranet or extranet services) at the incoming line terminals or receivers at the **premises**;

provided that:

i. **our** liability will not exceed 25% of the **sum insured** or £50,000 whichever is less for each failure of supply and all failures of supply in one **period of insurance** in connection with the same originating cause, regardless of the number of premises or supply undertakings;

ii. for the purpose of this Extension, the maximum indemnity period will be one month and the indemnity period will begin on the date the failure of supply first started;

iii. automatic restoration of sum insured does not apply to this Extension

iv. we will not be liable:

(1) unless there is a complete cessation of supply of the relevant service to the **premises** of at least twelve consecutive hours;
(2) for any loss in the first twelve hours;
(3) for any loss caused by the deliberate act of any supply undertaking, unless the act is the exercise by that undertaking of its power to withhold or restrict supply or services for the sole purpose of safeguarding life or protecting its system;
(4) for loss caused by atmospheric or weather conditions including drought or strikes or any labour or trade disputes, except that this does not exclude failure due to damage to equipment caused by such conditions;
(5) for loss caused by the failure of any overhead transmission cables, lines, and their supporting structures; or
(6) for any business interruption resulting from the failure of satellite telecommunications.

8.Disease extension

We will cover You for closure of the Premises by Public Authorities following:

a) the occurrence of the following diseases: Acute Encephalitis, Acute Poliomyelitis, Anthrax, Chickenpox, Cholera, Diphtheria, Dysentery, Legionellosis, Legionnaires Disease, Leprosy, Leptospirosis, Malaria, Measles, Meningococcal Infection, Mumps, Ophthalmia, Neonatorum, Paratyphoid Fever, Bubonic Plague, Rabies, Rubella, Scarlet Fever, Smallpox, Tetanus, Tuberculosis, Typhoid Fever, Viral Hepatitis, Whooping Cough or Yellow Fever, at the Premises;

b) murder or suicide at the Premises;

c) food poisoning or drink poisoning at the Premises;

d) defective sanitary arrangements or vermin or pests other than the deliberate act of any supply undertaking to withhold the supply of water at the Premises.

Our liability under this Extension shall only apply for the period beginning with the occurrence of the loss and ending no later than three months thereafter during which the results of the Business shall be affected in consequence of the closure. Our liability under this Extension will not exceed £50,000 in the aggregate and in any one Period of Insurance.

Conditions

The following conditions apply in addition to the General Conditions and General Claims Conditions.

1. Accountants

If **we** require particulars or details from your books of account, other business books or documents to investigate or verify a claim, these may be produced by professional accountants who normally act for **you**. **We** will accept their report as evidence of the particulars and details it relates to, unless proved otherwise.

We will pay the reasonable charges **you** incur for professional accountants to:

a) produce any particulars, details, proofs, information or evidence **we** reasonably require; and
b) report that those particulars and details are in accordance with **your** books of account, other business books or documents.

The total amount payable under this clause, together with any other amount payable under the relevant item or Extension, will not exceed the sum insured shown in the schedule for that item or Extension.

2. Alternative trading

If, during the **indemnity period**, goods are sold or services are provided for the benefit of the **business** away from the **premises**, either by **you** or on **your** behalf, **we** will treat the money paid or payable for those sales or services as **turnover** during the **indemnity period** when calculating **your** loss.

3. Automatic restoration of sum insured

If **we** pay a claim under this Section, the **sum insured** stated in the **schedule** will not be reduced by the amount of the claim unless **you** or **we** give written notice to the contrary, provided that **you** must pay any additional premium **we** require from the date of the loss or **damage** and comply with any risk improvements or protections **we** reasonably require.

4. Record keeping and fire resisting storage

It is a condition precedent to **our** liability that **you** keep **your** books of account and other business books or records that show customers' accounts in a fire-resisting safe or fire-resisting cabinet whenever they are not in use.

5. Salvage sales

If following **damage** giving rise to a claim under this Section, you hold a salvage sale during the **indemnity period**, **we** will treat the income from the salvage sale as **turnover** during the **indemnity period** when calculating **your** loss.

6. Subrogation waiver

In the event of a claim arising under this Section, **we** agree to waive any rights, remedies or relief, to which **we** might become entitled under General Claims Condition 6. 'Subrogation' against:

a) any company which is **your** parent or subsidiary; or
b) any company which is a subsidiary of **your** parent,

as defined in the Companies Act 2006 or Companies (Northern Ireland) Order, as applicable, at the time of the damage.

7. Payments on account

Claim payments on account may be made to **you** during the **indemnity period** if required.

What is not covered

The following Exclusions apply in addition to the General Exclusions.

We will not provide an indemnity in respect of:

1. loss, **damage**, cost or expense directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from:

    a) any **cyber act** including but not limited to **hacking**, **phishing**, **denial of service** attack or the transmission of any **virus or similar mechanism**;
    b) any **cyber incident**;
    c) any failure of **computer systems** or other equipment to correctly recognise any given date or to process **data** or to operate properly due to failure of a recognised date,

    other than direct physical **damage** resulting from fire, lightning, explosion, aircraft or other aerial devices dropped from them and which is not otherwise excluded.
2. loss, **damage**, cost or expense of whatever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a **communicable disease** or the fear or threat of a **communicable disease**, regardless of any other cause or event contributing concurrently or in any other sequence thereto, however, **we** will indemnify you in respect of subsequent physical loss or physical **damage** which results from a **specified event** and which is not otherwise excluded.

3. loss or **damage** caused by or consisting of pollution or contamination, however we will indemnify you in respect of damage not otherwise excluded caused by:

    a) pollution or contamination which itself results from a **specified event**
    b) a **specified event** which itself results from pollution or contamination

4. if after the commencement of this insurance, the **business** is wound up or carried on by a liquidator, receiver or is permanently discontinued.
5. loss or **damage** caused by explosion arising from:

    a) the bursting of any boiler, economiser or other vessel, machine or apparatus belonging to **you** or which is under **your** control; and
    b) in which internal pressure is due to steam only,

    however, **we** will indemnify **you** in respect of **damage** caused by explosion of any boiler or gas used for domestic purposes only.

Section 8 - Wrongful Conversion

What is covered

We will indemnify **you:**

1. against any loss **you** sustain in connection with **your** purchase of a **motor vehicle** in England, Wales, Scotland, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man in the course of the **business** during the **period of insurance** in respect of which:

   a) the rightful and lawful owner has substantiated a valid claim for the return of the **motor vehicle** or its value; or
   b) the person to whom **you** have contracted to sell the **motor vehicle** has substantiated a valid claim for damages for breach of implied warranty of title.

