

A large circular graphic composed of two concentric rings. The outer ring is filled with red diagonal stripes, and the inner ring is a solid red color. A small red arrow points towards the center of the circle from the right side.

COMMERCIAL  
COMBINED

**Policy Wording**

## **IMPORTANT NOTICE**

Please read this Policy carefully to ensure that it is in accordance with your requirements and that you understand its terms, exclusions and conditions. Contact us immediately if any corrections are necessary.

Any enquiries you may have regarding your Policy may be addressed either to the insurance broker who arranged the Policy for you or directly to us.

## **CLAIMS PROCEDURE**

### **Legal Expenses Section**

Claims will be handled by Markel Legal Expenses Insurance. You should refer to 'How to contact us – to make a claim' at the beginning of the Legal Expenses Section for full details of the procedures and conditions applying.

### **All Other Sections**

If you wish to make a claim, please contact the insurance broker who arranged the Insurance or contact us on 01737 787787, quoting your policy number. Please also refer to our on-line guidance on how to make a claim which can be found at [www.travelers.co.uk](http://www.travelers.co.uk)

## **COMPLAINTS PROCEDURE**

If you have any questions or concerns about your Policy or the handling of a claim you should, in the first instance, contact the Insurance Broker who arranged this insurance. In the event that you remain dissatisfied and wish to make a complaint, you can do so at any time by using the appropriate contact details below. Please ensure that you provide details of your Policy and in particular your Policy number to ensure that your complaint is dealt with efficiently and promptly.

## **WHAT TO DO IF YOU HAVE A COMPLAINT**

### **Legal Expenses Section**

Please refer to the Legal Expenses Section for separate instructions

### **All Other Sections**

#### **Claims Related Complaints**

If you have a complaint, please contact the Company on 0203 207 6000 or email us at [CustomerRelations@travelers.com](mailto:CustomerRelations@travelers.com). For full information on your rights and how we handle your complaint, please see the Company's website <https://www.travelers.co.uk/documents/ComplaintsProcedure.pdf>

#### **For Any Other Complaints**

Q Underwriting Services Limited  
Rossingtons Business Park  
West Carr Road  
Retford  
Nottinghamshire  
DN22 7SW  
Email: [complaints@qunderwriting.com](mailto:complaints@qunderwriting.com)

Complaints will be acknowledged within 5 business days of receipt and you will be kept informed of progress. We will aim to resolve matters to your satisfaction within 8 weeks. This will be either in a final response or in a letter informing you that we need more time for our investigation.

## **FINANCIAL OMBUDSMAN SERVICE**

If we have not resolved your complaint at the end of eight weeks, or if after receiving our final response you remain dissatisfied you may have the right to refer your complaint to the Financial Ombudsman Service (see contact details below). You will have six months from the date of the final response to make this referral.

Your rights as a customer to take legal action are not affected by the existence or use of the complaints procedure mentioned above. However, the Financial Ombudsman Service may not adjudicate on a case where court proceedings are actively in progress.

The Financial Ombudsman Service  
Exchange Tower  
1 Harbour Exchange Square  
London  
E14 9SR  
Tel: 0800 023 4567

Further information is available from them and you may refer a complaint to them online at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

The Ombudsman will review complaints from eligible complainants. An eligible complainant is defined as:

1. a private individual;
2. a business which has a group annual turnover of less than £6.5m and either:
  - a) fewer than 50 staff
  - or
  - b) an annual balance sheet total of less than £5mat the time the complainant refers the complaint to the respondent
3. a charity which has an annual income of less than £6.5m at the time the complainant refers the complaint to the respondent; or
4. trustee of a trust which has a net asset value of less than £5m at the time the complainant refers the complaint to the respondent

## USING PERSONAL INFORMATION

The following does not apply to Legal Expenses section. Please refer to Legal Expenses section for a separate Personal information/Privacy policy statement.

### Privacy Notice – PIB Group Limited

This Privacy Notice provides details of the personal data we collect from you, what we do with it, how you might access it and who it might be shared with.

#### Our Contact Information and Data Protection Officer

The specific company acting as a data controller of your personal information will be listed in the documentation we provide to you. The company is a subsidiary of PIB Group Limited.

Our Data Protection Officer can be contacted directly here:

Data Protection Officer  
PIB Group Limited  
1 Minster Court  
Mincing Lane  
London, EC3R 7AA  
Tel: 0330 058 9700  
Or email: [dpo@pib-insurance.com](mailto:dpo@pib-insurance.com)

#### What we do with your personal data

We use the personal data you give to us to provide insurance policies and to process claims.

We may use your personal data for other similar purposes, including marketing 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 contact us to do so - see above.

The way insurance works means that your information may be shared with and used by a number of third parties in the insurance or risk sector; for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, specific service providers, claim management companies, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. We will only disclose your personal information in connection with the insurance cover that we provide and to the extent required or permitted by law.

More information on how the Insurance market works is available from the London Insurance Market Core Uses Information Notice available at <https://www.pibgroup.co.uk/core-uses>

#### What personal data do we collect?

We collect and use relevant information about you to provide you with insurance cover and to meet our legal obligations.

This information includes details such as your name, address and contact details and any other information that we collect about you in connection with the insurance cover from which you benefit.

Special categories of personal data such as data about your health and criminal convictions may be collected and processed on a consent or public interest basis if this is necessary for insurance purposes.

If you provide us with personal data about other people, for example, family members you wish to add to a policy or contract, we expect you to ensure that they know you are doing so and they are content with their information being provided to us.

We may record or monitor calls for training purposes, to improve the quality of our service and to prevent and detect fraud.

### **How do we look after personal data?**

We restrict, secure and control all of our systems. We retain personal data only for as long as is necessary to undertake the contracts and to respond to your requests, or longer if required by law.

### **How can you access your personal data?**

You have the right to request access to any of your personal data we may hold. If any of that information is incorrect, you can request that we change it. If we are not using your information correctly, you can request that we stop using it or that we delete it completely.

If you would like to make a request to see what personal data of yours we hold, you may make a request to our Data Protection Officer using the details above.

Where we have asked for your consent to use your personal data, you have the right to withdraw that consent at any time. If you withdraw your consent, we will stop using your personal data where legally possible. Any processing undertaken before your withdrawal remains valid and lawful.

### **Our Supervisory Authority**

You have the right to lodge a complaint with the Information Commissioner's Office (ICO), contact details below:

Information Commissioner's Office  
Wycliffe House  
Water Lane  
Wilmslow  
Cheshire SK9 5AF  
Tel: 0303 123 1113  
Web: <https://ico.org.uk/>

### **Employers' Liability Tracing Office**

If we cover you for Employers' Liability in accordance with the Employers' Liability (Compulsory Insurance) Regulations 1998, regulation requires us to maintain a database of all customers, companies and subsidiary companies covered by such insurance. As a result, we will add details of all to the Employers' Liability Tracing Office database.

It is a condition of this Policy that you agree to supply full details (as required by the Employers' Liability Tracing Office) of yourself or your company (and all its subsidiaries) to us at inception of this Policy and straightaway afterwards following acquisition or disposal of any subsidiary company.

For further information please visit [www.elto.org.uk](http://www.elto.org.uk)

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# The Contract of Insurance

This is your Policy and it sets out the details of Your insurance contract with the Company except for Legal Expenses which is a contract between you and Markel Legal Expenses Insurance.

The Named Insured having made to the Company a Proposal and declaration which shall be the basis of this contract and having paid or agreed to pay the premium to the Company the Company will provide the insurance indicated in the Policy Sections during the Period of Insurance stated in the Master Schedule or during any subsequent Period of Insurance for which the Company may accept payment subject to the terms conditions and exclusions contained herein or endorsed hereon

The Policy and the Proposal shall be read as one contract and unless otherwise stated any word or expression to which a particular meaning has been given in the general definitions or specific Section definitions in this Policy shall bear the same meaning wherever it appears in the Policy or specific Section respectively and unless the context requires otherwise

- (a) the singular includes the plural and vice versa
- (b) the male gender includes the female and neutral genders
- (c) person includes a body corporate

## **AUTHORISATION & REGULATION**

### **Travelers Insurance Company Limited**

Travelers Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Registered Office: One Creechurch Place, Creechurch Lane, London, United Kingdom, EC3A 5AF

Registered in England under No.1034343

### **Markel Legal Expenses Insurance**

Markel Legal Expenses Insurance is a trading name of Markel International Insurance Company Limited and is authorised by the Prudential Authority and regulated by the Financial Conduct Authority.

Registered Office: 20 Fenchurch Street, London EC3M 3AZ

Registered in England and Wales under No. 00966670

### **Q Underwriting Services Limited**

Q Underwriting Services Limited is authorised and regulated by the Financial Conduct Authority FRN 657367.

Registered Office: Rossington's Business Park, West Carr Road, Retford, Nottinghamshire, DN22 7SW.

Registered in England under No. 08946569

Q Underwriting is a trading name of Q Underwriting Services Ltd, which is acting in an underwriting capacity on behalf of:

#### **1. Legal Expenses Section**

Markel Legal Expenses Insurance under Agreement No. B6027/12131707

#### **2. All Other Sections**

Travelers Insurance Company Limited under the agreement signed on 22<sup>nd</sup> January 2021

Q Underwriting Services Ltd is part of the PIB Group. Find out more at [www.Qunderwriting.com](http://www.Qunderwriting.com)

### **Financial Services Compensation Scheme (FSCS)**

Travelers Insurance Company Limited and Markel International Insurance Company are covered by the FSCS. You may be entitled to compensation from the scheme in the unlikely event they cannot meet its obligations. Further information about the compensation scheme arrangements is available from the FSCS [www.fscs.org.uk](http://www.fscs.org.uk).



# General (Terms and Conditions)

## General Definitions

*The following General Definitions do not apply to the Legal Expenses Section*

### 1. Abuse

The word 'Abuse' shall mean any illegal or offensive act or omission that results in the maltreatment of a person and which may be of (but not limited to) a physical sexual verbal psychological or emotional or financial nature

### 2. Agent

The word 'Agent' shall mean any person company firm or subcontractor directly appointed by the Insured to act on their behalf

### 3. Ancillary Equipment

The words 'Ancillary Equipment' shall mean air conditioning equipment generating equipment voltage regulating equipment temperature and humidity recording equipment electronic access equipment heat and smoke detection equipment gas flooding cylinders pipework and computer room partitioning used solely in connection with Computer and Telecommunication Equipment

### 4. Bodily Injury

The words 'Bodily Injury' shall mean

- (a) death injury disease or illness of any person
- (b) (i) mental injury
- (ii) mental anguish
- (iii) shock

that results in a recognisable psychiatric injury

### 5. Business

The word 'Business' shall mean the business described in the Master Schedule carried on by the Named Insured at or from premises within the Territorial Limits and shall include

- (a) the ownership repair maintenance decoration and/or occupancy of the property by the Named Insured
- (b) the provision and management by the Named Insured of catering sports social welfare and educational organisations fire first aid medical dental ambulance and security services
- (c) the participation by the Named Insured in exhibitions and corporate events in connection with the business interests of the Named Insured

### 6. Claim Investigation Expenses

The words 'Claim Investigation Expenses' shall mean costs and expenses incurred by the Company or on its behalf to a third party in connection with the investigation handling and/or control of any claim but for the avoidance of doubt does not relate to claimants and defence costs and expenses or other prosecution defence costs as indemnified under this Policy

### 7. Company

The word 'Company' shall mean Travelers Insurance Company Limited

### 8. Compensation

The word 'Compensation' shall mean compensatory damages imposed by law including interest which may be awarded on such damages

### 9. Computer and Telecommunication Equipment

The words 'Computer and Telecommunication Equipment' shall mean a network of machine components microprocessors computer chips or other computerised or electronic components or equipment capable of accepting information processing it according to a plan and producing the desired results Computer and Telecommunication Equipment includes fixed disks and tape drives printers visual display unit screens modems personal computers remote terminals interconnection wiring and telecommunication equipment

### 10. Computer Fraud

The words 'Computer Fraud' shall mean the dishonest or fraudulent electronic transfer through use of any computer system of Money securities or property or any other pecuniary advantage or financial benefit to the deprivation of a Third Party and for the purposes of this definition 'securities' means negotiable and non-negotiable instruments or contracts representing either money or other property 'property' means tangible property other than Money or securities Money shall include electronic cash equivalents Computer Fraud shall not include Computer Misuse

#### **11. Computer Misuse**

The words 'Computer Misuse' shall mean deliberate or accidental misuse abuse or contamination or corruption of hardware equipment software programs data records or information in relation to any computer

Computer Misuse shall include but not be limited to the modification destruction or theft of data or information entrusted to the Insured by the Insured's customers or suppliers that is held on the Computer or Telecommunication System

Computer Misuse shall not include Denial of Access and Computer Fraud

#### **12. Computer or Telecommunication System**

The words 'Computer or Telecommunication System' shall mean

- (a) Computer and Telecommunication Equipment and tapes disks CD's or other magnetic or optical storage devices and Ancillary Equipment that form part of a computer network used for any purpose other than as stated in (b) hereunder owned leased or rented by the Named Insured or for which they are legally responsible
- (b) Computer and Telecommunication Equipment and tapes disks CD's or other magnetic or optical storage devices and Ancillary Equipment that form part of a computer network owned leased or rented by the Named Insured or for which they are legally responsible used for the purpose of operating or controlling machinery or equipment

#### **13. Computer Virus**

The words 'Computer Virus' shall mean a piece of code that is designed to corrupt and which has the effect of corrupting (and may destroy alter contaminate or degrade the integrity quality or performance of) data or any computer application software computer network or computer operating system and related software

#### **14. Cybermedia**

The word 'Cybermedia' shall mean the internet usenet any extranet the world wide web any web-site e-mail or any bulletin board chatroom or newsgroup

#### **15. Deductible**

The word 'Deductible' shall mean the amount for which the Named Insured is responsible the application of which is further defined in General Exclusion 5

#### **16. Defined Peril**

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

#### **17. Denial of Access**

The words 'Denial of Access' shall mean the inability of a Third Party who is authorised to do so by the Named Insured

- (i) to gain access to the Computer or Telecommunication System

and / or

- (ii) to be able to use the Computer or Telecommunication System to communicate with other computers or computer networks

through the use of Cybermedia in a manner in which the Third Party is legally entitled

#### **18. Employee**

The word 'Employee' shall mean any

- (a) person under a contract of service or apprenticeship with the Named Insured
- (b) labour only sub- contractor or labour master or any person supplied by them
- (c) self-employed person providing labour only
- (d) person hired to or borrowed by the Named Insured
- (e) person under work experience or similar schemes

whilst working directly for the Named Insured in connection with the Business

#### **19. Event**

The word 'Event' shall mean an occurrence or series of occurrences consequent on or attributable to one source or original cause giving rise to indemnity under this Policy

#### **20. Hacking Event**

The words 'Hacking Event' shall mean an attack which allows unauthorised access to the Computer or Telecommunication System by electronically circumventing the security systems and procedures



## **21. Inception Date**

The words 'Inception Date' shall mean the date on which the Policy becomes effective

## **22. Infringement of Intellectual Property Rights**

The words 'Infringement of Intellectual Property Rights'

(a) shall mean the infringement or violation of any of the following rights or laws

- (i) copyright
- (ii) patent
- (iii) trade secret
- (iv) trademark
- (v) registered design
- (vi) plagiarism
- (vii) any act of passing off
- (viii) unauthorised use or appropriation of domain name metatag or uniform resource location
- (ix) improper deep-linking or framing
- (x) the misappropriation of ideas under an implied contract or
- (xi) any other intellectual property right or law

(b) Does not include

- (i) claims by clients of the Insured for the loss of use of software products supplied by the Insured as a result of the actual or alleged infringement of any intellectual property right or law or
- (ii) that part of any claim judgment award payment or settlement in the United States of America its territories and possessions Puerto Rico or Canada or in respect of the enforcement of any such claim judgment award or payment settlement which is attributable to infringement or violation of patent or trade secret

## **23. Injury**

The word 'Injury' shall mean

- (a) Bodily Injury
- (b) false arrest wrongful detention or false imprisonment or malicious prosecution of any person
- (c) wrongful entry or eviction or other invasion of the right of private occupancy

## **24. Insured**

The word 'Insured' shall mean

- (a) the Named Insured and
- (b) in respect of the Employers' Liability Section and Public and Products Liability Section at the request of the Named Insured the word 'Insured' shall also include
  - (i) any director partner Employee or volunteer worker of the Named Insured in respect of liability for which the Named Insured would have been entitled to indemnification under this insurance if the claim had been made against the Named Insured
  - (ii) any officers committees or members of the catering sports social welfare health and safety and educational organisations fire first aid medical dental ambulance and security services owned by the Named Insured in their respective capacities as such
  - (iii) any officers or trustees of the Named Insured's pension scheme(s)
- (c) the legal personal representative of any party covered hereunder in accordance with paragraph (b) above

Provided that

- A. each party covered hereunder shall observe fulfil and be subject to the terms and conditions of the Policy insofar as they can apply
- B. the Company's aggregate liability to all persons firms bodies corporate or entities comprising the Named Insured and any other party or parties shall not exceed any of the specified amounts detailed in the Schedules as sums insured or limits of indemnity or the amount of any other limit stated in the Policy

**25. Money**

The word 'Money' shall mean current coin bank and currency notes postal and money orders bankers drafts cheques giro drafts and payment orders travellers cheques crossed warrants bills of exchange current postage revenue and national insurance stamps stamped national insurance cards national savings certificates war bonds premium savings bonds franking machine impressions debit/credit/charge card sales vouchers luncheon vouchers trading stamps VAT input documents travel tickets travel warrants authenticated travel certificates telephone pay cards and consumer redemption vouchers

Money shall include securities for money for the purposes of the Property Damage Section and any optional extension applicable thereto

**26. Named Insured**

The words 'Named Insured' shall mean persons firms bodies corporate or entities as specified in the Master Schedule or their legal personal representative

**27. Period of Insurance**

The words 'Period of Insurance' shall mean the period stated in the Master Schedule

**28. Policy**

The word 'Policy' shall mean this policy document comprising its general definitions conditions and exclusions and the Sections stated as operative in the Master Schedule and any Schedule and endorsement applicable thereto

**29. Proposal**

The word 'Proposal' shall mean all information provided and all statements or declarations made to the Company by or on behalf of the Named Insured

**30. Renewal Date**

The words 'Renewal Date' shall mean the first day immediately subsequent to the expiry of the Period of Insurance

**31. Schedule**

The word 'Schedule' shall mean the Schedule to the Policy

**32. Territorial Limits**

The words 'Territorial Limits' shall mean Great Britain Northern Ireland the Isle of Man or Channel Islands

**33. Third Party**

The words 'Third Party' shall mean a person firm or company other than the Insured

**34. GDPR**

GDPR means Regulation EU 2016/679 as it forms part of the laws of England and Wales, Scotland and Northern Ireland, and any applicable legislation, act or regulation adopted to enact the provisions of that Regulation, including any equivalent or subsequent legislation, act or regulation

## General Conditions

### 1. Fair Presentation of the Risk

In accordance with the Insurance Act 2015 (or any subsequent amending or replacement legislation, act or regulation thereof):

- (a) The Named Insured must make a fair presentation of the risk to the Company at inception, renewal and variation of the Policy.
- (b) The Company may avoid the Policy and refuse to pay any claims where any failure to make a fair presentation is:
  - (i) deliberate or reckless; or
  - (ii) of such other nature that, if the Named Insured had made a fair presentation, the Company would not have issued the Policy.

In the event that the Policy is avoided, the Company will return the premium paid by the Named Insured unless the failure to make a fair presentation is deliberate or reckless.

- (c) If the Company would have issued the Policy on different terms had the Named Insured made a fair presentation, the Company will not avoid the Policy (except where the failure is deliberate or reckless) but the Company may instead:
  - (i) reduce proportionately the amount paid or payable on any claim, the proportion for which the Company is liable being calculated by comparing the premium actually charged as a percentage of the premium which the Company would have charged had the Named Insured made a fair presentation; or
  - (ii) treat the Policy as if it had included such additional terms (other than those requiring payment of premium) as the Company would have imposed had the Named Insured made a fair presentation.

For the purposes of this condition references to:

- A. avoiding a Policy means treating the Policy as if it had not existed from the Inception Date (where the failure to make a fair presentation of the risk occurs before or at the inception of the Policy), the Renewal Date (where the failure occurs at renewal of the Policy), or the variation date (where the failure occurs when the Policy is varied);
- B. refunds of premium shall be treated as refunds of premium back to the inception date, renewal date or variation date as the context requires;
- C. issuing a Policy shall be treated as references to issuing the Policy at inception, renewing or varying the Policy as the context requires; and
- D. premium shall be treated as the premium payable for the Policy.

### 2. Fraud

If the Insured and anyone acting on the Insured's behalf:

- (a) knowingly makes a fraudulent or exaggerated claim under the Policy;
- (b) knowingly makes a false statement in support of a claim under the Policy (whether or not the claim itself is genuine); or
- (c) knowingly submits a false or forged document in support of a claim under the Policy (whether or not the claim itself is genuine);

the Company will:

- (i) refuse to pay the whole claim; and
- (ii) recover from the Insured any sums that it has already paid in respect of the claim.

The Company may also notify the Insured that it will be treating the Policy as having terminated with effect from the date of the earliest of any of the acts set out in sub-clauses (a) to (c) above. In that event, the Insured will:

- A. have no cover under the Policy from the date of the termination; and
- B. not be entitled to any refund of premium.

### 3. Alteration

The Named Insured shall give notice to the Company as soon as reasonably practicable of any fact or event affecting the risks insured by this Policy which is or might be material to the Company

### 4. Assignment

Assignment of interest under this insurance shall not bind the Company without its written consent

## **5. Reasonable Care**

The Insured at its own expense shall

- (a) take all reasonable precautions to prevent or diminish losses or liability arising in connection with the insured risks
- (b) comply with all statutory obligations and regulations imposed by any authority

## **6. Claims (Duties owed by the Insured)**

### **Special Definition**

The words 'Letter of Claim' where used in this condition shall mean any request in writing indicating an intention to claim against the Insured that specifies sufficient information about the incident to enable it to be investigated and includes at least preliminary information as to the nature of the injury or damage sustained and as defined in any protocols issued under the Civil Procedure Rules (or any amendments or supervening legislation)

- (a) If circumstances should exist and/or on the happening of any Event which in either case may give rise to a claim under this Policy the Insured shall as soon as possible give notice thereof to the Company in writing
- (b) Subject to the provisions set out in sub paragraph (g) below in respect of third party liability claims any pre- action Letter of Claim should be acknowledged or a preliminary response provided in accordance with and within the time period fixed for that purpose in the relevant protocol issued under the Civil Procedure Rules providing details of this Policy and a copy of both the pre-action Letter of Claim and the response shall be forwarded to the Company at the same time

(For avoidance of doubt in relation to a Letter of Claim in respect of personal injury this is within twenty-one days of receipt and in relation to a Letter of Claim in respect of defamation this is within fourteen days of receipt)

Following receipt by the Insured of a pre-action Letter of Claim the Insured shall within forty five days provide to the Company copies of all documents records and minutes of meetings necessary to consider the claim fully The Insured shall also give to the Company all such proofs and information with respect to any claim as the Company may require together with (if demanded) a statutory declaration of the truth of such claim and of any matters relating thereto

- (c) Every writ summons or claim form process impending prosecution notice requiring arbitration notice of an inquest or fatal accident inquiry in connection with any such circumstance or event aforesaid shall be immediately forwarded to the Company unacknowledged
- (d) Other than as prescribed in (b) within thirty days (seven days in the case of Damage caused by riot civil commotion strikers locked-out workers persons taking part in labour disturbances or malicious persons if insured by this Policy) of any circumstance or Event aforesaid or such further time as the Company may in writing allow the Insured shall give full particulars of the circumstance or event
- (e) The Insured if required by the Company shall attend all proceedings and assist the Company in the giving of evidence and the attendance of witnesses and shall give the Company all information and assistance and do and concur in doing whatever the Company may require in connection with any circumstance event or claim
- (f) The Insured shall bear their own costs and expenses under this Condition save to the extent that specific cover is provided within any Section of the Policy
- (g) No admission offer promise payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company

## **7. Claims (Company's rights)**

- (a) The Company may
  - (i) investigate handle and control any claim notified to it at its absolute discretion and may settle compromise or make ex-gratia payments in respect thereof and generally conduct any proceedings process or actions related to such claim as it deems appropriate and the costs incurred by the Company in this undertaking (including Claim Investigation Expenses) shall be subject to any Deductible shown in the relevant Section Schedule under which the claim is being brought by the Insured irrespective of whether an indemnity is subsequently provided to the Insured in respect of such claim
  - (ii) at its discretion take over and control the legal representation of the Insured at any inquest inquiry or other proceedings in any Court concerning any matter that has or may give rise to a claim hereunder and/or the defence and settlement of any claim The Company shall conduct such representation and defence and settlement of claims as it sees fit so to do In the event that the Company makes any payment the Insured will on demand pay to the Company the amount of the Deductible applicable

- (b) In respect of any applicable specified amounts detailed in the Schedules as limit(s) of indemnity or the amount of any other limit stated in the Policy the Company may at any time pay to the Insured the amount specified (less any sum already paid and less the amount of any Deductible) or any lesser amount for which any claim or claims can be settled (or where no such limit applies pay the amount for which any claim or claims can be settled less any sum already paid and less the amount of any Deductible) and shall then cease to have the conduct and control of the negotiations actions or proceedings and be under no further liability in respect of such claim or claims except for costs and expenses incurred prior to the date of such payment for which the Company is liable hereunder The Company shall not be responsible for any loss which the Insured may claim to have sustained by reason of the Company having acted in such a way

## **8. Subrogation**

The Company shall be subrogated to all the Insured's rights of recovery against any person or organisation before or after any claims payment under this insurance and the Insured shall provide all relevant information and assistance in this regard Any recovery made shall be applied first to the Company's outlay and then to the Insured's Deductible in priority to any outstanding uninsured loss of the Insured in the absence of agreement to the contrary

The Company shall not exercise said rights against any Employee of the Insured unless the claim in question has been brought about or contributed to by the dishonest fraudulent criminal or malicious act error or omission of the Employee

## **9. Contribution**

If at the time any claim arises under this Policy there be any other insurance effected by or on behalf of the Insured covering the same property and/or same liability and/or same protection the Company will not be liable to pay or contribute more than its rateable proportion of any such claim and costs and expenses in connection therewith

## **10. Arbitration**

If any difference shall arise between the Company and the Insured as to the amount to be paid under this Policy (liability being otherwise admitted) such difference (provided it does not concern the interpretation of the terms of the Policy) shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions for the time being in force

Where any difference is referred to arbitration the making of an award shall be a prerequisite to any right of action against the Company

## **11. Policy Interpretation**

The parties to this contract are able to choose the law applicable to this Policy and they agree that the Policy and any dispute concerning its interpretation or application is to be subject to and to be construed in accordance with English law

Each party agrees (subject as provided in General Condition 10 above) to submit if required to the jurisdiction of any Court of competent jurisdiction within England and to comply with all requirements necessary to give such Court jurisdiction

## **12. Cross Liabilities**

Where the Named Insured comprises more than one party the Company will indemnify each Named Insured to whom this Policy applies in the same manner and to the same extent as if a separate Policy had been issued to each provided that the total amount payable shall not exceed the specified amount detailed in the Schedules or elsewhere in the Policy as the Limit of Indemnity regardless of the number of parties claiming to be indemnified

Provided that the Company shall not indemnify the Named Insured against liability for which an indemnity is or would be granted under any Employers Liability insurance but for the existence of this Policy

## **13. Contracts (Rights of Third Parties) Act 1999**

A person firm body corporate or entity who is not the Named Insured 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

## **14. Premium Adjustment**

Where in the Master Schedule any Section of this Policy is shown to be subject to a premium adjustment the Named Insured shall within one month of the expiry of the Period of Insurance forward to the Company such information as the Company may require The Company shall thereupon adjust the premium subject to any minimum premium specified by the Company

## **15. Cancellation**

The condition applies other than where General Condition – Fraud applies

### **(a) Cancellation by the Named Insured**

#### **i. Cooling off cancellation rights**

The Insured has the right to cancel the insurance from inception within 14 days of the receipt of the documents at the start of the insurance or within 14 days of the start of the insurance whichever is later ("the cooling off period") if the cover does not meet their requirements by returning all documents and any certificate to the Broker Intermediary or Agent who arranged the Policy

The Company shall return any premium paid in full within 30 days of the receipt of the notice of cancellation from the Broker Intermediary or Agent if the cover is cancelled either

- a. before the inception date or
- b. within the 14 day cooling off period

provided that no claim has been made or incident advised that could give rise to a claim in these circumstances no return of premium will be made

ii. Cancelling the Policy after the cooling off period

The Named Insured may cancel the insurance at any other time by contacting the Broker Intermediary or Agent who arranged the Policy

On receipt of the notification from the Broker Intermediary or Agent the Insurers will cancel the Policy and provide a proportionate return of the premium in respect of the unexpired Period of Insurance provided that no claim has been made or incident advised that could give rise to a claim in these circumstances no return of premium will be made

b) Cancellation by the Company

i. Non- payment of premium

If the Company have not received the premium in accordance with the terms requiring payment of premium the Company will cancel the Policy by giving 7 days' notice in writing to the Named Insured at the Named Insured's last known address

