



Commercial Guard – Commercial Choice

Policy Wording

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To make a claim, call **0345 122 3283**
Please save this number to your mobile phone

Helpline Services

As an Ageas policyholder with a current policy, you are automatically entitled to the following helpline services. To help us to check and improve our service standards calls are recorded.

Business Legal Advice – 0345 122 8931

This helpline is available 24 hours per day, seven days a week to provide confidential legal advice over the phone on:

- a business-related legal problems
- b personal legal matters (if the Family Legal Guard extension is shown on the schedule)

within the laws of England, Scotland, Wales, Northern Ireland, the Channel Islands, the Isle of Man, Norway, Switzerland and the countries of the European Union.

UK Tax Advice – 0345 122 8931

This helpline is available between 9am and 5pm, Monday to Friday (except bank holidays) to provide confidential advice over the phone on any:

- a tax matters affecting your business
- b personal tax matters (if the Family Legal Guard extension is shown on the schedule)

within England, Scotland, Wales and Northern Ireland.

Redundancy Assistance – 0345 322 0176

This helpline is available between 9am and 5pm, Monday to Friday (except bank holidays) to provide specialist advice if you are planning redundancies within your business. This service offers document review and telephone or written advice and will assist you to implement a fair selection process and ensure that the redundancy notices are correctly served. If you opt to use this service a charge will be payable by you.

Crisis Communication – 0345 322 0175

This helpline is available 24 hours per day, seven days a week to provide help in responding to negative publicity or media attention which could affect your business. In advance of any actual adverse publicity, where possible, experts will provide initial advice for you to act upon. If your circumstances require professional work to be carried out at the time, we can help on a consultancy basis subject to you paying a fee. Where an event has led to actual publicity online, in print or broadcast, that could damage your business, you are insured against the costs of crisis communication services under Cover 12 – Crisis Communication (if the Legal Expenses Section is shown on the schedule) when you use this helpline.

Identity Theft Advice and Resolution Service – 0345 322 0177

This helpline is available between 8am and 8pm, seven days a week to you and the directors, partners and executive officers of your business to help keep your personal identities secure. Where identity theft is suspected, specialist caseworkers can help to restore UK credit ratings and correspond with card issuers, banks or other parties located in England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man. Identity theft expenses are insured under Cover 11 – Executive Suite (if the Legal Expenses Section is shown on the schedule) when you use this helpline.

Business Emergency Assistance – 0345 122 8935

This helpline is available 24 hours per day, seven days a week to arrange help straight away if an unforeseen emergency causes damage to the premises or creates a health and safety hazard. We will contact a suitable repairer or contractor and arrange assistance on your behalf. All costs of assistance provided are your responsibility, although if the damage is insured you will be able to make a claim for repair of the damage.

Confidential Counselling – 0345 122 8934

This helpline is available 24 hours per day, seven days a week for employees (including spouses, domestic or civil partners, relatives and dependants permanently living with them) who are suffering from emotional upset or feeling worried or anxious about a personal or work-related problem. Qualified counsellors will provide free confidential support and advice over the phone. Due to their sensitive nature counselling calls are not recorded.

Please do not use these helpline service numbers to report a claim.

These helpline services are provided on our behalf but not by us. We take no responsibility for the advice given or assistance given or for the failure of the helplines which may result from an exceptional event that is beyond the control of us and the helpline service provider.

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Commercial Choice Policy

Thank **you** for choosing Ageas Insurance Limited as **your** insurer.

This **policy** is a contract of insurance between **you** and **us** by which **we** agree to cover **you** in respect of the risks set out in the sections and sub-sections of this **policy** as shown on the **schedule**, subject to the terms, conditions and exclusions of this **policy** and in consideration of **you** paying or agreeing to pay the premium.

This **policy** is made up of a number of documents which must be read together. **You** should read carefully all documents that **we** have provided and contact **your agent** immediately if this **policy** does not meet **your** needs.

Important Notice

You have a duty to make a fair presentation of all material facts and circumstances to **us**. Providing **us** with inaccurate information or failing to tell **us** of anything which may increase the risk may invalidate this **policy** or lead to claims not being paid or being paid in part only.

To assist **your** understanding of which facts and circumstances are material to **us**, here are some key examples:

- **Who you are** – the legal entity that owns the **business**
- **Business status** – sole proprietor, partnership, limited liability partnership, limited partnership, limited company, trusteeship, committee, executors or charity as appropriate
- **Business premises** – construction type, security protections and also the rebuilding or replacement values applicable to the **property**
- **What you do** – the description of the **business** as shown on the **schedule**
- **Personal and business history** – the previous history relating to proprietors, **partners** or **directors** or their business that is provided to **us** e.g. previous bankruptcies, company liquidations, convictions, claims etc.

Other material facts will be shown on the statement of fact or proposal form. If **you** are in any doubt or require clarification of what must be declared to **us**, please discuss this with **your agent**.

This **policy** does not cover maintenance of **your property**. That means **we** will not pay for the cost of wear and tear or routine maintenance. **We** expect **you** to properly maintain **your property**, but the cost of this remains **your** responsibility. **You** have a duty to keep **your property** safe, secure and in good repair, and take all practical steps to avoid loss or **damage**.

You should also take all reasonable care to prevent accidents or **injury**. In particular **you** should:

- keep all work equipment and **premises** in good and safe condition
- exercise care in the selection and management of **employees**
- comply with all statutory obligations and regulations imposed by any authority.

In addition, **you** should take all reasonable care to prevent the sale or supply of goods which are defective in any way.

How to make a claim

If **you** need to make a legal expenses claim and this section is shown as being operative on the **schedule**, please refer to the separate Business Legal Guard policy wording for details. For all other claims please contact **our** commercial claims department on **0345 122 3283**. The line is open 24 hours a day, 365 days a year. Alternatively, **you** can write to **us** at:

Commercial Claims Department
Ageas Insurance Limited
Ageas House
The Square
Gloucester Business Park
Brockworth
Gloucestershire
GL3 4FA

The claims handler will take full details of the claim and guide **you** through the next steps. Depending on the value and type of claim, the claims handler may seek help from a loss adjuster. Loss adjusters are independent claims experts who will visit **you** or a third party claimant to assist with the assessment of the claim.

Once **we** have been notified of a claim, **we** will tell **your agent**. The notification letter gives **your agent** the opportunity to become involved in the claim if either **you** or they wish. Once the claim has been settled, a letter is sent to **your agent** confirming settlement and the amounts paid.

Do

- Have details of **your** policy number ready when notifying **us**. **You** can find the policy number on the **schedule**.
- Report any incidence of theft or attempted theft or **damage** by malicious persons to the police immediately. **You** should obtain a crime reference number (not an incident reference number) from them if a crime has been committed.
- Carry out temporary repairs to **your property** to prevent further loss. Please retain all invoices for work carried out. If **you** do not have **your** own contractor, **you** can call **our** Business Emergency Assistance helpline – please refer to page 6 for details.
- Notify **us** of any claim or any incident which may lead to a claim as soon as possible. The sooner **we** are involved, the more opportunity **we** have to resolve the claim to **your** satisfaction. **You** must notify **us** within seven days if the incident relates to **damage** by riot, civil commotion, labour or political disturbances, malicious persons or theft or attempted theft.

- Ensure that any letter or notice received is sent to **us** immediately unanswered and unacknowledged. **You** must also send **us** unanswered and unacknowledged any written claim, writ, summons or other document relating to a claim and tell **us** of any pending prosecution, coroner's inquest or fatal accident inquiry and give **us** full details of any verbal claims made against **you**.
- Any **injury** to an **employee** should be reported to **us** regardless of whether a formal claim has been made against **you**. **We** can then decide whether **we** need to investigate or provide advice to **you**.

Don't

- Dispose of any evidence or damaged items - **we** may wish to see them.
- Wait for estimates to be obtained for work to be carried out before notifying **us** of a claim.
- Admit or deny responsibility for any incident involving **injury** to others or **damage** to their **property**.

Replacement service

We have a number of suppliers that can repair **your property** or replace items lost, stolen or damaged beyond repair. If one of **our** suppliers is used **you** will not need to obtain estimates and **we** will settle directly with the supplier. **You** will be responsible for payment of any applicable **excess**. **You** will be responsible for the payment of the Value Added Tax (VAT) element if **you** are VAT registered. **You** will be invoiced accordingly.

What we will need

If **your property** is lost, damaged or stolen, to consider the claim **we** will typically need:

- proof of ownership i.e. original purchase invoices, bank account statements or other similar evidence
- any available photographs, taken before and after the event, showing the **property** would be useful.

If **you** are not using **our** replacement service **we** will also need:

- at least two estimates for the replacement of lost, damaged or stolen items
- if the item cannot be repaired, a letter or a report from an independent expert confirming this and the cause of the **damage**.

For some types of claim **we** may require evidence of:

- bona-fide subcontractors' own public liability insurance
- inspection and waste removal at the **premises**
- medical reports or similar
- customer disclaimers (treatment risk cover)
- risk assessment and preventative measures in respect of **legionellosis**.

How to make a complaint

Should there ever be an occasion where **you** need to complain, **we** will do **our** best to address this as quickly and fairly as possible.

We will try to resolve **your** complaint as quickly as **we** can. If **we** are unable to do this, **we** will:

- write to **you** to acknowledge **your** complaint
- let **you** know when **you** can expect to receive a full response
- let **you** know who is dealing with the matter.

In most instances **we** will be able to address **your** complaint within the first few days of this being notified to **us**. On occasion, further investigation may be necessary, but **we** will provide **you** with a full written response to **your** complaint within eight weeks of notification.

If **your** complaint is about the way this **policy** was sold to **you**, please contact **your agent** to report **your** complaint.

If **you** have a complaint regarding **your** claim, please telephone **us** on the number shown in **your** claims documentation.

Alternatively, for claims or any other type of complaint, **you** can write to **us** at the address shown below or email **us** through **our** website at www.ageas.co.uk/make-a-complaint (please include **your** policy number and claim number if appropriate).