2. in respect of the following costs incurred with **our** written consent:
   a) costs of defending any event which is the subject of indemnity under 1. above
   b) costs recovered from **us** by any claimant where **we** contest the claim or the claim is contested with our written consent

How much will we pay

Irrespective of:

1. the number of claims or claimants; or
2. the number of **motor vehicles**

the most **we** will pay under this Section in respect of all **motor vehicles** purchased by **you** during one **period of insurance** is the limit of liability shown in the **schedule**.

Conditions

The following conditions apply in addition to the General Conditions and General Claims Conditions.

1. It is a condition precedent to **our** liability that:
   a) before **you** make payment for a **motor vehicle**, **you** obtain confirmation from either HPI Limited or Experian Limited that the **motor vehicle** is not subject to any hire purchase interest or other adverse information; and
   b) **you** provide us with written confirmation of such checks at the time **you** make a claim.

What is not covered

The following Exclusions apply in addition to the General Exclusions.

1. This Section will not apply to any **motor vehicle** where the purchase price or allowance for part exchange has been paid by any means other than cheque, credit or debit card, Bankers Automated Clearing Services (BACS) transfer, Clearing House Automated Payment System (CHAPS) transfer, or credit against a new purchase.

2. **We** will not indemnify **you** for the first 25% of each claim.

3. **We** will not be liable for loss, damage, cost or expense directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from:
   a) any **cyber act** including but not limited to **hacking**, **phishing**, **denial of service** attack or the transmission of any **virus or similar mechanism**;
   b) any **cyber incident**;
   c) any failure of equipment (including **computer systems**) to correctly recognise any given date or to process **data** or to operate properly due to failure of a recognised date.

Section 9 – Fidelity Guarantee

Definitions

The following definitions apply in addition to the General Definitions and carry the same meaning throughout this Section unless otherwise stated. If a word or phrase is defined in both this Section and the General Definitions, the definition in this section will apply for the purposes of this Section.

Improper financial gain

means any financial benefit intended for an **employee**, or for any other person or organisation, other than the proper payment of or increase in salary, bonus, fees, promotion, reward, pension or other benefits to which the **employee** is legitimately entitled.

Specific event

means all thefts covered by this Section and committed by any one **employee**, or by any number of **employees** acting together in collusion.

What is covered

We will indemnify **you** for direct loss of **money** or other physical property which **you own** or hold in trust, or for which **you** are responsible, arising solely and directly from any act of fraud or dishonesty by an **employee**, provided that:

1. the act is committed during the **period of insurance**; and
2. the act is committed during the uninterrupted employment of that **employee** by you; and
3. the act is intended to obtain **improper financial gain**; and
4. the loss is first discovered by **you** no later than 12 months after the date of the act (or the last act in a series forming a **specific event**); and
5. the act occurs within the United Kingdom, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man.

We will pay the value of the **money** or property at the time of the event, or, at **our** option, the cost of replacing or reinstating any lost or damaged property.

Special limitations

1. Automatic cessation of cover for a dishonest employee

We will indemnify **you** under 'What is covered' for loss caused by an **employee** but only up to the time **you** first discover an act of fraud or dishonesty by that **employee**. **We** will not provide any cover for further acts by that **employee** committed after such discovery.

2. Changes to the limit of indemnity and excess

Any increase or reduction in either the limit of indemnity or the **excess** will apply to all losses sustained after the effective date of the increase or reduction.

The date of any reduction in the limit of indemnity will be the date on which cover ceases under this Section in respect of the amount by which the limit of indemnity is reduced.

How much will we pay

1. The most **we** will pay for each **specific event**, regardless of the number of losses, acts, **employees** or locations involved in that **specific event** is £5,000.
2. **We** will not pay more than £50,000 for all claims under this Section during any one **period of insurance**.
3. **We** will deduct the **excess** stated in the **schedule** from the total amount of each claim. All losses arising from the same **specific event** will be treated as one claim.

Extensions

The following Extensions apply, subject to all other terms, limits and exclusions of this Section. Unless **we** state otherwise, these Extensions do not increase any **sum insured** or **policy** limit.

1. Auditors' fees and computer security costs

Where **we** accept a claim under this Section, **we** will pay the necessary and reasonable:

a) auditors' fees incurred to substantiate the amount of the claim; and

b) costs of rewriting or amending computer software programmes or security codes to prevent a recurrence of theft using the same computer hardware,

provided that the total of all such costs does not exceed the limit of indemnity that would have applied had these costs not been payable.

Conditions

The following conditions apply to this Section in addition to the General Conditions and General Claims Conditions.

1. Audited accounts

It is a condition precedent to **our** liability that **you** arrange for **your** accounts to be examined by external auditors at least once every 12 months.

2. Cash and cheque handling

It is a condition precedent to **our** liability that any **employees** who receive cash or cheques must be required to pay in or remit in full all **money** received to **you** or to **your** bank on the day of receipt or the next banking day.

3. Bank reconciliation

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

a) **you** or
b) a person who is independent of the **employees** who maintain your business records,

will, at least once a month, test bank statements, receipts, counterfoils and supporting documents against cash and unpresented cheques.

4. Cheque signing control

It is a condition precedent to our liability that:

a) any manually prepared cheques drawn for more than £25,000 will require two manual applied signatures, being **your** signature and that of an **employee** authorised **you**, to be added after the amount has been inserted and supporting documentation is signed by **you** and that **employee**;
b) any computer or machine prepared cheques drawn for more than £25,000 will require at least one manually applied signature, being **your** signature or that of an **employee** authorised by **you**, to be added after the cheque has been printed and supported documentation is signed by **you** or that **employee;**
c) **you** advise your bank or building society of the signing requirements described in a) and b) above; and
d) **you** retain all signed documentation in connection with any issued cheque and make these available to **us** for inspection.

5. Cash and petty cash checks

It is a condition precedent to **our** liability that cash in hand and petty cash will be checked:

a) at least once a month,
b) and additionally without prior notice at least every six months,

by **you** or an **employee** authorised by **you**, independently of the **employees** who are responsible for that cash.

6. Investment control

It is a condition precedent to **our** liability that in respect of investments:

a) **you** have a system of dual authorisation in place so that no single person can complete an investment transaction from beginning to end; and
b) **you** must instruct your bank, building society and stockbrokers to this effect.

7. Computer security

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

a) security checks must be built into all computer functions and perform reconciliations as necessary
b) different **employees** are responsible for authorising transactions, processing transactions, and handling output.