The insurance will end immediately when the 7 days' notice runs out

If the Named Insured has just incepted the Policy or renewed the Policy with the Company and the premium is unpaid then the Company will cancel the insurance from the inception or renewal date

ii. Cancellation for any other reason

The Company may cancel the Policy or any section or endorsement by giving 30 days' notice in writing by letter to the Company at the Named Insured's last known address

The Company do not have to give a reason for the cancellation although valid reasons for doing so may include but are not limited to the following

- a. The Named Insured has not provided to the Broker Intermediary or Agent the information or documents the Company has requested as part of the terms and conditions in providing the insurance
- b. the Insured has not met the terms and conditions contained in this document of insurance including those shown on their Schedule
- c. where the Insured does not comply with any of the different Policy terms and conditions imposed by the Company as a result of the identification of misrepresentation as detailed in General Condition 1. Fair Presentation of the Risk
- d. where an alteration is made to the Business the Premises or the Property or where the Insured's interest ceases unless agreed by the Company as detailed in General Condition 3. Alteration
- e. where the survey arranged by the Company has identified additional risks which were not evident to the Company prior to the survey or where the Insured have not complied with the Company acceptance criteria nor with the timely completion of any risk improvements
- f. The Insured has behaved in a manner that makes it inappropriate for the Company to continue the insurance, e.g. the Insured harassing or showing abusive or threatening behaviour towards the Company staff or the Company's appointed representatives

The insurance will end immediately when the 30 days' notice runs out

If the Insured has just incepted the Policy or renewed the Policy with the Company and the premium is unpaid then the Company will cancel the insurance from the inception of renewal date

The Company will provide a proportionate return of premium in respect of the unexpired Period of Insurance of the Policy or Section other than in circumstances listed below

- 1. where the Company identifies fraud as detailed in General Condition 2. Fraud
- 2. where a claim has been made or incident advised that could give rise to a claim in these circumstances no premium shall be returned by the Company

## 16. Risk Improvements

Any risk improvements deemed necessary by the Company following the Company's survey or surveys of the risk shall be complied with and implemented within the time specified by the Company

The Company reserves the right to review all the terms and conditions of the Policy following the survey or surveys

## 17. Jurisdiction

Any indemnity provided by this Policy in respect of legal liability to pay Compensation (including claimants costs and expenses) shall operate in accordance with the law of any country but not in respect of any judgement award payment or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement award payment or settlement either in whole or in part) unless the Named Insured has requested that there shall be no such limitation and has accepted the terms of the North American Jurisdiction extension clause which may form part of any Section of this Policy and has agreed to pay any additional premium required by the Company

Provided that the indemnity provided by the Employers' Liability Section where operative will not apply to any action for Compensation brought against the Insured in any court outside the European Union

## General Exclusions

*The following General Exclusions do not apply to the Legal Expenses Section*

The Company shall not be liable

### 1. War and Allied Risks; Dispossession of Property; Radioactive Contamination

in respect of any loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused or occasioned by or happening through or in consequence of

- (a) war invasion act of foreign enemy hostilities or warlike operations (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

Notwithstanding this exclusion it is agreed that in respect of the insurance provided under the Employers' Liability Section where operative indemnity shall continue to satisfy the requirements of the relevant law applicable in Great Britain Northern Ireland the Isle of Man the Island of Guernsey the Island of Jersey or the Island of Alderney or where so extended to offshore installations in any waters outside the United Kingdom to which the Employers' Liability (Compulsory Insurance) Act 1969 or any amending primary legislation applies

- (b) permanent or temporary dispossession of any property resulting from confiscation nationalisation commandeering or requisition by any lawfully constituted authority
- (c)
  - (i) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
  - (ii) the radioactive toxic explosive or other hazardous properties of any nuclear installation reactor or other nuclear assembly or nuclear component thereof
  - (iii) any weapon or device employing atomic or nuclear fission and or fusion or other like reaction or radioactive force or matter
  - (iv) the radioactive toxic explosive or other hazardous or contaminating properties of any radioactive matter but the exclusion in this paragraph (iv) shall not extend to radioactive isotopes other than nuclear fuel when such isotopes are being prepared carried stored or used for commercial agricultural medical scientific or other similar peaceful purposes
  - (v) any chemical biological bio-chemical or electromagnetic weapon

but in respect of Bodily Injury sustained by an Employee this exclusion shall apply only when the Insured under a contract or agreement has undertaken either to indemnify another party or to assume the liability of another party in respect of such Bodily Injury

### 2. Property Coverages - Civil Commotion in Northern Ireland

under the

- (a) Property Damage Section
- (b) Business Interruption Section
- (c) Computer All Risks Section

where operative or any Optional Extension Clauses or endorsements attaching thereto in respect of any loss destruction or damage in Northern Ireland directly or indirectly caused or occasioned by or happening through or in consequence of civil commotion

### 3. Property Coverages - Terrorism

under the

- (a) Property Damage Section
- (b) Business Interruption Section
- (c) Computer All Risks Section



where operative or any Optional Extension Clauses or endorsements attaching thereto or under any Difference in Conditions or Limits Provision of the Policy where operative for loss destruction or damage or cost or expense of whatsoever nature directly or indirectly caused or occasioned by or happening through or in consequence of a Terrorist Act or any action taken in controlling preventing suppressing or in any way relating to a Terrorist Act other than in respect of loss destruction or damage in England and Wales and Scotland to the extent provided for in the Terrorism Insurance Section of this Policy where operative

In any action suit or other proceedings where the Company alleges that by reason of the term "Terrorist Act" any loss destruction or damage or cost or expense of whatsoever nature is not covered by this Policy the burden of proving that such loss destruction or damage or cost or expense is covered shall be upon the Insured

For the purposes of this exclusion:

- (a) in respect of loss destruction or damage
  - (i) outside England and Wales and Scotland and/or
  - (ii) to any property which is insured in the name of a private individual and is occupied by that individual for residential purposes

the words "Terrorist Act" shall mean an act or acts (whether threatened or actual) of any person or persons involving the causing or occasioning or threatening of harm of whatever nature and by whatever means made or claimed to be made in whole or in part for political, religious, ideological or similar purposes

- (b) in respect of loss destruction or damage in England and Wales and Scotland other than loss destruction or damage as described in (a) (ii) above the words "Terrorist Act" shall mean acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto
- (c) the words 'Difference in Conditions or Limits Provision' shall mean any provision contained within the Policy which provides that should any policy issued to indemnify any subsidiary company of the Named Insured which operates from premises outside Great Britain Northern Ireland the Channel Islands or the Isle of Man (hereinafter called the "Locally Issued Policy") by virtue of its scope of cover or definitions or conditions not indemnify the Insured in whole or in part in respect of loss destruction or damage as insured under the Policy at such premises then the Policy subject to its terms and conditions shall provide indemnity to the extent that such indemnity is not provided by the relevant Locally Issued Policy but which would have been provided had the Locally Issued Policy followed the terms and conditions of this Policy

In the event that any part of this exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect

#### **4. Liability Coverages - Terrorism**

under the

- (a) Employers' Liability Section
- (b) Public and Products Liability Section

where operative or any Optional Extension Clauses or endorsements attaching thereto or under any Difference in Conditions or Limits Provision of the Policy where operative for legal liability loss damage cost or expense of whatsoever nature directly or indirectly caused or occasioned by or arising from a Terrorist Act or any action taken in controlling preventing suppressing or in any way relating to a Terrorist Act except to the extent stated in the Special Provision - Employers' Liability Section below

In any action suit or other proceedings where the Company alleges that by reason of the term "Terrorist Act" any legal liability loss damage cost or expense of whatsoever nature is not covered by this Policy the burden of proving that such legal liability loss damage cost or expense is covered shall be upon the Insured

For the purposes of this exclusion:

The words "Terrorist Act" shall mean an act or acts (whether threatened or actual) of any person or persons involving the causing or occasioning or threatening of harm of whatever nature and by whatever means made or claimed to be made in whole or in part for political, religious, ideological or similar purposes

The words 'Difference in Conditions or Limits Provision' shall mean any provision contained within the Policy which provides that should any policy issued to indemnify any subsidiary company of the Named Insured which operates from premises outside Great Britain Northern Ireland the Channel Islands or the Isle of Man (hereinafter called the "Locally Issued Policy") by virtue of its scope of cover or definitions or conditions not indemnify the Insured in whole or in part in respect of legal liability loss damage cost or expense as insured under the Policy then the Policy subject to its terms and conditions shall provide indemnity to the extent that such indemnity is not provided by the relevant Locally Issued Policy but which would have been provided had the Locally Issued Policy followed the terms and conditions of this Policy

## **Special Provision - Employers' Liability Section**

Subject otherwise to the terms conditions and exclusions of the Policy the terrorism exclusion stated above shall not apply and indemnity shall continue to operate to the extent provided for as follows

1. the insurance provided under the Employers' Liability Section where operative shall continue to satisfy the requirements of the relevant law applicable in Great Britain Northern Ireland the Isle of Man the Island of Guernsey the Island of Jersey or the Island of Alderney or where so extended to offshore installations in any waters outside the United Kingdom to which the Employers' Liability (Compulsory Insurance) Act 1969 or any amending primary legislation applies

Provided that the Limit of Indemnity in this respect shall be reduced to £5,000,000 any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause inclusive of all claimants' and defence costs and expenses and not for the amount stated in the Section Schedule

In the event that any part of this exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect

## **5. Deductible**

in respect of the amounts stated in any Schedule as a Deductible for the first part of each and every claim hereunder under one or more Sections of this Policy in respect of an Event as ascertained after the application of the terms conditions and provisions of this Policy including any condition of average and which shall apply to Claim Investigation Expenses incurred in investigating such claim(s) irrespective of whether an indemnity is subsequently provided to the Insured

For the purpose of the application of the Deductible it is agreed that

- (a) in respect of the Public and Products Liability Section where operative all claims attributable to
  - (i) the same act or omission
  - (ii) a series of acts or omissions consequent upon or attributable to the same original cause or sourcewill be regarded as one claim (for the avoidance of doubt for which the Company's liability shall not exceed any of the specified amounts detailed in the Schedules as limits of indemnity or the amount of any other limit stated in the Policy and the amount of the Deductible shall form part of such limit of indemnity and the limit of indemnity shall not apply in excess of the amounts stated as a Deductible)
- (b) in respect of the Property Damage Section and Business Interruption Section and Computer All Risks Section where operative
  - (i) loss or damage arising from one Event which affects one or more Premises or Business Premises (as defined in the above referenced Sections)
  - (ii) loss or damage to insured property arising during any one period of 72 consecutive hours and caused by storm tempest flooding or escape of water from tanks apparatus or pipesshall be deemed a single Event and be treated as one claim

## **6. Cyber Risk - Third Party**

in so far as indemnity would otherwise be provided under the Public and Products Liability Section where operative or any Optional Extension Clauses or endorsements attaching thereto in respect of all sums which the Insured shall become legally liable to pay as Compensation and claimants' and defence costs and expenses for and arising out of

### **A. Defamation and Intellectual Property Rights**

- (i) Defamation or malicious falsehood including libel slander injurious falsehood trade libel slander of title slander of goods or disparagement of goods
- (ii) Infringement of Intellectual Property Rights

which is committed or occasioned through the use of Cybermedia

### **B. Personal Rights**

- (i) Infringement of any right to privacy (other than in relation to Data Protection) including privacy in photographs and films or rights under the European Convention on Human Rights
- (ii) Breach of confidence or unauthorised disclosure
- (iii) Unfair treatment that is based on a person's age ethnic background marital status nationality physical or mental disability race colour religion sex or sexual orientation

which is committed or occasioned through the use of Cybermedia

C. Computer Virus

Transmission of any Computer Virus through the use of Cybermedia but this exclusion shall not apply to Bodily Injury or physical damage to tangible property including any resulting loss of use of that property other than

- (i) physical damage to hardware and ancillary equipment and
- (ii) for the avoidance of doubt loss destruction of corruption of or damage to software programs data or information in relation to any computer

D. Data Protection

Contravention of the requirements of the GDPR which is committed or occasioned through the use of Cybermedia.

E. Computer Fraud and Computer Misuse

Computer Fraud or Computer Misuse committed or occasioned through the use of Cybermedia but in respect of Computer Misuse this exclusion shall not apply to Bodily Injury or physical damage to tangible property including any resulting loss of use of that property other than

- (i) physical damage to hardware and ancillary equipment and
- (ii) for the avoidance of doubt loss destruction of corruption of or damage to software programs data or information in relation to any computer

E. Denial of Access

- (i) Denial of Access

**7. Punitive and other non-compensatory Damages**

in respect of

- (a) exemplary damages
- (b) punitive damages
- (c) aggravated damages
- (d) liquidated damages or damages by way of penalty or fine
- (e) damages resulting from the multiplication of compensatory damages or any payment similar in nature to any of (a) (b) (c) or (d) above

**8. Liability Coverages - Asbestos**

in so far as indemnity would otherwise be provided under the Public and Products Liability Section where operative or any Optional Extension Clauses or endorsements attaching thereto in respect of legal liability inclusive of claimants' and defence costs and expenses directly or indirectly resulting from caused by contributed to attributed to or in any way related to

- (a) the actual alleged or threatened absorption ingestion or inhalation of asbestos in any form by any person or
- (b) the existence of asbestos in any form

**9. Liability Coverages - Silica**

in so far as indemnity would otherwise be provided the Company shall not be liable to indemnify the Insured under the Public and Products Liability Section where operative or any Optional Extension Clauses or endorsements attaching thereto in respect of legal or the existence of silica in any form or in combination with other particulate suspension(s) or dust(s) liability inclusive of claimants' and defence costs and expenses directly or indirectly resulting from caused by contributed to attributed to or in any way related to

- (a) the actual alleged or threatened absorption ingestion or inhalation of
  - (i) silica in any form by any person or
  - (ii) silica in any form in combination with other particulate suspension(s) or dust(s) by any personor
- (b) the existence of silica in any form or in combination with other particulate suspension(s) or dust(s)

**10. Abuse**

in so far as indemnity would otherwise be provided the Company shall not be liable to indemnify the Insured in respect of legal liability directly or indirectly resulting from caused by contributed to attributed to or in any way related to Abuse

# Property Damage Section

## Definitions

In this Section the following terms shall have the following meanings

### 1. Buildings

The word 'Buildings' shall mean the buildings at the Business Premises and includes

- (a) landlord's fixtures and fittings therein and thereon
- (b) outbuildings annexes and extensions
- (c) walls gates fences canopies and signs
- (d) car parks yards and pavements
- (e) telephone gas water and electric installations oil tanks piping ducting cable wires and associated control gear and accessories on the Business Premises and extending to the public mains but only to the extent of the Named Insured's responsibility
- (f) foundations
- (g) drains and sewers within the perimeter of the Business Premises but only to the extent of the Named Insured's responsibility
- (h) all Glass including framework alarm strips or fittings and lettering thereon

### 2. Damage or Damaged

The words 'Damage' or 'Damaged' shall mean for the purposes of this Section accidental loss or destruction of or damage

### 3. Data

The word 'Data' shall mean facts concepts and/or information converted to a form useable in the Named Insured's computer operations owned leased or rented by the Named Insured or for which they are legally responsible

### 4. Fixed Media

The words 'Fixed Media' shall mean Media integral to Computer and Telecommunication Equipment

### 5. Glass

The word 'Glass' shall mean flat annealed fixed glass toughened and laminated glass illuminated signs and electric light fittings at the Business Premises

### 6. In Transit

The words 'In Transit' shall mean whilst in the course of a journey by any means including the process of

- (i) loading and unloading
- (ii) temporarily housing during transit for a period of no more than 30 days (excluding storage at rental or under contract for storage packing and/or distribution)

and concluding when the Property has either been placed at the Premises or receipt acknowledged by a consignee

### 7. Machinery Plant and All Other Contents

The words 'Machinery Plant and All Other Contents' shall include

- (a) fixtures and fittings other than landlord's fixtures and fittings
- (b) tenants improvements alterations and decorations
- (c) office equipment other than as described in (g) and (h) below
- (d) deeds plans designs documents manuscripts business books and records (other than property and Programs and/or Data described in (g) and (h) below) but only for their value as materials together with the cost of clerical labour expended in reproducing them and not for the value to the Named Insured of the information contained therein
- (e) patterns models and moulds up to the value as materials and the cost of labour to reinstate them in so far as they are not otherwise insured
- (f) directors' partners' Employees' and visitors' pedal cycles tools instruments and other personal effects up to a limit of £1,000 per person

but not Stock or Money or other Property Insured specified in the Schedule

Additionally where there is not a Computer All Risks Section forming part of this Policy the words 'Machinery Plant and All Other Contents' shall include

- (g) Computer and Telecommunication Equipment (including Fixed Media and Unfixed Media for their value as materials but not Programs or Data) and Ancillary Equipment

- (h) additionally in the event of accidental loss distortion corruption or erasure of Programs and/or Data recorded on Fixed Media and/or Unfixed Media insured by this Section the Company will pay the costs necessarily and reasonably incurred by the Named Insured in
  - (i) the Reinstatement of Programs and /or the Reinstatement of Data but not for the value to the Named Insured of the Data contained therein
- and
- (ii) associated documentation and source materials excluding the value to the Named Insured of the information contained therein

for an amount not exceeding £25,000 in respect of any one Event

but not Stock or other Property Insured specified in the Schedule

#### **8. Media**

The word 'Media' shall mean solely the materials on which Data and/or Programs are recorded

#### **9. Premises and Business Premises**

The word 'Premises' shall mean buildings with their grounds at the addresses described in the List Of Premises And Other Locations Schedule attaching to the Master Schedule forming part of this Policy and identified by the 'Premises Code' shown against it

The words 'Business Premises' shall mean those Premises which the Named Insured own occupy or are responsible for

#### **10. Programs**

The word 'Programs' shall mean a sequence of instructions given to a computer which are either purchased or written on a custom basis owned leased or rented by the Named Insured or for which they are legally responsible

#### **11. Property and Property Insured**

The words 'Property' and 'Property Insured' shall mean as described in the Schedule and Specification forming part of this Section

#### **12. Reinstatement of Data**

The words 'Reinstatement of Data' shall mean the reinstatement of Data following accidental loss distortion corruption or erasure of such Data

#### **13. Reinstatement of Programs**

The words 'Reinstatement of Programs' shall mean the reinstatement of Programs following accidental loss distortion corruption or erasure of such Programs

#### **14. Rent**

The word 'Rent' shall mean periodic payments made to the Named Insured or by the Named Insured for the lease of Buildings

#### **15. Sanitary Ware**

The words 'Sanitary Ware' shall mean wash basins lavatory pans or other sanitary fittings at the Business Premises

#### **16. Stock**

The word 'Stock' shall mean stock merchandise goods held in trust materials of trade and finished goods which the Named Insured owns or for which the Named Insured is responsible

#### **17. Unfixed Media**

The words 'Unfixed Media' shall mean Media (other than Fixed Media and paper records of any description) owned by or leased hired or rented to the Named Insured

#### **18. Working Hours**

The words 'Working Hours' shall mean the whole period during which the vehicle is being used by its driver in connection with the Business of the Named Insured including travel to and from the place of work and any break in such journey but shall not include when the vehicle is parked for any overnight rest period

## Cover

### 1. General

If during the Period of Insurance the Property Insured described in the Schedule or any part thereof shall be Damaged (other than by an excluded cause) the Company will pay to the Named Insured the value of the Property or the amount of the Damage at the time of the happening of such Damage in accordance with the Basis of Settlement (or as otherwise provided for herein) or at the Company's option reinstate replace or repair such Property or any part thereof provided that the liability of the Company shall in no case exceed in respect of each insured item the Sum Insured for that item in the Schedule or in the whole the Total Sum Insured

### 2. Temporary Removal

Subject to the limit specified in the Schedule the insurance on Property Insured by this Section at the Premises is covered whilst temporarily away from the Premises within the Territorial Limits during the Period of Insurance for the purposes of renovation repair service or cleaning

This clause does not cover

- (a) Damage to explosive goods any other goods of a dangerous nature deeds plans designs documents manuscripts business books computer system records or Money
- (b) Damage to Property resulting from dishonesty fraudulent actions trick or device or other false pretence of any Employee of the Named Insured
- (c) Property more specifically insured under the Optional Extension Clause - Goods in Transit

### 3. Mortgagee/Freeholder/Lessor

The interest of the mortgagee/freeholder/lessor in the insurance by this Section shall not be prejudiced by any act or neglect of the Named Insured or occupier of any Building hereby insured whereby the risk of Damage is increased without the authority or knowledge of the mortgagee/freeholder/lessor provided the mortgagee/freeholder/lessor shall immediately on becoming aware thereof give notice in writing to the Company and pay an additional premium if required

### 4. Non-invalidating

Notwithstanding General Conditions 1 and 2 and 3 the insurance by this Section shall not be invalidated by any act or omission or by any alteration whereby the risk of Damage is increased unknown to or beyond the control of the Named Insured provided that immediately the Named Insured become aware thereof shall give notice to the Company and pay an additional premium if required

### 5. Workmen

Workmen are allowed in or about any of the Business Premises for the purpose of carrying out minor alterations minor repairs decoration and maintenance without prejudice to this insurance where the total cost for all scheduled work does not exceed £100,000 at any one Business Premises or otherwise where the Named Insured has notified the Company in writing and obtained its prior agreement in writing before any such work has commenced

### 6. Architects' Surveyors' Legal and Other Fees

The insurance in respect of Property Insured as specified in the Schedule unless insured by a separate item includes an amount in respect of architects' surveyors' legal and other professional fees necessarily incurred in the reinstatement of the Property Insured consequent upon Damage thereto but not for preparing any claim it being understood that the amount payable for such fees shall not exceed those authorised under the scale of charges of the respective professional bodies at the time of such reinstatement and provided that

- (a) unless (b) below applies the Company's liability for Damage and fees shall not exceed in total the Sum Insured in respect of each insured item of Property Insured
- (b) where there is a specific item in the Schedule for architects' surveyors' legal and other professional fees the Company's liability shall not exceed the Sum Insured in respect of such item in respect of any one Event

### 7. Automatic Reinstatement

In the absence of written notice by the Company or the Named Insured to the contrary within 30 days of notification of any loss then in consideration of the insurance not being reduced by the amount of any loss the Named Insured shall pay the appropriate extra premium on the amount of the loss from the date thereof to the expiry of the Period of Insurance

### 8. Capital Additions

The insurance on items specified in the Schedule in respect of Buildings and or Machinery Plant and All Other Contents extends to include

- (a) alterations additions and improvements to Property Insured (but not appreciation in value thereof)
- (b) newly acquired and/or occupied property insofar as the same are not otherwise insured anywhere within the Territorial Limits

Provided that

- (i) at any one situation this cover shall not exceed 15% of the Sum Insured under the relevant item or £500,000 in the aggregate whichever is the less
- (ii) the Named Insured shall advise the Company as soon as practicable and in any event within 3 months of any such newly acquired and/or occupied property
- (iii) the Named Insured shall pay to the Company any additional premium due

#### **9. Removal of Debris**

The insurance by this Section extends to include costs and expenses necessarily incurred by the Named Insured with the consent of the Company in

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

as a result of Damage insured by this Section

Provided that

- (i) The Company will not pay for any costs or expenses
  - (a) incurred in removing debris except from the site of such Property Damaged and the area immediately adjacent to such site
  - (b) arising from the pollution or contamination of property not insured by this Section
- (ii) unless (iii) below applies the Company's liability for Damage and removal of debris shall not exceed in total the Sum Insured in respect of each insured item of Property Insured
- (iii) where there is a specific item in the Schedule for removal of debris the Company will pay for costs or expenses incurred in removing debris only to the extent described in such item in the Schedule and the Company's liability shall not exceed the Sum Insured in respect of such item in respect of any one Event

#### **10. European Union and Public Authorities Clause (including Undamaged Property)**

Subject to the following special conditions the insurance in respect of Property as specified in the Schedule extends to include such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the stipulations of

- (a) European Union Legislation or
- (b) Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye-Laws of any Public Authority or the Company's Requirements to replace in accordance with the current LPC Sprinkler Rules the automatic sprinkler installation which already conforms to the 29th Edition of the LPC rules when installed but fails to conform to subsequent amendments to those rules

(hereinafter referred to as the Stipulations) in respect of

- the Damaged Property thereby insured
- undamaged portions thereof

excluding

- (i) the cost incurred in complying with the Stipulations
  - (a) in respect of Damage occurring prior to the granting of this extension
  - (b) in respect of loss destruction or damage not insured by the Section
  - (c) under which notice has been served upon the Named Insured prior to the happening of the Damage
  - (d) for which there is an existing requirement which has to be implemented within a given period
  - (e) in respect of Property entirely undamaged by any peril hereby insured against
- (ii) the additional cost that would have been required to make good the Property Damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- (iii) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the Property or by the owner thereof by reason of compliance with the Stipulations



### **Special Conditions**

1. The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the Damage or within such further time as the Company may in writing allow (during the said twelve months) and may be carried out upon another site (if the Stipulations so necessitate) subject to the liability of the Company under this extension not being thereby increased
2. If the liability of the Company under (any item of) this Section apart from this extension shall be reduced by the application of any of the terms and conditions of this Section then the liability of the Company under the extension (in respect of any such item) shall be reduced in like proportion
  - (a) The total amount recoverable under any item of this Section in respect of this extension shall not exceed in respect of the Damaged Property
    - (i) 15% of its Sum Insured
    - (ii) where the Sum Insured by the item applies to Property at more than one Business Premises 15% of the total amount for which the Company would have been liable had the Property Insured by the item at the Business Premises where the Damage has occurred been wholly destroyed
  - (b) in respect of undamaged portions of Property (other than foundations) 15% of the total amount for which the Company would have been liable had the Property Insured by the item at the Business Premises where the Damage has occurred been wholly destroyed
3. The total amount recoverable under any item of this Section shall not exceed its Sum Insured
4. All the terms and conditions of this Section except in so far as they are varied hereby shall apply as if they had been incorporated herein

### **11. Glass**

Regardless as to whether the Buildings at the Business Premises are insured the insurance on items specified in the Schedule in respect of Buildings and or Machinery Plant and All Other Contents extends to include should it be the responsibility of the Named Insured the costs incurred in

- (a) replacing all fixed Glass on the interior and exterior of the Buildings including stained glass and any Sanitary Ware
- (b) any necessary boarding up or temporary glazing pending replacement of broken Glass
- (c) removing and re-fixing window fittings or other obstacles to Glass replacement

caused by Damage which is not otherwise excluded by this Section

### **12. Loss of Metered Water and Gas**

The insurance by this Section extends to include loss of metered water or gas arising from Damage not otherwise excluded at the Business Premises resulting in a water or gas charge which the Named Insured is unable to recover from any other party

Provided that

- (a) the Company shall not be liable for loss of metered water or gas due to leaking from or bursting of an underground pipe
- (b) the extent of such loss is determined by measurement from the Water or Gas Authority meter
- (c) the amount payable is in respect of the excess water or gas charges levied by the Water or Gas Authority but shall not exceed £10,000 in respect of any one Event and £50,000 in any one Period of Insurance
- (d) In establishing the amount of such excess charges in paragraph (c) above account shall be made of historic metered usage adjusted as necessary to provide for circumstances in the Business affecting usage during the relevant period

### **13. Fire Extinguishing Expenses and Alarm Re-setting Expenses**

The insurance by this Section extends to include the costs incurred by the Named Insured in

- (a) recharging replenishing or replacing fire extinguishing appliances
- (b) recharging of gas extinguishing installations including but not limited to FM200 ArgonInergen and CO2 gas extinguishing installations
- (c) refilling sprinkler tanks where costs are metered
- (d) replacing sprinkler heads in automatic sprinkler installations
- (e) resetting fire and intruder alarms and closed-circuit television systems

rendered necessary as a result of Damage to Property Insured caused by fire at the Business Premises for which liability is admitted under this Section

#### 14. Keys Clause

The insurance by this Section extends to include the reasonable cost of replacement locks or lock mechanisms and keys in respect of doors and windows necessary to maintain the security of the Business Premises and safes and strong rooms contained in the Business Premises

- (a) resulting from any accidental loss of keys occurring within the Territorial Limits
- (b) where there is reasonable evidence that such keys have been copied by an unauthorised person

The Company's liability is limited to £2,500 any one Event

#### 15. Theft Damage to Buildings

When buildings at the Business Premises are not insured by this Section cover extends to include the cost of repairing Damage to the buildings caused by theft or attempted theft provided the Named Insured is legally liable for such cost and the Damage aforesaid is not otherwise insured

#### 16. Outdoor Property and Landscaping

- (a) In respect of Damage as insured by this Section to
  - i. outdoor trees shrubs and plants statues and other garden ornaments
  - ii. signs other than those attached to Buildings forming part of Property Insured by the relevant item the Company will pay
- A. in respect of property described in (a)(i) up to £250 for any one tree shrub plant statue or garden ornament including the cost of removing from the Business Premises following Damage
- B. in respect of property described in (a)(ii) up to £250 for any one sign
- (b) Additionally the insurance by this Section shall include the cost of restoring any Damage to landscaping not otherwise being property described in paragraphs (a)(i) and (a)(ii) above by the emergency services in entering the Business Premises as a result of Damage

Provided that the Company's limit of liability under this clause 16 of the Cover shall not exceed £10,000 any one Event