Customer Services Adviser, Ageas Insurance Limited, Ageas House, Hampshire Corporate Park, Templars Way, Eastleigh, Hampshire SO53 3YA

What to do if you are not happy with our response

In the unlikely event that **we** have not responded to **your** complaint within eight weeks, or **you** are not happy with **our** final response, **you** may be able to refer **your** complaint to the Financial Ombudsman Service but **you** must do so within six months of the date of **our** response.

You may refer **your** complaint to the Financial Ombudsman Service if **you** are a:

- micro-enterprise with an annual turnover or annual balance sheet of less than EUR2 million and fewer than 10 employees. For the purpose of this process, a micro-enterprise is defined as a business engaged in economic activity irrespective of the legal form, including but not limited to, self employed persons and family businesses, partnerships or associations
- small business that is not a micro-enterprise as defined above, with an annual turnover of less than £6.5 million and:
 - a fewer than 50 employees, or
 - b an annual balance sheet of less than £5 million
- charity with an annual turnover of less than £6.5 million
- trustee of a trust with a net asset value of less than £1.5 million
- guarantor and the complaint arises from matters relevant to their relationship with the **business**. For the purpose of this process, guarantor is defined as someone who is not a consumer and who has given a guarantee or security in respect of an obligation or liability of a micro-enterprise or small business, as defined above.

The Ombudsman is an impartial complaints service which is free for customers to use and taking **your** complaint to the Ombudsman does not affect **your** right to take **your** dispute to the courts.

You can find out more about how to complain to the Ombudsman online at www.financial-ombudsman.org.uk

Alternatively, **you** can write to them at:
Financial Ombudsman Service, Exchange Tower,
London E14 9SR

By phone: **0800 023 4567**

By email: complaint.info@financial-ombudsman.org.uk

Please note that if **you** do not refer **your** complaint within the six months, the Ombudsman won't have **our** permission to consider **your** complaint and therefore will only be able to do so in very limited circumstances, for example, if it believes that the delay was as a result of exceptional circumstances.

Financial Services Compensation Scheme

Should **we** be unable to meet **our** liabilities **you** may be entitled to compensation from the Financial Services Compensation Scheme.

This depends on the type of insurance, the size of **your business** and the circumstances of the claim.

Further information is available from the Financial Services Compensation Scheme. Their telephone number is **0800 678 1100** or **020 7741 4100**. Alternatively, more information can be found at **www.fscs.org.uk**.

Privacy Notice

We are Ageas Insurance Limited and are part of the Ageas group of companies. The details provided here are a summary of how **we** collect, use, share, transfer and store **your** information. For **our** full Privacy Policy please visit **our** website www.ageas.co.uk/privacy-policy or contact **our** Data Protection Officer at: Ageas House, Hampshire Corporate Park, Templars Way, Eastleigh, Hampshire SO53 3YA or by emailing thedpo@ageas.co.uk.

Your agent will have their own uses for **your** personal data. Please ask **your agent** if **you** would like more information about how they use **your** personal information.

Collecting your information

We collect a variety of information about **you** including **your** name, address, contact details, date of birth, credit history, criminal offences, claims information and IP address (which is a unique number identifying **your** computer). Where relevant, **we** also collect special categories of personal information (which was previously known as sensitive personal information) such as details regarding **your** health.

We also collect information from a number of different sources for example: publically available sources such as social media and networking sites; third party databases available to the insurance industry; firms, loss adjusters and/or suppliers appointed in the process of handling a claim.

Using your information

The main reason **we** collect **your** personal information and/or special categories of personal information is because **we** need it to provide **you** with the appropriate insurance quotation, policy and price as well as manage **your policy** such as handling a claim or issuing documentation to **you**. **Our** assessment of **your** insurance application may involve an automated decision to determine whether **we** are able to provide **you** with a quotation and/or the price. If **you** object to this being done, then **we** will not be able to provide **you** with insurance.

We will also use **your** information where **we** feel there is a justifiable reason for doing so for example: to prevent and detect fraud and financial crime (which may include processes which profile **you**); collecting information regarding **your** past policies; carrying out research and analysis (including profiling); and recording and monitoring calls.

If **you** have given **us** such information about someone else, **you** would have confirmed that **you** have their permission to do so.

Sharing your information

We share **your** information with a number of different organisations which include, but are not limited to: other insurers; regulatory bodies; carefully selected third parties providing a service to **us** or on **our** behalf; fraud prevention and credit reference agencies and other companies, for example, when **we** are trialling their products and services which **we** think may improve **our** service to **you** or **our** business processes.

Unless required to by law, **we** would never share **your** personal data without the appropriate care and necessary safeguards being in place.

Keeping your information

We will only keep **your** information for as long as is necessary in providing **our** products and services to **you** and/or to fulfil **our** legal and regulatory obligations. Please refer to **our** full Privacy Policy for more information.

Use and storage of your information overseas

Your information may be transferred to, stored and processed outside the European Economic Area (EEA). **We** will not transfer **your** information outside the EEA unless it is to a country which is considered to have equivalent data protection laws or **we** have taken all reasonable steps to ensure the firm has suitable standards in place to protect **your** information.

Your rights

You have a number of rights in relation to the information **we** hold about **you**, these rights include but are not limited to: the right to a copy of **your** personal information **we** hold; object to the use of **your** personal information; withdraw any permission **you** have previously provided and complain to the Information Commissioner's Office at any time if **you** are not satisfied with **our** use of **your** information. For a full list of **your** rights please refer to the full Privacy Policy.

Please note that there are times when **we** will not be able to delete **your** information. This may be as a result of fulfilling **our** legal and regulatory obligations or where there is a minimum, statutory, period of time for which **we** have to keep **your** information. If **we** are unable to fulfil a request, **we** will always let **you** know **our** reasons.

Definitions

Words which appear in bold within this policy will have the meaning defined below. The Legal Expenses Section has its own set of definitions within the Business Legal Guard policy wording.

Accident

Direct, physical **damage**:

- a consisting of electrical or mechanical **breakdown**, including rupture or bursting caused by centrifugal force
- b caused by an artificially generated electrical current, including electric arcing, which damages electrical devices, appliances or wires
- c caused by **explosion** or **collapse** of **covered equipment** operating under steam or other fluid pressure
- d caused by, or resulting from, any condition or event (not otherwise excluded) occurring inside hot water boilers or other water heating equipment, oil or water storage tanks or other **covered equipment** operating under steam or other fluid pressure
- e caused by operator error that results in the overloading of **covered equipment**.

Additional Increase in Cost of Working

The additional expenditure necessarily 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** beyond that recoverable as **increase in cost of working**.

Agent

A person or company who advises **you** on insurance and represents **you** and acts on **your** behalf when arranging insurance policies.

Biomass or Biogas Installation

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

Breakdown

Breakdown of **covered equipment** consisting of:

- a the actual breaking, failure, distortion or burning out of any part of the **covered equipment** whilst in ordinary use arising from defects in the **covered equipment** causing its sudden stoppage and necessitating repair or replacement before it can resume work
- b fracturing of any part of the **covered equipment** by frost when such fracture renders the **covered equipment** inoperative

- c the actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary
- d **electronic derangement**.

Buildings

The buildings at the risk address shown on the **schedule** and unless otherwise stated, any item for the insurance of buildings includes:

- a outbuildings within the boundaries of the **premises**
 - b aerials, satellite dishes, security cameras and lights fixed to the exterior of the buildings
 - c plant fixed to the exterior of the buildings providing air conditioning or climate control to the buildings
 - d solar water heating and solar photovoltaic panels fitted to the buildings
 - e fuel tanks and septic tanks connected to the buildings
 - f ducting, pipes, cables, wires and control equipment incorporated in the buildings and extending to the public mains
 - g walls, gates and fences around the **premises** and belonging to them
 - h swimming pools, car parks, yards, roads, pavements, paths and children's play areas
 - i permanently fixed lighting, seating and other external structures within the boundaries of the **premises**
 - j landlord's fixtures and fittings which are fixed to and form part of the fabric or structure of the building (including fixed flooring other than fitted carpets)
- all owned by **you** or for which **you** are responsible excluding:
- i glass, blinds and signs
 - ii shopfronts
 - iii **tenants' improvements**.

Business

The business as shown on the **schedule** including:

- a the ownership, repair and maintenance of the **premises**
- b the provision of fire and security services at the **premises**
- c the provision of first aid but excluding any first aid provided by any qualified medical practitioner or nurse
- d the performance of private work undertaken by **employees** for **you**, or with **your** consent, for any **director**, **partner** or senior executive of **yours**
- e participation in exhibitions, trade shows and conferences as an exhibitor or attendee only.

Business Hours

The period during which the **premises** are occupied by **you** or a **director**, **partner** or authorised **employee** or family member for **business** purposes.

Business Money

Money held in connection with the **business** owned by **you** or for which **you** are responsible.

Claimants' Costs and Expenses

The costs incurred by someone making a claim against **you** which **you** are legally liable to pay.

Collapse

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

Computer Equipment

- a electronic, computer or other data processing or storage equipment
- b projectors, printers, scanners and other peripheral devices used in conjunction with equipment described in a above
- c software and programs licensed to **you** and installed on equipment described in a above
- d **portable computer equipment**.

Computer Media

All forms of electronic, magnetic and optical tapes and discs for use in any **computer equipment**.

Consequential Loss

Consequential or indirect loss (that is any **damage** or additional expense, which happens as a result of, or is a side effect of, the event for which **you** are insured). This includes but is not limited to the following:

- a loss of revenue
- b loss of earnings
- c additional travel costs
- d loss assessor fees
- e the cost of preparing a claim
- f compensation for stress or inconvenience.

Contents of Common Areas

Contents owned by **you** or for which **you** are responsible comprising furniture, furnishings, fitted carpets, rugs and other **property** in the common hall, stairways and other common parts (including storage rooms and compartments) of the **premises** excluding:

- a **landlord's contents** or landlord's fixtures and fittings
- b **valuables** (other than pictures and other works of art up to £500 in respect of any one item and up to £2,000 in respect of any one loss)
- c **money**
- d audio-visual equipment
- e **computer equipment**
- f clothing and **personal belongings** (other than those belonging to **directors, partners** or **employees** for an amount not exceeding £1,000 per person)
- g **property** in the open
- h **guests' personal belongings**.