8. Vetting of employees

It is a condition precedent to **our** liability that for each **employee**:

a) **you** obtain and retain written references from previous employers (or the educational institute in respect of students or **employees** who have not been employed since leaving education) for the period of 2 years immediately preceding the **employee** working for you;
b) such references must confirm the dates of employment (or education) and the honesty of the **employee**;
c) if a gap in periods of employment (or education) is longer than 28 calendar days, then **you** must take all reasonable steps to establish that such period did not include dishonesty.

9. Annual holidays

It is condition precedent to **our** liability that each **employee** who is responsible for money, goods, accounting, computer operations or computer programming must be required to take an uninterrupted holiday of at least two consecutive weeks in each calendar year, during which they perform no duties and do not attend their normal place of work for those duties.

10. Termination of employment

It is a condition precedent to **our** liability that immediately upon the termination of contract for any **employee, you** must take all reasonable steps to prevent theft arising, including but not limited to:

a) removal of any access keys, passes or tokens;

b) changing any alarm, access or security codes known to that **employee**; and

c) cancelling all access rights for that **employee** to any **computer systems** used in connection with the **business**.

11. Notification to the police and co-operation

It is a condition precedent to **our** liability that as soon as **you** discover any event which may give rise to a claim under this Section, **you** must:

a) notify the police immediately; and
b) assist in taking all practical steps to identify the **employee** responsible and to trace and recover the **money** or property.

12. Withholding of monies

It is a condition precedent to **our** liability that **you** withhold any salary, wages or other monies owed to any **employee** who is found responsible for theft or dishonesty to the extent lawfully permitted, and **we** will deduct the amount of such monies from any payment **we** make to you under this Section.

What is not covered

The following Exclusions apply in addition to the General Exclusions.

This Section does not cover any:

1. proprietary information, trade secrets, confidential processing methods, intellectual property, or other confidential information of any kind;
2. loss due to actual or threatened extortion;
3. loss caused by **you**, **your** directors or partners, or in connection with **you**, **your** directors or partners acting in collusion with any **employee**;
4. loss arising outside Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man;
5. loss attributable solely to unexplained shortages;
6. loss caused by an **employee** where the theft, fraudulent or dishonest act was committed before cover under this Section first applied in respect of that **employee**;
7. loss where you continue to entrust an **employee** with access to **money** or property, after becoming aware of any material fact which reasonably casts doubt on that **employee's** honesty;
8. indirect or consequential loss of any kind; or
9. loss directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from a **cyber act**.

Section 10 - Personal Accident

Definitions

The following definitions apply in addition to the General Definitions and carry the same meaning throughout this Section unless otherwise stated. If a word or phrase is defined in both this Section and the General Definitions, the definition in this Section will apply for the purposes of this Section.

Accident

means a sudden, unexpected and identifiable incident which occurs at a specific time and place.

Contingencies

means one of the following within 24 months of the date of the **accident**:

1. Death;
2. **Loss of sight;**
3. **Loss of limbs;**
4. **Loss of hearing;**
5. **Loss of speech;**
6. **Permanent total disablement;**
7. **Permanent partial disablement;**
8. **Temporary total disablement;**
9. **Temporary partial disablement.**

Injury

means accidental bodily injury caused solely and directly by violent, external and visible means, and not by any other cause.

Insured person

means any of the following, who is permanently resident in Great Britain, Northern Ireland, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man and is under 80 years of age at the start of the **period of insurance**:

a) **you**;
b) any partner of **yours**;
c) any director of **yours**; or
d) any **employee**.

Occupational risks

means when an **insured person** is:

a) carrying out their usual duties for **you** in connection with the **business**; or
b) travelling directly between their home and their usual place of work for the **business**.

Loss of sight

means total and irrecoverable loss of sight in one or both eyes.

Loss of limbs

means:

a) physical severance of one or more hands or feet, or
b) permanent and total loss of use of one or more hands or feet.

Loss of hearing

means permanent and total loss of the sense of hearing in one or both ears.

Loss of speech

means permanent and total loss of the power of speech.

Permanent total disablement

means disablement (other than **loss of sight**, **loss of limbs**, **loss of hearing** or **loss of speech**) which permanently and continuously prevents the **insured person** from carrying out any occupation for which they are reasonably fitted by training, education or experience.

Permanent partial disablement
means permanent impairment, other than **permanent total disablement**, which results in a lasting reduction in the **insured person's** physical ability to carry out their usual occupation.

Temporary total disablement
means temporary disablement which prevents the **insured person** from attending to their usual occupation.

Temporary partial disablement
means temporary disablement which prevents the **insured person** from engaging in, or giving attention to, a substantial part of their usual occupation.

Units of cover
means the following fixed benefits, representing one unit of cover:

Contingency	Benefit per unit
1. Death	£10,000 (lump sum)
2. **Loss of sight**	£10,000 (lump sum)
3. **Loss of limbs**	£10,000 (lump sum)
4. **Loss of hearing**	£10,000 (lump sum)
5. **Loss of speech**	£10,000 (lump sum)
6. **Permanent total disablement**	£10,000 (lump sum)
7. **Permanent partial disablement**	£2,500 (lump sum, maximum per person)
8. **Temporary total disablement**	£50 per week
9. **Temporary partial disablement**	£20 per week

Unless the **schedule** states otherwise, you have **1 unit of cover** for each **insured person**.

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

Excess period
means the initial period of **temporary total disablement** or **temporary partial disablement** for which no weekly benefit is payable, as shown in the **schedule**.

Payment period
means the maximum number of weeks for which weekly benefits under Contingencies 8 and 9 are payable for any one accident.

Accident accumulation limit
The most we will pay in total under this Section for all **insured persons** arising from the same **accident**, as shown in the **schedule**.

What is covered

We will pay the benefit shown under "**units of cover**" (adjusted, if applicable, for the number of units shown in the **schedule**) if:

1. an **insured person** sustains Injury during the **period of insurance** while exposed to **occupational risks**; and
2. that **injury** is, within 24 months of the **accident**, the sole cause of one or more of the **contingencies**.

We will pay the benefit:

a) to **you**; or

b) to the **insured person's** legal personal representative in the event of death.

How much will we pay

1. Lump sum benefits

We will pay, per **insured person:**

a) in respect of **contingencies** 1 to 6, **we** will pay the lump sum benefit per **unit of cover**, multiplied by the number of **units of cover** shown in the **schedule** for that insured person.

b) in respect of **contingency** 7 (**permanent partial disablement**), **we** will pay up to the lump sum benefit per **unit of cover**, multiplied by the number of **units of cover** shown in the **schedule**.

c) in respect of any one **accident**, **we** will pay only one lump sum benefit under **contingencies** 1 to 6 for each **insured person**, being the highest amount payable. Any **permanent partial disablement** benefit under **Contingency** 7 arising from the same **accident** will be reduced by any lump sum already paid, and together they must not exceed the highest lump sum that would otherwise be payable.