#### 17. Inadvertent Omission

The Named Insured having intended to insure with the Company all property (other than Stock) within the Territorial Limits in which the Named Insured is interested and the Named Insured's belief is that all such property is insured if hereafter any property shall be found to have been inadvertently omitted the Company will deem such property to be insured within the terms of this Section as if it were insured under the Property Insured item to which the property relates subject to payment of the required premium in respect of such property as from the inception of this Section or from the date of the Named Insured's interest in such property if erected or purchased after the inception of this Section

Provided that

- (a) at any one situation the Company's limit of liability under this cover clause shall not exceed £500,000 any one Event and in the aggregate in respect of all Events during the Period of Insurance
- (b) at any one situation the limit of liability under this cover clause shall for the purpose of the Underinsurance Condition be added to the Sum Insured on the item of Property Insured to which the property relates or in the case of Reinstatement Day One Basis to the Declared Value
- (c) the insurance under this cover clause shall not apply in respect of property situate outside of the Territorial Limits
- (d) the insurance under this cover clause shall not apply in circumstances where the Cover Clause8 Capital Additions applies
- (e) the Named Insured shall undertake and complete a full and thorough review of their property portfolio at least once a year to check that insurance has been placed with the Company for all property and in respect of any omission discovered the Named Insured shall immediately advise the Company

#### 18. Temporary Removal (Deeds and Documents) Clause

This Section insofar as it applies to deeds and other documents (including stamps thereon) manuscripts plans and writings of every description and books (written and printed) and Unfixed Media on which Data and/or Programs are recorded at the Premises extends to cover such property whilst temporarily removed from the Premises anywhere within the Territorial Limits provided that the Company's limit of liability under this cover clause shall not exceed £25,000 any one Event

#### 19. Other Interested Parties

The interest of other parties in this insurance is noted it being understood that in the event of loss the nature and extent of such other interest will be disclosed to the Company by the Named Insured in the event of a claim against this Section

It is agreed that where work is carried out at any Business Premises insured by this Section under Clause 22(c) of the JCT Standard form of Building Contract or any similar contract then the contractor and others named in the contract are deemed to be joint insured under this section to the extent required by the contract provided that the Named Insured shall inform the Company as soon as practicable and accept additional terms as the Company may require

## **20. Services**

Notwithstanding insurance provided by this Section in respect of Buildings where insured the insurance in respect of the Property Insured as specified in the Schedule includes surfaces and foundations of yards roads pathways and above ground and underground telephone gas water and electric mains piping cabling meters wires lines electrical instruments and the like and accessories thereof including all supporting structures extending from the building to the perimeter of the Business Premises and adjoining yards and roadways or to the public mains and plant conveyors and trunking in the open being the property of the Named Insured or for which they are legally responsible

## **21. Trace and Access**

The insurance by this Section extends to include costs necessarily and reasonably incurred with the consent of the Company in locating the source of any escape of water from any fixed domestic water services or heating installation or escape of fuel oil including subsequent repair to walls floors or ceilings provided that

- (a) the insurance under this cover clause shall not apply in respect of the cost of repairs to any fixed domestic water services or heating installation
- (b) the Company's limit of liability under this cover clause shall not exceed £5,000 in respect of any one Event and £25,000 in any one Period of Insurance

## **22. Clearance of Drains**

The insurance by this Section extends to include costs and expenses necessarily incurred by the Named Insured in clearing drains sewers and gutters the property of the Named Insured or for which they are responsible at Business Premises following Damage hereby insured

Provided that the Company's liability for such costs is limited to £10,000 in respect of any one Event

## **23. Temporary Repairs**

The insurance by this Section extends to include with the consent of the Company the costs necessarily and reasonably incurred by or on behalf of the Named Insured of effecting temporary repairs following Damage hereby insured in order that the Business may continue

Provided that the Company's liability for such costs is limited to that amount being

- (a) 15% of the total cost of permanent repair or replacement or
- (b) 15% of the Sum Insured in respect of the item of Property Insured sustaining Damage

whichever is the lowest in respect of any one Event

## **24. Theft of Building Parts**

Notwithstanding Exclusion 3 of this Section the cover provided by this Section shall extend to include Damage caused by forcible and violent theft or attempted theft of an external part of the building at the Business Premises and or anything attached to it

Provided that

- (a) the building and or property attached to it sustaining such Damage is insured by this Section
- (b) the cover provided by this clause 24 of the Cover shall not apply in respect of
  - i. any building that has been unoccupied for a period of more than thirty consecutive days at the time such Damage occurs
  - ii. any building that has scaffolding erected to the outside of the building at the time when such Damage occurs
- (c) the Company's liability under this clause 24 of the Cover shall not exceed £25,000 any one Event and in anyone Period of Insurance
- (d) the Named Insured shall be responsible for the first £2,500 in respect of each claim or claims arising from an Event or the Deductible shown in the Schedule (whichever is the greater amount)

## **25. Exhibitions**

Notwithstanding Property Damage Section Exclusion 13(b) the insurance provided by this Property Damage Section on Property Insured at the Premises is extended to cover such property whilst temporarily away from the Premises within the Territorial Limits during the Period of Insurance for the purposes of exhibition including whilst In Transit directly to and from such exhibition provided that

- 1. the Company's liability under this Cover clause is limited to £5,000 any one Event
- 2. the insurance under this Cover clause shall not apply in respect of
  - (a) Property comprising fine art
  - (b) Computer and Telecommunication Equipment which is not permanently secured to and fully integrated into an exhibit or exhibition stand
  - (c) Damage to Property Insured whilst in or on an unattended vehicle
  - (d) Property more specifically Insured under the Optional Extension – Goods in Transit

## Conditions

1. **Fire Precautions** (applicable only if the devices described therein are installed at the Business Premises) and are under the control of the Named Insured

The Named Insured shall ensure that in respect of

1. **Fire Break Doors and Shutters**

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

2. **Fire Extinguishing Appliances**

all fire extinguishing appliances will be regularly inspected and maintained in efficient working order

3. **Fire Alarm Installations and Automatic Sprinkler Installations**

the Named Insured shall

- (a) take all reasonable steps to
  - (i) prevent frost and other damage to the installations
  - (ii) subscribe to an annual maintenance contract to ensure the automatic sprinkler and fire alarm installation (internal and external) are in operational condition
  - (iii) maintain ready access to the water supply control facilities
- (b) notify the Company in writing and obtain its prior agreement in writing before any repairs or alterations to the installations are implemented
- (c) allow the Company access to the Business Premises at all reasonable times to inspect the installations
- (d) make a test every week for the purpose of ascertaining that the Alarm Gong is in working order and that the Stop Valves controlling the individual water supplies and the Installation(s) are fully open
- (e) make quarterly or half-yearly tests if required by the Company to do so for the purpose of ascertaining that each water supply is in order and record the particulars of each test
- (f) make a test at least once a week for the purpose of ascertaining the condition of
  - (i) Brigade connection and
  - (ii) the batteries in respect of each approved system for the transmission of alarm signals from sprinkler installations to a Fire Brigade

N.B. 1 - As regards (i) where the Fire Brigade has given a written undertaking to carry out this test the Named Insured's responsibility will be confined to requirement (ii)

N.B. 2 - Where the circuit concerned in (i) is not continuously monitored the aforesaid test is to be carried out every weekday (weekends and public holidays excepted)

- (g) make a test every weekday (weekends and public holidays excepted) for the purposes of ascertaining the condition of the circuit between the alarm switch and the control unit

N.B. 3 - Where the circuit between the alarm switch and the control unit is continuously monitored or the circuit is such that one break of wires will not prevent an alarm signal being transmitted (e.g. a ring circuit) this test need not be made

- (h) remedy promptly any defect revealed by the above tests
- (i) give notice to the Company in relation to any automatic sprinkler installation if
  - (i) its water supply be turned off
  - (ii) it becomes inoperative from any cause except for the purpose of testing maintenance or repair
- (j) display at each sprinklered storage area a notice of the terms agreed with the Company which specifies
  - (i) the description of the goods which may be stored
  - (ii) the maximum height of storage
  - (iii) the minimum permitted clearance between goods stored and the sprinkler deflectors and comply with the terms of the notice

If alterations or repairs to the automatic sprinkler installation become necessary to ensure its full and effective operational capability the Company may at its option suspend any cover which is granted against Damage to the Property Insured by escape of water from said installation until the alterations or repairs have been carried out and approved by the Company

## **2. Theft Precautions - Business Premises**

Where under the control of our Named Insured, the Named Insured shall ensure that

- 1) all security devices (other than Intruder Alarm) including locks fastenings shutters and other methods of securing access to the Business Premises are in full and effective operation and keys removed from the Business Premises whenever same is closed for business
- 2) where the Company has required an Intruder Alarm to be installed and where indicated on the Schedule the Named Insured shall ensure that
  - (a) the Intruder Alarm must be maintained in an efficient and operational condition at all times and in accordance with its installation specification or as otherwise approved by the Company
  - (b) a maintenance service contract with the installation company or as otherwise approved by the Company must be in force and the maintenance company immediately advised of any apparent defect in the Intruder Alarm or its signalling
  - (c) the Intruder Alarm shall be put into full and effective operation at all times in respect of 24 hour designated circuits and otherwise the Business Premises must not be left unattended unless
    - (i) the Intruder Alarm is put into full and effective operation including where the equipment permits any central station to which the Intruder Alarm is connected acknowledging the setting signal
    - (ii) the Intruder Alarm is regularly tested and is in full and efficient working order
  - (d) immediate written notice shall be given to the Company if the Named Insured receives from the Police or security organisation warning of a possible or intended withdrawal of response to calls from the Intruder Alarm or of a reduced response level

The insurance provided under this Section does not cover Damage caused by theft or attempted theft from the Business Premises other than by robbery or attempted robbery where Police response to alarm activation is withdrawn unless written agreement has been obtained from the Company that such insurance remains operative

The words 'Intruder Alarm' include detection devices sensors detection circuit control and processing equipment power supplies audible and remote signalling including ancillary telecommunication systems

## **3. Underinsurance**

The Sum Insured by each item of this Section is declared to be separately subject to an Underinsurance Condition The Underinsurance Condition applicable is dependent upon which Basis of Settlement applies and is detailed therein

## **4. Unoccupancy**

The Named Insured shall notify the Company in writing as soon as is reasonable when any Building or part thereof becomes unoccupied for more than thirty consecutive days and shall pay or agree to pay additional premium if required by the Company Further the Named Insured shall notify the Company when an unoccupied Building or part thereof becomes occupied

## **5. Explosion**

In respect of any vessel machinery or apparatus or its contents belonging to or in the custody or control of the Named Insured for which they are responsible cover against destruction or damage thereto caused by an explosion originating therein is subject to a policy or other contract providing an inspection service that complies with the statutory regulations applying in respect of such vessel machinery or apparatus

## **6. Claims Conditions**

### **(a) Contracting Purchaser's Interest**

If at the time of Damage the Named Insured shall have contracted to sell his interest in any Building hereby insured and the purchase shall not have been but shall be thereafter completed the purchaser on completion of the purchase (if and so far as the Property is not otherwise insured against such Damage by him or on his behalf) shall be entitled to benefit under this Policy without prejudice to the rights and liabilities of the Named Insured or the Company until completion

### **(b) Subrogation Waiver**

In the event of a claim arising under this Section the Company agrees to waive any rights remedies or relief to which they might become entitled by subrogation against any company

- (i) standing in the relation of parent to subsidiary to the Named Insured
  - (ii) standing in the relation of subsidiary to parent to the Named Insured
  - (iii) which is a subsidiary of a parent company of which the Named Insured is a subsidiary
- in each case as defined by current legislation

**(c) Contract Price**

In respect only of goods sold but not delivered for which the Named Insured is responsible and with regard to which under the conditions of the sale the sale contract is cancelled by reason of Damage either wholly or in part the liability of the Company shall be based on the contract price and for the purpose of the Underinsurance Condition the value of all goods to which this Clause would in the event of Damage be applicable shall be ascertained on the same basis

**(d) Reinstatement**

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

**(e) Company's Rights following a Claim**

On the happening of Damage in respect of which a claim is made the Company and any person authorised by the Company may without thereby incurring any liability or diminishing any of the Company's rights under this Policy enter take or keep possession of the Premises where such Damage has occurred and take possession of or require to be delivered to the Company any Property Insured and deal with such Property for all reasonable purposes and in any reasonable manner

No Property may be abandoned to the Company whether taken possession of by the Company or not

**7. Designation**

Where necessary the item heading under which any Property is insured shall be determined by the designation under which such Property appears in the Named Insured's books

**8. Other Insurances**

If any other insurance effected by or on behalf of the Named Insured is expressed to cover any of the Property hereby insured but is subject to any provision whereby it is excluded from ranking concurrently with this Section either in whole or in part or from contributing rateably to the loss destruction or damage the liability of the Company hereunder shall be limited to such proportion of the loss destruction or damage as the Sum Insured hereby bears to the value of such Property

If any other insurance shall be subject to any condition of average this Section if not already subject to an Underinsurance Condition shall be subject to average in like manner

**9. Programs and Data**

The Named Insured shall

- (a) take all reasonable precautions to prevent accidental loss distortion corruption or erasure of Programs and/or Data
- (b) in respect of Programs maintain a backup copy of the current version at a location other than the respective Premises where the Media on which the Programs are recorded is situate
- (c) in respect of Data maintain a weekly full system backup of Data at a location other than the respective Premises where the Media on which the Data is recorded is situate

## Basis of Settlement

The amount payable for each Item of Property stated in the Schedule will be in accordance with one of the following Basis of Settlements defined below for which a Code is shown beside that Item in the Schedule or the Company at its option may elect to reinstate or replace the Property or any part of it which is lost destroyed or damaged

### 1. Indemnity - Code: INDTY

Subject to the following Special Provision the Company will pay the value of the Property at the time of its Damage or the amount of such Damage whichever is the lesser

#### Special Provision

##### Underinsurance Condition

If any Sum Insured to which this Basis of Settlement applies is at the commencement of Damage less than the total value of the Property covered within such Sum Insured the amount payable by the Company in respect of such Damage will be proportionately reduced and the Insured considered to be their own insurer for the difference

### 2. Reinstatement - Code: REINS

Subject to the following Special Provisions the basis upon which the amount payable in respect of the Property Insured is to be calculated will be Reinstatement of the Property Damaged

For this purpose Reinstatement means

- (a) the rebuilding or replacement of Property sustaining Damage which provided the liability of the Company is not increased may be carried out
  - (i) in any manner suitable to the requirements of the Named Insured
  - (ii) upon another site
- (b) the repair or restoration of Property Insured lost or damaged

in either case to a condition equivalent to or substantially the same as but not better than or more extensive than its condition when new

#### Special Provisions

##### (a) Repairs and Restoration

The liability of the Company for the repair or restoration of Property Insured sustaining Damage in part only shall not exceed the amount which would have been payable had such Property been entirely destroyed

##### (b) Underinsurance Condition

If at the time of Reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the Property Insured covered by any Item to which this Basis applies exceeds its Sum Insured at the commencement of Damage the amount payable by the Company will not exceed that proportion of the amount of such Damage which the said Sum Insured compares to the total cost of reinstating the whole of such Property Insured at that time

##### (c) Alternative Basis of Payment

Even where this Reinstatement Basis of Settlement applies the amount payable will be in accordance with the Indemnity Basis

- (i) unless reinstatement commences and proceeds without unreasonable delay
- (ii) until the cost of reinstatement has been incurred
- (iii) if the Property at the time of its loss or damage is insured by any other insurance taken out by or on behalf of the Named Insured which is not written on the same basis of reinstatement as defined

### 3. Day One Reinstatement - Code: DAY 1

Subject to the following Special Provisions the basis on which the amount payable for the Property Insured Damaged will be calculated is the same as the Reinstatement Basis of Settlement except that special provision 2(b) Underinsurance Condition is restated as follows

If at the time of Damage the Declared Value of the Property Insured covered by such Item is less than the cost of reinstatement at the time cover on this Basis is taken out then the Company's liability for the Damage will not exceed that proportion of the Damage which the Declared Value bears to such cost of reinstatement



### **Special Provisions**

- (a) The Premium has been calculated on the basis of the Declared Value stated in writing to the Company
- (b) Declared Value means the Insured's assessment of the cost of Reinstatement of the Property Insured arrived at in accordance with the Reinstatement Basis of Settlement paragraph 2(a) at the level of costs applying at the commencement of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with in so far as the insurance by the item provides due allowance for
  - (i) Removal of Debris
  - (ii) Professional Fees
  - (iii) complying with Public Authority Requirements
- (c) At the commencement of each Period of Insurance the Insured will notify the Company of the Declared Value of the Property Insured by each item In the absence of such declaration the last amount declared by the Insured will be taken as the Declared Value for the ensuing Period of Insurance
- (d) The Declared Value for each item of Property insured in accordance with this Basis of Settlement is the amount shown in the brackets below the Sum Insured in respect of each item on the Property Damage Specification
- (e) In the event of loss the liability of the Company in respect of Property insured in accordance with this Basis of Settlement will not exceed
  - (i) the Declared Value applicable to each item multiplied by the Day One Adjustment figure specified in the Schedulesor
  - (ii) if special provision 2(c) of the Reinstatement Basis (the Alternative Basis of Payment) applies the Declared Value applicable to each item as specified in the Schedules

#### **4. Rent - Code: RENT**

In respect of Rent of Buildings which suffer Damage the Company will pay

- (a) if the loss relates to rent receivable by the Named Insured and where insured by the relevant item in the Schedule
  - the actual reduction in rent received solely in consequence of the Damage but not reduction in rent once the Building or portions of the Building become fit for occupation
- (b) if the loss relates to rent payable by the Named Insured and where insured by the relevant item in the Schedule
  - the amount of rent which continues to be payable by the Insured in respect of the Building or portions of the Building which are unfit for occupation in consequence of the Damage

but the Company's liability will be limited to the loss suffered within the period of rent insured (as specified in the Schedule) which commences from the date of the Damage

### **Special Provisions**

#### **(a) Insurable Amount**

For the purpose of the Underinsurance Condition the Insurable Amount is the annual rent receivable or the annual rent payable at the commencement of the Period of Insurance such amount to be proportionately increased to correspond with the period of rent insured where that period exceeds twelve months

#### **(b) Underinsurance Condition**

If any Sum Insured to which this Basis of Settlement applies is at the commencement of Damage less than the Insurable Amount the amount payable by the Company in respect of such Damage will be proportionately reduced

## Exclusions

The insurance provided under this Section does not cover

1. Damage caused by or consisting of
  - (a) inherent vice latent defect gradual deterioration wear and tear frost change in water table level its own faulty or defective design or materials
  - (b) the bursting of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the Named Insured
  - (c) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds
  - (d) faulty or defective workmanship operational error or omission on the part of the Named Insured or any Employee
  - (e) growing vegetation (other than Damage to landscaping as provided for under clause 16 of the Cover)but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded
2. (a) Damage caused by or consisting of
  - (i) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin insects humidity contamination or action of light
  - (ii) change in temperature colour flavour texture or finish
  - (iii) the freezing solidification or inadvertent escape of molten materialbut this shall not exclude
  - A. such Damage as described in paragraphs (i) to (iii) above which itself results from another cause not otherwise excluded
  - B. other subsequent Damage which itself results from a cause not otherwise excluded
- (b) Damage consisting of breakdown or derangement in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates but this shall not exclude
  - (i) such Damage as described which itself results from another cause not otherwise excluded
  - (ii) subsequent breakdown or derangement to surrounding property not forming part of the same machine apparatus or equipment
  - (iii) other subsequent Damage which itself results from a cause not otherwise excluded
- (c) Damage consisting of joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith but this shall not exclude
  - (i) such Damage as described which itself results from another cause not otherwise excluded
  - (ii) other subsequent Damage which itself results from a cause not otherwise excluded
3. Damage caused by theft or attempted theft of the Property Insured from the Premises as stated in the specification to the Schedule forming part of this Section unless caused by theft or attempted theft of the Property Insured from the buildings (but not grounds) at the Premises where accompanied by forcible and violent entry to or exit from the buildings or by violence to persons or threat of violence to persons and provided that the Premises have not been unoccupied for a period of more than thirty consecutive days
4. Damage to Property Insured
  - (a) away from the Premises (where the insurance on any Property Insured item as stated in the Specification to the Schedule so provides or as provided for under cover clause 2 Temporary Removal) caused by theft or attempted theft of the Property Insured
    - (i) from or on an unattended vehicle or trailer during Working Hours unless all doors windows and other means of access have been secured and locked and alarm (if any) activated and in respect of an unattended vehicle the Property to be placed in the boot or similar luggage compartment of the vehicle (and in so doing to be effectively concealed from sight) and which is securely closed and locked
    - (ii) from or on an unattended vehicle or trailer out of Working Hours unless all doors windows and other means of access have been secured and locked and alarm (if any) activated and in respect of an unattended vehicle the Property to be placed in the boot or similar luggage compartment of the vehicle (and in so doing to be effectively concealed from sight) and which is securely closed and locked and such vehicle or trailer is garaged in a securely closed and locked building or compound

- (iii) from or on an unattended soft topped open topped or open sided vehicle or trailer unless also involving theft of the vehicle or trailer
  - (iv) where Property is otherwise left unattended (which term shall mean that the Insured is unable to exercise control over or otherwise unable to influence events affecting the Property) unless contained in a locked building of substantial construction or in a secure locked room
- (b) in or on soft topped open topped or open sided vehicles or trailers if caused by
  - (i) storm tempest water hail frost or snow
  - (ii) malicious persons when the vehicle or trailer is left unattended out of Working Hours
- 5. Damage caused by pollution or contamination but this shall not exclude Damage to the Property Insured not otherwise excluded caused by
  - (a) pollution or contamination which itself results from a Defined Peril
  - (b) a Defined Peril which itself results from pollution or contamination
- 6. Damage caused by or consisting of
  - (a) subsidence ground heave or landslip unless resulting from fire explosion earthquake or the escape of water from any tank apparatus or pipe
  - (b) normal settlement or bedding down of new structures
  - (c) dishonesty fraudulent action trick device or other false pretence by any Employee partners or directors of the Named Insured whether acting alone or in collusion with others
  - (d) disappearance unexplained or inventory shortage misfiling or misplacing of information
- 7. Damage to Buildings or structures thereat caused by their own collapse or cracking unless resulting from a Defined Peril insofar as it is not otherwise excluded
- 8. Damage by wind rain hail sleet snow flood or dust to moveable Property in the open or fences or gates
- 9. Damage to that part of the Property
  - (a) caused by fire resulting from its undergoing any heating process or any process involving the application of heat
  - (b) resulting from its undergoing any process of production packing treatment commissioning servicing or repair
- 10. Damage in respect of (and or to property within) any Building which is unoccupied for a period of more than thirty consecutive days other than Damage caused by fire explosion aircraft or other aerial devices or articles therefrom subject to the following Special Condition

#### **Special Condition**

The Named Insured shall ensure that:

- (a) such unoccupied buildings are secured against illegal entry and all external doors and accessible external windows shall be fitted with good quality locks
  - (b) all services to be disconnected other than limited services required for security guards fire and burglar alarms unless otherwise agreed by the Company in writing
  - (c) all letter boxes shall be sealed to prevent insertion of material
  - (d) perimeter fences walls and gates shall be kept complete and maintained
  - (e) such unoccupied buildings shall be kept clear both internally and externally of combustible materials and not be used for storage
  - (f) vegetation surrounding such unoccupied buildings shall be kept down
  - (g) the Business Premises shall be inspected thoroughly internally and externally at least once every seven days (or at a frequency agreed by the Company in writing) by the Named Insured or a responsible person appointed by the Named Insured and a record maintained of such inspections and any defects rectified without delay
- 11. Damage in respect of
  - (a) vehicles requiring a licence for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft
  - (b) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection
  - (c) land roads piers jetties bridges culverts or excavations
  - (d) livestock growing crops or trees
 unless specifically mentioned as insured by this Section

12. property which at the time of the happening of Damage is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected
13. Damage in respect of
  - (a) Money
  - (b) Stock In Transit unless specifically mentioned as insured by this Section
14. any property more specifically insured by or on behalf of the Named Insured
15. consequential loss or damage of any kind or description except loss of rent when such loss is included in the cover under this Section
16. Damage directly or indirectly caused by or consisting of the failure of any computer or other equipment or system for processing storing or retrieving data whether the property of the Insured or not and whether occurring before during or after the year 2000
  - (a) correctly to recognise any date as its true calendar date
  - (b) to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
  - (c) to capture save retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture to save retain or correctly to process such data on or after such date

but this shall not exclude subsequent Damage not otherwise excluded which itself results from a Defined Peril or attempted theft where such failure is not the result of wilful misconduct by the Insured and that the Insured has undertaken all reasonable efforts to prevent such failure and to mitigate the consequences of any such failure
17. Damage to any Computer and Telecommunication Equipment (including Fixed Media and Unfixed Media) and Ancillary Equipment Programs and Data where there is a Computer All Risks Section forming part of this Policy
18. Damage caused by or resulting from an attack which allows unauthorised access or use of a computer or telecommunications system by electronically circumventing a security system and procedure and or a Computer Virus but this shall not exclude Damage not otherwise excluded which itself results from fire explosion escape of water from any tank apparatus or pipe
19. Damage to Property outside the Territorial Limits (where the insurance on any Property Insured item so applies) where such Property is situate in any territory which is subject to sanctions imposed by the United Nations or by the Governments of the United Kingdom or the United States of America
20. Damage in respect of jewellery precious stones precious metals bullions furs curiosities works of art or rare books
21. loss distortion corruption or erasure of Programs and/or Data recorded on Media unless such accidental loss distortion corruption or erasure of Programs and/or Data itself results from other Damage to Property Insured and is not otherwise excluded

# Optional Extension Clause - Goods in Transit

## Definitions

For the purpose of this Optional Extension Clause the following terms shall have the following meaning

### 1. Any One Loss Limit

The words 'Any One Loss Limit' shall mean the maximum amount which the Company will pay in respect of any one Event

### 2. Property

The words 'Property' for the purposes of this Optional Extension Clause shall mean Stock and tools used in connection with the Business belonging to or the responsibility of the Named Insured

## Cover

Notwithstanding Section Exclusions 12 and 13(b) this Section extends to indemnify the Insured subject to the Any One Loss Limit by payment (or at the Company's option by repair reinstatement or replacement) for Damage to the Property whilst In Transit by the method of conveyance shown in the Schedule

(a) anywhere in the Geographical Limits shown in the Schedule including sea or air transits between these territories in respect of method of conveyance A and B (other than by parcel post) where insured

and

(b) anywhere in the world in respect of the method of conveyance by parcel post where insured

in connection with the Business during the Period of Insurance

In addition the Company will

1. pay costs and expenses necessarily incurred by the Named Insured up to 10% of the Schedule limits in

(a) removing or reloading the Property or any part thereof

(b) removing debris of such Property

(c) dismantling or breaking up such Property

following damage to or spillage of the Property from any road vehicle or trailer following an accident to such vehicle or trailer

2. pay salvage or general average costs where applicable

3. indemnify for Damage to tarpaulins chains sheets and ropes belonging to or the responsibility of the Named Insured arising out of an Event which is otherwise the subject of indemnity under this Optional Extension Clause subject to a limit of £500 any one Event

## Exclusions

A. The insurance provided under this Extension does not cover Damage to

1. explosive goods any other goods of a dangerous nature deeds plans designs documents manuscripts business books computer system records or Money

2. jewellery precious stones precious metals bullions furs curiosities works of art or rare books wines spirits or tobacco

3. Property resulting from dishonesty fraudulent action trick device or other false pretence of any Employee of the Named Insured

4. Property

(a) whilst In Transit by method of conveyance A caused by theft or attempted theft of the Property

(i) from or on an unattended vehicle or trailer during Working Hours unless all doors windows and other means of access have been secured and locked and alarm (if any) activated and in respect of an unattended vehicle the Property to be placed in the boot or similar luggage compartment of the vehicle (and in so doing to be effectively concealed from sight) and which is securely closed and locked

(ii) from or on an unattended vehicle or trailer out of Working Hours unless all doors windows and other means of access have been secured and locked and alarm (if any) activated and in respect of an unattended vehicle the Property to be placed in the boot or similar luggage compartment of the vehicle (and in so doing to be effectively concealed from sight) and which is securely closed and locked and such vehicle or trailer is garaged in a securely closed and locked building or compound

(iii) from or on an unattended soft topped open topped or open sided vehicle or trailer unless also involving theft of the vehicle or trailer

(iv) where Property is otherwise left unattended (which term shall mean that the Insured is unable to exercise control over or otherwise unable to influence events affecting the Property) unless contained in a locked building of substantial construction or in a secure locked room

- (b) in or on soft topped open topped or open sided vehicles or trailers if caused by
  - (i) storm tempest water hail frost or snow
  - (ii) malicious persons when the vehicle or trailer is left unattended out of Working Hours
- 5. Property placed on the open deck of a vessel unless packed in a secured container or secured hard topped vehicle or trailer
- 6. Property caused by or attributable to defective packing or incorrect or insufficient addressing
- 7. Property carried by or despatched by the Named Insured for hire or reward
- 8. Property stored at rental or under contract for storage packing and / or distribution
- 9. Property caused by or arising out of mechanical or electrical breakdown or derangement wear and tear action of light deterioration mildew moth vermin and the like unless external Damage has occurred
- 10. Property caused by bruising scratching chipping or denting
- 11. furniture glass or other brittle objects unless caused by fire theft or accident to the mode of carriage
- B. The Company will not be liable in respect of
  - 1. mysterious loss or unexplained inventory shortages
  - 2. loss of market or consequential loss of any kind or description whatsoever
  - 3. Damage to Property outside the Territorial Limits (where the insurance provided by this Extension so provides) where such Property is situate in any territory which is subject to sanctions imposed by the United Nations or by the Governments of the United Kingdom or the United States of America