Contract

Any contract or agreement entered into by **you** with a **principal** for the purpose of carrying out work in connection with the **business**.

Contract Works

The permanent and temporary works carried out or to be carried out under any **contract** including materials for incorporation therein to the extent that **you** are responsible under the **contract** excluding:

- a plant, machinery, equipment or tools
- b site huts or other temporary site buildings and contents therein.

Covered Equipment

Equipment owned by **you** or for which **you** are responsible at the **premises** and which:

- a is built to operate under vacuum or pressure (other than the weight of its contents)
- b generates, stores, transmits or converts energy
- c is **computer equipment** excluding:
 - i the supporting structure, foundation, masonry, brickwork or cabinet of **covered equipment**
 - ii insulating or refractory material
 - iii vehicles, aircraft, floating vessels or any equipment mounted thereon (other than vehicle recovery cranes or equipment, which is included, but not the actual vehicle)
 - iv self propelled plant and equipment (other than fork lift trucks and pallet trucks used by **you** at the **premises**), dragline excavation or construction equipment
 - v equipment manufactured by **you** for sale
 - vi safety or protective devices due to their functioning
 - vii tools, dies, cutting edges, crushing surfaces, trailing cables, non metallic linings, driving belts or bands or any part requiring periodic renewal
 - viii any electronic equipment (other than **computer equipment**) used for research, diagnostic, treatment, experimental or other medical or scientific purposes with a replacement value in excess of £30,000
 - ix any **manufacturing, production or process equipment** including linked **computer equipment**
 - x any electricity generating equipment other than emergency back-up power equipment or wind turbines less than 10kw or photovoltaic equipment less than 50kw
 - xi any kitchen and food preparation, laundry and cleaning equipment, audio-visual equipment and **computer equipment** whilst in a private dwelling or private dwelling quarters (unless such equipment is owned by **you** or for which **you** are responsible)
 - xii any **biomass or biogas installation**
 - xiii any **hydroelectric installation**.

Damage

Loss, destruction or damage.

Data

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

Declared Value

Your assessment of the cost of reinstatement at the level of costs applying at the inception of the **period of insurance** (ignoring inflationary factors which may operate subsequently) or in the case of a variation to a sum insured, the effective date of the variation together with due allowance for:

- a the additional cost of reinstatement to comply with public authority requirements as provided by Extension 4 Public Authorities to Sub-Section A – Buildings to the Property Section
- b professional fees as provided by Extension 2 Professional Fees to the Property Section
- c removal of debris as provided by Extension 3 Removal of Debris to the Property Section.

Defined Peril

- a Fire
- b Lightning
- c Explosion
- d Riot, civil commotion, labour or political disturbances
- e **Damage** by malicious persons
- f Earthquake or subterranean fire
- g Impact by:
 - i aircraft and other flying objects or articles dropped from them
 - ii vehicles, trains or trams
 - iii animals or birds
 - iv falling aerials, masts or satellite dishes
 - v falling trees and branches
- h Storm
- i Flood
- j Escape of water from any water, drainage or heating system
- k Escape of oil from any fixed oil fired heating installation.

Denial of Service Attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **systems**. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **systems**.

Director

A director of **you** where **you** are a limited company.

Domestic Employee

Any person, who is not a member of the **family**, under a contract of service with **you** or a **director** or **partner** to undertake domestic duties in **your home**.

Electronic Derangement

Malfunction of the **computer equipment** or electronic circuitry controlling or operating the **covered equipment** that is not accompanied by visible **damage** and requires replacement of one or more insured components of the **covered equipment** in order to restore it to its normal operation excluding:

- a the rebooting, reloading or updating of software or firmware
- b the incompatibility of **covered equipment** with any software or equipment installed, introduced or networked within the previous 30 days
- c the **covered equipment** being of insufficient size, specification or capacity.

Employee

Any:

- a person under a contract of service or apprenticeship with **you**
 - b prospective employee who is being assessed as to their suitability for employment
 - c labour master (or labour only subcontractor) or person supplied by them
 - d self-employed person used for labour only
 - e person hired or borrowed by **you** from another employer including agency workers
 - f volunteer or voluntary worker
 - g trainee or person undertaking work for **you** under a work experience placement
- whilst engaged by **you** in the course of the **business** and under **your** direct control or supervision.

Estimated Gross Profit

The amount declared to **us** by **you** as being not less than the anticipated **gross profit** for the financial year most concurrent with the **period of insurance** (increased proportionately where the maximum **indemnity period** exceeds 12 months).

Estimated Gross Revenue

The amount declared to **us** by **you** as being not less than the anticipated **gross revenue** for the financial year most concurrent with the **period of insurance** (increased proportionately where the maximum **indemnity period** exceeds 12 months).

Europe

England, Scotland, Wales, Northern Ireland, the Channel Islands, the Isle of Man, Norway, Switzerland and the countries of the European Union.

Excess

The first amount of a claim **you** must pay.

Explosion

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

Existing Structures

Any **property** which, prior to the commencement of any **contract** or speculative development, forms or has formed part of any structure at the **contract** site.

Family

You and **your** spouse or domestic or civil partner and **your** or their relatives or dependants who permanently live with **you** at the **home** but not:

- a tenants, lodgers, house or flatmates
- b paying guests
- c **domestic employees**.

For the purposes of this definition, **you** also means a **director** or **partner**.

General Contents

The contents of the **buildings** used in connection with the **business** owned by **you** or for which **you** are responsible including:

- a machinery, plant, equipment, trade utensils, tools (including **portable hand tools**), implements, fixtures and fittings
 - b patterns, models or moulds
 - c computer records, business books, manuscripts, plans and designs or other documents for an amount not exceeding £25,000 in respect of any one loss
 - d unless shown as a separate item on the **schedule**, **computer equipment** together with other peripheral devices which are designed to be used in conjunction with such equipment for an amount not exceeding £25,000 or the general contents sum insured whichever is lower
 - e wines, spirits, tobacco and cigarettes kept for entertainment purposes up to a limit of £500 in respect of any one loss
 - f **directors', partners' or employees' personal belongings**, clothing, pedal cycles and tools subject to a limit of £1,000 per person unless shown as a separate item on the **schedule**
- but excluding:
- i **landlord's contents** or landlord's fixtures and fittings
 - ii **tenants' improvements**
 - iii glass, blinds and signs
 - iv shopfronts
 - v **money**
 - vi **computer equipment** (other than as provided by d above)
 - vii **stock or target stock**
 - viii **personal belongings** (other than as provided by f above)
 - ix **guests' personal belongings**
 - x **sports equipment**
 - xi **household contents**
 - xii **valuables** (other than pictures and other works of art up to £500 in respect of any one item and up to £2,000 in respect of any one loss).

Gross Profit

The amount by which the sum of the **turnover** and the amount of the closing **stock** (and **target stock**) shall exceed the sum of the amount of the opening **stock** (and **target stock**) and the amount of the **specified working expenses**.

Gross Revenue

The money paid or payable to **you** for **products supplied** and services provided in the course of the **business**.

Ground Heave

Upward movement of the ground beneath the **buildings** as a result of the soil expanding.

Guests' Personal Belongings

Personal belongings and **valuables** belonging to paying guests and kept within the sleeping accommodation provided by **you** at the **premises**.

Hacking

Unauthorised access to any **system** whether owned by **you** or not.

Home

The part of the **premises** occupied by **you** and members of **your family** as a private residence. For the purposes of this definition, **you** also means a **director** or **partner**.

Household Contents

Household goods and personal property in the **home** that **you**, a **director**, **partner** or **family** member own or are responsible for, excluding:

- a items held or used for business purposes (either totally or partly)
- b **valuables** exceeding £2,000 for any one item unless otherwise shown on the **schedule**
- c **valuables** in total exceeding 30% of the sum insured on **household contents**
- d **guests' personal belongings**
- e **landlord's contents** or landlord's fixtures and fittings
- f **money**
- g **stock or target stock**.

Hydroelectric Installation

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

Increase in Cost of Working

The additional expenditure necessarily 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**.

Indemnity Period

The period beginning with the occurrence of the **damage** and ending not later than the last day of the maximum indemnity period shown on the **schedule** during which the results of the **business** shall be adversely or positively affected in consequence of the **damage**.

Injury

Bodily injury, death, illness or disease.

Insured Person

You, a **director**, **partner** or **employee**.

In Transit

- a being loaded on or into a **vehicle**
- b being carried by a **vehicle**
- c contained in or on a **vehicle** whilst parked or stationary during transit for a period not exceeding 24 consecutive hours
- d being unloaded off or from a **vehicle** but not including positioning, installation, commissioning or erection subsequent to unloading.

Intruder Alarm System

The component parts of intruder alarm systems including the means of communication used to transmit signals.

Landlord's Contents

Contents owned by **you** or for which **you** are responsible comprising furniture, furnishings, fitted carpets, rugs and other **property** within the furnished accommodation portion of the **premises** occupied by **your** tenants excluding:

- a **contents of common areas**
- b **tenants' improvements**
- c **valuables** (other than pictures and other works of art up to £500 in respect of any one item and up to £2,000 in respect of any one loss)
- d **money**
- e audio-visual equipment
- f **computer equipment**
- g **personal belongings** (other than those belonging to **directors**, **partners** or **employees** for an amount not exceeding £1,000 per person)
- h **property** in the open
- i **guests' personal belongings**
- j **household contents**.

Landslip

Downward movement of sloping ground.

Legionellosis

Accidental **injury** caused by the escape, discharge or release of legionella bacteria from any water, air-conditioning or other purpose built system or equipment that uses water including, but not limited to, associated tanks, pipes, ducting, evaporative condensers, spa pools, saunas and Turkish baths.