2. Weekly benefits

We will pay, per **insured person**:

a) in respect of **contingencies** 8 and 9, **we** will pay the weekly benefit per **unit of cover**, multiplied by the number of **units of cover**, for each complete week (7 days) of **temporary total disablement** or **temporary partial disablement**.

b) Provided these weekly benefits will only be payable:

   i. after expiry of the **excess period**; and
   ii. for up to the **payment period,** which shall not be more than 104 weeks in total, for all periods of **temporary total disablement** and **temporary partial disablement** arising from the same accident.

3. Interaction of weekly and lump sum benefits:

a) Any amount we pay in respect of weekly benefits (described under 2. above) will be deducted from any lump sum benefit (described under 1. above) that later becomes payable under this Section for the same **accident**.

b) Once **we** have paid a lump sum for **permanent total disablement** for an **insured person**, no further lump sum or weekly benefits will be payable under this Section for that insured person for the same **accident**.

4. Per Accident (accident accumulation limit)

Regardless of the number of **insured persons**, claims or **contingencies**, the most **we** will pay in total for all benefits arising from the same **accident**, including all Extensions, is the **accident accumulation limit** shown in the **schedule**. If the total of the benefits otherwise payable would exceed that limit, **we** will reduce each benefit proportionately.

Extensions

The following Extensions apply, subject to all other terms, limits and exclusions of this Section. Unless **we** state otherwise, these Extensions do not increase any **sum insured** or **policy** limit.

1. Disappearance

We will pay the benefit for **Contingency** 1 (Death) if:

a) an **insured person** disappears following an **accident** where, in our reasonable opinion, they are likely to have died as a result of **injury**; and

b) a court of competent jurisdiction presumes the **insured person** to have died from that **accident**, or it is otherwise reasonable to accept that death has occurred.

We will pay this benefit provided that, if it is later found that the **insured person** did not die as a result of that **accident**, **you** (or the **insured person's** legal personal representative) must refund to **us** any amount **we** have paid under this Extension.

2. Exposure

We will treat **injury** resulting in a covered contingency as having been caused by an **accident** if it results directly from exposure to the elements following an **accident**.

3. Medical expenses

We will pay medical expenses reasonably and necessarily incurred by or on behalf of an **insured person** as a direct result of an **injury** for which a benefit is payable under any of the **contingencies**.

We will pay:

a) up to **£25 per £1,000** of the total lump sum benefit paid under **contingencies** 1 to 7 per **insured person**; and

b) no more than **£1,000** in total for **medical expenses** for any one **insured person** for any one **accident**,

subject always to the **accident accumulation limit**.

4. Rehabilitation and retraining expenses

We will pay reasonable rehabilitation and retraining expenses incurred with our prior written consent if:

a) an **insured person** suffers **permanent total disablement** for which we have paid a benefit under **contingency** 6; and

b) those expenses are solely and directly for:

   i. medically recommended rehabilitation to assist recovery from the **injury**; or
   ii. retraining the **insured person** for an alternative occupation with you.

We will pay up to **£2,500** per **unit of cover**, subject to a maximum of **£5,000** for any one **insured person** for any one **accident**, and subject always to the **accident accumulation limit**.

Conditions

The following conditions apply in addition to the General Conditions and General Claims Conditions

1. Evidence and medical examination

a) **You** or the **insured person** must, at **your** own expense, provide **us** with all medical certificates, reports, information and other evidence **we** reasonably require to assess any claim, in the form **we** reasonably prescribe.

b) The **insured person** must, at **our** reasonable request and at **our** expense, undergo medical examination by a doctor appointed by us.

c) **We** will not pay any benefit if the **insured person** unreasonably refuses to undergo any medical examination or to provide any medical evidence **we** reasonably require.

2. Age limit

We will not provide cover under this Section for any **insured person** after the end of the **period of insurance** in which they reach 80 years of age.

3. Reasonable mitigation

The **insured person** must take reasonable steps to follow medical advice and to reduce the extent and duration of any disablement and any related costs, including those claimed under the medical expenses and rehabilitation and retraining Extensions.

What is not covered

The following Exclusions apply in addition to the General Exclusions.

We will not be liable for:

1. Deliberate and reckless acts

injury, death or disablement of an **insured person** resulting from, or contributed to by intentional self-injury, suicide or attempted suicide, provoked assault, fighting (except in bona fide self-defence), or wilful exposure to needless danger (except in an attempt to save human life).

2. Alcohol, drugs and certain conditions

injury death or disablement of an **insured person** resulting from or contributed to by the **insured person** being under the influence of alcohol or drugs (other than drugs taken under medical supervision and not for the treatment of drug or alcohol addiction); any form of insanity (whether temporary or otherwise); or any sexually transmitted or **communicable disease**.

3. Illness and gradual causes

injury, death, or disablement resulting from, or contributed to by:

a) illness or disease not resulting directly from **injury**, or
b) any gradually operating cause.

4. Aviation

Injury, death or disablement resulting from, or contributed to by flying or other aerial activity, except as a fare-paying passenger in a fully licensed passenger aircraft operated by a recognised airline or charter company.

5. Hazardous sports and pursuits

Injury, death or disablement resulting from participation in, or training for:

a) mountaineering requiring the use of ropes or guides;

b) sub-aquatic or subterranean pursuits;

c) aeronautical or aviation sports;

d) motor racing, horse racing, or any form of racing other than on foot;

e) hunting, polo or similar high-risk sports.

6. Pre-existing conditions

Any condition, disability or impairment which existed before the date the **insured person** was first covered under this Section, if the **contingency** arises from or is contributed to by that condition.

Section 11 Engineering Breakdown

Definitions

The following definitions apply in addition to the General Definitions and carry the same meaning throughout this Section unless otherwise stated. If a word or phrase is defined in both this Section and the General Definitions, the definition in this section will apply for the purposes of this Section.

Accident

means any of the following events which causes direct physical damage to **covered equipment**:

a) mechanical **breakdown** including rupture or bursting caused by centrifugal force;

b) artificially generated electrical current, including electrical arcing, that damages electrical devices, appliances or wires;

c) **electronic derangement**;

d) **explosion** or **collapse** of **covered equipment** designed to operate under steam or other fluid pressure;

e) an event inside hot water boilers, water heating equipment, or other **covered equipment** designed to operate under steam or other fluid pressure that damages such equipment; or

f) unintentional overloading of **covered equipment** caused by operator error.