**THE TERMS OF THIS OPTIONAL EXTENSION CLAUSE ARE SUBJECT OTHERWISE TO THE TERMS OF THE PROPERTY DAMAGE SECTION AND GENERAL POLICY TERMS**

# Optional Extension Clause - Money & Personal Accident (Assault)

## Definitions

For the purpose of this Optional Extension Clause

The term 'Employee' shall mean a person employed under a contract of service or apprenticeship with the Named Insured

The term 'Business Hours' shall mean the Named Insured's usual business hours (including overtime) during which the Named Insured his directors partners or Employees entrusted with the Money are on the Business Premises for the purpose of the Business

## Part A - Money

### Cover

Notwithstanding Section Exclusion 13(a) this Section extends to indemnify the Named Insured following the undernoted events subject to the limits specified in the Schedule or as hereunder

1. Loss of Money the Property of the Named Insured or for which the Named Insured is responsible in the course of the Business
  - (a) on the Named Insured's Business Premises
  - (b) In Transit
  - (c) deposited in bank night safe until removed by a bank official
  - (d) at the private dwelling houses of the Named Insured's directors partners or authorised Employees
  - (e) in the custody of representatives of the Named Insured for twenty-four hours from the time of receipt or until the next working day whichever is the later
  - (f) on sites of contracts or exhibitions whilst the Named Insured's Employees are working thereat
2. Damage to any case bag or waistcoat used for the carriage of Money following theft of Money or any attempt thereat occurring in the course of the Business up to a limit of £1000 any one Event
3. Damage to safe(s) strongroom(s) or franking machine(s) resulting from theft of Money or any attempt thereat
4. Damage to clothing and personal effects belonging to the Named Insured or any director partner or Employee of the Named Insured following theft of Money or any attempt thereat occurring in the course of the Business up to a limit of £1000 any one Event

### Conditions

1. The Insured shall comply with the following
  - (a) a complete record shall be kept of Money In Transit and at the Business Premises but this shall not apply to petty cash floats at the Business Premises where the total amount of such floats does not exceed £100 in total any one Event
  - (b) such record shall be deposited in a secure place other than in the safe(s) and/or strong room(s) containing the Money
  - (c) outside Business Hours the safe(s) and/or strong room(s) shall be kept locked and the keys thereof shall not be left on the Business Premises unless the Business Premises are occupied by the Named Insured or an authorised Employee in which case such keys if left on the Business Premises shall be deposited in a secure place not in the vicinity of the safe(s) and/or strong room(s)
  - (d) the Named Insured shall maintain the following minimum standards of precaution for the safety of Money In Transit at all times
    - (i) The times of transits routes and conveyances used shall be varied as far as possible
    - (ii) All persons engaged in the transit of Money shall be able-bodied adults
    - (iii) In respect of any one transit the following minimum number of able-bodied adults shall carry the Money which shall be divided equally between them

AMOUNT	NO. OF PERSONS
£1 to £2,500	1
£2,501 to £7,500	2
£7,501 to £10,000	3
£10,001 and over	Specialist Security Company

## Exclusions

1. The insurance provided under this Extension does not cover
  - (a) shortages due to clerical or accounting errors
  - (b) loss due to the fraud or dishonesty of any director partner or Employee of the Named Insured
    - (i) not discovered within seven working days of the occurrence
    - (ii) more specifically insured by any other policy or policies except in respect of any excess beyond the amount payable under such other policy or policies
  - (c) loss or damage arising elsewhere than in Great Britain Northern Ireland the Isle of Man and the Channel Islands
  - (d) loss of Money from
    - (i) vending and/or gaming machines and/or automated money operated machinery
    - (ii) unattended vehicles
  - (e) loss resulting directly or indirectly from forgery fraudulent alteration or substitution or fraudulent use of a computer or electronic transfer
  - (f) notwithstanding exclusion (e) above loss caused by or resulting from an attack which allows unauthorised access or use of a computer or telecommunications system by electronically circumventing a security system and procedure and or a Computer Virus but this shall not exclude loss not otherwise excluded which itself results from fire explosion escape of water from any tank apparatus or pipe
  - (g) loss arising from depreciation in value or due to dishonoured cheques
  - (h) loss suffered as the result of a business transaction



## Part B - Personal Accident (Assault)

### Definition

For the purpose of this Optional Extension Clause the term 'Loss of limb' shall mean loss by physical severance at or above the wrist or ankle or the total and permanent loss of use of an entire hand arm foot or leg

### Cover

The Company shall in addition pay to the Named Insured the amount of the Benefit specified in the Schedule in respect of the Contingencies happening to the insured persons detailed below as a result of theft or attempt thereat arising in the course of the Business

- (a) the Named Insured or any director partner or Employee of the Named Insured
- (b) any person to whom the Named Insured has entrusted money other than an employee of a professional security company or organisation

### Contingencies

Bodily injury caused by violent accidental external and visible means resulting directly solely and independently of other causes in

- |   |   |   |
|---|---|---|
| <ul style="list-style-type: none"><li>1. Death</li><li>2. Permanent loss of all sight in one or both eyes</li><li>3. Loss of one or more limbs</li></ul>  | } | Occurring within twenty-four months of bodily injury as aforesaid |
| <ul style="list-style-type: none"><li>4. Temporary total disablement from engaging in or giving attention to his profession or occupation commencing within 12 calendar months of bodily injury as aforesaid</li><li>5. Permanent and total disablement (other than by loss of limbs or sight) which on the expiration of 104 weeks from the date of such bodily injury shall permanently and totally disable an insured person from following or engaging in or giving attention to any kind of profession or occupation</li></ul> |   |   |

### Conditions

- 1. (a) This insurance applies only to
  - (i) persons between the ages of 16 and 70 years
  - (ii) contingencies occurring within Great Britain Northern Ireland the Isle of Man and the Channel Islands
- (b) Benefit cannot be paid under more than one of the contingencies 1 to 3 and 5 in connection with the same injury
- (c) Payment of a claim under one of the contingencies 1 to 3 and 5 will end the cover granted in so far as it applies to the insured person concerned
- (d) The benefit under contingency 4 shall not be payable for more than 104 weeks in respect of any one injury calculated from the date of commencement of disablement
- (e) If and when benefit becomes payable under any of contingencies 1 to 3 or 5 weekly benefit being paid in connection with the same injury will cease and any weekly benefit already paid under contingency 4 will be deducted from the Benefit payable under contingencies 1 to 3 or 5
- (f) All certificates information and evidence required by the Company shall be furnished at the expense of the Named Insured and shall be in such form and of such nature as the Company may prescribe An insured person as often as required shall submit to medical examination on behalf of the Company at his own expense in respect of any alleged bodily injury The Company shall in the event of the death of an insured person be entitled to have a post-mortem examination at its own expense

**THE TERMS OF THIS OPTIONAL EXTENSION CLAUSE (PART A / PART B) ARE SUBJECT OTHERWISE TO THE TERMS OF THE PROPERTY DAMAGE SECTION AND GENERAL POLICY TERMS**

# Optional Extension Clause - Deterioration of Stock

## Definitions

For the purpose of this Optional Extension Clause the following terms shall have the following meaning

### 1. Plant

The word 'Plant' shall mean as described in the Schedule situate at the Premises identified by the 'Premises Code' shown against the item of Property Insured and detailed in the List Of Premises And Other Locations Schedule

### 2. Property and Property Insured

The words 'Property' and 'Property Insured' shall mean as described in the Schedule being the property of the Named Insured or for which they are legally responsible

## Cover

It is agreed that loss as insured by this Section extends to indemnify the Named Insured for Damage to Property Insured described in the Schedule or any part thereof whilst contained in the Plant by deterioration contamination putrefaction or howsoever otherwise Damaged caused by

- (a) rise or fall in temperature in consequence of
  - (i) the failure of the Plant due to its own inherent devices or accidental means
  - (ii) the accidental failure of the public supply of electricity at the terminal end of the electric authority's service feeders at the Premises including (notwithstanding anything herein to the contrary) accidental failure solely due to destruction or damage by fire lightning explosion or earthquake elsewhere than at the said Premises
- (b) accidental leakage of refrigerant or refrigerant fumes

The Company will by payment or at its option by reinstatement indemnify the Named Insured against such Damage Provided that the liability of the Company under this Extension during any one Period of Insurance shall not exceed

- (a) in respect of any one item of the Property the sum set opposite thereto in the Schedule to this Extension
- (b) in respect of all Damage the Total Sum Insured under this Extension

## Exclusions

The Company shall not be liable under this Extension in respect of

- 1. consequential loss of any kind
- 2. Damage occasioned by failure of the public supply of electricity occasioned by the deliberate act of any Electricity Authority or by the exercise by any such Authority of its power to withhold or restrict supply
- 3. Damage due to failure to comply with the Manufacturers instructions or the use of components not approved by the Manufacturers
- 4. Damage occasioned by error in operation of the Plant
- 5. Damage as a result of failure of any Plant which is over 10 years old

## Conditions

- 1. The Named Insured shall take all reasonable precautions for the safety of the Property and immediately upon having knowledge of any event giving rise or likely to give rise to a claim under this Extension shall give immediate notice thereof to the Company and the Company's risk in respect of the Plant shall forthwith cease until the said Plant shall have been repaired to the satisfaction of the Company
- 2. The Named Insured shall ensure that all Plant is serviced in accordance with the manufacturers' recommended standards

**THE TERMS OF THIS OPTIONAL EXTENSION CLAUSE ARE SUBJECT OTHERWISE TO THE TERMS OF THE PROPERTY DAMAGE SECTION AND GENERAL POLICY TERMS**

# Business Interruption Section

## Definitions

### 1. Business Premises

The words 'Business Premises' shall mean buildings with their grounds at the addresses described in the List Of Premises And Other Locations Schedule attaching to the Master Schedule forming part of this Policy and identified by the 'Premises Code' shown against it which the Named Insured own occupy or are responsible for

### 2. Damage

The word 'Damage' shall mean for the purposes of this Section accidental loss or destruction of or damage

### 3. Data

The word 'Data' shall mean facts concepts and/or information converted to a form useable in the Named Insured's computer operations owned leased or rented by the Named Insured or for which they are legally responsible

### 4. In Transit

The words 'In Transit' shall mean whilst in the course of a journey by any means including the process of

- (i) loading and unloading
- (ii) temporarily housing during transit for a period of no more than 30 days (excluding storage at rental or under contract for storage packing and/or distribution)

and concluding when the property has either been placed at the Premises or receipt acknowledged by a consignee

### 5. Indemnity Period

The words 'Indemnity Period' shall mean the period beginning when the Damage occurs and ending when the results of the Business cease to be affected by the Damage but not exceeding the Maximum Indemnity Period (as shown in the Schedule)

### 6. Media

The word 'Media' shall mean solely the materials on which Data and/or Programs are recorded

### 7. Programs

The word 'Programs' shall mean a sequence of instructions given to a computer which are either purchased or written on a custom basis owned leased or rented by the Named Insured or for which they are legally responsible

### 8. Working Hours

The words 'Working Hours' shall mean the whole period during which the vehicle is being used by its driver in connection with the Business of the Named Insured including travel to and from the place of work and any break in such journey but shall not include when the vehicle is parked for any overnight rest period

## Cover

If any building or other property or part thereof used by the Named Insured at the Business Premises identified against each item in the Schedule for the purpose of the Business be the subject of Damage during the Period of Insurance and in consequence the Business at such Business Premises carried on by the Named Insured be interrupted or interfered with then the Company will pay to the Named Insured the amount of loss resulting from such interruption or interference in respect of each item in the Schedule in accordance with the Basis of Settlement identified by the Basis of Settlement Code shown against the item in the Schedule

Provided that

1. at the time of the happening of the Damage there shall be in force an insurance covering the interest of the Named Insured in the property at the Business Premises (or elsewhere where loss as insured hereunder is so extended to apply in respect of property belonging to the Named Insured or for which they are legally responsible) against such Damage and that
  - (a) payment shall have been made or liability admitted therefor
  - (b) payment would have been made or liability admitted therefor but for the operation of a proviso in such insurance excluding liability for losses below a specified amount
2. the liability of the Company under this Section shall not exceed
  - (a) in the whole the Total Sum Insured or in respect of any item its Sum Insured or any other Limit of Liability stated in the Schedule at the time of the Damage
  - (b) the Sum Insured (or Limit) remaining after deduction for any other loss destruction or interference consequent upon Damage occurring during the same Period of Insurance unless the Company shall have agreed to reinstate any such Sum Insured (or Limit)
3. where the insurance covering the interest of the Named Insured in the property against such Damage is not under this Policy but under another insurance then all conditions that apply to the Property Damage Section of this Policy will also apply to the Business Interruption Section

## Memoranda

### 1. Opening and Closing Stocks

The amounts of the opening and closing stocks and works in progress shall be arrived at in accordance with the Named Insured's normal accountancy methods due provision being made for depreciation

### 2. Accountants

Any particulars or details in the Named Insured's books of account or other business books or documents which may be required by the Company under General Condition 6 of the Policy for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the Named Insured and their report shall be prima facie evidence of the particulars and details to which such report relates

The Company will pay to the Named Insured the reasonable charges payable by the Named Insured to their professional accountants for producing such particulars or details or any other proofs information or evidence as may be required by the Company under the terms of General Condition 6 of the Policy and reporting that such particulars or details are in accordance with the Named Insured's books of account or other business books or documents

Provided that the liability of the Company payable under this Clause when aggregated with any amount otherwise payable under the Section shall in no case exceed the Total Sum Insured by this Section

### 3. Automatic Reinstatement

In the absence of written notice by the Company or the Named Insured to the contrary within 30 days of notification of any loss then in consideration of the insurance not being reduced by the amount of any loss the Named Insured shall pay the appropriate extra premium on the amount of the loss from the date thereof to the expiry of the Period of Insurance

### 4. Current Cost Accounting

For the purpose of this Section any adjustment implemented in current cost accounting shall be disregarded

### 5. Value Added Tax

To the extent that the Named Insured is accountable for Value Added Tax to the authorities all terms in this Section shall be exclusive of such tax

### 6. Alternative Trading

If goods be sold or services rendered during the Indemnity Period elsewhere than at the Business Premises for the benefit of the Business either by the Named Insured or by others on the Named Insured's behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover or Rent Receivable or Gross Revenue (as insured) during the Indemnity Period

### 7. Payments on Account

Any claim settlement payments will be made to the Named Insured monthly during the Indemnity Period if desired

### 8. Accumulated Stock

In adjusting any loss account shall be taken and an equitable allowance made if any shortage in Turnover due to Damage is postponed by reason of the Turnover being temporarily maintained from accumulated stocks of finished goods on the Named Insured's Business Premises

### 9. Salvage Sale (applicable only to Basis of Settlement Code GP or DLGP or GPFL)

If following Damage giving rise to a claim under this Section the Named Insured shall hold a salvage sale during the Indemnity Period the term Reduction in Turnover shall for the purpose of such claim read as follows

'The term Reduction in Turnover means the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period (less the turnover for the period of the salvage sale) shall in consequence of the Damage fall short of the Standard Turnover from which sum shall be deducted the Gross Profit actually earned during the period of the salvage sale

### 10. Programs and Data

The Named Insured shall

- (a) take all reasonable precautions to prevent accidental loss distortion corruption or erasure of Programs and/or Data
- (b) in respect of Programs maintain a backup copy of the current version at a location other than the respective Business Premises where the Media on which the Programs are recorded is situate
- (c) in respect of Data maintain a weekly full system backup of Data at a location other than the respective Business Premises where the Media on which the Data is recorded is situate

### 11. Unoccupancy

The Named Insured shall notify the Company in writing as soon as is reasonable when any building or part thereof at the Business Premises becomes unoccupied for more than thirty consecutive days and shall pay or agree to pay additional premium if required by the Company Further the Named Insured shall notify the Company when an unoccupied building or part thereof becomes occupied

**12. Explosion**

In respect of any vessel machinery or apparatus or its contents belonging to or in the custody or control of the Named Insured for which they are responsible cover against destruction or damage thereto caused by an explosion originating therein is subject to a policy or other contract providing an inspection service that complies with the statutory regulations applying in respect of such vessel machinery or apparatus

**13. Subrogation Waiver**

In the event of a claim arising under this Business Interruption Section, the Company agrees to waive any rights, remedies or relief to which the Company might become entitled by subrogation against any company

(a) standing in the relation of parent to subsidiary to the Named Insured;

(b) standing in the relation of subsidiary to parent to the Named Insured; or

(c) which is a subsidiary of a parent company of which the Named Insured is a subsidiary;

in each case as defined by current legislation.

**14. Departmental Clause (applicable only to Basis of Settlement Code GP or DLGP or GPFL)**

If the Business is conducted in departments the independent trading results of which are ascertainable the provisions of clauses (a) and (b) of the item on Gross Profit shall apply separately to each department affected by the Damage except that if the Sum Insured by the said item is less than the aggregate of the sums produced by applying the Rate of Gross Profit for each department of the Business (whether affected by the Damage or not) to its relative Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced

## Basis of Settlement - Declaration Linked Gross Profit: Code DLGP

The insurance under this item is limited to loss of Gross Profit due to

### (a) Reduction in Turnover

and

### (b) Increase in Cost of Working

and the amount payable as indemnity thereunder shall be

- (a) in respect of Reduction in Turnover the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the Damage fall short of the Standard Turnover
- (b) in respect of **Increase in Cost of Working** the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided

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

## Limit of Liability

Notwithstanding anything herein contained to the contrary the liability of the Company shall not exceed in respect of Gross Profit 133 1/3% of the Estimated Gross Profit stated herein nor in the whole the sum of 133 1/3% of the Estimated Gross Profit and 100% of the Sums Insured by other items or such other amounts as may be substituted therefor by memorandum signed by or on behalf of the Company

## Special Definitions

### Gross Profit

The words 'Gross Profit' shall mean the amount by which the sum of the Turnover and the amounts of the closing stock and work in progress shall exceed the sum of the amounts of the opening stock and work in progress and the amount of any Uninsured Working Expenses

### Estimated Gross Profit

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

### Turnover

The word 'Turnover' shall mean the money paid or payable to the Named Insured for goods sold and delivered and for services rendered in course of the Business at the Business Premises

### Uninsured Working Expenses

The words 'Uninsured Working Expenses' shall mean packing carriage and freight bad debts purchases less discounts and discounts allowed

The words and expressions used in this definition shall have the meaning usually attached to them in the books and accounts of the Named Insured

### Rate of Gross Profit

The words 'rate of Gross Profit' shall mean the rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage

### Annual Turnover

The words 'Annual Turnover' shall mean the Turnover during the twelve months immediately before the date of the Damage

### Standard Turnover

The words 'Standard Turnover' shall mean the Turnover during the period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period appropriately (adjusted where the Indemnity Period exceeds twelve months)

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

## **Additional Memoranda**

### **Uninsured Standing Charges**

If any standing charges of the Business be not insured by this Section (having been deducted in arriving at the Gross Profit as defined herein) then in computing the amount recoverable hereunder as Increase in Cost of Working that proportion only of any additional expenditure shall be brought into account which the sum of the Gross Profit bears to the sum of the Gross Profit and the uninsured standing charges

### **Renewal**

The Insured shall prior to each renewal furnish the Insurer with the Estimated Gross Profit for the financial year most nearly concurrent with the ensuing year of insurance

### **Premium Adjustment**

The First and Renewal Premiums in respect of Insured Items are provisional and are based on the Estimated Gross Profit for the financial year most nearly concurrent with the Period of Insurance

The Insured shall furnish to the Company not later than six months after the expiry of each Period of Insurance a declaration confirmed by the Insured's auditors of the Gross Profit earned during the financial year most nearly concurrent with the Period of Insurance

If any Damage shall have occurred giving rise to a claim for loss of Gross Profit the above-mentioned declaration shall be increased by the Company for the purpose of the premium adjustment by the amount by which the Gross Profit was reduced during the financial year solely in consequence of the Damage

If the declaration (adjusted as provided for above and proportionately increased where the Indemnity Period exceeds twelve months)

- (a) is less than the Estimated Gross Profit for the relative Period of Insurance the Company will allow a pro rata return of the premium paid on the Estimated Gross Profit but not exceeding 50% of such premium
- (b) is greater than the Estimated Gross Profit for the relative Period of Insurance the Insured shall pay a pro rata addition to the premium paid on the Estimated Gross Profit

## Basis of Settlement - Gross Profit: Flexible Limit of Loss: Code GPFL

The insurance under this item is limited to loss of Gross Profit due to

(a) **Reduction in Turnover**

and

(b) **Increase in Cost of Working**

and the amount payable as indemnity thereunder shall be

(a) in respect of **Reduction in Turnover** the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the Damage fall short of the Standard Turnover

(b) in respect of **Increase in Cost of Working** the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage

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

Provided that the maximum amount payable under this item is limited to the Sum Insured stated in the Schedule

## Special Definitions

### Gross Profit

The words 'Gross Profit' shall mean the amount by which the sum of the Turnover and the amounts of the closing stock and work in progress shall exceed the sum of the amounts of the opening stock and work in progress and the amount of any Uninsured Working Expenses

### Turnover

The word 'Turnover' shall mean the money paid or payable to the Named Insured for goods sold and delivered and for the services rendered in course of the Business at the Business Premises

### Uninsured Working Expenses

The words 'Uninsured Working Expenses' shall mean packing carriage and freight bad debts purchases less discounts and discounts allowed

The words and expressions used in this definition shall have the meaning usually attached to them in the books and accounts of the Named Insured

### Rate of Gross Profit

The words 'rate of Gross Profit' shall mean the rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage

### Annual Turnover

The words 'Annual Turnover' shall mean the Turnover during the twelve months immediately before the date of the Damage

### Standard Turnover

The words 'Standard Turnover' shall mean the Turnover during the period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period appropriately (adjusted where the Indemnity Period exceeds twelve months)

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

## Additional Memorandum

### Uninsured Standing Charges

If any standing charges of the Business be not insured by this Section (having been deducted in arriving at the Gross Profit as defined herein) then in computing the amount recoverable hereunder as Increase in Cost of Working that proportion only of any additional expenditure shall be brought into account which the sum of the Gross Profit bears the sum of the Gross Profit and the uninsured standing charges



## **Basis of Settlement - Additional Increase in Cost of Working: Gross Profit: Code AICWGP**

The insurance under this item is limited to such further Additional Increase in Cost of Working beyond that recoverable under clause (b) 'In Respect of Increase in Cost of Working' of the appropriate Basis of Settlement applicable to that item shown in the Schedule as the Insured shall necessarily and reasonably incur during the Indemnity Period in consequence of the Damage for the purpose of avoiding or diminishing the reduction in Turnover

## **Basis of Settlement - Declaration Linked Gross Revenue: CODE DLGR**

The insurance under this item is limited to

### **(a) Loss of Gross Revenue**

and

### **(b) Increase in Cost of Working**

and the amount payable as indemnity thereunder shall be

- (a) in respect of **Loss of Gross Revenue** the amount by which the Gross Revenue during the Indemnity Period shall in consequence of the Damage fall short of the Standard Revenue
- (b) in respect of **Increase in Cost of Working** the additional expenditure necessarily and reasonably incurred by the Named Insured for the sole purpose of avoiding or diminishing the loss of Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Gross Revenue thereby avoided

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

### **Limit of Liability**

Notwithstanding anything herein contained to the contrary the liability of the Company shall not exceed in respect of Gross Revenue 133 1/3% of the Estimated Gross Revenue stated herein nor in the whole the sum of 133 1/3% of the Estimated Gross Revenue and 100% of the Sums Insured by other items or such other amounts as may be substituted therefor by memorandum signed by or on behalf of the Company

## **Special Definitions**

### **Gross Revenue**

The money paid or payable to the Named Insured for work done and services rendered in the course of the Business at the Business Premises

### **Estimated Gross Revenue**

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

### **Standard Revenue**

The Gross Revenue during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period appropriately adjusted where the Indemnity Period exceeds twelve months

### **Annual Revenue**

The Gross Revenue during the twelve months immediately before the date of the Damage

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

## **Additional Memoranda**

### **Renewal**

The Insured shall prior to each renewal furnish the Insurer with the Estimated Gross Revenue for the financial year most nearly concurrent with the ensuing year of insurance

### **Premium Adjustment**

The First and Renewal Premiums in respect of insured items are provisional and are based on the Estimated Gross Revenue for the financial year most nearly concurrent with the Period of Insurance

The Insured shall furnish to the Company not later than six months after the expiry of each Period of Insurance a declaration confirmed by the Insured's auditors of the Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance

If any Damage shall have occurred giving rise to a claim for loss of Gross Revenue the above-mentioned declaration shall be increased by the Company for the purpose of the premium adjustment by the amount by which the Gross Revenue was reduced during the financial year solely in consequence of the Damage

If the declaration (adjusted as provided for above and proportionately increased where the maximum Indemnity Period exceeds twelve months)

- (a) is less than the Estimated Gross Revenue for the relative Period of Insurance the Company will allow a pro rata return of the premium paid on the Estimated Gross Revenue but not exceeding 50% of such premium
- (b) is greater than the Estimated Gross Revenue for the relative Period of Insurance the Insured shall pay a pro rata addition to the premium paid on the Estimated Gross Revenue

### **Basis of Settlement - Gross Revenue Flexible Limit of Loss: Code GRFLL**

The insurance under this item is limited to

**(a) Loss of Gross Revenue**

and

**(b) Increase in Cost of Working**

and the amount payable as indemnity thereunder shall be

- (a) in respect of **Loss of Gross Revenue** the amount by which the Gross Revenue during the Indemnity Period shall in consequence of the Damage fall short of the Standard Revenue
- (b) in respect of **Increase in Cost of Working** the additional expenditure necessarily and reasonably incurred by the Named Insured for the sole purpose of avoiding or diminishing the loss of Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage

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

Provided that the maximum amount payable under this item is limited to the Sum Insured stated in the Schedule

### **Special Definitions**

#### **Gross Revenue**

The money paid or payable to the Named Insured for work done and services rendered in the course of the Business at the Business Premises

#### **Standard Revenue**

The Gross Revenue during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period appropriately adjusted where the Indemnity Period exceeds twelve months

#### **Annual Revenue**

The Gross Revenue during the twelve months immediately before the date of the Damage

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

### **Basis of Settlement - Additional Increase in Cost of Working: Gross Revenue: Code AICWGR**

The insurance under this item is limited to such further Additional Increase in Cost of Working beyond that recoverable under clause (b) 'In Respect of Increase in Cost of Working' of the appropriate Basis of Settlement applicable to that item shown in the Schedule as the Insured shall necessarily and reasonably incur during the Indemnity Period in consequence of the Damage for the purpose of avoiding or diminishing the reduction in Gross Revenue

### **Basis of Settlement - Declaration Linked Rent Receivable: CODE DLRR**

The insurance under this item is limited to

**(a) Loss of Rent Receivable**

and

**(b) Increase in Cost of Working**

and the amount payable as indemnity hereunder shall be

- (a) in respect of **Loss of Rent Receivable** the amount by which the Rent Receivable during the Indemnity Period shall in consequence of the Damage fall short of the Standard Rent Receivable
- (b) in respect of **Increase in Cost of Working** the additional expenditure necessarily and reasonably incurred by the Named Insured for the sole purpose of avoiding or diminishing the reduction in Rent Receivable which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Rent Receivable thereby avoided

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

#### **Limit of Liability**

Notwithstanding anything herein contained to the contrary the liability of the Company shall not exceed in respect of Rent Receivable 133 1/3% of the Estimated Rent Receivable stated herein nor in the whole the sum of 133 1/3% of the Estimated Rent Receivable and 100% of the Sums Insured by other items or such other amounts as may be substituted therefor by memorandum signed by or on behalf of the Company

## Special Definitions

### Rent Receivable

The money paid or payable to the Named Insured for accommodation and services provided in respect of the letting of the Business Premises shown in the Schedule including any additional rent which would have been received as a result of an increase in rent following a rent review

### Estimated Rent Receivable

The amount declared by the Named Insured to the Company as representing not less than the Rent Receivable which it is anticipated will be received by the Named Insured during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the maximum Indemnity Period exceeds 12 months)

### Annual Rent Receivable

The Rent Receivable during the twelve months immediately before the date of the Damage

### Standard Rent Receivable

The Rent Receivable during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period appropriately adjusted where the Indemnity Period exceeds twelve months

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

## Additional Memoranda

### Renewal

The Named Insured shall prior to each renewal furnish the Insurer with the Estimated Rent Receivable for the financial year most nearly concurrent with the ensuing year of insurance

### Premium Adjustment

The First and Renewal Premiums in respect of insured items are provisional and are based on the Estimated Rent Receivable for the financial year most nearly concurrent with the Period of Insurance

The Insured shall furnish to the Company not later than six months after the expiry of each Period of Insurance a declaration confirmed by the Insured's auditors of the Rent Received during the financial year most nearly concurrent with the Period of Insurance