Loss of Limbs, Eyes, Hearing or Speech

- a Loss of Limbs:
 - i In the case of a leg or legs:
 - a loss by permanent physical severance at or above the ankle or
 - b permanent and total loss of use of an entire foot or leg.
 - ii In the case of an arm or arms:
 - a loss by permanent physical severance of the four fingers at or above the metacarpophalangeal joints (where the fingers join the palm of the hand) or
 - b permanent and total loss of use of an entire hand or arm.
- b Loss of Eyes:

Irrecoverable loss of sight:

 - i in both eyes if an **insured person** is registered as severely sight impaired
 - ii in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen Scale (seeing at 3 feet what a person with standard vision should see at 60 feet).
- c Loss of Hearing:

Total and permanent loss of hearing.
- d Loss of Speech:

Total and permanent loss of speech.

Manufacturing, Production or Process Equipment

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

Money

Coins, bank and currency notes, bankers drafts, postal and money orders, cheques, bills of exchange, warrants, travellers cheques, prepaid travel money cards, unused current postage stamps, holiday with pay stamps, stamped holiday with pay cards, National Savings Certificates, Premium Bonds, luncheon vouchers, credit and debit card sales vouchers, gift tokens, activated gift cards, consumer redemption vouchers, lottery and other prize scratch cards, top up cards, telephone cards and vouchers, prepaid travel cards, unexpired units in franking machines and Value Added Tax (VAT) purchase invoices owned by **you** or for which **you** are responsible.

Outstanding Debit Balances

The total amount of the outstanding debit balances in customers' credit accounts including hire purchase and credit sales accounts at the date of the **damage** adjusted for bad debts.

Partner

A partner of **you** where **you** are a partnership or a member of **you** where **you** are a limited liability partnership but not any member also deemed to be in **your** employment.

Period of Insurance

The period of time this **policy** is effective as shown on the **schedule** or until this **policy** is cancelled. Each renewal represents the start of a new period of insurance.

Permanent Total Disablement

Physical injury not resulting in death, **loss of limbs, eyes, hearing or speech** which has lasted for at least one year and which solely and directly results in the permanent, total and absolute inability of the **insured person** to attend to any part whatsoever of their occupation or profession.

Personal Belongings

Items worn, used or carried in daily life, but not **money**, credit cards or items held or used for business purposes.

Phishing

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

Physical Injury

Bodily injury by accidental, external, violent and visible means sustained by **you**, a **director**, **partner** or **employee** in the course of the **business** where such bodily injury arises directly from assault with the intent of theft of **property** or **money** insured by this **policy**.

Policy

This policy is made up of a number of documents. These documents are the:

- a policy wording
- b Business Legal Guard policy wording if legal expenses are insured
- c **schedule**
- d endorsements
- e notice to policyholders
- f statement of fact or proposal form.

Polluting or Contaminating Substance

Any solid, liquid, gaseous or thermal irritant or contaminant including, but not limited to, smoke, vapour, fumes, acids, alkalis, chemicals, dust, legionella bacteria and other micro-

organisms or pathogens and waste including material to be recycled, reconditioned or reclaimed.

Pollution or Contamination

- a all pollution or contamination of buildings or other structures or of water or land or the atmosphere
- b all **injury, damage** or liability directly or indirectly caused by such pollution or contamination arising from any **polluting or contaminating substance**.

Portable Computer Equipment

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

Portable Hand Tools

A tool, either manual or power driven:

- a that is designed so that the entire tool (other than any power supply lead, hose or cable) is held and applied to the work by hand whilst in use, and
 - b that is capable of being carried by one person without assistance of any kind
- excluding any generator, compressor or similar power supply equipment required to operate such tool.

Premises

The **buildings** and the land inside the boundaries of the risk address shown on the **schedule** that are occupied or used by **you** in connection with the **business**.

Principal

Any person, firm, company, ministry or authority for whom **you** undertake work or provide **products supplied** under a contract or agreement in the course of the **business**.

Products Supplied

Any goods (including containers) sold, supplied, erected, repaired, serviced, altered, treated, installed, processed, manufactured or tested by **you** in the course of the **business**.

Property

Material property which shall not include **data**.

Rent Payable

The money paid or payable by **you** (including ground rent, service charges and any other payments) for accommodation and services provided by the landlord at the **premises**.

Rent Receivable

The money paid or payable to **you** (including ground rent, service charges and any other income) for accommodation and services provided as landlord at the **premises**.

Schedule

The document that shows:

- a **your** name and address
- b the **business**
- c the **period of insurance**
- d the sections and sub-sections of this **policy** which are operative

- e the **excesses** which apply
- f the premium **you** must pay
- g the **property** that is insured
- h the limits of indemnity, sums insured and **indemnity periods**
- i details of any extensions or endorsements to the cover.

Secure Compound

An area that is fully enclosed by a secure perimeter wall or fence and securely locked gates.

Senior Manager

Any person(s) within the **business**:

- a with responsibility for arranging the insurances for the **business**, and/or
- b who play a significant role in the making of decisions about how the activities of the **business** are to be managed or organised.

Service Provider

A business that **you** hire under a written contract or written agreement to perform services on **your** behalf in connection with **your business**.

Settlement

Downward movement as a result of the soil being compressed by the weight of the **buildings**.

Specified Working Expenses

- a purchases of **stock** and **target stock**, raw materials and consumables (less discounts received)
- b discounts allowed
- c carriage, freight and packaging
- d bad debts.

Sports Equipment

Articles which are usually worn, carried or held in the course of participating in a recognised sport.

Stock

Stock in trade excluding **target stock** but including raw materials, work in progress and finished goods, owned by **you** or held in trust by **you**.

Subsidence

Downward movement of the ground beneath the **buildings** and its foundations other than by **settlement**.

System

Computer or other equipment or component or system or item which processes, stores, transmits or receives **data**.

Target Stock

Stock comprising cigarettes, cigars, tobacco (including e-cigarettes, e-cigars, vaporizers and accessories), wines and spirits, DVDs and compact discs, computer games, mobile phones and non ferrous metals owned by **you** or held in trust by **you**.

Temporary Total Disablement

Physical injury which solely and directly results in the total and absolute inability of the **insured person** to attend to any part whatsoever of their occupation or profession.

Tenants' Improvements

Fixtures, fittings, decorations or improvements which are fixed to and form part of the structure or fabric of the **building** and

for which **you** are responsible as the tenant and not the owner of the **building** excluding:

- a **buildings**
- b **landlord's contents** or landlord's fixtures and fittings
- c **general contents**
- d glass, blinds and signs
- e **computer equipment**
- f **money**
- g **stock or target stock**
- h shopfronts.

Territorial Limits

Unless otherwise stated in the **schedule** or elsewhere in this **policy**, the following Territorial Limits apply:

Property and Loss of Income Sections

England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man.

Liability Section

Sub-Section A – Employers' Liability and Sub-Section E – Injury to a Working Partner or Proprietor

- a England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man.
- b Rest of the world but only in respect of temporary work as provided by Extension 4 Temporary Work Overseas to Sub-Section A – Employers' Liability.

Sub-Section B – Public Liability

- a England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man.
- b Rest of the world but only in respect of temporary work as provided by Extension 10 Overseas Personal Liability and Extension 11 Temporary Work Overseas to Sub-Section B – Public Liability.

Sub-Section C – Products Liability

- a England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man.
- b Rest of the world (but excluding **products supplied** knowingly to the United States of America or any territory within its jurisdiction or Canada).

Sub-Section D – Treatment

- a England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man.
- b Rest of **Europe**.

Property in Transit Section

The territories shown on the **schedule** under the Property in Transit Section.

Terrorism Extensions to the Property, Loss of Income and Property in Transit Sections

England, Scotland and Wales.

For **property** insured under the Property or Property in Transit Sections where cover is provided whilst **in transit** to territories outside England, Scotland and Wales, the Territorial Limits shall include the Channel Tunnel up to the frontier with the Republic of France, as set out by the Treaty of Canterbury.

The Territorial Limits shall not include the territorial seas adjacent to England, Scotland and Wales as defined by the Territorial Sea Act 1987 nor Northern Ireland, the Isle of Man or the Channel Islands.

Terrorism

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.

Transit

The loading, unloading and transportation of **covered equipment** other than by air or sea unless the sea transit is by roll-on/roll-off ferry.

Turnover

The money paid or payable to **you** for **products supplied** and services provided in the course of the **business**.

Unoccupied, Unoccupancy

- a empty, or
 - b not in use
- for more than 30 consecutive days.

Valuables

Precious stones, jewellery or articles made from gold, silver or other precious metals or incorporating precious stones, clocks, watches, furs, photographic equipment, binoculars, telescopes, musical instruments, pictures and other works of art, rare and unusual figurines and ornaments, guns, collections of stamps, coins or medals.

Vehicle

A mechanically propelled conveyance with or without attached trailers.

Virus

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

We, Our, Us

Ageas Insurance Limited.

You, Your, Yours

The person, persons or corporate body named on the **schedule** as the Insured including subsidiary companies notified by **you** and accepted by **us**.

Your Costs and Expenses

- a costs and expenses incurred with **our** consent in defending any claim
- b costs incurred with **our** consent for solicitors' fees for representation at any coroner's court, fatal accident inquiry or court of summary jurisdiction (including a court of equal status in any country within **Europe**) in respect of any occurrence which may be the subject of indemnity under the Liability Section
- c legal costs incurred with **our** consent for defending a charge of corporate manslaughter or any equivalent charge or a breach of health and safety at work, data protection, food safety or consumer protection legislation.

General Exclusions

These exclusions apply to the whole policy unless otherwise stated. Additional exclusions may apply to individual sections and sub-sections. Please refer to the section and sub-section wordings for details.

1 Radioactive Contamination

This **policy** does not cover any **damage, injury** or liability directly or indirectly caused by, contributed to by or arising from:

- a ionising radiations or radioactive contamination from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- b the radioactive, toxic, explosive or other dangerous properties of any explosive nuclear equipment or nuclear part of that equipment.