Alternative basis of settlement

means:

a) the value of the property at the time of its destruction; or

b) the amount of the loss or damage,

together with, insofar as the insurance by the item provides, due allowance for:

c) the additional costs of construction to comply with any legislation, regulation or local authority bye-law;

d) professional fees including architects, engineers, and surveyors fees;

e) costs of removing debris including dismantling, demolishing and propping up costs;

f) costs of re-erecting and fixing machinery and plant including testing and commissioning.

Annual turnover

means the **turnover** during the twelve month period immediately before the date of the **accident**.

Breakdown

means:

a) the actual breaking, failure, distortion or burning our of any part of the **covered equipment** while in ordinary use, arising from defects in the **covered equipment** causing its sudden stoppage and necessitating repair or replacement before it can resume work;

b) fracturing of any part of the **covered equipment** by frost when such fracture renders the **covered equipment** inoperative; or

c) the actual and complete severance of a rope, but not breakage or abrasion of wires or strands, even though replacement may be necessary.

Collapse

means the sudden and dangerous distortion of any part of the **covered equipment** caused by crushing stress by force of steam or other fluid pressure. Collapse does not include distortion caused by pressure from chemical action, ignited flue gases or ignition of the contents of the **covered equipment**.

Covered equipment

means the property described and insured under Section 1 – Material Damage comprising:

a) items built to operate under vacuum or pressure other than weight of their contents; or

b) items used for the generation, transmission, storage, or conversion of energy; or

c) oil storage tanks or water storage tanks.

Electronic derangement

means an event inside **covered equipment** which:

a) causes malfunction of microelectronic components or electronic circuitry controlling or operating the **covered equipment** that causes the **covered equipment** to suddenly lose its ability to function as it had been functioning immediately before such event; and

b) is not accompanied by visible damage and requires replacement of one or more components of the **covered equipment** before it can resume its normal operation.

Electronic derangement does not include:

i. any condition caused by or arising from a **cyber event**; or

ii. any condition that can be reasonably remedied by:

(1) normal maintenance, including but not limited to replacing expendable parts, recharging batteries, or cleaning;

(2) rebooting, reloading or updating software or firmware; or

(3) providing necessary power or supply,

Or

iii. any condition caused by or related to:

(1) incompatibility of the **covered equipment** with any software or equipment installed, introduced or networked within the prior 30 calendar days; or

(2) the **covered equipment** being of insufficient size, capability, or capacity.

Explosion

means the sudden and violent rending of the **covered equipment** caused by force of steam or other fluid pressure, causing bodily displacement of any part of the **covered equipment** together with forcible ejection of its contents. Explosion does not include pressure caused by chemical action, ignited flue gases or ignition of the contents of the **covered equipment.**

Gross profit

means the amount by which the sum of **turnover** and the amounts of closing stock and works in progress exceeds the sum of opening stock and work in progress, less **uninsured working expenses**.

Notes:

a) the amounts of opening and closing stock and wok in progress will follow **your** usual accounting methods, with provision for depreciation.

b) the **uninsured working expenses** will have the meaning usually attached to them in your accounts.

Indemnity period

means the period beginning with the occurrence of the **accident** and ending no later than the **maximum indemnity period**, during which the results of the **business** are affected as a consequence of the **accident**.

Maximum indemnity period

means the ‘Maximum indemnity period' shown in the **schedule**.

Portable computer equipment

means any of the following items of **covered equipment**:

a) laptops, palmtops, and notebooks;

b) personal digital assistants (PDAs);

c) removable satellite navigation systems;

d) digital cameras;

e) smartphones; or

f) any peripheral devices which are designed to be carried and used in conjunction with any of the items described in a) to e) above.

Portable hand tools

means portable hand tools of every description including handheld vehicle diagnostic equipment.

Rate of gross profit

means the **gross profit** earned on the **turnover** during the financial year immediately before the date of the **accident**.

Reinstatement

means:

the costs of:

a) rebuilding or replacement of **property** lost or destroyed;

b) repairing or restoring damaged portions of **property**,

to a condition substantially the same as but not better or more extensive than its condition when new, together with, insofar as the insurance by the item provides, due allowance for:

i. the additional costs of construction to comply with any legislation, regulation or local authority bye-law;

ii. professional fees including architects, engineers, and surveyors fees;

iii. costs of removing debris including dismantling, demolishing and propping up costs;

iv. costs of re-erecting and fixing machinery and plant including testing and commissioning.

Portable hand tools

means portable hand tools of every description including handheld vehicle diagnostic equipment.Standard turnover

means the **turnover** during the period corresponding with the **indemnity period** in the twelve months immediately before the date of the **damage**.

Turnover

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

Uninsured working expenses

means the following variable costs:

a) purchases and related discounts

b) carriage, packaging and freight

c) discounts allowed

d) bad debts

Part 1- Damage Cover

What is covered under Part 1 – Damage cover

We will pay for direct physical damage to **covered equipment** arising from an **accident** happening at the **premises** during the **period of insurance**, unless the cause of the damage is excluded subject to a separate engineering inspection policy being in force.

We will, at our option:

a) repair the damage; or

b) rebuild or replace the damaged property or any part of it; or

c) pay you the value of the property at the time of the damage or the amount of the loss.

How much will we pay under Part 1 – Damage Cover

1. Overall limits

We will pay for each claim up to the lowest of:

a) the **sum insured** shown in the **schedule** for the relevant item;

b) the total **sum insured** for this Section; or

c) any other applicable limit stated in this **policy** or **schedule**.

For each category of **covered equipment**, the **sum insured** shown in the **schedule** (or any other stated limit) applies as a single total for that category, unless **we** state otherwise.

Where an **excess** applies, **we** will deduct the applicable **excess** from the amount **we** would otherwise pay for each claim.

If more than one **excess** applies, only the highest **excess** will apply unless otherwise stated.