If any Damage shall have occurred giving rise to a claim for loss of Rent Receivable the above-mentioned declaration shall be increased by the Company for the purpose of the premium adjustment by the amount by which the Rent Receivable was reduced during the financial year solely in consequence of the Damage

If the declaration (adjusted as provided for above and proportionately increased where the maximum Indemnity Period exceeds twelve months)

- (a) is less than the Estimated Rent Receivable for the relative Period of Insurance the Company will allow a pro rata return of the premium paid on the Estimated Rent Receivable but not exceeding 50% of such premium
- (b) is greater than the Estimated Rent Receivable for the relative Period of Insurance the Insured shall pay a pro- rata addition to the premium paid on the Estimated Rent Receivable

## Basis of Settlement - Increase in Cost of Working: Code ICW

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the Named Insured for the sole purpose of avoiding or diminishing the interruption of or interference with the Business which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage Additional expenditure would be deemed to include the cost of removal to and from temporary premises and expenses incidental thereto increase in rent rates and taxes salaries of additional staff and overtime payments

The Company's liability shall not exceed in respect of the first three months of the Indemnity Period one half of the Sum Insured and for each of the succeeding months within the Indemnity Period one equal pro-rata part of the balance after deducting the amount payable in respect of the first three months

## Extensions

The following extensions are operative only where stated as 'applicable' in the Schedule and subject otherwise to the terms conditions and exclusions of the Section and the Policy

Provided that the limit of the Company's liability under each extension in respect of any one Event shall not exceed

- (a) the percentage of the total of the Sums Insured by each applicable insured item (or 133 1/3% of the Estimated Sums Insured if the basis of settlement is Declaration Linked)

or

- (b) the amount as specified in the Schedule

### 1. Prevention of Access

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business in consequence of Damage to the surrounding areas or property within 1 kilometre of the Business Premises which shall prevent or hinder the use thereof or access thereto whether the Premises or property of the Named Insured shall be damaged or not but excluding Damage to property of any supply undertaking from which the Named Insured obtains electricity gas water or telecommunications services which prevents or hinders the supply of such services to the Business Premises

### 2. Public Utilities - Electricity

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business in consequence of Damage to property at any generating station or sub-station of the public electricity supply undertaking from which the Named Insured obtains electricity

### 3. Public Utilities - Gas

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business in consequence of Damage to property at any land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith from which the Named Insured obtains gas

### 4. Public Utilities - Telecommunications

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business in consequence of Damage to property at any land-based premises of any public telecommunications undertaking from which the Named Insured obtains telecommunications services

### 5. Public Utilities - Water

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business in consequence of Damage to property at any water works or pumping station of the public water supply undertaking from which the Named Insured obtains water

### 6. Specified Suppliers

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business in consequence of Damage to property at any premises of the Named Insured's suppliers specified in the Schedule

Provided that in respect of any such premises located

- (a) within the European Union (but outside the Territorial Limits) this extension does not cover loss resulting from interruption to or interference with the Business in consequence of Damage to property at such premises caused by storm flood or earthquake or
- (b) outside the European Union and the Territorial Limits this extension applies only to loss resulting from interruption to or interference with the Business in consequence of Damage to property at such premises caused by fire aircraft or explosion

### 7. Specified Customers

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business in consequence of Damage to property at any premises of the Named Insured's customers specified in the Schedule

Provided that in respect of any such premises located

- (a) within the European Union (but outside the Territorial Limits) this extension does not cover loss resulting from interruption to or interference with the Business in consequence of Damage to property at such premises caused by storm flood or earthquake or
- (b) outside the European Union and the Territorial Limits this extension applies only to loss resulting from interruption to or interference with the Business in consequence of Damage to property at such premises caused by fire aircraft or explosion

## **8. Unspecified Suppliers**

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business caused by Damage at premises of the Named Insured's suppliers anywhere in Great Britain Northern Ireland the Isle of Man or the Channel Islands

## **9. Unspecified Customers**

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business caused by Damage at premises of any of the Named Insured's customers anywhere in Great Britain Northern Ireland the Isle of Man or the Channel Islands

## **10A. Food or Drink Poisoning**

The insurance provided by this Business Interruption Section extends to cover loss directly resulting from interruption to or interference with the Business in consequence of food or drink poisoning attributable to food or drink supplied at or from the Business Premises

Provided that:

- (a) the Company's liability under this extension in any one Period of Insurance will not exceed the amount stated in the Schedule; and
- (b) Memoranda—Automatic Reinstatement will not apply to this extension

### **Extension Definitions**

In this extension the following term shall have the following meaning If a term below is also defined in the General Definitions the definition below replaces the General Definition for purposes of this extension

### **Indemnity Period**

Indemnity Period means the period during which the results of the Business shall be affected in consequence of the matters set out above beginning with the occurrence or discovery of the incident and ending not later than three months thereafter

## **10B. Closure of Business Premises – Murder, Sanitary Arrangements, Vermin**

The insurance provided by this Business Interruption Section extends to cover loss directly resulting from interruption to or interference with the Business in consequence of:

- 1. murder manslaughter suicide or sudden physical injury occurring at the Business Premises;
- 2. defects in the drains or other sanitary arrangements at the Business Premises; or
- 3. vermin or pest infestation of the Business Premises;

which results in the closure of any part of the Business Premises by the order of an authorised competent authority

Provided that:

- (a) the Company's liability under this extension in any one Period of Insurance will not exceed the amount stated in the Schedule and
- (b) Memoranda – Automatic Reinstatement will not apply to this extension

For the purpose of Paragraph 1. above sudden physical injury does not include disease

### **Extension Definitions**

In this extension the following term shall have the following meaning If a term below is also defined in the General Definitions the definition below replaces the General Definition for purposes of this extension:

### **Indemnity Period**

Indemnity Period means the period during which the results of the Business shall be affected in consequence of the matters set out above beginning with the date from which the restrictions on the Business Premises are applied and ending not later than three months thereafter

## **11. Transit**

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business in consequence of Damage to property of the Named Insured whilst In Transit by road rail or inland waterway in Great Britain Northern Ireland the Isle of Man or the Channel Islands provided that no liability shall attach in respect of any loss arising from delay or loss of use of the conveying road or rail vehicle or waterborne craft

## **12. Contract Sites**

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business in consequence of Damage to property of the Named Insured at any situation in Great Britain Northern Ireland the Isle of Man or the Channel Islands not in the occupation of the Named Insured where the Named Insured is carrying out a contract

**13. Property Stored**

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business in consequence of Damage to property of the Named Insured whilst stored anywhere in Great Britain Northern Ireland the Isle of Man or the Channel Islands elsewhere than any premises in the occupation of the Named Insured

**14. Loss of Attraction**

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business in consequence of Damage to property in the vicinity of the Business Premises which shall cause loss of custom to the Named Insured directly due to loss of amenities in the immediate vicinity of the Business Premises whether the Business Premises or the property of the Named Insured therein shall be damaged or not

**15. Exhibition Sites**

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business in consequence of Damage to property of the Named Insured whilst at any situation not in the occupation of the Named Insured where the Named Insured is exhibiting his goods for sale

**16. Exhibition Loss of Expenses**

It is agreed that this Section extends to indemnify for Exhibition Loss of Expenses sustained by the Named Insured as a result of Damage to

- (a) any building stand marquee or similar erection or other property or any part thereof used by the Named Insured at the exhibition premises
- (b) exhibition property of the Named Insured used in connection with the exhibition while in transit to or from the exhibition premises or whilst at the exhibition premises

at which the Named Insured is exhibiting at any time before the advertised public closing time of the exhibition and the exhibition being abandoned or interfered with in consequence thereof

Definition applying to this extension

The words 'Exhibition Loss of Expenses' shall mean expenses directly incurred in connection with the exhibition including advertising printing stationery charges for space and services hire of stand transport charges and the cost of installing stands fittings and exhibits

**17. Fines and Damages**

It is agreed that this Section extends to indemnify for fines and damages for breach of contract that the Named Insured shall be legally liable to pay for non-completion or late compliance of orders solely in consequence of the Damage at the Business Premises

**18. Bomb (Hoax or Actual)**

It is agreed that loss as insured by this Section extends to include loss resulting from interruption to or interference with the Business at the Business Premises directly in consequence of the actual or suspected presence of an incendiary or explosive device

- (A) within the Business Premises
- (B) or in the vicinity of the Business Premises

which shall prevent or hinder the use of the Business Premises or access thereto

Provided that

- (a) the liability of the Company shall be limited to providing indemnity in respect of interruption or interference during
  - (i) in respect of (A) above the actual period of closure of the Business Premises
  - (ii) in respect of (B) above the actual period for which the use of the Business Premises is prevented or hindered or access denied
- (b) closure of the Business Premises or surrounding area is made at the request of the appropriate competent authority
- (c) loss resulting from interruption to or interference with the Business not exceeding two hours in duration is excluded
- (d) loss resulting from interruption to or interference with the Business in consequence of any Damage caused by the device (as opposed to its presence or suspected presence) is excluded

# Optional Extension Clause - Outstanding Debit Balances

The following extension is only operative if it appears on the Business Interruption Section Schedule with a sum insured and subject otherwise to the terms conditions and exclusions of the Section and the Policy

It is agreed that loss as insured by this Section extends to include untraceable or unestablishable Outstanding Debit Balances in whole or in part due to the Named Insured as a result of the Named Insured's books of account or other business books or records being the subject of Damage as insured by this Section

Then the Company will pay to the Named Insured the amount of loss resulting from such Damage in accordance with the provisions contained herein subject to the Sum Insured specified in the Schedule in respect of any one Event

In respect of Outstanding Debit Balances directly due to such Damage the amount payable in respect of any one occurrence of Damage shall not exceed

- (i) the difference between
  - (a) the Outstanding Debit Balances and
  - (b) the total of the amounts received or traced in respect thereof
- (ii) the additional expenditure incurred with the previous consent of the Company in tracing and establishing customers' debit balances after the Damage

provided that if the Sum Insured by this item be less than the Outstanding Debit Balances the amount payable shall be proportionately reduced

The Named Insured shall ensure that the books of account or other business books or records in which customers' accounts are shown shall be kept in fire resisting safes or fire resisting cabinets when not in use

Outstanding Debit Balances' shall mean the total declared in the statement last given in accordance with the provisions of the Note below 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 Damage) to customers' accounts in the period between the date to which said last statement relates and the date of the Damage
- (c) any abnormal condition of trade which had or could have had a material effect on the business

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

## Note

The Named Insured shall within thirty days of the end of each month prepare and retain a signed statement showing the total amount outstanding in customers' accounts as set out in the Named Insured's accounts as at the end of the said month

On the expiry of the Period of Insurance the actual premium shall be calculated at the rate per cent per annum on the average amount insured i.e. the total of the sums declared divided by the number of declarations If the actual premium shall be less than the premium paid for this cover the difference shall be repaid to the Named Insured but such repayment shall not exceed 50% of the said paid premium

If the amount of a declaration exceeds the sum insured applicable at the date of such declaration then for the purposes of this memorandum only the Named Insured shall be deemed to have declared such a sum insured

In consideration of the insurance not being reduced by the amount of any loss the Named Insured shall pay the appropriate extra premium on the amount of the loss from the date thereof to the date of the expiry of the Period of Insurance

The burden of proving that any Outstanding Debit Balances are untraceable or unestablishable as a result of Damage shall be upon the Named Insured



## Exclusions

The insurance provided under this Section does not cover loss resulting from interruption to or interference with the Business

1. if after the commencement of this insurance
  - (a) the Business be wound up or permanently discontinued or the Named Insured becomes bankrupt or the Business is carried on by the liquidator(s)
  - (b) the interest of the Named Insured ceases other than by death
2. in consequence of Damage to vehicles requiring a licence for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft
3. in consequence of loss distortion corruption or erasure of Programs and/or Data recorded on Media unless such accidental loss distortion corruption or erasure of Programs and/or Data itself results from other insured Damage to property used by the Named Insured and is not otherwise excluded
4. in consequence of Damage caused by or consisting of breakdown or derangement of Computer and Telecommunication Equipment Media and Ancillary Equipment but this shall not exclude
  - (a) such Damage which itself results from other Damage and is not otherwise excluded
  - (b) subsequent Damage which itself results from a cause not otherwise excluded
5. in consequence of Damage caused by the deliberate act of a supply undertaking in withholding the supply of water gas electricity fuel or telecommunication services but this shall not exclude
  - (a) such Damage which itself results from other Damage and is not otherwise excluded
  - (b) subsequent Damage which itself results from a cause not otherwise excluded
6. in consequence of Damage directly or indirectly caused by or consisting of the failure of any computer or other equipment or system for processing storing or retrieving data whether the property of the Insured or not and whether occurring before during or after the year 2000
  - (a) correctly to recognise any date as its true calendar date
  - (b) to capture save retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date to capture save retain and /or correctly to process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture save retain or correctly to process such data on or after any date

but this shall not exclude subsequent Damage not otherwise excluded which itself results from a Defined Peril or theft or attempted theft where such failure is not the result of wilful misconduct by the Named Insured and the Named Insured has undertaken all reasonable efforts to prevent such failure and to mitigate the consequences of any such failure
7. in consequence of Damage caused by or resulting from an attack which allows unauthorised access or use of a computer or telecommunications system by electronically circumventing a security system and procedure and or a Computer Virus but this shall not exclude Damage not otherwise excluded which itself results from fire explosion escape of water from any tank apparatus or pipe
8. in consequence of Damage in respect of
  - (a) Money
  - (b) property In Transit unless specifically mentioned as insured by this Section
9. in consequence of Damage caused by or consisting of
  - (a) inherent vice latent defect gradual deterioration wear and tear frost change in water table level its own faulty or defective design or materials
  - (b) the bursting by steam pressure of any vessel machine or apparatus (not being a boiler or economiser on the Business Premises or a boiler used for domestic purposes only) in which internal pressure is due to steam only and belonging to or under the control of the Named Insured
  - (c) faulty or defective workmanship operational error or omission on the part of the Named Insured or any Employee
  - (d) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded



10. (a) in consequence of Damage caused by or consisting of
  - (i) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin insects humidity contamination or action of light
  - (ii) change in temperature colour flavour texture or finish
  - (iii) erasure or distortion of information on computer systems or other records due to the presence of a magnetic flux
  - (iv) the freezing solidification or inadvertent escape of molten material
 but this shall not exclude
  - A. such Damage as described in paragraphs (i) to (iv) above which itself results from another cause not otherwise excluded
  - B. subsequent Damage which itself results from a cause not otherwise excluded
- (b) in consequence of Damage consisting of breakdown or derangement in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates but this shall not exclude
  - (i) such Damage as described which itself results from another cause not otherwise excluded
  - (ii) subsequent breakdown or derangement to surrounding property not forming part of the same machine apparatus or equipment
  - (iii) other subsequent Damage which itself results from a cause not otherwise excluded
- (c) in consequence of Damage consisting of joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith but this shall not exclude
  - (i) such Damage as described which itself results from another cause not otherwise excluded
  - (ii) other subsequent Damage which itself results from a cause not otherwise excluded
11. in consequence of Damage caused by theft or attempted theft of property from the Business Premises as stated in the Schedule unless caused by
  - (a) theft or attempted theft of the property from the buildings (but not grounds) at the Business Premises where accompanied by forcible and violent entry to or exit from the buildings or by violence to persons or threat of violence to persons
  - (b) forcible and violent theft or attempted theft of an external part of the building and or anything attached to it provided that this paragraph (b) of exclusion 11 shall not apply in respect of any building that has scaffolding erected to the outside of the building at the time of the Damage occurring and provided that the Business Premises have not been unoccupied for a period of more than thirty consecutive days
12. in consequence of Damage to property of the Named Insured
  - (a) away from the Business Premises (where loss as insured by this Section so provides) caused by theft or attempted theft of the property
    - (i) from or on an unattended vehicle or trailer during Working Hours unless all doors windows and other means of access have been secured and locked and alarm (if any) activated and in respect of an unattended vehicle the property to be placed in the boot or similar luggage compartment of the vehicle (and in so doing to be effectively concealed from sight) and which is securely closed and locked
    - (ii) from or on an unattended vehicle or trailer out of Working Hours unless all doors windows and other means of access have been secured and locked and alarm (if any) activated and in respect of an unattended vehicle the property to be placed in the boot or similar luggage compartment of the vehicle (and in so doing to be effectively concealed from sight) and which is securely closed and locked and such vehicle or trailer is garaged in a securely closed and locked building or compound
    - (iii) from or on an unattended soft topped open topped or open sided vehicle or trailer unless also involving theft of the vehicle or trailer
    - (iv) where property is otherwise left unattended (which term shall mean that the Insured is unable to exercise control over or otherwise unable to influence events affecting the property) unless contained in a locked building of substantial construction or in a secure locked room
  - (b) in or on soft topped open topped or open sided vehicles or trailers if caused by
    - (i) storm tempest water hail frost or snow
    - (ii) malicious persons when the vehicle or trailer is left unattended out of Working Hours

13. in consequence of Damage caused by pollution or contamination but this shall not exclude Damage not otherwise excluded caused by
  - (a) pollution or contamination which itself results from a Defined Peril
  - (b) a Defined Peril which itself results from pollution or contamination
14. in consequence of Damage caused by or consisting of
  - (a) subsidence ground heave or landslide unless resulting from fire explosion earthquake or the escape of water from any tank apparatus or pipe
  - (b) normal settlement or bedding down of new structures
  - (c) dishonesty fraudulent action trick device or other false pretence by any Employee partners or directors of the Named Insured whether acting alone or in collusion with others
  - (d) disappearance unexplained or inventory shortage misfiling or misplacing of information
15. in consequence of Damage to buildings or structures thereat caused by their own collapse or cracking unless resulting from a Defined Peril insofar as it is not otherwise excluded
16. in consequence of Damage by wind rain hail sleet snow flood or dust to moveable property in the open or fences or gates
17. in consequence of Damage to that part of the property
  - (a) caused by fire resulting from its undergoing any heating process or any process involving the application of heat
  - (b) resulting from its undergoing any process of production packing treatment commissioning servicing or repair
18. in consequence of Damage in respect of (and or to property within) any building at the Business Premises which is unoccupied for a period of more than thirty consecutive days other than Damage caused by fire explosion aircraft or other aerial devices or articles therefrom subject to the following Special Condition

**Special Condition**

The Named Insured shall ensure that

- (a) such unoccupied buildings are secured against illegal entry and all external doors and accessible external windows shall be fitted with good quality locks
  - (b) all services to be disconnected other than limited services required for security guards fire and burglar alarms unless otherwise agreed by the Company in writing
  - (c) all letter boxes shall be sealed to prevent insertion of material
  - (d) perimeter fences walls and gates shall be kept complete and maintained
  - (e) such unoccupied buildings shall be kept clear both internally and externally of combustible materials and not be used for storage
  - (f) vegetation surrounding such unoccupied buildings shall be kept down
  - (g) the Business Premises shall be inspected thoroughly internally and externally at least once every seven days (or at a frequency agreed by the Company in writing) by the Named Insured or a responsible person appointed by the Named Insured and a record maintained of such inspections and any defects rectified without delay
19. in consequence of Damage in respect of
    - (a) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection
    - (b) land roads piers jetties bridges culverts or excavations
    - (c) livestock growing crops or trees
 unless specifically mentioned as insured by this Section
  20. in consequence of Damage to property of the Named Insured outside the Territorial Limits (where loss as insured by this Section so provides) where such property is situate in any territory which is subject to sanctions imposed by the United Nations or by the Governments of the United Kingdom or the United States of America
  21. in consequence of Damage in respect of jewellery precious stones precious metals bullions furs curiosities works of art or rare books

# Computer All Risks

## Definitions

In this Section the following terms shall have the following meanings

**1. Damage or Damaged**

The words 'Damage' or 'Damaged' shall mean for the purposes of this Section accidental loss or destruction of or damage

**2. Data**

The word 'Data' shall mean facts concepts and/or information converted to a form useable in the Named Insured's computer operations owned leased or rented by the Named Insured or for which they are legally responsible

**3. Fixed Media**

The words 'Fixed Media' shall mean Media integral to Computer and Telecommunication Equipment

**4. Indemnity Period**

The words 'Indemnity Period' shall mean the period beginning with the occurrence of an Insured Incident and ending not later than the last day of the period as specified in the Schedule under the title of 'Indemnity Period' during which the results of the Business shall be affected in consequence of the Insured Incident

**5. Insured Incident**

The words 'Insured Incident' shall mean

- (i) Damage insured by this Section
- (ii) Reinstatement of Data and Reinstatement of Programs insured by this Section
- (iii) Damage recoverable under guarantee or under a maintenance rental hire or lease agreement on the Property and for which there is not in force an insurance covering the interest of the Named Insured in the property for such Damage
- (iv) Damage to any item due to its own breakdown or derangement if a maintenance rental hire or lease agreement is not in force on such item
- (v) the accidental failure or fluctuation of the public supply of electricity at the terminal ends of the public supply authority's service feeders at the Premises in which the Property is situated not occasioned by the deliberate act of any supply authority nor the exercise by any such authority of its power to withhold or restrict supply other than for the sole purpose of safeguarding life or the authority's property
- (vi) the accidental failure of the electricity supply in the distribution wiring within the Premises in which the Property is situated not occasioned by failures as in (v) above
- (vii) the accidental failure of any telecommunications system used in connection with the Property not occasioned by
  - (a) the deliberate act of any telecommunications authority nor the exercise by any such authority of its power to withhold or restrict operation of the system nor the inability of any such authority to maintain the system due to industrial action by any of its employees
  - (b) the use by the Named Insured of machinery and equipment which is not acceptable to the telecommunications authority as properly installed and compatible with the telecommunications system
  - (c) (a) Damage to the Premises in which the Property is situated or to any contents thereof or to property in the vicinity of the Premises and/or
    - (b) the exercise by any public and/or police authority of its powers for the sole purpose of safeguarding life which prevents the Named Insured gaining access to and/or using the Computer and Telecommunication Equipment

**6. Media**

The word 'Media' shall mean solely the materials on which Data and/or Programs are recorded

**7. Premises and Business Premises**

The word 'Premises' shall mean the buildings with their grounds at the addresses described in the List Of Premises And Other Locations Schedule attaching to the Master Schedule forming part of this Policy and identified by the 'Premises Code' shown against it

The words 'Business Premises' shall mean those Premises which the Named Insured own occupy or are responsible for

**8. Programs**

The word 'Programs' shall mean a sequence of instructions given to a computer which are either purchased or written on a custom basis owned leased or rented by the Named Insured or for which they are legally responsible

## **9. Property and Property Insured**

The words 'Property' and 'Property Insured' shall mean as described in the Schedule

## **10. Reinstatement of Data**

The words 'Reinstatement of Data' shall mean the reinstatement of Data following accidental loss distortion corruption or erasure of such Data

## **11. Reinstatement of Programs**

The words 'Reinstatement of Programs' shall mean the reinstatement of Programs following accidental loss distortion corruption or erasure of such Programs

## **12. Stock**

The word 'Stock' shall mean stock merchandise goods held in trust materials of trade and finished goods which the Named Insured owns or for which the Named Insured is responsible

## **13. Unfixed Media**

The words 'Unfixed Media' shall mean Media (other than Fixed Media and paper records of any description) owned by or leased hired or rented to the Named Insured

## **14. Working Hours**

The words 'Working Hours' shall mean the whole period during which the vehicle is being used by its driver in connection with the Business of the Named Insured including travel to and from the place of work and any break in such journey but shall not include when the vehicle is parked for any overnight rest period

## **Cover**

The Company will indemnify the Named Insured in accordance with the undernoted cover clauses following Damage as insured hereunder occurring during the Period of Insurance provided that the liability of the Company shall in no case exceed in respect of each insured item the Sum Insured for that item in the Schedule or in the whole the Total Sum Insured

### **1. Damage to Computer and Telecommunication Equipment Media and Ancillary Equipment**

In the event of Damage to the Property Insured described in the Schedule (other than by an excluded cause) the Company will pay to the Named Insured in accordance with the Basis of Settlement

Excluding accidental loss distortion corruption or erasure of Programs and Reinstatement of Programs and Reinstatement of Data or the value to the Named Insured of the Data contained therein

### **2. Reinstatement of Programs**

In the event of accidental loss distortion corruption or erasure of Programs recorded on Media insured by Cover 1 the Company will pay the costs necessarily and reasonably incurred by the Named Insured in the Reinstatement of Programs but not for any Reinstatement of Data or the value to the Named Insured of the Data contained therein

### **3. Reinstatement of Data**

In the event of accidental loss distortion corruption or erasure of Data recorded on Media insured by Cover 1 the Company will pay the costs necessarily and reasonably incurred by the Named Insured in the Reinstatement of Data but excluding the value to the Named Insured of the Data

### **4. Increase in Cost of Working**

If the computer operations of the Business at the Premises or elsewhere as identified by the respective Premises Code or Location Code (and detailed in the List Of Premises and Other Locations Schedule) shown against the item(s) stated in the Schedule applying to this Cover 4 are interrupted or interfered with due to the occurrence during the Period of Insurance of an Insured Incident the Company will pay as Increase in Cost of Working the additional expenditure necessarily and reasonably incurred by the Named Insured during the Indemnity Period in consequence of such interruption or interference

## Extensions

The cover provided by this Section shall extend to include the following subject to the liability of the Company not exceeding in respect of each insured extension the limit stated in the Schedule in respect of any Event

### 1. Removal of Debris

The Company will pay for costs and expenses necessarily incurred by the Named Insured with the consent of the Company in

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

following a loss insured by this Section

The Company will not pay for any costs or expenses

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

### 2. Temporary Repairs and / or Expediting Costs

The Company will pay for costs necessarily and reasonably incurred in the making of temporary repairs upon and/or the expediting of the repair reinstatement or replacement of Property consequent upon Damage insured by this Section

### 3. Incompatibility of Computer Records

The Company will pay for

- (a) costs of modification of Computer and Telecommunication Equipment including Fixed Media
- or
- (b) costs of replacement of Unfixed Media

together with reinstatement of Programs and/or Data thereon

(whichever is less) to achieve compatibility in the event that loss or destruction of Computer and Telecommunication Equipment insured by this Section has resulted in undamaged Unfixed Media being incompatible with the replacement Computer and Telecommunication Equipment

### 4. Additional Property

The Insurance extends to include Damage to Property acquired after the commencement of the Period of Insurance for the period up to the next renewal date subject to the Company being notified in writing within 28 days of acquisition and the Insured paying or agreeing to pay such additional premium as the Company may reasonably require

### 5. Additional Rental

In the event of Damage insured by this Section to Property requiring replacement of a lease/hire agreement by a new contract for similar property the Company undertakes to pay any additional rental charges reasonably incurred

### 6. Accidental Discharge of Gas Flooding Systems

Where such gas flooding systems conform to the requirements of health and safety legislation the Company will pay for the cost of refilling the cylinder(s) of any gas flooding systems installed solely for the protection of the Property arising out of the accidental discharge of such systems

## Additional Cover

### A. Consulting Engineers' Fees / Repair Investigation Costs

The Company will pay said fees/costs incurred with the consent of the Company in conducting investigations and/or tests into possible repair reinstatement (whether or not successful) or replacement consequent upon Damage insured by this Section but not for preparing any claim

The Company's liability for such Damage and fees/costs shall not exceed in the aggregate the appropriate Sum Insured

### B. Measures Taken in Avoidance of Impending Loss or Damage

The Company will subject to the Sum Insured on Computer and Telecommunication Equipment Media and Ancillary Equipment pay costs incurred by the Named Insured in taking reasonable but exceptional measures to avoid or mitigate impending Damage insured by this Section

provided that

- (i) the impending Damage does not stem from any reasonable foreseeable cause and that Damage would be the natural outcome to be expected in the absence of such measure
- (ii) the Company is satisfied that Damage has been avoided or reduced in consequence of the measures taken
- (iii) the terms exclusions and conditions of this Section shall apply as if Damage had occurred

**C. Automatic Reinstatement**

The amounts stated in this Section as Sums Insured will be automatically reinstated from the date of occurrence of any claim at additional premium to be agreed between the Company and the Named Insured except that the Company will not require additional premium if the total cost of the claim does not exceed £10,000

**D. Waiver of Subrogation against Authorised Users**

Notwithstanding General Condition 8 the Company shall waive any rights of subrogation against any user of the Property provided that

- (i) such user has the authority of the Named Insured to use the Property and
- (ii) that such user shall as if he were the Named Insured observe fulfil and be subject to the terms exclusions and conditions of this Section

**E. Professional Accountants' Charges**

The Company will subject to the Sum Insured shown in the Schedule in respect of Cover 4 Increase in Cost of Working pay to the Named Insured the reasonable charges payable by the Named Insured to their professional accountants for producing particulars of any claim for which indemnity is provided by Cover 4 Increase in Cost of Working

**F. Fire Extinguishing Expenses**

The insurance by this Section extends to include the costs incurred by the Named Insured in recharging replenishing or replacing fire extinguishing appliances (other than gas flooding systems) and replacing sprinkler heads in automatic sprinkler installations rendered necessary as a result of fire at the Business Premises for which liability is admitted under this Section

**Conditions**

- 1. Fire Precautions** (applicable only if the devices described therein are installed at the Business Premises and are under the control of the Named Insured)

The Named Insured shall ensure that in respect of

**(1) Fire Break Doors and Shutters**

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

**(2) Fire Extinguishing Appliances**

all fire extinguishing appliances will be regularly inspected and maintained in efficient working order