For Sub-Section A – Employers' Liability or Sub-Section E – Injury to a Working Partner or Proprietor of the Liability Section, this exclusion will only apply to:

- i the liability of any **principal**
- ii liability assumed under the terms of a contract or agreement where liability would not have attached in the absence of such contract or agreement.

2 War

With the exception of Sub-Section A – Employers' Liability and Sub-Section E – Injury to a Working Partner or Proprietor of the Liability Section, this **policy** does not cover any **damage, injury** or liability directly or indirectly caused by, contributed to by or arising from war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power.

3 Northern Ireland

This **policy** does not cover **damage** to any **property** or **data** in Northern Ireland directly or indirectly caused by, contributed to by or arising from:

- a riot or civil commotion, or
- b labour disturbances or malicious persons except in respect of accidental **damage** caused by fire or explosion.

4 Terrorism

This **policy** does not cover any **damage, injury** or liability directly or indirectly caused by, contributed to by or arising from:

- a **terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- b any action taken in controlling, preventing, suppressing or in any way relating to **terrorism** except as provided by:
 - i the Liability Section
 - ii Extension 16 Terrorism of the Property Section
 - iii Extension 1 Terrorism of the Loss of Income Section
 - iv Extension 1 Terrorism of the Property in Transit Section of this **policy**.

In any action, suit or other proceedings, where **we** allege that by reason of the provisions of this exclusion any **damage, injury** or liability is not covered by this **policy**, the burden of proving that such **damage, injury** or liability is covered will be upon **you**.

5 Electronic Risks

This **policy** does not cover any **damage, injury** or liability directly or indirectly caused by, contributed to by or arising from:

- a **damage** to any **system** whether owned by **you** or not and whether tangible or intangible including any **data** where such **damage** is caused by programming or operating error by any person, acts of malicious persons, **virus, hacking, phishing, denial of service attack** or failure of any external network
- b loss, alteration, modification, distortion, erasure or corruption of, or unauthorised access to, **data** whether or not caused by **hacking**
- c any misinterpretation, use or misuse of **data**
- d unauthorised transmission of **data** to any third party or transmission of any **virus**
- e **damage** to any other **property** directly or indirectly caused by, contributed to by or arising from **damage** described in a, b, c or d of this exclusion but this shall not exclude accidental **damage** to insured **property** which results from a cover cause, not otherwise excluded, except for acts of malicious persons which do not involve physical force or violence.

6 Pollution or Contamination

This **policy** does not cover any **damage, injury** or liability directly or indirectly caused by, contributed to by or arising from **pollution or contamination**. This exclusion does not apply to:

- a the Legal Expenses Section
- b Sub-Section A – Employers’ Liability and Sub-Section E – Injury to a Working Partner or Proprietor of the Employers’ Liability Section
- c Sub-Section B – Public Liability, Sub-Section C – Products Liability and Sub-Section D – Treatment of the Liability Section where **pollution or contamination** consists of a sudden, identifiable, unintended and unexpected occurrence which takes place in its entirety at a specific time and place during the **period of insurance**
- d the Property, Loss of Income and Property in Transit Sections where **damage** to insured **property** is caused by:
 - i **pollution or contamination** which itself results from Cover Cause 1 or 2
 - ii any one of Cover Causes 1 or 2 which itself results from **pollution or contamination**.

We will not be liable however for costs arising from **pollution or contamination** of **property** or **buildings** not insured by this **policy**.

7 Asbestos

(Applicable to the Liability Section only)

This **policy** does not cover any liability of whatsoever nature arising out of mining, processing, manufacturing, removing, disposing of, distributing or storing of asbestos or products made entirely or mainly of asbestos.

This exclusion shall not apply to the removal or disposal of asbestos or products made entirely or mainly of asbestos provided:

- a such activity does not form part of **your** usual business
- b the discovery of asbestos is unintentional and accidental and that upon discovery of asbestos or products made entirely or mainly of asbestos all work immediately stops
- c an asbestos removal contractor licensed by the Health and Safety Executive is employed as soon as practicable to make safe the area in which the discovery is made and who has employers’ and public liability insurance in force for limits no less than those stated on **your** own such policies and that such work is not excluded by the contractor’s own employers’ and public liability policy.

8 Sanctions

We will not provide any cover or be liable to provide any indemnity or payment or other benefit under this **policy** to the extent that providing such cover, indemnity, payment or benefit would expose **us** or any of the Ageas group of companies to the violation of any:

- a sanction, prohibition or restriction imposed under United Nations resolutions, or
- b trade or economic sanctions of the United Kingdom, European Union, the United States of America or any other territory, or
- c laws or regulations of the United Kingdom, European Union, the United States of America or any other territory.

9 Government or Public Authorities

We will not pay claims arising directly or indirectly from nationalisation, confiscation, seizure, destruction, requisition or detention by order of any government, municipal, local, customs or public authority.

General Conditions

These conditions apply to the whole policy unless otherwise stated. Additional conditions may apply to individual sections or sub-sections. Please refer to the section and sub-section wordings for details.

1 Misrepresentation

You, or anyone acting for you, must make a fair presentation of the risk to us. This means you, or anyone acting for you, must disclose at inception or variation to this policy and prior to each renewal every material circumstance which you or they know or ought to know and not make misrepresentations to us. If you, or anyone acting for you, do not make a fair presentation to us, we can:

- a avoid this policy from inception or renewal if we would not have issued it or continued it knowing the true situation
- b avoid a variation to this policy if we would not have accepted it had we known the true situation
- c alter the terms of this policy from the date the non-disclosure or misrepresentation was made to those we would have applied had we known the true situation
- d reduce the payment for a claim
- e cancel this policy from the date the non-disclosure or misrepresentation was made.

This may result in claims not being paid or not being paid in full.

2 Subject to Survey

If this policy has been issued subject to survey, then continuance of cover shall be subject to:

- a you allowing us to undertake a survey at each of your premises (where required) by a date agreed in writing by us. We may appoint a surveyor to do the survey for us
- b you complying with our acceptance criteria
- c the completion of any risk improvements required within the timeframe advised by us.

The cost of completing any risk improvement requirements will be met by you.

If you do not allow us to complete the survey by the agreed date we may exercise our right to cancel this policy in accordance with General Condition 6 Our Cancellation Rights.

For the period between inception date and the completion date of the survey we agree to cover you in accordance with the terms, conditions and exclusions of this policy.

In the event the survey does not reflect the details supplied to us by you or on your behalf, or any of the risk improvement requirements are not completed by the agreed date we give you in writing following the survey, we have the right to amend the premium, terms, conditions and exclusions of this

policy, or to cancel this policy in accordance with General Condition 6 Our Cancellation Rights.

3 Reasonable Precautions

You should take all reasonable care:

- a for the safety of the property insured
- b to prevent accidents or injury
- c to comply with all statutory obligations and regulations imposed by any authority
- d to prevent the sale or supply of goods which are defective in any way.

4 Fraud

If you or anyone acting for you:

- a makes any claim that is deliberately exaggerated, or
- b uses, or attempts to use, fraudulent means to obtain benefits under this policy, or
- c deliberately makes a false or misleading statement, or deliberately submits false or misleading information or evidence in support of a claim which you or they know or ought to know would result in us paying a claim that we were entitled to refuse or paying a greater sum in respect of a claim, or
- d deliberately withholds information or evidence from us which you or they know or ought to know would entitle us to refuse to pay a claim or pay a lesser sum under this policy

then:

- i we will not be liable to pay the claim,
- ii we may cancel this policy from the date of such act,
- iii all benefit under this policy will be forfeited,
- iv we may recover all sums paid by us under this policy, and
- v we may inform the police and fraud prevention agencies of the circumstances.

5 Your Cancellation Rights

During the first period of insurance, you have the right to cancel this policy within 14 days of:

- a receipt of the policy wording and schedule, or
- b the inception date of this policy

whichever is the later, by writing to us or alternatively by contacting your agent to confirm cancellation. Cancellation will take effect from the date that we or your agent receives your cancellation instructions. Provided no claim has been made and there has been no incident known to you prior to cancellation which may give rise to a claim, you will be entitled to a full refund of the premium paid. Should a claim be submitted after such refund has been provided, payment of the premium in full will be required before we can deal with the claim. We will only deal with claims occurring during the

period commencing on or after inception up to the cancellation of this **policy**.

You may cancel this **policy** at any other time by writing to **us** or alternatively by contacting **your agent** to confirm cancellation. **You** will be entitled to the return of a proportionate part of the premium paid in respect of the unexpired **period of insurance** provided no claim has been made during the **period of insurance** in which the cancellation is to take effect. If a claim has been made, **we** will deduct the cost of the claim (or the estimated cost where the claim is outstanding) from the refund due. **You** will not be entitled to any refund if:

- i there has been an incident known to **you** which may give rise to a claim, or
- ii the cost of the claim (or the estimated cost where the claim is outstanding) is equal to or exceeds the amount of the premium paid.

6 Our Cancellation Rights

The cover provided by this **policy** shall automatically cease from the date that:

- a a liquidator, administrator or insolvency practitioner is appointed to administer the **business**
- b the **business** is permanently discontinued
- c **your** interest ceases other than as a result of **your** death unless **we** agree otherwise in writing.

In addition to a, b and c of this condition and any right to cancel under more specific conditions, **we** also have the right to cancel this **policy** at any other time by sending 14 days' notice in writing to **your** last known address. Reasons for cancellation under this condition may include but are not limited to:

- i a change to the risk which makes it one **we** would not normally accept
- ii **you** failing to co-operate with or provide information to **us** which affects **our** ability to underwrite the risk.

You will be entitled to the return of a proportionate part of the premium paid in respect of the unexpired **period of insurance** provided no claim has been made during the **period of insurance** in which the cancellation is to take effect. If a claim has been made, **we** will deduct the cost of the claim (or the estimated cost where the claim is outstanding) from the refund due. **You** will not be entitled to any refund if:

- a there has been an incident known to **you** which may give rise to a claim, or
- b the cost of the claim (or the estimated cost where the claim is outstanding) is equal to or exceeds the amount of the premium paid.