2. Designation

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

3. Basis of settlement – covered property

The basis on which the amount payable in respect of all **covered equipment** for which a **sum insured** is specified in the **schedule** is to be calculated will be **reinstatement**, provided that:

a) the work of reinstatement must start and proceed as quickly as possible;

b) **we** will not be liable for additional costs incurred due to unreasonable delay;

c) where loss or damage occurs to only part of the property, **our** liability will not exceed the amount **we** would have been liable to pay had the property been wholly destroyed;

d) the work of **reinstatement** may be carried out wholly or partly upon another site and in any manner suitable to **your** requirements, provided this does not increase **our** liability;

e) **our** liability will be limited to the **alternative basis of settlement**:

   i. until the cost of **reinstatement** has actually been incurred;

   ii. unless the work of **reinstatement** starts and proceeds without unreasonable delay

   iii. where the **covered equipment** at the time of the loss or damage is covered by any other insurance effected by **you** or on **your** behalf and such other insurance is not on the same basis of **reinstatement**.

f) if, at the time of the loss or damage, the **sum insured** is less than 85% of the full cost of **reinstatement**, **you** will be regarded as **your** own insurer for the difference and will bear the same proportion of any loss as that difference bears to the full cost of **reinstatement**.

4. Special basis of settlement – data processing media

In respect of **data processing media** forming part of the **sum insured** for any **covered equipment**, the basis on which the amount payable is to be calculated shall be the cost of the blank media and does not include any amount pertaining to the value of the **data** stored on that **data processing media**.

Extensions to Part 1 – Damage Cover

The following Extensions apply, subject to all other terms, limits and exclusions of this Section. Unless **we** state otherwise, these Extensions do not increase any **sum insured** or **policy** limit.

1. Additional access costs

We will pay up to £20,000 for any one **accident** for the reasonable and necessary additional costs **you** incur to gain access in order to repair or replace damaged **covered equipment** following an **accident**.

2. Contamination by hazardous substances

We will pay the reasonable and necessary additional costs to repair or replace **covered equipment** as a direct result of contamination by a substance declared to be hazardous to health by a government agency, arising from of an insured **accident.**

We will also pay the necessary and reasonable costs to clean up and dispose of the **covered equipment**.

We will not pay:

a) more than £10,000 in respect of any one **accident**;

b) for contamination of any property stored in a cold chamber; or

c) for contamination by ammonia, refrigerant, or refrigerant fumes.

3. Damage to own surrounding property

We will pay for direct physical damage to property at the **premises** belonging to **you** or for which **you** are responsible, directly resulting from the **explosion** or **collapse** of any **covered equipment** designed to operate under steam pressure.

We will not pay more than the **sum insured** shown under Section 1 – Material Damage for the property that is damaged.

4. Debris removal

The **sum insured** for each item specified in the **schedule** includes costs and expenses **you** necessarily incur with **our** consent for:

a) removal of debris;

b) dismantling;

c) demolishing;

d) shoring or propping up,

any part of the **covered equipment** that have suffered insured damage caused by an **accident**.

We will also cover **you** for up to £10,000 for the additional costs and expenses **you** incur with **our** consent, to sort and segregate recyclable materials of the **covered equipment** which has suffered physical damage caused by an **accident** and remove them from the **premises** to recycling facilities.

We will not pay:

a) more than the **sum insured** for each item;

b) costs or expenses incurred in removing debris except from the site of the damage and the area immediately adjacent to that site; or

c) loss, costs, or expenses arising from pollution or contamination of property not insured under this Section.

5. Employee's homes

We will pay for direct physical damage to **covered equipment** arising from an **accident** that happens while it is temporarily removed from the home of any **employee** whilst undertaking clerical activities working from home, anywhere within Great Britain, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man during the **period of insurance**, unless the cause of loss or damage is excluded.

We will not pay:

a) more than £1,500 for any one item or £3,000 in respect of all items at any one employee's home;

b) more than the **sum insured** shown on the **schedule**;

c) for **portable hand tools**;

d) for property while in transit; or

e) for property which is more specifically insured.

6. Environmentally friendly improvements

Following insured damage to **covered equipment**, if **you** choose to carry out **reinstatement** in a manner that aims to reduce potential harm to the environment or improve energy efficiency, **we** will pay the additional costs **you** incur with **our** written consent, provided that:

a) the most **we** will pay under this Extension for any one claim is 25% of the new replacement cost of the damaged **covered equipment** or £25,000, whichever is less;

b) if **our** liability under this Section, apart from this Extension, is reduced by the application of any terms or conditions of this **policy**, **our** liability under this extension will be reduced in the same proportion;

c) this Extension does not apply to:

   i. costs incurred in connection with any enforcement notice under any legislation, regulation or local authority bye-law;

   ii. costs incurred in connection with rebuilding or repair work that was already planned by **you** prior to the loss or damage; or

   iii. any charge or assessment arising from capital appreciation which may be payable by the owner of the **building** by reason of the works funded by this Extension.

7. Equipment away from the premises

We will pay for direct physical damage to **covered equipment** arising from an **accident** that happens while it is temporarily removed from the **premises** for **business** purposes, anywhere within Great Britain, the Bailiwick of Jersey, the Bailiwick of Guernsey, or Isle of Man during the **period of insurance**, unless the cause of the damage is excluded.

We will not pay:

a) more than 10% of the **sum insured** shown on the **schedule** or £25,000 whichever is less;

b) for any **covered equipment** which is removed from the premises for more than 90 consecutive calendar days, unless **we** agree a longer period in writing;

c) for any **portable hand tools** or **portable computer equipment**;

d) for property whilst at any **employee's** home; or

e) for property which is more specifically insured.

8. Portable hand tools and portable computer equipment

We will pay for direct physical damage to **portable hand tools** and **portable computer equipment** arising from an **accident** that happens while those items are temporarily removed from the **premises** for **business** purposes, anywhere in the world during the **period of insurance**, unless the cause of the damage is excluded.

We will not pay:

a) more than 10% of the **sum insured** shown on the **schedule** or £25,000 whichever is less;

b) for property whilst at any **employee's** home; or

c) for property which is more specifically insured.

9. Public authorities and increased cost of construction

We will pay the necessary and reasonable additional cost of **reinstatement you** incur solely to comply with any legislation, regulation or local authority bye-law following insured damage to the **covered equipment**, including **reinstatement** of undamaged parts (other than foundations), provided that:

a) the legislation or regulation is in force at the date of the damage and **you** receive an enforcement notice directly as a result of that damage;

b) the underlying damage is insured under this Section; and

c) the work of **reinstatement** is started and carried out without unreasonable delay (and completed within 12 months of the date of damage, unless **we** agree otherwise).

We will not pay:

i. more than the **sum insured** for the damaged property; or

ii. in respect of undamaged portions (other than foundations), more than 15% of the amount **we** would otherwise have paid to rebuild or replace the whole property at that **premises** if it had been destroyed.

We will not pay for:

(1) any requirement relating to property or damage not insured under this Section;

(2) any requirement where notice was served before the damage;

(3) any existing requirement with a fixed completion date;

(4) any additional cost that would have been required to rebuild the property to a new condition regardless of the legislation; or

(5) any rate, tax, duty, development or other charge arising from capital appreciation.