**(3) Fire Alarm Installations and Automatic Sprinkler Installations**

**(a) take all reasonable steps to**

- (i) prevent frost and other damage to the installations
- (ii) subscribe to an annual maintenance contract to ensure the automatic sprinkler and fire alarm installation (internal and external) are in operational condition
- (iii) maintain ready access to the water supply control facilities

**(b) notify the Company in writing and obtain its prior agreement in writing before any repairs or alterations to the installations are implemented**

**(c) allow the Company access to the Business Premises at all reasonable times to inspect the installations**

**(d) make a test every week for the purpose of ascertaining that the Alarm Gong is in working order and that the Stop Valves controlling the individual water supplies and the Installation(s) are fully open**

**(e) make quarterly or half-yearly tests if required by the Company to do so for the purpose of ascertaining that each water supply is in order and record the particulars of each test**

**(f) make a test at least once a week for the purpose of ascertaining the condition of (i) Brigade connection and (ii) the batteries in respect of each approved system for the transmission of alarm signals from sprinkler installations to a Fire Brigade**

N.B. 1 - As regards (i) where the Fire Brigade has given a written undertaking to carry out this test the Insured's responsibility will be confined to requirement (ii)

N.B. 2 - Where the circuit concerned in (i) is not continuously monitored the aforesaid test is to be carried out every weekday (weekends and public holidays excepted)

- (g) make a test every weekday (weekends and public holidays excepted) for the purposes of ascertaining the condition of the circuit between the alarm switch and the control unit

N.B. 3 - Where the circuit between the alarm switch and the control unit is continuously monitored or the circuit is such that one break of wires will not prevent an alarm signal being transmitted (e.g. a ring circuit) this test need not be made

- (h) remedy promptly any defect revealed by the above tests
- (i) give notice to the Company in relation to any automatic sprinkler installation if
  - (a) its water supply be turned off
  - (b) it becomes inoperative from any cause except for the purpose of testing maintenance or repair

If alterations or repairs to the automatic sprinkler installation become necessary to ensure its full and effective operational capability the Company may at its option suspend any cover which is granted against Damage to the Property Insured by escape of water from said installation until the alterations or repairs have been carried out and approved by the Company

## **2. Theft Precautions - Business Premises**

Where under the control of our Named Insured, the Named Insured shall ensure that

- (1) all security devices (other than Intruder Alarm) including locks fastenings shutters and other methods of securing access to the Business Premises are in full and effective operation and keys removed from the Business Premises whenever same is closed for business
- (2) where the Company has required an Intruder Alarm to be installed and where indicated on the Schedule the Named Insured shall ensure that
  - (a) the Intruder Alarm must be maintained in an efficient and operational condition at all times and in accordance with its installation specification or as otherwise approved by the Company
  - (b) a maintenance service contract with the installation company or as otherwise approved by the Company must be in force and the maintenance company immediately advised of any apparent defect in the Intruder Alarm or its signalling
  - (c) the Intruder Alarm shall be put into full and effective operation at all times in respect of 24 hour designated circuits and otherwise the Business Premises must not be left unattended unless
    - (i) the Intruder Alarm is put into full and effective operation including where the equipment permits any central station to which the Intruder Alarm is connected acknowledging the setting signal
    - (ii) the Intruder Alarm is regularly tested and is in full and efficient working order
  - (d) immediate written notice shall be given to the Company if the Named Insured receives from the Police or security organisation warning of a possible or intended withdrawal of response to calls from the Intruder Alarm or of a reduced response level

The insurance provided under this Section does not cover Damage caused by theft or attempted theft from the Business Premises other than by robbery or attempted robbery where Police response to alarm activation is withdrawn unless written agreement has been obtained from the Company that such insurance remains operative

The words 'Intruder Alarm' include detection devices sensors detection circuit control and processing equipment power supplies audible and remote signalling including ancillary telecommunication systems

## **3. Underinsurance**

The Sum Insured by each item of Computer and Telecommunication Equipment Media and Ancillary Equipment is declared to be separately subject to an Underinsurance Condition The Underinsurance Condition applicable is dependent upon which Basis of Settlement applies and is detailed therein

## **4. Unoccupancy**

The Named Insured shall notify the Company in writing as soon as is reasonable when any building or part thereof in which Property is situate becomes unoccupied for more than thirty consecutive days and shall pay or agree to pay additional premium if required by the Company Further the Named Insured shall notify the Company when such unoccupied building or part thereof becomes occupied

## **5. Claims Conditions**

### **(a) Other Interests**

The interests of parties under mortgage hiring leasing or similar agreements with the Named Insured are noted in this insurance provided that the nature and extent of any such interests are disclosed to the Company by the Named Insured in the event of a claim against this Section



**(b) Subrogation Waiver**

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

- (i) any company standing in the relation of parent to subsidiary to the Named Insured
  - (ii) any company standing in the relation of subsidiary to parent to the Named Insured
  - (iii) any company which is a subsidiary of a parent company of which the Named Insured is a subsidiary
- in each case as defined by the Companies Act 1985 as amended

**(c) Reinstatement**

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

**(d) Company's Rights following a Claim**

On the happening of Damage in respect of which a claim is made the Company and any person authorised by the Company may without thereby incurring any liability or diminishing any of the Company's rights under this Policy enter take or keep possession of the Premises where such Damage has occurred and take possession of or require to be delivered to the Company any Property Insured and deal with such Property for all reasonable purposes and in any reasonable manner

No Property may be abandoned to the Company whether taken possession of by the Company or not

**6. Reasonable Precautions**

The Named Insured shall

- (a) maintain the Property in an efficient condition
- (b) take all reasonable precautions to prevent Damage to the Property or accidental loss distortion corruption or erasure of Programs and/or Data
- (c) in respect of Programs maintain a backup copy of the current version at a location other than the respective Premises where the Media on which the Programs are recorded is situate
- (d) in respect of Data maintain a weekly full system backup of Data at a location other than the respective Premises where the Media on which the Data is recorded is situate

**7. Designation**

Where necessary the item heading under which any Property is insured shall be determined by the designation under which such Property appears in the Named Insured's books

**8. Non-invalidating**

Notwithstanding General Conditions 1. and 2. the insurance by this Section shall not be invalidated by any act or omission or by any alterations in respect of any portion of the Premises hereby insured not occupied by the Named Insured whether constituting an increase in risk or not unknown to or beyond the control of the Named Insured provided that immediately the Named Insured becomes aware thereof shall give notice to the Company and pay an additional premium if required

**Basis of Settlement**

The amount payable for each item of Computer and Telecommunication Equipment Media and Ancillary Equipment stated in the Schedule will be in accordance with one of the following Basis of Settlements defined below for which a Code is shown beside that item in the Schedule or the Company at its option may elect to reinstate or replace the Property or any part of it which is lost destroyed or damaged

**1. Indemnity - Code: INDTY**

Subject to the following Special Provision the Company will pay the value of the Property at the time of its Damage or the amount of such Damage whichever is the lesser

**Special Provision**

**Underinsurance Condition**

If any Sum Insured to which this Basis of Settlement applies is at the commencement of Damage less than the total value of the Property covered within such Sum Insured the amount payable by the Company in respect of such Damage will be proportionately reduced and the Insured considered to be his own insurer for the difference

**2. Reinstatement – Code: REINS**

Subject to the following Special Provisions the basis upon which the amount payable in respect of the Property Insured is to be calculated will be Reinstatement of the Property Damaged



For this purpose Reinstatement means

- (a) the rebuilding or replacement of Property sustaining Damage which provided the liability of the Company is not increased may be carried out
  - (i) in any manner suitable to the requirements of the Named Insured
  - (ii) upon another site
- (b) the repair or restoration of Property Insured lost or damaged

in either case to a condition equivalent to or substantially the same as but not better than or more extensive than its condition when new

#### **Special Provisions**

##### **(a) Repairs and Restoration**

The liability of the Company for the repair or restoration of Property Insured sustaining Damage in part only shall not exceed the amount which would have been payable had such Property been entirely destroyed

##### **(b) Underinsurance Condition**

If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the Property Insured covered by any Item to which this Basis applies exceeds its Sum Insured at the commencement of loss or damage the amount payable by the Company will not exceed that proportion of the amount of such loss or damage which the said Sum Insured compares to the total cost of reinstating the whole of such Property Insured at that time

##### **(c) Alternative Basis of Payment**

Even where this Reinstatement Basis of Settlement applies the amount payable will be in accordance with the Indemnity Basis

- (i) unless reinstatement commences and proceeds without unreasonable delay
- (ii) until the cost of reinstatement has been incurred
- (iii) if the Property at the time of its loss or damage is insured by any other insurance taken out by or on behalf of the Named Insured which is not written on the same basis of reinstatement as defined

### **3. Day One Reinstatement - Code: DAY 1**

Subject to the following special provisions

The basis on which the amount payable for the Property Insured lost destroyed or damaged will be calculated is the same as the Reinstatement Basis except that special provision 2(b) Underinsurance Condition is restated as follows

If at the time of loss or damage the Declared Value of the Property Insured covered by such Item is less than the cost of reinstatement at the time cover on this Basis is taken out then the Company's liability for the loss or damage will not exceed that proportion of the loss or damage which the Declared Value bears to such cost of reinstatement

#### **Special Provisions**

- (a) The Premium has been calculated on the basis of the Declared Value stated in writing to the Company
- (b) Declared Value means the Insured's assessment of the cost of Reinstatement of the Property Insured arrived at in accordance with the Reinstatement Basis of Settlement paragraph 2(a) at the level of costs applying at the commencement of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with in so far as the insurance by the item provides due allowance for
  - (i) Removal of Debris
  - (ii) Professional Fees
- (c) At the commencement of each Period of Insurance the Insured will notify the Company of the Declared Value of the Property Insured by each item In the absence of such declaration the last amount declared by the Insured will be taken as the Declared Value for the ensuing Period of Insurance
- (d) The Declared Value for each item of Computer and Ancillary Equipment is the amount shown on the Schedule in the brackets below the Sum Insured in respect of each such item
- (e) In the event of loss the liability of the Company in respect of Computer and Ancillary Equipment will not exceed
  - (i) the Declared Value applicable to each item multiplied by the Day One Adjustment figure specified in the Schedule or
  - (ii) if special provision 2(c) of the Reinstatement Basis (the Alternative Basis of Payment) applies the Declared Value applicable to each item as specified in the Schedule

## Exclusions

This Section does not cover

### 1. Breakdown or Derangement

(not applicable to Cover 4 Increase in Cost of Working)

Damage to any item of Computer and Telecommunication Equipment including Fixed Media due to its own breakdown or derangement unless such item is at the time of the Damage the subject of a maintenance rental hire or lease agreement which must provide a minimum service of on- call remedial and/or corrective maintenance at inclusive cost

### 2. Maintenance Agreement

Damage recoverable under any guarantee or maintenance rental hire or lease agreement

### 3. Consequential Loss

Consequential loss or damage of any kind or description other than that provided for specifically under this Section and such cover provided under this Section shall not include any consequential loss which is also insured under the Business Interruption Section

### 4. 48 Hour Exclusion Period if No Maintenance

in respect of Cover 4 Increase in Cost of Working the additional expenditure incurred during the first 48 hours following breakdown or derangement of any item of Computer and Telecommunication Equipment if a maintenance rental hire or lease agreement providing a minimum service of on-call remedial and/or corrective maintenance at inclusive cost is not in force on such item

### 5. Satellite Telecommunications

Increase in Cost of Working due to

- (i) failure of any satellite prior to its obtaining its full operating function or while in or beyond the final year of its design life
- (ii) atmospheric solar or lunar conditions causing temporary interference with transmission to or from any satellite

### 6. Reinstatement of Data and Reinstatement of Programs

in respect of Cover 4 Increase in Cost of Working the costs of Reinstatement of Data and Reinstatement of Programs onto Fixed Media and/or Unfixed Media

### 7. Wear and Tear

Damage caused by or consisting of wear and tear deterioration due to atmospheric or climatic conditions rust or corrosion but this exclusion shall not apply to subsequent Damage which itself results from a cause not otherwise excluded

### 8. Theft from the Premises

Damage caused by theft or attempted theft of the Property Insured from the Premises as stated in the Schedule unless caused by theft or attempted theft of the Property Insured from the buildings (but not grounds) at the Premises where accompanied by forcible and violent entry to or exit from the buildings or by violence to persons or threat of violence to persons and provided that the Premises have not been unoccupied for a period of more than thirty consecutive days

### 9. Property Insured away from the Premises

Damage to Property Insured

- (a) away from the Premises (where the insurance on any Property Insured item as stated in the Schedule so provides) caused by theft or attempted theft of the Property Insured
  - (i) from or on an unattended vehicle or trailer during Working Hours unless all doors windows and other means of access have been secured and locked and alarm (if any) activated and in respect of an unattended vehicle the Property to be placed in the boot or similar luggage compartment of the vehicle (and in so doing to be effectively concealed from sight) and which is securely closed and locked
  - (ii) from or on an unattended vehicle or trailer out of Working Hours unless all doors windows and other means of access have been secured and locked and alarm (if any) activated and in respect of an unattended vehicle the Property to be placed in the boot or similar luggage compartment of the vehicle (and in so doing to be effectively concealed from sight) and which is securely closed and locked and such vehicle or trailer is garaged in a securely closed and locked building or compound
  - (iii) from or on an unattended soft topped open topped or open sided vehicle or trailer unless also involving theft of the vehicle or trailer
  - (iv) where Property is otherwise left unattended (which term shall mean that the Insured is unable to exercise control over or otherwise unable to influence events affecting the Property) unless contained in a locked building of substantial construction or in a secure locked room

- (b) in or on soft topped open topped or open sided vehicles or trailers if caused by
  - (i) storm tempest water hail frost or snow
  - (ii) malicious persons when the vehicle or trailer is left unattended out of WorkingHours

#### **10. Stock**

Damage in respect of Stock

#### **11. Damage by Defective Packing**

Damage to the Property Insured caused by or attributable to defective packing or incorrect or insufficient addressing

#### **12. Date Recognition**

Damage to Computer and Telecommunication Equipment Media Ancillary Equipment and/or accidental loss distortion corruption or erasure of Programs and/or Data and/or any Insured Incident as insured under Cover 4 Increase In Cost of Working caused directly or indirectly by or consisting of or other additional expenditure arising directly or indirectly from the failure of any computer or other equipment or system for processing storing or retrieving data whether the property of the Insured or not and whether occurring before during or after the year 2000

- (a) correctly to recognise any date as its true calendar date
- (b) to capture save retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than its true calendar date
- (c) to capture save retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or inability to capture save retain or correctly to process such data on or after any date

but this shall not exclude subsequent Damage not otherwise excluded which itself results from a Defined Peril or theft or attempted theft where such failure is not the result of wilful misconduct by the Insured and that the Insured has undertaken all reasonable efforts to prevent such failure and to mitigate the consequences of any such failure

#### **13. Inherent Vice Faulty Workmanship**

Damage caused by or consisting of

- (i) inherent vice latent defect gradual deterioration its own faulty or defective design or materials
- (ii) faulty or defective workmanship operational error or omission on the part of the Named Insured or any of his Employees

but this shall not exclude subsequent Damage which itself results from a cause not other excluded

#### **14. Dishonesty and Disappearance**

Damage caused by or consisting of

- (a) dishonesty fraudulent action trick device or other false pretence by any Employee partners or directors of the Named Insured whether acting alone or in collusion with others
- (b) disappearance unexplained or inventory shortage misfiling or misplacing of information

#### **15. Unoccupancy**

Damage to Property Insured arising in any building which is unoccupied for a period of more than thirty consecutive days other than Damage caused by fire explosion aircraft or other aerial devices or articles therefrom subject to the following Special Condition

##### **Special Condition**

The Named Insured shall ensure that

- (a) such unoccupied buildings are secured against illegal entry and all external doors and accessible external windows shall be fitted with good quality locks
- (b) all services to be disconnected other than limited services required for security guards fire and burglar alarms unless otherwise agreed by the Company in writing
- (c) all letter boxes shall be sealed to prevent insertion of material
- (d) perimeter fences walls and gates to shall be kept complete and maintained
- (e) such unoccupied buildings shall be kept clear both internally and externally of combustible materials and not be used for storage
- (f) vegetation surrounding such unoccupied buildings shall be kept down
- (g) the Business Premises shall be inspected thoroughly internally and externally at least once every seven days (or at a frequency agreed by the Company in writing) by the Named Insured or a responsible person appointed by the Named Insured and a record maintained of such inspections and any defects rectified without delay

**16. Marine Policy or Policies**

Property which at the time of the happening of Damage is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected

**17. Property More Specifically Insured**

Any property more specifically insured by or on behalf of the Named Insured

**18. Pollution or Contamination**

Damage caused by pollution or contamination but this shall not exclude Damage to Property Insured not otherwise excluded caused by

- (i) pollution or contamination which itself results from a Defined Peril
- (ii) a Defined Peril which itself results from pollution or contamination

**19. Hacking Event or Computer Virus**

Damage caused by or resulting from an attack which allows unauthorised access or use of a computer or telecommunications system by electronically circumventing a security system and procedure and or a Computer Virus but this shall not exclude Damage not otherwise excluded which itself results from fire explosion escape of water from any tank apparatus or pipe

**20. Erasure of Programs and Data**

Under Cover 2 and Cover 3 loss distortion corruption or erasure of Programs and/or Data recorded on Media unless such accidental loss distortion corruption or erasure of Programs and/or Data itself results from other Damage to Property Insured and is not otherwise excluded

**21. Sanctioned Territories**

Damage to Property outside the Territorial Limits (where the insurance on any Property Insured item so applies) where such Property is situate in any territory which is subject to sanctions imposed by the United Nations or by the Governments of the United Kingdom or the United States of America

# Terrorism Insurance Section

## Definitions

In this Section the following terms shall have the following meanings

**1. Damage**

The word 'Damage' shall mean for the purposes of this Section loss or destruction of or damage

**2. Act Of Terrorism**

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

**3. Property**

The words 'Property' shall mean any building or other property or part thereof insured by the Property Damage Section (and/or property insured under the optional extensions for Goods in Transit or Money where attaching thereto) and/or Computer All Risks Section but not any property which is insured in the name of a private individual and is occupied by that individual for residential purposes

**4. Virus or Similar Mechanism**

The words 'Virus or Similar Mechanism' shall mean for the purposes of this Section program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not The definition of Virus or Similar Mechanism includes but is not limited to Trojan horses worms and logic bombs

**5. Hacking**

The words 'Hacking' shall mean for the purposes of this Section unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether the property of the Insured or not

**6. Denial of Service Attack**

The words 'Denial of Service' Attack shall mean for the purposes of this Section any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems Denial of Service Attacks include but are not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

**7. Phishing**

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

## Cover

**1. General**

- (a) If Property to the extent insured by the Property Damage Section (and/or the optional extensions for Goods in Transit or Money where attaching thereto) and/or Computer All Risks Section be subject to Damage occasioned by or happening through or in consequence of an Act Of Terrorism during the Period of Insurance within Great Britain (meaning England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man nor the Channel Islands nor Northern Ireland)

and/or

- (b) if in consequence of such Damage occasioned by or happening through or in consequence of an Act Of Terrorism (and which shall include Damage occasioned by or happening through or in consequence of an Act Of Terrorism within the territories stated in paragraph (a) to any other building or other property or part thereof to the extent insured by the Business Interruption Section) the Business carried on by the Named Insured be interrupted or interfered with to the extent insured by the Business Interruption Section

then in respect of

- (1) paragraph (a) above the Company will pay to the Named Insured the value of the Property at the time of the happening of its Damage or the amount of such Damage or at the Company's option reinstate replace or repair such Property or any part thereof in accordance with the provisions of the Property Damage Section (and/or the optional extensions for Goods in Transit or Money where attaching thereto) and/or Computer All Risks Section and provided that the liability of the Company shall in no case exceed in respect of each insured item shown in the applicable Schedule to the Property Damage Section (and/or the optional extensions for Goods in Transit or Money where attaching thereto) and/or Computer All Risks Section the Sum Insured for that item in the Schedule or in the whole the Total Sum Insured in respect of all losses arising out of any one occurrence and in the aggregate in any one Period of Insurance

- (2) paragraph (b) above the Company will pay to the Named Insured the amount of loss resulting from such interruption or interference in accordance with the provisions of the Business Interruption Section and provided that the liability of the Company shall in no case exceed in respect of each item shown in the applicable Business Interruption Schedule the Sum Insured or limit for that item in the Schedule or in the whole the Total Sum Insured in respect of all losses arising out of any one occurrence and in the aggregate in any one Period of Insurance

### Conditions

1. In any action suit or other proceedings where the Company alleges that any Damage or loss resulting from Damage is not covered by this Section the burden of proving that such Damage or loss is covered shall be upon the Insured
2. The insurance by this Section is not subject to any exclusions of the Property Damage Section (and/or the optional extensions for Goods in Transit or Money where attaching thereto) and/or Computer All Risks Section and/or Business Interruption Section and of the Policy relating to causes of Damage other than as stated in the exclusions to this Section
3. The insurance by this Section is subject to all the terms and conditions of the Property Damage Section (and/or the optional extensions for Goods in Transit or Money where attaching thereto) and/or Computer All Risks Section and/or Business Interruption Section and of the Policy (and which shall include but not limited to the application of any applicable Deductible stated therein) except as expressly varied hereby
4. If this Policy is subject to any long-term agreement or undertaking it does not apply to the insurance by this Section

### Exclusions

The insurance provided under this Section does not cover

1. Damage directly or indirectly caused or occasioned by or happening through or in consequence of riot civil commotion war invasion act of foreign enemy hostilities or warlike operations (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
2. any loss whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from
  - (a) the alteration modification distortion corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including any information or programs or software) or
  - (b) any alteration modification distortion erasure corruption of data processed by any such computer or other equipment or component or system or item

whether such computer or other equipment or component or system or item or data is the property of the Named Insured or not where such loss is directly or indirectly caused by or contributed to by or arises from or is occasioned by or results from a Virus or Similar Mechanism or Hacking or Phishing or a Denial of Service Attack

# Employers' Liability Section

## Definition

In this Section the following term shall have the following meaning

### 1. Offshore Work

The words 'Offshore Work' shall mean visits or work undertaken by an Employee from the time the Employee embarks into a conveyance whether airborne or waterborne for transport to an offshore installation or associated structure until such time as the Employee disembarks from the conveyance onto land upon his return from such installation or associated structure

The words 'Offshore Installation' and 'Associated Structure' shall have the same meanings as they are interpreted in the Mineral Workings (Offshore Installations) Act 1971 and the Offshore Installations (Application of the Employers' Liability (Compulsory Insurance) Act 1969) Regulations 1975

## Cover

### 1. Bodily Injury

The Company will indemnify the Insured subject to the Limit of Indemnity stated in the Schedule against legal liability to pay Compensation for Bodily Injury sustained by any Employee arising out of and in the course of employment by the Named Insured in connection with the Business and caused during the Period of Insurance within

- (a) Great Britain Northern Ireland the Isle of Man or the Channel Islands and offshore installations in territorial waters around Great Britain and its continental shelf
- (b) elsewhere in the world where any Employee normally resident in the territories stated in (a) above is temporarily working in connection with the Business

### 2. Claimants' Costs and Expenses

The Company will indemnify the Insured subject to the Limit of Indemnity stated in the Schedule against legal liability for claimants' costs and expenses in connection with the indemnity provided under clause 1 of the Cover

### 3. Defence Costs and Expenses

The Company will indemnify the Insured subject to the Limit of Indemnity stated in the Schedule in respect of all

- (a) costs of legal representation reasonably incurred with the Company's written consent at any
  - (i) coroner's inquest or other inquiry in respect of any death
  - (ii) proceedings in any court (other than in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings) in respect of any act or omission causing or relating to any occurrence
- (b) other costs and expenses reasonably incurred with the Company's written consent in relation to any matter which may be the subject of indemnity under clause 1 of the Cover

### 4. Health and Safety at Work Act Prosecution Defence Costs

The Company will indemnify the Named Insured and at the request of the Named Insured any director partner Employee or volunteer worker of the Named Insured subject to the Limit of Indemnity as stated in the Schedule in respect of legal costs and other expenses reasonably incurred with the Company's written consent in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or any similar UK health and safety legislation and regulations committed or alleged to have been committed during the Period of Insurance in the course of the Business

Provided that

- (a) in relation to any appeal counsel has advised there are strong prospects of such appeal succeeding
- (b) the proceedings relate to the health safety or welfare of any Employee
- (c) the indemnity will not apply to
  - (i) proceedings consequent upon any deliberate act or omission
  - (ii) fines or penalties of any kind
  - (iii) the bringing of any appeal solely against the amount of any fine or penalty
  - (iv) any circumstances where indemnity is provided by any other insurance or where but for the existence of this clause 4 of the Cover indemnity would have been provided by such other insurance

## **5. Corporate Manslaughter And Corporate Homicide Act 2007 Defence Costs**

The Company will indemnify the Named Insured in respect of all costs of legal representation incurred with the Company's written consent for

1. the defence of any criminal proceedings or
2. in an appeal against conviction arising from such proceedings

brought against the Named Insured for an offence of corporate manslaughter or corporate homicide arising under the Corporate Manslaughter and Corporate Homicide Act 2007 (or any subsequent amending legislation thereof) committed or alleged to have been committed during the Period of Insurance in the course of the Business

Provided that

- (a) in relation to any appeal counsel has advised there are strong prospects of such appeal succeeding
- (b) the proceedings relate to the death of any Employee
- (c) the indemnity will not apply to
  - (i) proceedings consequent upon death resulting from any deliberate act or omission but this exclusion shall not apply where death is caused by the way in which the Business is managed or organised by the Named Insured and amounts to a gross breach of a relevant duty of care owed by the Named Insured to the deceased
  - (ii) fines or penalties of any kind
  - (iii) any circumstances where indemnity for defence costs is available from any other source or is provided by any other insurance or where but for the existence of this extension indemnity would have been provided by such other source or insurance
- (d) the financial limit of the Company's liability under this extension to the Employers' Liability Section and any equivalent extension to the Public and Products Liability Section shall not exceed in the aggregate £1,000,000 in respect of all acts or omissions committed or alleged to have been committed during the Period of Insurance and shall be in addition to the amount of the Limit of Indemnity stated in the Section Schedule
- (e) for the avoidance of doubt where there is a Deductible stated in the Section Schedule (or any claim reimbursement amount instead of a Deductible otherwise agreed) it shall apply in respect of this extension and the amount of the Deductible or such claim reimbursement amount shall form part of the specified amount detailed in (d) above as the Company's limit of liability and such limit shall not apply in excess of the amount stated as the Deductible or claim reimbursement amount

## **6. Compensation for Court Attendance**

Where at the request of the Company or their representatives any of the undermentioned persons attend a court or tribunal or other forum as a witness in connection with a claim in respect of which the Insured is entitled to indemnity under this Section the Company will at their discretion provide compensation to the Insured at the following rates per day for each day or part thereof on which attendance is required

- |  |         |
|--|---------|
| (a) any principal partner or director of the Named Insured | £500.00 |
| (b) any other Employee                                     | £200.00 |

## **7. Indemnity to Principal**

If the Named Insured so requests the Company will indemnify any principal for whom the Insured is carrying out work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured but only to the extent required by the terms and conditions of such contract or agreement

Provided that

- (i) said principal shall observe fulfil and be subject to the terms and conditions of this Section in so far as they can apply
- (ii) the Company's aggregate liability to all parties comprising the Insured and the said principal shall not exceed the Limit of Indemnity

## **8. Private Duties**

The definition of 'Business' extends to include the execution of private duties undertaken with the consent of the Insured by any Employee for any director partner or senior official of the Named Insured

## **9. Unsatisfied Court Judgements**

Where a judgement for damages has been obtained by any Employee or the legal personal representatives of any Employee in respect of Bodily Injury sustained by the Employee and caused during the Period of Insurance arising out of and in the course of employment by the Insured in connection with the Business against any company or person operating from or resident in premises within Great Britain Northern Ireland the Isle of Man or the Channel Islands in any court situate in the said territories and such judgement remains unsatisfied in whole or in part 6 months after the date of judgement then at the request of the Insured the Company will pay to the Employee or the said legal personal representatives subject to the Limit of Indemnity stated in the Schedule the amount of any such damages and awarded costs that remain unsatisfied



Provided that

- (a) there is no appeal outstanding
- (b) if any payment is made by the Company the Employee or the said legal personal representatives shall assign the judgement to the Company
- (c) all reasonable steps necessary to protect the ability to recover from the party against whom the judgement was obtained have been taken

### **Limit of Indemnity**

The Limit of Indemnity is stated in the Section Schedule and applies to the Compensation payable in respect of any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause and is inclusive of all claimants' and defence costs and expenses payable under Cover clauses 2 3 and 4

### **Condition**

#### **Claims (Right of Recovery)**

The indemnity provided by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to employees in Great Britain Northern Ireland the Isle of Man and the Channel Islands but the Insured shall repay to the Company all sums paid by the Company which they would not have been liable to pay but for the provision of such law

### **Exclusions**

The Company shall not be liable to indemnify the Insured in respect of

1. any amount payable under workmen's compensation social security or health insurance legislation save for any compensation recovery unit payments that may be required by the Social Security Acts 1989 and 1990
2. any claim arising directly or indirectly out of Offshore Work
3. any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or any other compulsory Road Traffic Act legislation