7 Renewal

We are not bound to offer renewal of this **policy**.

8 Law Applicable to this Policy

This **policy** will be governed by English Law, and **you** and **we** agree to submit to the non-exclusive jurisdiction of the courts of England and Wales (unless **you** live in Jersey in which case the law of Jersey will apply and the Jersey courts will have exclusive jurisdiction).

9 Language

The contractual terms, conditions, exclusions and other information relating to this **policy** will be in the English language.

10 Contracts (Rights of Third Parties Act) 1999

Except as provided by General Condition 11 Personal Representatives, no party to this **policy** intends that any term of this **policy** should be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person, persons or corporate body who is not a party to this **policy**.

11 Personal Representatives

In the event of the death of any party entitled to indemnity under this **policy**, **we** will cover the deceased's personal representatives in respect of legal liability to pay **your costs and expenses, claimants' costs and expenses** and damages previously incurred by the deceased in respect of accidental:

- a **injury**
- b **damage to property**

provided that:

- i the personal representatives comply with and are subject to the terms and conditions of this **policy** to the extent that these can apply
- ii the conduct and control of claims is vested in **us**
- iii where more than one party is entitled to indemnity under this condition, **our** total combined liability to all parties will not exceed the applicable limit of indemnity shown on the **schedule**.

Condition Precedent to Liability

(Applicable to the Property and Loss of Income Sections only)

1 Notice of Unoccupancy or Occupancy

It is a condition precedent to **our** liability to pay claims that **you** must advise **us** as soon as **you** become aware that:

- a the **premises** or a **building** or self contained unit within a **building** becomes **unoccupied**
- b the **premises** or a **building** or self contained unit within a **building** becomes occupied after a period of being **unoccupied**.

Following notification of **unoccupancy** or occupancy, **we** will have the right to amend the premium, terms, conditions and exclusions of this **policy**, or may exercise **our** right to cancel this **policy** in accordance with General Condition 6 Our Cancellation Rights.

Claims Conditions

These conditions apply to the whole policy unless otherwise stated. Additional conditions may apply to individual sections and sub-sections. Please refer to the section and sub-section wordings for details.

1 Claims Procedure – Your Responsibilities

Failure to comply with these responsibilities will affect the payment of any claim.

- a **You** must not negotiate or settle any claims made against **you** by anyone else or admit or deny responsibility for any incident involving **injury** to others or **damage** to their **property** unless **we** agree otherwise in writing.
- b **You** must:
 - i on discovery of any **damage** by theft or attempted theft or by malicious persons give immediate notice to the police and obtain a crime reference number if a crime has been committed and provide it to **us**
 - ii notify **us** within seven days of any **damage** by riot, civil commotion, labour or political disturbances, malicious persons or theft or attempted theft. Any other incident that may give rise to a claim under this **policy** must be reported to **us** and full written particulars of the loss supplied as soon as possible after the event at **your** expense
 - iii immediately send **us** unanswered and unacknowledged any letter or notice received alleging that **you** or anyone working for **you** is responsible for causing an **injury** to any person or **damage** to any **property**. **You** must also send **us** unanswered and unacknowledged any written claim, writ, summons or other document relating to a claim and tell **us** of any pending prosecution, coroner's inquest or fatal accident inquiry and give **us** full details of any verbal claims made against **you**
 - iv take immediate action to minimise loss, prevent further **damage**, **injury** or **physical injury** and avoid interruption of or interference with the **business**
 - v keep all damaged **property** until **we** give permission to dispose of it
 - vi provide at **your** expense all information and assistance as **we** may reasonably require
 - vii provide, if **we** require, a statutory declaration of the truth of the claim.

2 Claims Procedure – Our Rights

We shall:

- a be allowed by **you** to enter the **premises** where **damage** has occurred and take and keep possession of any **property** insured
- b not accept any **property** being abandoned to **us**
- c have complete control of any proceedings and the settlement of any claim.

3 Subrogation

Before or after any payment is made by **us**, **we** can at **our** option:

- a negotiate, defend or settle, in **your** name and on **your** behalf, any claims made against **you**
- b take legal action in **your** name but for **our** benefit to get back any payment **we** have made under this **policy**.

4 Contribution

(Not applicable to the Liability Section or Sub-Section E – Assault By Thieves of the Property Section)

If **you** have any other insurance policies that cover the same **damage** or liability as this **policy**, **we** will only pay **our** share of any claim.

5 Arbitration

(Not applicable to the Liability Section)

If **we** agree to pay **your** claim, but **you** disagree with the amount to be paid, such difference shall be referred to an arbitrator jointly appointed by **you** and **us** in accordance with the Arbitration Act 1996 or equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man. **You** may not take legal action against **us** over this disagreement until the arbitrators have made their decision.

6 Discharge of Liability

(Applicable to the Liability Section only)

We may, at any time, pay **you** in connection with any claim or series of claims:

- a the amount of the limit of indemnity
 - b any lower amount for which such claim or claims can be settled
- less any sum or sums already paid as damages, **claimants' costs and expenses** and **your costs and expenses**.

On payment, **we** shall relinquish the conduct and control of, and be under no further liability in connection with such claim or claims except for the payment of **claimants' costs and expenses** and **your costs and expenses** incurred prior to the date of such payment.

7 Automatic Reinstatement

(Applicable to Sub-Sections A – Buildings, B – Contents, F – Specified Property, H – Deterioration of Refrigerated Stock, I – Household Contents and J – Personal Possessions of the Property Section and Sub-Section A – Income/Costs of the Loss of Income Section only)

Upon notification of a claim to **us**, unless **we** or **you** give written notice to the contrary, the sums insured and limits will be reinstated to their full amount provided that:

- a **you** pay the appropriate additional premium from the date of the loss or **damage** to the expiry of the **period of insurance** if **we** request the additional premium
- b the total of the amounts reinstated during any one **period of insurance** will not exceed the sums insured and limits shown on the **schedule** or elsewhere in the policy wording.

Cover Causes

Wherever they are referred to in this policy, the cover causes applicable are as follows:

Cover Cause 1

- a Fire but not **damage** caused by:
 - i spontaneous heating or fermentation of the **property** insured
 - ii fire as a consequence of the **property** insured undergoing any process involving the application of heat.
- b Lightning.
- c Earthquake or subterranean fire.
- d Explosion, but not explosion of any non domestic steam pressure equipment under **your** control.
- e Impact by aircraft or other flying objects or articles dropped from them.

Cover Cause 2

- a Riot, civil commotion, labour or political disturbances.
- b Malicious persons but not **damage**:
 - i caused by theft or attempted theft
 - ii arising when the **premises** are **unoccupied**.
- c Explosion of boilers and economisers or other equipment used for non domestic purposes and which is built to operate under internal pressure due to steam only. Cover Cause 2c Explosion of boilers and economisers and other equipment is only effective for Sub-Section A – Income/ Costs of the Loss of Income Section.
- d Impact by:
 - i vehicles, trains or trams
 - ii animals or birds
 - iii falling aerials, masts or satellite dishes
 - iv falling trees and branches including the cost of removing fallen trees or branches, but only where there has been **damage to property** insured by this **policy**.
- e Escape of oil from any fixed oil fired heating installation but not **damage** arising when the **premises** are **unoccupied**.
- f Storm but not **damage**:
 - i due to changes in the water table level
 - ii by frost, **subsidence, settlement, ground heave** or **landslip**
 - iii to fences, gates and moveable **property** in the open or to open sided buildings or any **property** therein
 - iv caused by flood.
- g Flood but not **damage**:
 - i due to changes in the water table level
 - ii by frost, **subsidence, settlement, ground heave** or **landslip**
 - iii to fences, gates and moveable **property** in the open or to open sided buildings or any **property** therein

- iv due to the escape of water from any water tank, apparatus or pipes.
- h Escape of water from any water, drainage or heating system but not **damage** arising when the **premises** are **unoccupied**.

Cover Cause 3

Accidental **damage** but not **damage**:

- a by Cover Causes 1, 2, 4 or 5 or any of their detailed exclusions whether insured or not
- b to a building or structure caused by its own collapse or cracking
- c resulting from, or caused by, any process of production, packing, treatment, dyeing, cleaning, testing, commissioning, maintenance, alteration, restoration, servicing or repair
- d caused by:
 - i inherent vice, latent defect, gradual deterioration, wear and tear, frost, faulty or defective design, faulty or defective workmanship or materials, operational error or omission, but not excluding the subsequent **damage** which itself results from a cover cause that is otherwise operative
 - ii corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, condensation, atmospheric or climatic conditions, dampness, dryness, chipping, marring or scratching, vermin or insects
 - iii change in temperature, colour, flavour, texture or finish
 - iv joint leakage, the failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
 - v mechanical or electrical breakdown or derangement in respect of the particular machinery or equipment in which such breakdown or derangement occurs but not excluding:
 - a the subsequent **damage** which itself results from a cover cause that is otherwise operative
 - b **damage** caused by artificially generated electrical current, including electric arcing, that damages electrical devices, appliances or wires
 - vi acts of fraud or dishonesty including any collusion by **you** or **directors, partners** or **employees**
 - vii disappearance, unexplained or inventory shortage, misfiling or misplacing of information
 - viii or consisting of distortion, erasure or corruption of computer records or **computer media**.

Cover Cause 4 – Theft or attempted theft

Theft or attempted theft but not theft or attempted theft:

- a that does not involve entry to or exit from a **building** by forcible and violent means or that does not involve actual or threatened assault or violence, or use of force against **you** or any person lawfully on the **premises**
- b of **property** from any garden (except as provided by Extension 6 Property in the Garden to Sub-Section I – Household Contents) or from any yard or open space unless specified as an insured item on the **schedule**
- c arising while the **premises** are **unoccupied**
- d by any **employee** or any person lawfully on the **premises**
- e **damage to buildings** except as provided by Extension 5 Theft of Building to Sub-Section A – Buildings and Extension 3 Theft Damage to Buildings to Sub-Section B – Contents of the Property Section.