10. Reinstatement of data

We will pay the necessary and reasonable costs **you** incur in reinstating **data** that is lost or damaged as a direct consequence of an **accident** to **covered equipment** provided that:

a) **our** liability is limited solely to the cost of reinstating **data** onto **data processing media**;

b) **we** will not be liable for loss or damage to software

We will not pay more than £50,000 any one **accident**.

11. Repair investigations

We will pay the reasonable and necessary costs you incur, with **our** prior written agreement, for repair investigations and tests carried out by consulting engineers in respect of damage to **covered equipment** following an **accident**. This Extension does not cover, and we will not pay for, any costs incurred in preparing a claim.

We will not pay more than £25,000 in respect of any one **accident**.

12. Substitute equipment hire charges

We will pay the hire charges you incur during the **period of insurance** for the necessary hire of substitute equipment of similar type and capacity when **covered equipment** is damaged as a result of an **accident** covered by this Section.

Cover under this Extension will stop when the damaged **covered equipment** has been permanently repaired, permanently replaced, or when the limit of £10,000 for any one **accident** has been reached, whichever happens first.

13. Temporary repairs and expediting permanent repairs

We will pay the reasonable and necessary costs and expenses you incur in carrying out temporary repairs to, or expediting the permanent repair or replacement of, **covered equipment** that has suffered direct physical damage by an **accident.**

Provided that the most **we** will pay under this Extension for any one claim is the lower of 10% of the **sum insured** or £25,000.

14. Water and oil storage tanks

We will pay for direct physical damage caused by an **accident** to water storage or oil storage tanks at the **premises** belonging to **you** or for which **you** are responsible, including connected pipework.

We will also pay for the resulting loss of the contents of those water storage or oil storage tanks caused by:

a) escape, leakage, discharge or overflow from the storage tanks; or

b) contamination of the storage tank or its contents resulting from the **accident**,

including reasonable and necessary cleaning and decontamination costs incurred as a result of the loss.

We will not pay more than £10,000 in respect of any one **accident**.

Part 2 – Breakdown Business Interruption

What is covered under Part 2 – Breakdown Business Interruption

If Section 7 - Business Interruption is operative, **we** will pay **you** for loss resulting from interruption of or interference with the **business** carried on by **you** at or from the **premises** following an **accident** to **covered property** as insured under Part 1 – Damage cover.

We will pay **you** the amount of loss resulting from the interruption or interference provided that **we** have made payment or admitted liability under Part 1 – Damage cover; or would have made payment or admitted liability admitted but for a provision excluding liability for losses below a specified amount.

We will not pay more than £100,000 in respect of all **accidents** in any one **period of insurance**.

How much will we pay under Part 2 – Breakdown Business Interruption

We will pay for loss of **gross profit** during the **indemnity period** caused by:

a) reduction in **turnover** - **we** will pay the amount produced by applying the **rate of gross profit** to the amount by which the **turnover** during the **indemnity period** falls short of the **standard turnover** as a consequence of the **accident**;

b) increase in cost of working - **we** will pay the additional cost **you** necessarily and reasonably incur solely to avoid or reduce a reduction in **turnover** during the **indemnity period** as a consequence of the **accident**, but not more than the amount produced by applying the **rate of gross profit** to the amount of the reduction which has been avoided by this additional cost,

less any amount saved during the **indemnity period** for the charges and expenses of the **business**, payable out of **gross profit** that may stop or be reduced as a consequence of the **accident.**

Provided that if the item on **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 where the **maximum indemnity period** exceeds twelve months), the amount payable will be proportionately reduced.

We will also make adjustments to account for:

i. trends in the **business**; and

ii. variations or special circumstances affecting the **business**,

before or after the **accident**, or which would have affected the **business** had the accident not occurred, so that the adjusted figures represent as closely as possible the results that would have been achieved but for the **accident**.

Conditions applying to both Part 1 – Damage cover and Part 2 – Breakdown Business Interruption

The following conditions apply in addition to the General Conditions and General Claims Conditions to both Part 1 – Damage cover and Part 2 – Breakdown Business Interruption.

1. Back up records

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

a) **you** maintain verified back-up records of **data** taken at intervals no less frequently than every 7 calendar days; and

b) **you** take all reasonable measures to store such records securely.

2. Maintaining covered equipment

It is a condition precedent to **our** liability that **you** maintain **covered equipment** in an efficient condition and used in accordance with the manufacturers' recommendations.

3. Statutory inspections

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

a) **you** ensure that all **covered equipment** required by any relevant legislation or statutory regulation to be inspected, tested, or examined is so inspected tested, or examined in accordance with the requirements of that legislation or regulation; and

b) **you** ensure that in no event will any such inspection, test, or examination be overdue by more than 30 calendar days at the time of any **accident** giving rise to a claim under this Section; and

c) **you** maintain a record of all such inspections, tests, or examinations and provide these to **us** on request.

What is not covered under Section 11 – Equipment Breakdown

The following Exclusions apply in addition to the General Exclusions to both Part 1 – Damage cover and Part 2 – Breakdown Business Interruption

We will not provide indemnity in respect of:

1. Excess

the amount of any **excess**;

2. Loss of value

loss of value;

3. Indirect or consequential loss

indirect or consequential loss except to the extent specifically provided in this section;

4. Deterioration or other gradually developing conditions

loss or damage to property caused by or consisting of gradual deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions however, **we** will indemnify **you** in respect of any subsequent physical loss or physical damage which results from an **accident**.

5. Conditions which can be corrected through maintenance

loss or damage to property caused by or consisting of ay condition which can be corrected by resetting, calibrating, realigning, tightening, adjusting, or cleaning, or by the performance of maintenance however, **we** will indemnify **you** in respect of any subsequent physical loss or physical damage which results from an **accident**.

6. Pollution or contamination

loss or damage to property caused by or consisting of pollution or contamination except to the extent specifically provided for under Extension 2 'Contamination by hazardous substances'.

7. Confiscation

loss or damage caused by or arising from confiscation, requisition, or destruction by or under the order of any local or public authority

8. Deliberate, wilful or unlawful acts by you

loss, damage, cost, or expense caused or allowed to be caused deliberately, wilfully, maliciously, illegally or unlawfully by **you.**

9. Communicable disease

loss, damage, cost or expense of whatever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with

a) a **communicable disease**;

b) or the fear or threat of a **communicable disease**,

regardless of any other cause or event contributing concurrently or in any other sequence thereto, however, **we** will indemnify you in respect of subsequent direct physical loss or physical damage which results from an **accident** and is not otherwise excluded.