# Public and Products Liability Section

## Definitions

In this Section the following terms shall have the following meanings

### 1. Damage

The word 'Damage' shall mean

- (a) physical loss of or damage to tangible property including attendant loss of use of such property
- (b) nuisance trespass or interference with any easement right of air light water or way

### 2. Financial Loss

The words 'Financial Loss' shall mean financial loss unaccompanied by either

- (a) Injury or
- (b) Damage

### 3. Products

The word 'Products' shall mean anything tangible (including containers packaging or labels) manufactured sold supplied hired out repaired serviced altered upgraded installed erected processed tested treated stored or transported by or on behalf of the Insured in connection with the Business after they have ceased to be in the custody or control of the Insured

## Cover

### 1. Legal Liability

The Company will indemnify the Insured subject to the Limits of Indemnity in respect of all sums which the Insured shall become legally liable to pay as Compensation for and arising out of accidental Injury or Damage occurring during the Period of Insurance and arising in connection with the Business

### 2. Claimants' Costs and Expenses

The Company will in addition indemnify the Insured against legal liability for claimants' costs and expenses in connection with the indemnity provided under clause 1 of the Cover

### 3. Defence Costs and Expenses

The Company will in addition indemnify the Insured in respect of all

- (a) costs of legal representation reasonably incurred with the Company's written consent at any
  - (i) coroner's inquest or other inquiry in respect of any death
  - (ii) proceedings in any court (other than in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings) in respect of any act or omission causing or relating to any occurrence
- (b) other costs and expenses reasonably incurred with the Company's written consent in relation to any matter which may be the subject of indemnity under clause 1 of the Cover

### 4. Consumer Protection Act or Health and Safety at Work Act or Food Safety Act Prosecution Defence Costs

The Company will indemnify the Named Insured and at the request of the Named Insured any director partner Employee or volunteer worker of the Named Insured in respect of legal costs and other expenses reasonably incurred with the Company's written consent in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of

- (a) the Consumer Protection Act 1987 or any amending legislation or
- (b) the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or any similar United Kingdom health and safety legislation and regulations or
- (c) the Food Safety Act 1990 or any amending legislation

committed or alleged to have been committed during the Period of Insurance in the course of the Business

Provided that

- (a) in relation to any appeal counsel has advised there are strong prospects of such appeal succeeding
- (b) the proceedings do not relate to the health safety or welfare of any Employee
- (c) the indemnity will not apply to
  - (i) proceedings consequent upon any deliberate act or omission
  - (ii) fines or penalties of any kind
  - (iii) the bringing of any appeal solely against the amount of any fine or penalty
  - (iv) any circumstances where indemnity is provided by any other insurance or where but for the existence of this clause 4 of the Cover indemnity would have been provided by such other insurance

#### **5. Corporate Manslaughter And Corporate Homicide Act 2007 Defence Costs**

The Company will indemnify the Named Insured in respect of all costs of legal representation incurred with the Company's written consent for

- 1. the defence of any criminal proceedings or
- 2. in an appeal against conviction arising from such proceedings

brought against the Named Insured for an offence of corporate manslaughter or corporate homicide arising under the Corporate Manslaughter and Corporate Homicide Act 2007 (or any subsequent amending legislation thereof) committed or alleged to have been committed during the Period of Insurance in the course of the Business

Provided that

- (a) in relation to any appeal counsel has advised there are strong prospects of such appeal succeeding
- (b) the proceedings relate to the death of any person other than an Employee
- (c) the indemnity will not apply to
  - (i) proceedings consequent upon death resulting from any deliberate act or omission but this exclusion shall not apply where death is caused by the way in which the Business is managed or organised by the Named Insured and amounts to a gross breach of a relevant duty of care owed by the Named Insured to the deceased
  - (ii) fines or penalties of any kind
  - (iii) any circumstances where indemnity for defence costs is available from any other source or is provided by any other insurance or where but for the existence of this extension indemnity would have been provided by such other source or insurance
- (d) the financial limit of the Company's liability under this extension to the Public and Products Liability Section and any equivalent extension to the Employers' Liability Section shall not exceed in the aggregate £1,000,000 in respect of all acts or omissions committed or alleged to have been committed during the Period of Insurance and shall be in addition to the amount of the Limit of Indemnity stated in the Section Schedule
- (e) for the avoidance of doubt where there is a Deductible stated in the Section Schedule it shall apply in respect of this extension and the amount of the Deductible shall form part of the specified amount detailed in (d) above as the Company's limit of liability and such limit shall not apply in excess of the amount stated as the Deductible

#### **6. Data Protection**

The Company will indemnify the Named Insured and at the request of the Named Insured any partner, director or Employee of the Named Insured, subject to the limit of liability stated in paragraph (e) below, in respect of their liability to pay Compensation for damage or distress only under Article 82 of the GDPR, including claimants' costs and expenses in connection with that claim for Compensation, and with the written consent of the Company:

- 1. reasonable defence costs and expenses incurred, and
- 2. the reasonable defence costs incurred relating to a prosecution brought under the GDPR in relation to a claim made by any person;

Provided that:

- (a) a claim for Compensation is first made or a prosecution is first brought against the Named Insured during the Period of Insurance;
- (b) the Named Insured has taken all reasonable care to comply with the requirements of the GDPR;
- (c) the indemnity will not apply to:
  - (i) fines or penalties of any kind;
  - (ii) the cost of replacing, reinstating, rectifying, erasing, blocking, or destroying data;
  - (iii) the Named Insured or any partner, director, or Employee of the Named Insured in respect of liability caused by, or arising from, a deliberate or intentional act or omission of any such person, the effect of which knowingly resulted in liability under the GDPR;

- (iv) claims which arise out of circumstances notified to previous insurers or are known to the Insured and likely to give rise to indemnity under this Cover clause at the start of the Period of Insurance;
- (v) liability for which indemnity is provided under any other insurance;
- (vi) liability which arises as a result of the provision by the Named Insured, in connection with the Business, of services for the processing of data on behalf of a Third Party;
- (vii) liability which arises as a result of the recording or provision of data for reward or for determining the financial status of any person; or
- (viii) liability for Bodily Injury sustained by an Employee.

For the purposes of this clause, the words "Bodily Injury" shall mean:

- (i) death, injury, disease, or illness of any person; or
  - (ii) mental injury, mental anguish, distress, or shock.
- (d) in respect of each and every claim or claims arising from an Event under this Cover clause the Named Insured shall be liable for 10% of the cost of such claim or claims or £500 whichever is the greater; and
  - (e) the Company's limit of liability under this Cover clause shall not exceed £500,000 and shall be included within and not in addition to the Limit of Indemnity.

## **7. Motor Contingent Liability**

Notwithstanding Section Exclusion 5 the Company will indemnify the Named Insured and no other for the purposes of this clause against legal liability arising from or caused by any motor vehicle not the property of nor provided by the Named Insured and being used in connection with the Business

Provided that the Company will not provide indemnity in respect of liability

- (a) for loss of or damage to such vehicle or property carried
- (b) more specifically insured under any other insurance or which would be so insured but for the existence of this clause
- (c) arising or caused whilst such vehicle is being
  - (i) driven by the Named Insured
  - (ii) driven with the general consent of the Named Insured or his representative by any person who to the knowledge of the Named Insured or such representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
  - (iii) used elsewhere than in Great Britain Northern Ireland the Isle of Man or the Channel Islands

## **8. Compensation for Court Attendance**

Where at the request of the Company or their representatives any of the undermentioned persons attend a court or tribunal or other forum as a witness in connection with a claim in respect of which the Insured is entitled to indemnity under this Section the Company will at their discretion provide compensation to the Insured at the following rates per day for each day or part thereof on which attendance is required

- |  |         |
|--|---------|
| (i) any principal partner or director of the Named Insured | £500.00 |
| (ii) any other Employee                                    | £200.00 |

## **9. Indemnity to Principal**

If the Named Insured so requests the Company will indemnify any principal for whom the Insured is carrying out work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured but only to the extent required by the terms and conditions of such contract or agreement

Provided that

- (i) said principal shall observe fulfil and be subject to the terms and conditions of this Section in so far as they can apply
- (ii) the Company's aggregate liability to all parties comprising the Insured and the said principal shall not exceed the Limit of Indemnity

## **10. Private Duties**

The definition of 'Business' extends to include the execution of private duties undertaken with the consent of the Named Insured by any Employee for any director partner or senior official of the Named Insured

## **11. Overseas Personal Liability**

The Company will indemnify the Named Insured and if the Named Insured so requests any director or partner of the Named Insured or Employee (including their families whilst accompanying them) against legal liability incurred in a personal capacity whilst engaged in visits in connection with the Business outside the Territorial Limits

Provided that

- (a) each party covered hereunder shall observe fulfil and be subject to the terms and conditions of the Policy insofar as they can apply
- (b) the Company's aggregate liability to all persons firms bodies corporate or entities comprising the Named Insured and any other party or parties shall not exceed the Limit of Indemnity
- (c) the Company will not provide indemnity
  - (i) in respect of legal liability caused by or arising out of the ownership or occupation of land or buildings
  - (ii) where indemnity is provided by any other insurance or where but for the existence of this Policy indemnity would have been provided by such other insurance

## **12. Property in the Insured's Custody or Control**

Section Exclusion 1(d) will not apply to

- (a) the personal effects (including vehicles and their contents) of any visitor or director partner or Employee of the Named Insured
- (b) premises (including their fixtures fittings and contents) not owned by or leased rented or hired to the Named Insured which are temporarily occupied by the Insured for the purposes of carrying out work therein or thereon
- (c) premises (including their fixtures and fittings) leased rented or hired to the Named Insured provided that the Company will not provide indemnity in respect of
  - (i) liability assumed by the Named Insured under a tenancy or other agreement unless liability would have attached in the absence of such agreement
  - (ii) the first £500 of each and every occurrence of loss or damage caused to any such premises fixtures or fittings other than by fire or explosion

## **13. Defective Premises Act**

The Company will indemnify the Insured against legal liability incurred by virtue of the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with any premises previously owned for purposes pertaining to the Business which were disposed of by the Insured prior to the occurrence of the Injury or Damage giving rise to liability

Provided that

- (a) the Injury or Damage giving rise to such legal liability occurs during the Period of Insurance
- (b) the Company will not provide indemnity
  - (i) where indemnity is provided by any other insurance or where but for the existence of this Policy indemnity would have been provided by such other insurance
  - (ii) in respect of the costs incurred in removing rebuilding repairing rectifying or replacing any such premises or part of such premises

## **Limit of Indemnity**

The Limit of Indemnity is stated in the Schedule and applies to Compensation payable in respect of any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause In respect of liability arising from Products the Limit of Indemnity shall be the total amount payable during any one Period of Insurance in respect of all claims

Provided that

- (a) where the Limit of Indemnity is less than the total amount of the Insured's liability (the total liability excluding any costs and expenses) then the costs and expenses payable under Cover Clauses 2 and 3 shall be limited to the proportion that the Limit of Indemnity bears to the total amount of such liability
- (b) the Deductible in respect of damages and claimants' costs and expenses will be payable before the Company shall be liable to make a payment

## **Exclusions**

The Company shall not be liable to indemnify the Insured in respect of

1. the cost of making good Damage to property
  - (a) belonging to the Insured or
  - (b) being that part of any property worked upon by the Insured and arising out of such work or
  - (c) being any Product (other than any Product supplied under a separate contract) or
  - (d) in the Insured's care custody or control other than as provided for under clause 12 of the Cover

2. liability assumed by the Insured under contract or agreement to any person firm or company who is a third party within the meaning of the Contracts ( Rights of Third Parties ) Act 1999 unless the Company has signified its approval to the form of such contract or agreement or such liability would have attached notwithstanding such contract or agreement
3. liability attaching by virtue of an agreement but which would not have attached in the absence of such agreement unless the Company shall have signified its general approval to the form of such contract or agreement by endorsement hereon
4. liability arising from the ownership possession or use by or on behalf of the Insured of any vessel or craft (other than non-powered water craft) made or intended to float on or in or travel through water or air or space but this Exclusion shall not apply to any waterborne vessel or craft not exceeding 30 feet in length other than power boats used for racing
5. liability arising from or caused by the ownership possession or use by or on behalf of the Insured of any mechanically propelled vehicle or plant except
  - (a) any vehicle or plant
    - i. not requiring a licence for road use or a certificate of motor insurance or other security or
    - ii. being used as a tool of trade at any premises of the Insured or on the site of any contract where the Insured is working
  - (b) the loading or unloading or the bringing to or taking away of a load from any mechanically propelled vehicle or plant  
 Provided that the Company will not grant indemnity
    - (i) in respect of liability which is compulsorily insurable under any road traffic legislation
    - (ii) if indemnity is provided by any other insurance
6. liability arising out of or for the cost of removing nullifying or clearing up any actual or alleged Pollution or Contamination
  - (a) within the United States of America its territories and possessions Puerto Rico and Canada or
  - (b) elsewhere in the world unless 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  
 Provided that
    - (i) notwithstanding General Condition 17 or any amendment thereto the Company shall not grant indemnity in respect of any claim brought in the courts of the United States of America its territories and possessions Puerto Rico and Canada or in respect of the enforcement of a judgement obtained in any such courts
    - (ii) all Pollution or Contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place
    - (iii) the liability of the Company for all Compensation payable in respect of all Pollution or Contamination which has occurred or is deemed to have occurred during the Period of Insurance shall not exceed the Limit of Indemnity in the aggregate  
 For the purpose of this Exclusion 'Pollution or Contamination' shall mean
      - A. all pollution or contamination of buildings or other structures or water or land or the atmosphere and
      - B. all Damage or Injury directly or indirectly caused by such pollution or contamination
7. liability for costs and expenses for
  - (a) the repair inspection alteration correction or replacement of defective materials service or workmanship or
  - (b) the withdrawal recall inspection alteration correction or making of any refund in respect of Products
8. (a) liability arising out of Products comprising or incorporated in or on any aircraft spacecraft or military or naval missile
  - (b) liability arising out of Products comprising or incorporated in ground support or control equipment used for the purpose of guidance navigation or direction of any aircraft spacecraft or military or naval missile
9. liability in respect of loss of information or the provision of wrong information in or from computer programmes tapes or data recording equipment unless as a direct consequence of physical loss of or damage to tangible property
10. liability in respect of Bodily Injury sustained by an Employee and arising out of and in the course of his employment by the Insured
11. liability for Financial Loss

12. legal liability of any nature directly or indirectly caused by or contributed to by or arising from the failure of any computer or other equipment or system for processing storing or retrieving data whether the property of the Insured or not and whether occurring before during or after the year 2000
- (a) correctly to recognise any date as its true calendar date
  - (b) to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
  - (c) to capture save retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture to save retain or correctly to process such data on or after such date
13. liability for Bodily Injury arising from an act or omission in the provision of or failure to provide Health Care
- For the purpose of this exclusion the words
- (a) 'Health Care' shall mean health care (but not First Aid) rendered by members of the health care and allied services or by others consequent on decisions or judgements made by such members
- Such members shall include but not be limited to
- (i) medical and dental practitioners
  - (ii) nurses
  - (iii) midwives
  - (iv) care assistants and nursing auxiliaries
  - (v) ambulance personnel
  - (vi) laboratory technicians
  - (vii) professions allied to medicine
  - (viii) social workers
- (b) 'First Aid' shall mean emergency care (other than pre planned emergency treatment for specific individuals) given immediately to an injured or sick person by an Employee or volunteer worker of the Named Insured in the course of carrying out their duties when undertaking the Named Insured's Business
14. liability arising out of advice design plan formula specification or omission to perform a professional duty provided for a fee or in circumstances where a fee would normally be charged
15. liability arising out of any work away from premises owned or leased or rented by the Named Insured involving the use of grinding wheels cutting discs angle grinders electric oxy-acetylene or other welding or cutting equipment blow torches blow lamps or flame guns or hot air guns heated tar bitumen or asphalt or any other process involving the application of heat other than this exclusion shall not apply to the use of electric soldering irons

# Loss of Licence Section

## Definitions

### 1. Licence

The word 'Licence' shall mean the licence granted for the retail sale of excisable liquors at the Premises

### 2. Loss of Licence

The words 'Loss of Licence' shall mean the Licence being

- (a) forfeited or revoked under the provisions of the appropriate legislation governing the issue of such licences
- (b) refused renewal by the appropriate licensing authority after proper application due to reasons beyond the control of the Named Insured

### 3. Premises

The word 'Premises' shall mean the premises at the address(es) stated in the Schedule owned and or occupied by the Named Insured for the purpose of the Business

## Cover

In the event of the Loss of Licence during the Period of Insurance the Company will indemnify the Named Insured up to the Sum Insured specified in the Schedule against loss sustained in respect of

- (a) the depreciation in the value of the Named Insured's interest in the Premises resulting therefrom
- (b) the costs and expenses incurred by the Named Insured with the written consent of the Company for any appeal against such Loss of Licence

## Conditions

### 1. Notification Following Loss of Licence

In the event of Loss of Licence the Named Insured shall notify the Company within 24 hours and shall provide such information and assistance as the Company may reasonably require

### 2. Duty of the Named Insured

The Named Insured shall immediately advise the Company on becoming aware of any

- (a) change in tenancy or management of the Premises or transfer or proposed transfer of the Licence
- (b) complaint against the Premises or control thereof or proceedings against or conviction of the licence-holder manager tenant or other occupier of the Premises for any breach of the licensing laws or any other matter whereby the character or reputation of the person concerned is affected with respect to honesty moral standing or sobriety
- (c) objection to renewal or other circumstances which might endanger the Licence or renewal thereof

## Exclusions

The Company shall not indemnify the Named Insured under this Section

### 1. Restrictions in Cover

- (a) where the Named Insured is entitled to compensation by virtue of any legislation relating to the Loss of Licence
- (b) where the Loss of Licence arises
  - (i) directly or indirectly by the misconduct connivance neglect delay error or omission of the Named Insured or from any other cause within or under the control of the Named Insured
  - (ii) by alteration of the Premises without consent of the appropriate authority
  - (iii) by the Premises being closed for any period which is not required by law or not being maintained in a sanitary condition or satisfactory state of repair
- (c) where the Loss of Licence is due to any scheme of town or country planning improvement redevelopment or compulsory purchase or the surrender reduction or redistribution of licences in connection therewith
- (d) where the Loss of Licence arises through an alteration in the law
- (e) in respect of any depreciation in value which is not as a sole and direct result of the Loss of Licence

### 2. Consequential Loss

in respect of consequential loss of any kind



# Legal Expenses Section

This is **your** Commercial Legal Expenses Section, which is underwritten by Markel Legal Expenses Insurance.

## How to contact us

### To make a claim

If **you** need to make a **claim** or let **us** know about a situation that could lead to a **claim**, **you** should contact **us** as soon as possible providing **your policy** number and brief details of the circumstances by either:

a) telephoning **us** on 0345 481 8863

or

b) writing to **us** at

The Claims Department  
Markel Legal Expenses Insurance  
81-85 Station Road  
Croydon  
CR0 2AJ  
LElclaimsuk@markel.com

If **you** write to or email **us** a claim form will be sent to **you** for completion which must be returned without delay.

### To make a complaint

If **you** are not satisfied with any part of **our** service then **you** should contact **us** using the details in **Important information – How to make a complaint** and **we** will do **our** best to resolve the problem.

### To talk to us about your policy

If **you** need any help to fully understand what is covered under this Business Legal Expenses section please contact **your** insurance broker or let **us** know by either:

a) telephoning on 0345 350 1099

or

b) e-mailing **us** at LElunderwritersuk@markel.com

### For advice or stress counselling

The cover provides access to a 24/7 year round telephone advice line. This service provides advice on general legal matters on the law which applies in the UK.

**You** can also get advice on tax and health and safety matters in the UK by calling the same number 9-5 Monday to Friday (excluding public holidays).

In addition, the cover provides **your employees** with access to a 24/7 year-round stress counselling line.

The telephone number to call is 0345 481 8863 and **you** will need **your policy** number to access the advice.

### For legal resources, news and documents

To complement the legal advice line **you** have access to the Markel Law Hub, an online resource of expert legal and business guides, templates and content, provided by Markel Law LLP. This covers everyday legal issues around employment, health and safety, trading and contracts, cyber and data, debt and insolvency and business law resources.

To access, visit markellaw.co.uk and click the Markel Law Hub tab to log in using **your policy** number (token code) which can be found in **your policy** schedule.

## Special or unusual conditions and terms of this Section

The section comes with some important conditions and terms that **you** need to be aware of:

### Prospects of success

**We** will make **our** decision on whether to cover **your claim** based on a legal opinion from **your representative** (and any professional advice **we** regard necessary) on whether **your claim** has at least a 51% chance of:

- a) Successfully pursuing **your** case and securing a legal and/or financial remedy
- b) Not being found liable in a civil (not criminal) case against **you**
- c) Being found not guilty in the defence of a criminal prosecution
- d) Securing a significant reduction of **your** punishment or fine if pleading guilty in a criminal prosecution
- e) Successfully appealing the decision of the relevant authority

If there is 50% or less chance of the above **we** will not provide cover.

## Employment disputes

To maximise **your** chances of having **reasonable prospects of success** in employment disputes **we** strongly recommend that **you** call the legal advice line number shown at the following times and follow their advice:

- a) Before disciplining, suspending, dismissing, starting a retirement or redundancy process or making or proposing to make unfavourable changes to the terms of an **employee's** contract of employment
- b) When notified of a grievance, a complaint of discrimination (such as sex, race, religion etc) or an appeal from an **employee** against action **you** have taken against them
- c) When an **employee** resigns or walks out after expressing verbal or written dissatisfaction

Or at the very least comply with the ACAS code of conduct which the legal advice line can also advise **you** on.

## Defined terms

Some of the words in this section have a specific meaning and **we** have highlighted these to **you** by showing them in bold print. Please see the **Defined Terms** section at the end of this section to see what these words mean.

## Our joint agreement

This is the agreement between **you** and **us**

## Things we will do

**We** will provide the cover as written in this section for:

- a) Disputes under the **Sections of cover** shown as insured in **your policy** schedule
- b) Costs and compensation subject to the excesses and the limits shown in **your policy** schedule
- c) **Claims** or notifiable circumstances notified to **us** during **your period of insurance** which are in connection with **your** business description as stated in **your policy** schedule
- d) Disputes, legal proceedings or HMRC investigations that are or would be within the **territorial limits** as stated in **your policy** schedule

## Things you must do

**You** must comply with the following conditions which are summarised below and some of which are more fully explained in the remainder of this agreement. If **you** fail to do so, **we** may not pay **your claim**, or any payment could be reduced.

**You** must:

- a) Pay the premium for **your policy**
- b) Provide **us** with a truthful account of **your** circumstances and any extra information **we** ask for, to underwrite **your policy** and assess **your claim**
- c) Tell **us** as soon as possible if there is a change in **your** circumstances such as:
  - i) Any change of ownership of **your** business
  - ii) If **your** business is involved in a merger or the acquisition of another business
  - iii) Any change in **your** business description
  - iv) Take all reasonable steps to avoid and prevent tax investigations, legal proceedings and disputes
  - v) Minimise the cost and effect of any **claim** by taking all reasonable steps to avoid unnecessary expense
  - vi) Follow the claims conditions of this policy

If **you** do not meet **your** part of the agreement **we** may:

- a) Not cover all or part of **your claim** and **we** may recover any payments already made
- b) Increase **your** premium or change the terms of **your policy**
- c) Cancel **your policy** and treat it as though it did not exist to begin with

## Cover provided

### Employment disputes

#### What is covered?

**We** will cover **costs you** incur in the defence of an employment dispute between **you** and **your employee**, ex-**employee**, interviewee/applicant to become an **employee** over their contract of employment or over employment law or with a worker that alleges to be an **employee** at the following stages:

1. ACAS Early Conciliation

Taking part in an ACAS Early Conciliation process

2. Employment Tribunal response (ET3)

Setting out **your** initial response to a claim (ET1) against **you** at an Employment Tribunal

3. Pre-hearing review / Employment status disputes

Preparation for and representation at a pre-hearing review to decide the employment status of a worker alleging to be an **employee**

4 Employment Tribunal hearing

Preparing for and representing **you** in a dispute with **your employee**, ex-**employee** or interviewee/applicant to become an **employee** at an employment tribunal hearing or negotiating a settlement with them

5. County or High Court proceedings

Preparing for and representing **you** in a dispute with **your employee**, ex-**employee** or interviewee/applicant to become an **employee** at the County Court or the High Court or negotiating a settlement with them

#### What is not covered?

1. Employment Tribunal hearing and County or High Court proceedings

**You** have not followed either:

a) the advice of the Markel advice line at the following times:

- i) Before suspending, disciplining, dismissing, starting a retirement or redundancy process or making or proposing to make changes to the terms of an **employee's** contract of employment which may be unfavourable to the **employee**
- ii) When notified of a grievance, a complaint of discrimination (such as sex, race, religion etc) or an appeal from an **employee** against action **you** have taken against them
- iii) When an **employee** resigns or walks out after expressing verbal or written dissatisfaction

or

b) ACAS code of practice on disciplinary and grievance procedures where applicable

#### What you need to know

A dispute with a worker alleging to be an employee is only covered under ACAS Early Conciliation, Employment Tribunals response (ET3) and Pre-hearing review/Employment status disputes. It will not be covered under Employment Tribunal hearing and County or High Court proceedings.