Cover Cause 5 – Subsidence, ground heave or landslip

Damage caused by **subsidence, ground heave or landslip** of the site on which the **property** described on the **schedule** stands but not **damage**:

- a to outbuildings, aerials, satellite dishes, security cameras, lights, air conditioning or climate control equipment, solar panels, fuel tanks and septic tanks, ducting, pipes, cables, wires, control equipment, walls, gates and fences, swimming pools, car parks, yards, roads, pavements, footpaths and children's play areas, unless the structure of the building which they are ancillary to is damaged at the same time by the same cause
- b to solid floor slabs or **damage** from solid floor slabs moving, unless the foundations underneath the outside walls of the main building are damaged at the same time and by the same cause
- c caused by or consisting of:
 - i **settlement** (including the normal **settlement** or bedding down of new structures)
 - ii compaction or movement of infill or made up ground
 - iii coastal or river erosion
 - iv defective design or faulty workmanship or the use of defective materials or inadequate foundations
- d which originated before this cover cause was effective
- e resulting from:
 - i demolition, construction, structural alteration or repair of any **property** at the **premises**
 - ii groundwork or excavation at the same **premises**
- f for which compensation is provided under or by contract or legislation
- g resulting from loss of market value after repairs.

Cover Cause 6 – All Risks excluding subsidence, ground heave or landslip

Damage by any cause (not otherwise excluded) but not **damage** caused by:

- a Cover Cause 5 – Subsidence, ground heave or landslip or any of its detailed exclusions whether insured or not
- b or resulting from any process of production, packing, treatment, dyeing, cleaning, testing, commissioning, maintenance, alteration, restoration, servicing or repair but not excluding **damage** caused by a **defined peril** and not otherwise excluded
- c inherent vice, latent defect, gradual deterioration, wear and tear, frost, faulty or defective design, faulty or defective workmanship or materials, operational error or omission, but not excluding **damage** caused by a **defined peril** and not otherwise excluded

- d collapse or cracking of any building or structure unless it results from a **defined peril** and is not otherwise excluded
- e corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, condensation, atmospheric or climatic conditions, dampness, dryness, chipping, marring or scratching, vermin or insects
- f change in temperature, colour, flavour, texture or finish
- g joint leakage, the failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
- h the bursting of:
 - i any boiler not used for domestic purposes only
 - ii any economiser or other vessel machine or apparatus owned by **you** or under **your** control in which internal pressure is due to steam only but this will not exclude subsequent **damage** which itself results from a cause not otherwise excluded
- i mechanical or electrical breakdown or derangement in respect of the particular machinery or equipment in which such breakdown or derangement occurs but not excluding:
 - i the subsequent **damage** which itself results from a cover cause that is otherwise operative
 - ii **damage** caused by artificially generated electrical current, including electric arcing, that damages electrical devices, appliances or wires
- j acts of fraud or dishonesty including any collusion by **you, directors, partners or employees**
- k disappearance, unexplained or inventory shortage, misfiling or misplacing of information
- l or consisting of distortion, erasure or corruption of computer records or **computer media**
- m theft or attempted theft:
 - i that does not involve entry to or exit from a **building** by forcible and violent means or that does not involve actual or threatened assault or violence, or the use of force against **you** or any person lawfully on the **premises**
 - ii of **property** from any garden (except as provided by Extension 6 Property in the Garden to Sub-Section I – Household Contents) or from any yard or open space unless specified as an insured item on the **schedule**
 - iii arising while the **premises** are **unoccupied**
 - iv by any **employee** or any person lawfully on the **premises**
 - v **damage to buildings** except as provided by Extension 5 Theft of Building to Sub-Section A – Buildings and Extension 3 Theft Damage to Buildings to Sub-Section B – Contents of the Property Section
- n wind, rain, hail, sleet, snow, flood or dust to any fences, gates or moveable **property** in the open
- o changes in the water table level
- p spontaneous heating or fermentation of the **property** insured or fire caused by its undergoing any process involving the application of heat but this will not apply to **damage** caused by a **defined peril** and not otherwise excluded
- q escape of water or oil from any pipe, tank or apparatus, **damage** by malicious persons, theft or attempted theft in any building which is **unoccupied**.

Property Section

Sub-Section A – Buildings

The cover described below is only operative if shown on the **schedule**

Cover

Buildings

We will pay for accidental **damage** occurring during the **period of insurance** to **buildings** by any of the cover causes shown against each item of **buildings** on the **schedule**.

Tenants' Improvements

We will pay for accidental **damage** occurring during the **period of insurance** to **tenants' improvements** by any of the cover causes shown against each item of **tenants' improvements** on the **schedule**.

Loss of Rent

We will pay for loss of **rent payable** following accidental **damage** occurring during the **period of insurance** to **buildings** by any of the cover causes shown against Loss of Rent on the **schedule** which makes the **buildings** uninhabitable or inaccessible, but only for the period necessary for the reinstatement of the **buildings**.

Extensions to Sub-Section A – Buildings

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Contracting Purchaser

Where **you** contract to sell **your** interest in a **building** insured by this sub-section, the contracting purchaser, who has not, but will complete the purchase, has the benefit of the insurance by this sub-section up to the date of completion, to the extent that the **buildings** are not otherwise insured and provided the purchaser shall comply with and be subject to the terms, conditions and exclusions of this **policy** in so far as they can apply.

2 Mortgagee, Freeholder or Lessor

The interest of any mortgagee, freeholder or lessor in any **buildings** insured by this **policy** will not be prejudiced by any act, omission, alteration or neglect of or by the mortgagor or occupier of the **buildings** which is unknown to or beyond the control of the mortgagee, freeholder or lessor whereby the risk of **damage** is increased provided that the mortgagee, freeholder or lessor gives **us** notice immediately on becoming aware of such act, omission, alteration or neglect and pays any additional premium required.

3 Underground Services

We will pay for accidental **damage** occurring during the **period of insurance** to underground tanks, water pipes, drains, sewers, gas pipes, electricity and telephone cables extending from the public mains to the **buildings** by any of the cover causes shown on the **schedule** against **buildings** but only to the extent to which **you** are responsible for repair.

4 Public Authorities

The sum insured in respect of Sub-Section A – Buildings includes an amount for additional costs incurred solely by reason of the necessity to comply with any legislation, statutory requirements or regulations or public authority byelaw in:

- a reinstating the damaged parts of the **buildings**
- b upgrading any undamaged parts of the **buildings** as a result of accidental **damage** to the **buildings** by any of the cover causes shown against **buildings** on the **schedule**.

We will not pay for:

- i any amount exceeding 15% of the amount that would have been payable if the **buildings** had been totally destroyed in respect of item b above
- ii any such cost resulting from a notice served on **you** prior to the date of the **damage**
- iii the amount of any rate, tax, duty, development or other charge arising out of capital appreciation which may be payable in respect of the **buildings**.

The work of reinstatement or upgrading must be completed within 12 months of the date of the **damage** unless a longer period is agreed by **us** in writing.

5 Theft of Building

If Cover Cause 4 or 6 is operative in respect of a **building**, we will pay for accidental **damage** occurring during the **period of insurance** to that **building** as a result of theft or attempted theft of any item or part forming part of the fabric or structure of the **building**. If such item or part forms part of the exterior fabric or structure of the **building**, exclusion a of Cover Cause 4 and exclusion m, i of Cover Cause 6 will not apply.

Our liability under this extension will not exceed £25,000 in any one **period of insurance**.

Sub-Section B – Contents

The cover described below is only operative if shown on the **schedule**

Cover

Contents

We will pay for accidental **damage** occurring during the **period of insurance** to **general contents** and other **property** (excluding **stock** and **target stock**) at the

premises by any of the cover causes shown on the **schedule** against each item of **general contents** and other **property**.

Stock

We will pay for accidental **damage** occurring during the **period of insurance** to **stock** and **target stock** at the **premises** by any of the cover causes shown on the **schedule** against each item of **stock** and **target stock**.

Extensions to Sub-Section B – Contents

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Contracting Purchaser

Where **you** contract to sell **your** interest in any item of **general contents** or **computer equipment**, the contracting purchaser, who has not, but will complete the purchase, has the benefit of the insurance by this sub-section up to the date of completion of the purchase, to the extent that the **general contents** or **computer equipment** are not otherwise insured provided the purchaser shall comply with and be subject to the terms, conditions and exclusions of the **policy** in so far as they can apply.

2 Theft of Keys

If Cover Cause 4 or 6 is operative, **we** will pay for the cost of replacing locks and keys to the **buildings**, **intruder alarm systems**, safes, strongrooms or tills following accidental **damage** occurring during the **period of insurance** to keys by theft or attempted theft up to £5,000 in any one **period of insurance** provided that:

- a the keys are stolen from the **buildings** or **your** private residence or the private residence of any **director**, **partner** or authorised **employee**
- b keys are not left in the **buildings** (other than a private residential portion of the **buildings** occupied by **you**, a **partner**, **director** or an authorised **employee**) outside **business hours** nor in an unattended room during **business hours** unless locked in a safe, cupboard or drawer the key to which is kept in a key safe or is held in the personal custody of **you**, a **partner**, **director** or authorised **employee**.

For the purposes of this extension, 'keys' includes devices to deactivate the **intruder alarm system**.

3 Theft Damage to Buildings

If Cover Cause 4 or 6 is operative, **we** will pay for accidental **damage** occurring during the **period of insurance** to the **buildings** which **you** are responsible for repairing, and which is not otherwise insured, arising out of theft or attempted theft involving entry to or exit from the **buildings** by forcible and violent means or threatened assault or violence or use of force against **you** or any person lawfully on the **premises**.

4 Seasonal Increase

If **stock** or **target stock** is shown on the **schedule**, the sum insured against each item is automatically increased by 25% during the months of November and December and the 30 days preceding Easter Sunday or other religious festival observed by the **business** (unless otherwise shown on the **schedule**).

5 Temporary Removal of General Contents

We will pay for accidental **damage** occurring during the **period of insurance** to:

- a computer records, business books, manuscripts, plans and designs or other documents whilst temporarily removed from the **premises**
 - b other **general contents** whilst temporarily removed from the **premises** for cleaning, renovation, repair or similar purposes
- by any of the cover causes shown on the **schedule** against **general contents**.