10. Excluded equipment

loss or damage to any:

a) insulating or refractory material;

b) aircraft or watercraft, or any equipment mounted on them;

c) motor vehicle or any equipment mounted on them other than vehicle recovery cranes or winches;

d) self propelled plant and equipment other than forklift trucks used by **you** in connection with the **business** at the **premises**;

e) dragline excavation or construction equipment;

f) railway locomotives or rolling stock;

g) equipment manufactured by **you** for sale;

h) parts requiring periodic renewal including but not limited to tools, dies, cutting edges, crushing surfaces, trailing cables, non metallic linings, or driving belts or bands;

i) electronic equipment used for research, diagnostic, treatment, experimental, medical, or scientific purposes other than vehicle diagnostic equipment;

j) electricity generating equipment other than emergency back-up power equipment, or wind turbines less than 10kw or photovoltaic equipment less than 50kw;

k) equipment or machinery of any description used in connection with running a biomass or biogas heating or power-generation plant; or

l) equipment, machinery, dam or weir of any description used in connection with running a hydroelectric power station of any description including any substation, distribution transformer, switchgear, meter, cabling, telecommunication and monitoring device, building and converter housing.

11. Safety or protective devices

any loss or damage to safety or protective devices due to their functioning.

12. Maintenance agreements

any loss or damage recoverable under any maintenance agreement or any warranty or guarantee;

13. Marine insurance

loss or damage insured by any marine policy or which would be insured under a marine policy if this **policy** did not exist.

14. Testing

loss or damage caused by or arising from:

a) hydrostatic, pneumatic or gas pressure testing of any boiler or pressure vessel; or

b) insulation breakdown testing or any type of electrical equipment.

Privacy notice

We may use your personal data for other similar purposes, including marketing, web analytics and communications, but that will only occur if we have your consent or where, as a current or previous user of our services, we rely on a legitimate interest justification for doing so. You have a right at any time to stop us from contacting you for marketing purposes. Please visit www.Qunderwriting.com/privacy for contact details.

The way insurance works means that, If you have a contractual or service relationship with us, your information may be shared with, and used by, a number of third parties in the insurance or risk sector; for example, companies within the H.W. Kaufman Group London, agents or brokers, reinsurers, loss adjusters, insurance and benefits platforms, sub-contractors, specific service providers, claim management companies, credit reference agencies, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. To improve our services, we also occasionally, and optionally, ask our clients to undertake surveys and polls and provide reviews. To do this we use specific service providers. We will only disclose your personal information in connection with the contract or service that we provide and to the extent required or permitted by law.

The personal information we have collected from you may be shared with fraud prevention agencies who will use it to prevent fraud and money-laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance, or employment.

Your data will be held securely in the UK and the EEA. Any other data processing outside of these geographical areas will be undertaken only in locations that are covered by UK data protection adequacy regulations or where UK GDPR compliant appropriate safeguards are in place.

Certain personal data related to this policy will also be disclosed to, and processed by, Accelerant Insurance UK Limited ("Accelerant"), a UK-authorised insurance company underwriting risks under this insurance policy (FCA Firm Reference Number: 207658). In its capacity as insurance company, Accelerant acts as a separate, independent data controller for insurer-level purposes, including portfolio and risk monitoring, underwriting governance, regulatory oversight, and compliance with applicable legal or regulatory requirements under UK law, including the UK GDPR and the Data Protection Act 2018.

Accelerant does not ordinarily collect personal data directly from insured individuals for policy issuance or routine insurance policy administration. Where relevant to its insurance or service activities, Accelerant may however collect personal data directly from insured individuals in other contexts, including where such individuals initiate contact, submit enquiries or complaints, or interact via Accelerant's website or digital channels.

For the purposes of underwriting this policy, Accelerant receives personal data from Q Underwriting, intermediaries, or other authorised participants in the insurance value chain, strictly in connection with Accelerant's role as underwriting insurer and for insurer-level oversight or reporting purposes.

Further details on how Accelerant processes your personal data, the rights available to you as a data subject under the UK GDPR, and the safeguards applied to any international transfers are publicly available and permanently accessible at: https://www.accelerant.ai/privacy-policy. You may also contact Accelerant's Data Protection Officer at dpo@accelins.com for any queries relating to the processing of your personal data. You also have the right to lodge a complaint with the Information Commissioner's Office (ICO) at www.ico.org.uk.

ELTO

If **your policy** provides Employers' Liability cover under Section 6 (as indicated on **your Schedule**), information about **your policy** will be provided to the Employers' Liability Tracing Office ("ELTO") and added to an electronic database ("ELTO Database") in a prescribed format.

The ELTO Database assists individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK whilst working for employers carrying on, or who carried on, business in the UK and as a result are covered by the employers' liability insurance of their employers, ("Claimants"):

(i) to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and

(ii) to identify the relevant employers' liability insurance policies.

The ELTO Database and the data stored on it may be accessed and used by Claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

The ELTO Database will be managed by the ELTO. Further information can be found on the ELTO website https://www.elto.org.uk.

By purchasing this **policy** with Employers' Liability cover, **you** will be deemed to specifically consent to the use of **your** insurance policy data in this way and for these purposes.

MID

If **your policy** includes cover under Section 2, Part 2 (as indicated on **your schedule**), information about **your policy** will be added to the Motor Insurance Database ("MID") managed by the Motor Insurers' Bureau ("MIB").

Certain government bodies and other authorised organisations, including the Police, DVLA, DVANI, the Insurance Fraud Bureau and other bodies permitted by law, may use the MID and the data stored on it for purposes including:

- Electronic licensing;
- Continuous Insurance Enforcement;
- Law enforcement (prevention, detection, apprehension and or prosecution of offenders);
- Providing government services or other services aimed at reducing the level and incidence of uninsured driving.

If **you** are involved in a road traffic accident (either in the UK, the EEA or certain other territories), insurers and or the MIB may search the MID to obtain relevant information.

Anyone making a claim for a road traffic accident (and their appointed representatives) may also gather relevant information held on the MID.

It is vital that the MID holds **your** correct registration number. If it is incorrectly shown on the MID **you** are at risk of having **your** vehicle seized by the Police.

You can check that **your** correct registration number details are shown on the MID at https://enquiry.navigate.mib.org.uk/checkyourvehicle.

Motor Division

Q Underwriting Services Ltd

40 Cathedral Road, Cardiff CF11 9LL

www.Qunderwriting.com