### Employment compensation awards

#### What is covered?

**We** will pay compensation provided that at the time of a claim under this section **you** have an accepted claim under Employment Tribunal hearing

1. Awards of compensation

Compensation you are ordered to pay by a Tribunal

2. Settlement of a dispute

An amount agreed by **us** in settlement of a dispute

3. Tribunal fees

Any Tribunal fees **you** are ordered to pay by the Tribunal or Tribunal fees as agreed in a settlement that **you** have entered into with **our** consent

### **What is not covered?**

**We** will not cover **claims** where:

1. All of Employment compensation awards

The Tribunal ordered **you** to reinstate an **employee** and **you** failed to do so

### **Property and landlord and tenant disputes**

1. Property disputes

#### **What is covered?**

**We** will pay **costs** to obtain damages or other legal remedy for:

- a) Trespass on **your property**
- b) Nuisance from another affecting **your property**
- c) The defence of another's claimed right of way over **your property**
- d) **Your** use of a right **you** have over another's **property** as recorded in the title documents of **your property**
- e) Pursuing another for physical damage to **your property** not recoverable under another insurance **policy**

#### **What is not covered?**

**We** will not cover **claims** where:

- a) There is a dispute over a contract (other than title documents)
  - b) The other party's argument is that they own some or all of **your property**
  - c) There is a dispute over rights to or over another's **property** which is alleged to have arisen through **your** use or occupation over a length of time
2. Disputes with your landlord

#### **What is covered?**

**We** will pay **costs** to obtain damages or other legal remedy for:

- a) **Your** landlord's failure to maintain or repair **your property** as required by the written terms of **your** lease or tenancy
- b) An allegation by **your** landlord that **you** failed to maintain or repair the **property** as required by the written terms of **your** lease or tenancy
- c) The defence of a demand for dilapidations at the expiry of **your** lease or tenancy
- d) The defence of an attempt by **your** landlord to end **your** lease or tenancy early and remove **you** from **your property**

#### **What is not covered?**

**We** will not cover **claims** where there is a dispute arising out of **your** failure or alleged failure to pay any money to **your** landlord, unless payment was withheld due to **your** landlord's failure to maintain or repair **your property**

3. Disputes with your tenant

#### **What is covered?**

**We** will pay **costs** to obtain damages or other legal remedy for:

- a) **Your** tenant's failure to maintain or repair **your property** as required by the written terms of **your** lease or tenancy
- b) An allegation by **your** tenant that **you** failed to maintain or repair **property** as required by the written terms of **your** lease or tenancy
- c) Pursuing **your** tenant for disputed dilapidations at the expiry of **your** lease or tenancy

#### **What is not covered?**

**We** will not cover **claims** where there are dilapidations unless **you** have served a notice of dilapidations on **your** tenant and **you** have an independent expert valuation of the dilapidations which must be obtained at **your** own expense

4. Eviction

#### **What is covered?**

**We** will pay **costs** to obtain damages or other legal remedy for:

- a) The eviction of your tenant or your employee or ex-employee from **your property**

### **What is not covered?**

**We** will not cover **claims** where **you** have not issued enforceable statutory or contractual notices which require tenant or licensee to leave the **property**

1. All of property and landlord and tenant disputes

### **What is not covered?**

**We** will not cover **claims** where:

- a) There is a dispute over a contract unless it is a tenancy, licence or leasehold agreement
- b) **You** will not suffer a financial loss or the value of **your property** would not be reduced
- c) **You** have not made a **claim** under **your** buildings or contents **policy** and if relevant, under a business interruption or equivalent **policy** following damage or nuisance affecting **your property**
- d) There is a dispute in connection with planning or building regulations or decisions or compulsory purchase orders or any actual, planned or proposed works by or under the order of any government or public or local authority
- e) There is a dispute in connection with the negotiation, review or renewal of a tenancy or leasehold agreement or purchase of property
- f) **You** have failed to fully maintain suitable buildings and if needed contents insurance
- g) There is an allegation **you** are responsible for damage or loss caused by seepage, pollution or contamination of any kind

### **Criminal defence**

1. Interview under caution

#### **What is covered?**

**We** will pay costs for your:

- a) Representation (including written submissions) at an interview under caution by the Police or a prosecuting authority

#### **What is not covered?**

**We** will not cover Claims:

- a) Where **you** are required by the Police to immediately attend an interview under caution at a Police Station
2. Prosecution defence

#### **What is covered?**

**We** will pay costs for **your**:

- a) Defence of a criminal prosecution once **You** receive a summons accusing **You** of a criminal offence

#### **What is not covered?**

**We** will not cover claims:

- a) Where **you** are alleged to have committed:
    - i) a motoring offence
    - ii) an assault or sexual offence
    - iii) fraud, dishonesty or criminal damage
  - b) Where there are criminal proceedings arising from or related to tax or if an application is made under the Proceeds of Crime Act
  - c) For **your employee**, director or a partner of **your** business if **you** are charged under the Corporate Manslaughter or Corporate Homicide Act 2007
  - d) Where there is an allegation **you** are responsible for damage or loss caused by seepage, pollution or contamination of any kind
3. Motor offences

#### **What is covered?**

**We** will pay costs for **your**:

- a) Defence of a criminal prosecution where the conviction would result in the loss of a driving licence required by **your** director or business partner of **your** business to carry out essential business activities
- b) Defence of a criminal prosecution for tachograph or weight offences

### **What is not covered?**

**We** will not cover claims:

- a) Where there is an allegation of driving under the influence of drugs/alcohol or the use of handheld electronic equipment

### **What you need to know**

**We** won't pay any **costs** or fines that **you** are ordered to pay by a criminal Court

### **Tax protection**

- 1. Aspect enquiry

#### **What is covered?**

**We** will pay **costs** in representing **you** before HM Revenue & Customs (HMRC) in the following circumstances:

- a) When HMRC issues a formal notice to **you**, **your** director or to **your** business partner to carry out an aspect enquiry into a part(s) of **your** income or corporation tax Self-Assessment return
- 2. Full enquiry

#### **What is covered?**

**We** will pay **costs** in representing **you** before HM Revenue & Customs (HMRC) in the following circumstances:

- a) When HMRC issues a formal notice to **you**, **your** director or to **your** business partner to examine all of **your** financial records income or corporation tax
- 3. National Insurance and PAYE disputes

#### **What is covered?**

**We** will pay **costs** in representing **you** before HM Revenue & Customs (HMRC) in the following circumstances:

- a) When HMRC expresses dissatisfaction with **your** p11ds or p9ds or **your** PAYE and/or NIC affairs following an employer compliance visit by HMRC
- 4. Current tax year enquiry

#### **What is covered?**

**We** will pay **costs** in representing **you** before HM Revenue & Customs (HMRC) in the following circumstances:

- a) Following a written request by HMRC under Schedule 36 Finance Act 2008 to inspect **your** business records, assets or premises
- 5. VAT disputes

#### **What is covered?**

**We** will pay **costs** in representing **you** before HM Revenue & Customs (HMRC) in the following circumstances

- a) Over alleged failure to pay VAT

### **What is not covered?**

- 1. All of Tax protection

**We** will not cover **claims** where:

- a) There is not a reasonable prospect of reducing the liabilities alleged by HMRC
- b) Tax returns are late or where **you** have not notified chargeability to tax within the time limits or for tax returns where wholly provisional figures are used
- c) There is an allegation of fraud or an investigation by HMRC's Fraud Investigation Service, Counter Avoidance Office or the defence of a criminal prosecution
- d) There is a dispute or enquiry relating to the National Minimum Wage or Living Wage
- e) There is an allegation of tax avoidance

## Regulatory compliance

### 1. Enforcement notices

#### What is covered?

**We** will pay costs (or compensation for: Data protection compensation of this section) for **your**:

- a) Appeal against an improvement or prohibition notice issued by the Health and Safety Executive or the Food Standards Agency

### 2. Abatement notice appeals

#### What is covered?

**We** will pay costs (or compensation for: Data protection compensation of this section) for **your**:

- a) Appeal against an abatement notice issued by a local authority for a statutory nuisance

#### What is not covered?

**We** will not cover **claims**:

- a) Where there is more than one claim in the Period of insurance
- b) Connected to or arising from planning applications, decisions or disputes

### 3. Licence appeals

#### What is covered?

**We** will pay costs (or compensation for: Data protection compensation of this section) for **your**:

- a) Appeal against a decision taken by the relevant authority to suspend, revoke, alter or not renew an existing statutory licence **you** need to carry out **your** business activity as stated in **your policy** schedule

#### What is not covered?

**We** will not cover **claims**:

- a) For appeals arising from or connected to a change in the law or regulation
- b) For the **costs** of complying with a notice or order
- c) Involving driving or **property** licences
- d) Where **you** have failed to comply with recommendations or warnings from **your** regulator

### 4. Disciplinary hearings

#### What is covered?

**We** will pay costs (or compensation for: Data protection compensation of this section) for **your**:

- a) Representation of **your** director or a business partner at a disciplinary hearing held by a professional or regulatory body where a loss of registration or accreditation would stop **you** carrying out **your** business activity as stated in **your policy** schedule

#### What is not covered?

**We** will not cover **claims**:

- a) For healthcare, medical or alternative therapy registrations or accreditations

### 5. Data protection defence

#### What is covered?

**We** will pay costs (or compensation for: Data protection compensation of this section) for **your**:

- a) Defence under the Data Protection Act 2018 (Articles 168 and 169) and the General Data Protection Regulation (Section 82)

### 6. Data protection compensation

#### What is covered?

**We** will pay costs (or compensation for: Data protection compensation of this section) for **your**:

- a) Liability for **compensation** as a result of holding, losing or unauthorised disclosure of data provided that at the time of a claim under this Section of cover you have an accepted claim under Data protection defence of this policy

### **What is not covered?**

**We** will not cover **claims**:

- a) Where the party **you** are in dispute with has not suffered a specific financial loss

### **Court attendance costs**

- 1. Jury service

#### **What is covered?**

**We** agree to pay:

- a) The amount of money per day **you** pay **your employee** (including a director or partner in **your** business) each day they attend jury service at a Court, less any recovery from the Court

- 2. Witness attendance allowance

#### **What is covered?**

**We** agree to pay:

- a) The cost of **your employees** attending Court as witnesses on **your** behalf at the request of **your representative** provided that at the time of a **claim** under this **Section of cover you** have an accepted **claim** for this Court appearance under this policy

### **What is not covered?**

**We** will not cover **claims** for:

- a) Expert witnesses
- b) Salaries or wages
- c) **Costs** which could be claimed from a prosecuting authority

### **Employee extra protection**

- 1. Pension trustee defence

#### **What is covered?**

**We** agree to pay costs:

- a) To defend directors and/or partners in **your** business in civil proceedings caused by their alleged conduct as a trustee of a pension fund set up for the benefit of **your employees**

- 2. Wrongful arrest

#### **What is covered?**

**We** agree to pay costs:

- a) To defend civil legal proceedings against **your employee** including directors and/or partners in **your** business in respect of allegations of detaining somebody against their will

### **What is not covered?**

**We** will not cover claims:

- a) Where the allegations were made by a worker or ex-worker of **yours**

- 3. Personal Injury

#### **What is covered?**

**We** agree to pay costs:

- a) For **your employee** including directors and/or partners in **your** business to pursue a claim for damages for physical bodily injury suffered carrying out **your** business activity (as stated in **your policy** schedule) which was caused by an actual or alleged act or omission of another party

### **What is not covered?**

**We** will not cover claims:

- a) Where the legal case is or may be against **you**
- b) Where the injuries were suffered on **your property**



#### 4. Discrimination defence

##### **What is covered?**

**We** agree to pay costs:

- a) To defend **your employee** including directors and/or partners in **your** business against an allegation of discrimination arising from **your employee's** conduct in carrying out **your** business activity as stated in **your policy** schedule

##### **What is not covered?**

**We** will not cover claims:

- a) For disputes with:
  - i) Employees
  - ii) Interviewees/applicants to become an **employee**
  - iii) Ex-employees

#### **Contract disputes**

##### 1. Contracts for goods and services

##### **What is covered?**

**We** agree to pay costs in a dispute with a contracting party over:

- a) A contract for the sale, hire or supply of goods and services

##### **What is not covered?**

**We** will not cover **claims** in disputes:

- a) Over construction contracts

##### 2. Contracts for construction and repairs

##### **What is covered?**

**We** agree to pay costs in a dispute with a contracting party over:

- a) A construction contract (including any variations to the construction contract) for work undertaken on your property that is in writing and which states the:
  - i) Parties to the contract
  - ii) Date work is to commence
  - iii) Work to be done and the timescales for the work to be done
  - iv) Amount of money to be paid for the work and when it is to be paid

##### **What is not covered?**

**We** will not cover **claims** in disputes:

- a) Over construction projects estimated to cost more the maximum construction project value
- b) Where work commenced before the construction contract or a variation to construction contract was agreed
- c) Over **construction contracts** agreed or any work started before the inception of this **policy**, unless **you** had a **policy** that provided cover to the same effect as this **policy** and there was no break in cover, in which case, the inception date of the previous **policy** will apply
- d) Over construction contracts where **you** are carrying out the works
- e) If **your** business is in the construction industry

3. All of Contract disputes

**What is not covered?**

**We** will not cover **claims** in disputes:

- a) Below the minimum sum in dispute specified in the **policy** schedule
- b) Over undisputed debts unless the debt is at least 90 days overdue and **you** have requested full payment in writing at least 3 times in 3 consecutive calendar months since the first due date
- c) Over guarantees or warranties
- d) Over contracts **you** enter into through an agent or which **you** have taken over from someone else by assignment
- e) Over franchise contracts
- f) Over hire purchase, credit agreements insurance, financial securities and/or grants
- g) Over contracts of employment
- h) Over any tenancy agreement, lease or licence to use land or buildings or the sale of land and buildings

**What is not covered by this Section?**

**We** will not cover **you** for:

- a) The defence of civil legal proceedings concerning:
  - i) injury or disease including psychiatric injury and stress
  - ii) damage to or loss or destruction of **property**
  - iii) an alleged breach of professional duty
- b) **Costs** incurred without or in excess of **our** written consent
- c) Any **claim** relating to or arising from any cause, event or circumstance occurring before or existing at the start of this **policy** and which has or which **you** knew or should reasonably have known may give rise to a dispute, legal proceedings or HMRC investigation or a **claim**
- d) Any type of fine or other financial penalty imposed by a Court, Tribunal or regulatory or supervisory body or taxes, duties, interest or penalties imposed by HMRC
- e) Any dispute or legal proceedings in respect of which **you** are, or but for the existence of this **policy** would be entitled to indemnity under a legal aid certificate or representation order
- f) Disputes or legal proceedings between any parties specified as **you** in the **policy** schedule or with any parent, subsidiary or associated company or partner (other than disputes under Employment disputes and/or **Employment compensation awards**)
- g) Any dispute **you** have with **your representative**, any party involved in the arrangement of this **policy** or with **us**
- h) Any **costs** incurred in a dispute or legal proceedings concerning, arising out of or in connection with:
  - i) breach of confidentiality
  - ii) passing off
  - iii) defamation or malicious falsehood
  - iv) the ownership or existence of any intellectual property rights
  - v) a judicial review
- i) Any **costs** incurred in a dispute or legal proceedings concerning, arising out of or in connection with **your**:
  - i) intentional wrongdoing
  - ii) act or omission with negligent disregard as to its consequences
- j) Any **costs** which **you** should or would have had to incur irrespective of any dispute
- k) Any benefit under this insurance to the extent of providing cover, payment of any **claim** or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation
- l) The VAT element of **your claim** if **you** are registered for VAT
- m) Any **claim** caused by, happening through or in consequence of terrorism, 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
- n) Any **claim** caused by or contributed to, by or arising from nuclear reaction, nuclear radiation or radioactive contamination

## Claims conditions

There are conditions contained below which must be complied with or met for **us** to provide cover under this section.

### How and when to make a claim

Contact details for The Claims Department can be found '**How to contact us**' at the beginning of this Section.

**We** will only cover claims that you tell **us** about during your Period of insurance.

**You** must tell **us** as soon as possible when **you** become aware of any cause, event or circumstance which does or may involve **you** and which has given, or may give rise to a **claim**, dispute, legal proceedings or tax investigation.

Where **we** have accepted notification as described above, **we** will treat any later **claim** regarding that notified cause, event or circumstance as though the **claim** had been notified during the **Period of insurance**.

**We** will send **you** an insurance claim form that must be completed and returned as soon as possible.

### When we will agree to cover your claim

#### Our consent

**We** will only cover **claims** where **you** have obtained **our** consent in writing before incurring any **costs**. **We** will give **our** consent for **you** to incur **costs** provided that **you** can satisfy **us** throughout **your claim** that:

- a) It is reasonable and proportionate (in relation to **your claim**) to incur **costs**
- b) There are Reasonable prospects of success, other than Section of cover:
  - Employment disputes - ACAS Early Conciliation
  - Employment disputes - Employment Tribunals response (ET3)
  - Employment disputes - Pre-hearing review/Employment status disputes
  - Criminal defence - Interview under caution
  - Court attendance costs

If during the course of **your claim** if **you** no longer satisfy **us** of the above, cover under this **policy** for **costs** and **compensation** will be withdrawn and any **costs** or **compensation** incurred awarded on or after the date of withdrawal will not be covered whether **we** previously agreed to them or not.

**We** will make **our** decision on whether to cover **your claim** based on:

- a) A fully completed insurance claim form
- b) The information and documentation **we** reasonably request
- c) A legal opinion from your representative on whether your claim has Reasonable prospects of success and any professional advice **we** regard necessary

If **your claim** is accepted by **us**, it does not always mean that all **costs** and **compensation** will be paid, for example **we** will not cover **costs** and **compensation** for things that are not directly relevant to **your claim**. **We** may also limit any cover **we** provide by time, amount or to a specific stage of legal proceedings in order to allow **us** to review **our** continued acceptance of **your claim**.

If after accepting **your claim**, it is shown that **your claim** has not been brought within the terms and conditions of the **policy**, no further cover will be provided and **we** will recover from **you** any **costs** and **compensation** **we** have paid.

#### Counsel's opinion

At **our** discretion **we** may also require **you** to obtain a legal opinion from Counsel at **your** expense to satisfy **us** that there are **Reasonable prospects of success** and it is reasonable and proportionate (in relation to **your claim**) to incur **costs**.

If based on Counsel's opinion **we** are satisfied in respect of the above the reasonable **costs** of obtaining that opinion will be paid by **us** subject to the **excess** and the limits shown in **your policy** schedule.

#### Claims rejected to a lack of Reasonable Prospects of Success

If **we** rejected **your claim** solely due to a lack of **Reasonable prospects of success**, **we** will pay **costs** that are reasonable and proportionate to the legal and/or financial remedy achieved, subject to the terms and conditions of this **policy** if:

- a) **You** proceeded with the legal action which formed **your claim** to its conclusion with a Court, Tribunal or equivalent having issued a judgment (excluding any settlement, mediation, alternative dispute resolution or equivalent resolution process) and were successful
- b) **You** were defending, the judgment found **you** were not at fault
- c) **You** were pursuing, the judgment awarded **you** the remedy **you** were seeking at the time **we** rejected **your claim**
- d) **You** tell **us** about it as soon as possible

## Settlements

**You** must inform **us** as soon as an offer of settlement is received and **you** must obtain **our** consent before **you** make or respond to any offer of settlement.

In any settlement **you** must:

- a) Take into account the prospects of the case and likely future **costs** and **compensation**
- b) Try to recover as much **costs** as possible

If **you** unreasonably reject an offer of settlement which **we** recommend acceptance of or make an offer which **we** do not agree with, no further cover will be provided and **we** may seek to recover from **you costs** and/or **compensation we** have paid.

At **our** discretion, instead of covering **you** for **costs**, **we** can choose to pay:

- a) The damages **you** are likely to be awarded by a Court or Tribunal or
- b) The amount of money being claimed against **you** or the amount of money the other party will settle for, whichever is the lesser

If **we** choose to do this, then **your claim** will end and no further payments of **costs** or **compensation** will be made.

During a claim under Employment disputes, **Employment compensation awards**, Data protection defence and/or **Data protection compensation** of this **policy**, **we** can require **you** to offer to pay an amount of money to the person **you** are in dispute with, if **we** have agreed to cover that amount as **costs** or **compensation**.

## Co-operation

**You** must co-operate with **us** and **your representative** at all times during the course of **your claim** this includes:

- a) Allowing **us** and **your representative** to communicate directly with each other about **your** case
- b) Providing a full and truthful account of **your** case and with all necessary documentation or evidence
- c) Attending any meetings as required
- d) Instructing **your representative** to provide **us** with information, documentation or evidence **we** require (even if privileged) and regular updates including when anything negatively affects the factors **we** took into account in accepting **your claim**.

## Recovery of costs

If the outcome of **your** case is that another party is found responsible for reimbursing **you** for some or all of **your costs**, **you** and **your representative** must make every effort to fully recover those **costs** which **you** must pay to **us**.

If the legal case was settled and the terms of the settlement do not specify the split between damages and **costs** then a fair and reasonable proportion of that settlement will be treated as **costs** and paid to **us**.

If **costs** are recovered from the other party then that money will be repaid to **us** first until all **costs** have been repaid.

## Payment of costs and compensation

A copy of all invoices for **costs** **you** receive from **your representative** should be forwarded to **us** within 30 days of the date the invoice was issued. If **we** require, **you** must ask **your representative** to send the **costs** for assessment by a Court or Tribunal or to a **costs** lawyer of **our** choice.

**You** are responsible for the payment of all **costs** or **compensation**. **We** will reimburse **you** for the **costs** or **compensation** subject to the **excesses** and the limits shown in **your policy** schedule. **We** may settle these **costs** or **compensation** directly if **we** choose to do so.

## Appeals

If **you** wish to appeal against the judgment or decision of a Court or Tribunal or if there is an appeal against a judgment that is in **your** favour, **we** will consider providing further cover if:

- a) **We** covered the initial legal proceedings that are being appealed as a **claim** and cover was not withdrawn
- b) The grounds for the appeal were submitted to **us** as soon as possible and before any deadline set by the Court or Tribunal

If **we** require, **you** must co-operate in an appeal against the judgment or decision of a Court or Tribunal.

## Instruction and choice of your representative, Counsel and Experts

In all cases **your representative** will be appointed in **your** name and on **your** behalf.

**We** will choose a **representative** to act on **your** behalf other than at the point of an inquiry or legal proceedings where **you** will have freedom to choose **your representative** subject to **us** approving **your** choice.

**You** will also have freedom to choose **your representative** if there is a legal conflict of interest between **you** and **us** subject to **us** approving **your** choice.

When selecting **your representative**, **you** must have regard to **your** duty to minimise the cost of any **claim**.

The name and address of **your** chosen **representative** must be notified to **us** in writing. **We** will accept **your** choice if:

- a) **We** are satisfied that **your** chosen **representative** will co-operate with **us** and enable **you** to comply with the terms and conditions of **your policy**
- b) The **representative** has the necessary experience to deal with the dispute
- c) The **representative's** charging rates are fair and reasonable in regard to the dispute

A dispute arising from **your** choice of **representative** may be referred to arbitration in accordance with **Important information – How to make a complaint**.

**You** must not enter into any agreement with **your representative** as to the basis of calculation of **costs** without **our** written consent.

If in any **claim your representative** wishes to instruct Counsel or an expert the following must be submitted to **us** for **our** approval:

- a) The expert's or Counsel's name
- b) Details of their expertise
- c) Charging rates and estimated cost
- d) An explanation of the need for such instruction

## Important information

### Fraudulent claims

If **you** or anyone acting on **your** behalf make a fraudulent **claim**, **we** will cancel the **policy** from the time the fraud took place, retain any premium and recover from **you** any amount **we** have paid towards the fraudulent **claim**.

### Dual insurance

If any **claims** covered under this **policy** are also covered by another **policy** or would have been covered if this **policy** did not exist, **we** will only pay **our** share of the **claim** even if the other insurer refuses the **claim**.

### How to make a complaint about your policy

If **you** are not satisfied with any part of **our** service then **you** should contact **us** and **we** will do **our** best to resolve the problem. **you** can contact **us** at the following:

The Customer Services Manager  
Markel Legal Expenses Insurance  
20 Fenchurch Street  
London EC3M 3AZ  
Tel: 0345 350 1099  
Email: [complaints@markel.com](mailto:complaints@markel.com)

Markel Legal Expenses Insurance is a trading name of Markel International Insurance Company Limited, registered in England and Wales No: 00966670. Registered address, 20 Fenchurch Street, London EC3M 3AZ.

Markel Corporation is the ultimate holding company for Markel International Insurance Company Limited.

Markel International Insurance Company Limited is authorised by the Prudential Regulatory Authority and regulated by the Financial Conduct Authority and the Prudential Regulatory Authority. Financial Services Register Number 202570.

If there is a dispute between **us** that **we** cannot resolve through **our** complaints process, then **you** may be able to refer the matter to the Financial Ombudsman Service who will arbitrate over the dispute as long as they have jurisdiction over the matter.

**You** can contact them at the following:

The Financial Ombudsman Service  
Exchange Tower  
Harbour Exchange Square  
London E14 9SR  
Tel: 0800 023 4567 or 0300 123 9123  
[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

This procedure will not prejudice **your** right to take legal proceedings.

If the Financial Ombudsman Service cannot arbitrate over the dispute, then **we** shall both agree on an independent arbitrator (who must be a solicitor or barrister) to arbitrate over the dispute. Any dispute between **you** and **us** will be decided by arbitration. The arbitrator will be a single arbitrator, either a solicitor or barrister practicing in the Law of England and Wales.

The arbitration will take place in England. The arbitration will be governed by both the laws of England and Wales and the Arbitration Act 1996. The apportionment of the **costs** of the arbitration will be decided by the arbitrator. If **we** cannot agree on the choice of an arbitrator, an arbitrator will be nominated by the President of either the Law Society or the Bar Council in England and Wales. The **costs** of the arbitration will be paid by the party that loses the arbitration.

### How to make a complaint about the Markel advice line

The telephone legal advice is provided by Markel Law LLP and can advise on general UK law. Markel Law LLP makes no additional charge for providing these telephone services.

Markel Law LLP is authorised and regulated by the Solicitors' Regulation Authority ("SRA") under SRA number 459781 and is part of the Markel group of companies.

If **you** have a complaint about these telephone legal advice services **you** should contact The Director of Compliance, Markel Law LLP, The Observatory, Chapel Walks, Manchester M2 1HL who will provide details of the complaints procedure, including details of how the complaint will be dealt with internally and if required, by the Legal Ombudsman. For complaints about any other advice given then **you** should contact **us** using the details in **Important information – How to make a complaint** and **we** will do **our** best to resolve the problem.

## Personal information/Privacy policy statement

### The basics

**We** collect and use relevant information about **your** business to provide insurance cover and to meet **our** legal obligations.

This information includes details such as names and addresses (and may include more sensitive details such as information about health and criminal convictions).

The way insurance works means that information may be shared with and used by several third parties in the insurance sector but only in connection with the insurance cover that **we** provide to **you**.

### Other people's details you provide to us

**We** will process individual's details, as well as any other personal information **you** provide to **us** in respect of **your** insurance cover, in accordance with **our** privacy notice and applicable data protection laws.

To enable **us** to use individual's details in accordance with applicable data protection laws, **we** need **you** to provide those individuals with certain information about how **we** will use their details in connection with **your** insurance cover. As such, **you** agree to provide each individual concerned this notice:

a) on or before the date that individual becomes insured under this **policy** or

b) the date that **you** first provide information about the individual to **us**

**We** are committed to only using the personal information **we** need to provide **you** with **your** insurance cover. To help **us** achieve this, **you** should only provide to **us** information about individuals that **we** ask for occasionally.

### Want more details?

For more information about how **we** use personal information provided to **us** please see **our** full **Markel privacy notice**, a copy of which is available online at [markelinternational.com/foot/privacy-policy](https://markelinternational.com/foot/privacy-policy) or on request.

### Contacting us and individual rights

Individuals have rights in relation to the information **we** hold about them, including the right to access their information. Please contact **us** at [dataprotectionofficeruk@markel.com](mailto:dataprotectionofficeruk@markel.com) or by writing to the

Data Protection Officer,  
Markel International,  
20 Fenchurch Street,  
London, EC3M 3AZ

If **you** are an individual wishing to exercise **your** rights, to discuss how **we** use **your** information or to request a copy of **our** full Markel privacy notice.

### Rights of third parties

A person who is 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.

### Breach of sanctions

**We** provide no cover for any **claim** if it means **we** would be in breach of any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of The European Union, The United Kingdom or The United States of America.

### Applicable law

The laws of England and Wales apply to this **policy** and any Acts of Parliament referred to are as amended.

### Brexit

**We** provide no cover for any **claim** where the regulatory risk location is within the European Economic Area (EEA) excluding the United Kingdom.

### Liquidation

If **you** are placed in liquidation, receivership, administration or bankruptcy or enter into a voluntary arrangement or deed of arrangement or if any application is made to the Court or if a meeting for any of these reasons is held, this section of the **policy** will automatically terminate. If this happens, cover under this section of the **policy** for **costs** and **compensation** will be automatically withdrawn and any **costs** incurred or **compensation** awarded on or after the date of withdrawal will not be covered whether **we** previously agreed to them or not.

## Defined terms

For the purpose of this Legal Expenses sub-section the following definitions will apply.

### Any one claim

All **claims** connected by the same:

- a) Original cause, event, circumstance or related in time or;
- b) Legal proceedings, tax enquiry, construction project or parties in dispute even if **you** are claiming under more than one section of cover under this section of this **policy**.

### Claim

An insurance claim under this section

### Co-insurance

The percentage of **costs** and/or **compensation** that is not covered by this **policy** after the **excess** has been applied

### Compensation

- a) Employment compensation awards

Basic and compensatory awards for unfair dismissal (which includes constructive dismissal and unfair selection for redundancy) and **compensation** for unlawful discrimination

- b) Data protection compensation

**You** have been ordered to pay under the Data Protection Act 2018 (Articles 168 and 169) and the General Data Protection Regulation (Section 82)

### Construction contract

A contract as defined by Section 104 and 105 of the Housing Grants, Construction and Regeneration Act 1996 which for the purposes of this section of the **policy** is extended to include contracts with residential occupiers. Such contracts include but are not limited to those for painting or decorating surfaces of a building, construction, alteration, repair, maintenance of buildings, installation in a building of heating, lighting or electrical systems.

### Contracting party

A person, firm or company with whom **you** have a direct contractual relationship

### Costs

- a) Own costs

The legal or professional **costs** (including any disbursements such as Counsel's or expert's fees) reasonably charged to **you** by your representative

- b) Other party costs

In civil proceedings, the legal **costs** incurred by the party **you** are in dispute with that a Court or Tribunal orders **you** to pay or that **you**, with **our** prior written agreement, agree to pay under the terms of a settlement. This does not include any **costs you** are responsible for paying under the terms of a contract.

### Employee

Any person under a contract of service with **you**

### Excess

The initial amount of **costs** or **compensation** as shown in the **policy** schedule that **you** must pay in a **claim** before **we** will make any payment under this **policy** if **you**:

- a) Use our choice of representative
- b) Exercise your freedom to choose your representative as described under claims condition: Instruction and choice of your representative, Counsel and experts

### Maximum construction project value

The maximum value a construction project is estimated to cost when the value of all the contracts concerning the project are added together as shown in the **policy** schedule.

### Period of insurance

The period during which insurance is provided by this section of the **policy** as shown in the **policy** schedule.



## Policy

This insurance **policy** including the schedule and any endorsements that apply.

## Property

Land (including walls) or buildings owned or occupied by **you** for which **you** are legally responsible.

## Reasonable prospects of success

**We** will make **our** decision on whether to cover **your claim** based on a legal opinion from **your representative** (and any professional advice **we** regard necessary) on whether **your claim** has at least a 51% chance of:

- a) Successfully pursuing **your** case and securing a legal and/or financial remedy
- b) Not being found liable in a civil (not criminal) case against **you**
- c) Being found not guilty in the defence of a criminal prosecution
- d) Securing a significant reduction of **your** punishment or fine in a criminal prosecution
- e) Successfully appealing the decision of the relevant authority

If there is 50% or less chance of the above **we** will not provide cover.

## Representative

A solicitor, barrister, accountant or other appropriately qualified person appointed to act for **you** and who agrees to comply with the terms of this **policy**. The chosen **representative** may not be a person employed by **you**.

## Territorial limits

The regions as stated in the **policy** schedule

## We/our/us

Markel International Insurance Company Limited trading as Markel Legal Expenses Insurance, 20 Fenchurch Street, London EC3M 3AZ. claims will be handled by Markel Protection Limited which is a separate legal entity to Markel International Insurance Company Limited.

The insurer is liable only for the proportion of liability it has underwritten. The insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is the insurer otherwise responsible for any liability of any other insurer that may underwrite this contract

## You/your

- a) The business(es) or individual(s) declared to **us** and named in the **policy** schedule
- b) Under Criminal defence and Licence appeals you may request, your employee, or a director or a partner of your business to be covered by your policy provided that under Criminal defence the same representative acts for all.



**Q Underwriting Services Ltd**  
1 Minster Court, Mincing Lane, London, EC3R 7AA  
[www.Qunderwriting.com](http://www.Qunderwriting.com)

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