The cover provided includes transit within the **territorial limits** and travel between the specified territories.

We will not be liable for:

- i **property** held by **you** in trust other than **general contents**
- ii theft or attempted theft from a building that does not involve entry to or exit from the building by forcible and violent means or that does not involve actual or threatened assault or violence, or use of force against **you** or any person lawfully in the building.

Our liability under this extension in any one **period of insurance** will not exceed:

- a 10% of the sum insured for **general contents** shown on the **schedule**, or
 - b £100,000
- whichever is lower (subject otherwise to any inner limit as shown in the definition of **general contents**).

6 Exhibitions, Trade Shows and Conferences

We will pay for accidental **damage** occurring during the **period of insurance** to **general contents** and **stock** by any of the cover causes shown on the **schedule** against each item of **general contents** and **stock** whilst in any buildings being used for an exhibition, trade show or conference, in which **you** are a participant, anywhere within the **territorial limits** including whilst in transit to and from such buildings provided that **we** will not be liable for theft or attempted theft:

- a from an unattended **vehicle**
- b from any display or stand that has been left unattended by **you**, a **director**, **partner** or **employee** during exhibition, trade show or conference hours
- c from a building outside exhibition, trade show or conference hours that does not involve entry to or exit from the buildings by forcible and violent means or that does not involve actual or threatened assault or violence, or use of force against **you** or any person lawfully in the building.

Our liability under this extension will not exceed £10,000 in any one **period of insurance**.

7 Expediting Expenses

We will pay for the extra cost to make temporary repairs and expedite permanent repairs to, or permanent replacement of **property** which is the subject of a valid claim under this sub-section.

Our liability under this extension will not exceed £20,000 in any one **period of insurance**.

8 Hire of Substitute Item

We will pay the hire charges incurred by **you** for the necessary hire, following accidental **damage** occurring during the **period of insurance** to **property** which is the subject of a valid claim under this sub-section, of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged.

Our liability under this extension will not exceed £10,000 in any one **period of insurance**.

9 Costs of Reinstating Data

We will pay for costs incurred in recreating or reinstating onto **computer media, data** lost or damaged as a result of accidental **damage** occurring during the **period of insurance** to **computer equipment**.

Our liability under this extension will not exceed £50,000 in any one **period of insurance**.

10 Third Party Storage Locations

If **general contents** or **stock** are shown on the **schedule**, we will pay for accidental **damage** occurring during the **period of insurance** to such **general contents** or **stock** by any of the cover causes shown against each item whilst temporarily stored inside any building within the **territorial limits** provided that:

- a we will not be liable for theft or attempted theft from a building that does not involve entry to or exit from the building by forcible and violent means or that does not involve actual or threatened assault or violence, or use of force against **you** or any person lawfully in the building
- b storage locations do not include exhibition venues or **contract** sites.

Our liability under this extension will not exceed £10,000 at any one location and £20,000 in respect of all locations unless otherwise shown on the **schedule**.

11 Non Ferrous Metals

If **stock** is shown on the **schedule**, the sum insured will automatically include non ferrous metals up to £5,000 (unless non ferrous metals are specified in the **schedule**). For the purposes of this extension, non ferrous metals will exclude precious metals.

Condition Precedent to Liability – Sub-Section B – Contents

Cellars and Basements

It is a condition precedent to our liability to pay for **damage** caused by storm, flood or escape of water that all **stock, target stock** or customers' goods contained in any cellar, basement or sub-basement must be kept on racks or shelves at least 10 centimetres above floor level.

Sub-Section C – Glass, Blinds and Signs

The cover described below is only operative if shown on the **schedule**

Cover

We will pay for accidental **damage** occurring during the **period of insurance** to:

- a any glass fitted to the exterior of the **buildings**
- b **property** insured by this section, within any display windows caused by breakage of any glass
- c fixed glass, (including interior showcases and mirrors), inside the **buildings**
- d external signs
- e sanitaryware
- f external blinds up to an amount not exceeding £2,500 in respect of any one loss
- g framework following breakage of fixed glass
- h lettering on glass
- i alarm foil for which **you** are responsible at the **premises** by Cover Cause 6.

We will also pay for the cost of boarding up prior to the replacement of any glass insured by this sub-section and the cost of reinstating **intruder alarm systems** at the **premises** damaged as a result of glass breakage covered under this sub-section.

For the purposes of this sub-section, 'glass' will also mean any glass substitute material.

Exclusions to Sub-Section C – Glass, Blinds and Signs

We will not pay for:

- a **damage** arising:
 - i from repairs or alterations to the **premises**
 - ii in **unoccupied premises**
- b **damage** which occurred prior to the commencement of cover under this sub-section
- c **damage** to any glass or sanitaryware comprising samples or display materials held in connection with the **business**
- d **damage** to electrical signs by:
 - i rust or other gradually operating cause
 - ii mechanical or electrical breakdown
- e **damage** to tubes within electrical signs unless the surrounding glass is fractured at the same time
- f **damage** arising from repair, removal or erection of glass, blinds, signs or sanitaryware
- g scratching or chipping of sanitaryware unless there is breakage or complete fracture of such a nature as to render such article totally unserviceable.

Sub-Section D – Money

The cover described below is only operative if shown on the **schedule**

Cover

Business Money

We will pay for accidental **damage** occurring during the **period of insurance** to **business money** as shown in the Table of Cover by Cover Cause 6.

Safes, Strongrooms, Tills and Stamp Franking Machines

We will pay for accidental **damage** occurring during the **period of insurance** to any safe or strongroom or till or any stamp franking machine as shown in the Table of Cover by theft or attempted theft under Cover Cause 4 or 6.

Table of Cover	
Cover description and locations	Limit (any one loss)
1 Business money – other than crossed cheques, crossed warrants, crossed postal and money orders, credit and debit card sales vouchers and Value Added Tax (VAT) purchase invoices:	
a in the buildings during business hours	See schedule
b in transit to and from the premises whilst in the personal custody of you or any director, partner or authorised employee or whilst in a bank night safe	See schedule
c whilst at your private residence or the private residence of any director, partner or authorised employee	£500
d in the buildings whilst the business money is left unattended or outside business hours and not secured in a locked safe or strongroom	£500
e in the buildings outside business hours and secured in a locked, unspecified safe or a locked strongroom	£3,000
f in the buildings outside business hours and secured in a locked, specified safe, if shown on the schedule	See schedule
g in cash operated machines at the premises	See schedule
h in automated teller machines (ATMs) at the premises	See schedule
2 Crossed cheques, crossed warrants, crossed postal and money orders, credit and debit card sales vouchers and Value Added Tax (VAT) purchase invoices	£250,000
3 Safes, strongrooms, tills and stamp franking machines owned by you or for which you are responsible	Cost of repair or replacement

Basis of Settlement – Sub-Section D – Money

For items 1 a, b, f, g and h, the maximum **we** will pay is the limit shown on the **schedule** at the time of the **damage**.

For items 1 c, d, e and 2, the maximum **we** will pay is the limit shown in the Table of Cover at the time of the **damage**.

For item 3, the maximum **we** will pay is the cost of repair or replacement at the time of the **damage**.

Extensions to Sub-Section D – Money

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Theft without Force and Violence

For **property** insured by this sub-section, theft or attempted theft is covered whether or not the theft or attempted theft involves entry to or exit from a **building** by forcible and violent means or actual or threatened assault or violence,

or use of force against **you** or any person lawfully on the **premises**.

2 Theft by Directors, Partners or Employees

We will pay for **damage** to **business money** arising from theft by, or the fraud or dishonesty of a fellow **director**, another **partner** or any **employee** (excluding sole **directors**) provided discovery occurs within seven days of the event.

3 Holidays

The limits for items 1a and 1b in the Table of Cover are doubled during the week immediately prior to any annual holiday shutdown observed by the **business**.

Exclusions to Sub-Section D – Money

1 Employees

We will not pay for any **damage** to **business money**:

- arising from theft by, or the fraud or dishonesty of, any **employee** or **director** which is covered by any other insurance policy or under Sub-Section K – Employee Dishonesty of this **policy**
- caused by any act of any **employee** not normally resident within the **territorial limits**
- caused by any act of any labour master or labour only subcontractor or person hired or borrowed by **you** from another employer.

2 Transit by Employees

We will not pay for **damage** to **business money** whilst in the possession of **employees** delivering or collecting **business money** other than delivery or collection by authorised **employees** to or from the **premises** and **your** bank.

3 Error or Omission

We will not pay for shortage due to error or omission.

4 Unattended Vehicles

We will not pay for **damage** to **business money** left unattended by **you**, a **director, partner** or **employee** in a **vehicle**.

5 Forgery and Fraud

We will not pay for any **damage**:

- resulting directly or indirectly from forgery, fraudulent alteration or substitution or fraudulent use of a computer or electronic transfer
- resulting from use of any form of payment which proves to be counterfeit, false, fraudulent, invalid, uncollectable or irrecoverable for any reason.

Conditions Precedent to Liability – Sub-Section D – Money

1 Key Security

It is a condition precedent to **our** liability to pay claims for theft or attempted theft of **business money** from a safe, strongroom or till that such are securely locked and their keys are:

- held in the personal custody of **you**, a **director, partner** or authorised person, or
- locked in a safe, cupboard or drawer the key to which is held in the personal custody of **you**, a **director, partner** or authorised person.

Where a safe, strongroom or till is secured by means of a combination lock rather than a key, the combination code must be known only to **you**, a **director, partner** or authorised **employee**.

2 Money in Transit

Where the limit shown on the **schedule** in respect of item 1b exceeds £3,000, it is a condition precedent to **our** liability to pay claims for theft or attempted theft of **business money** in transit, that all transits of **business money**:

- a where the amount carried is above £3,000 at any one time but no more than £5,000, must be undertaken by at least two persons together
- b where the amount carried is above £5,000 at any one time but no more than £8,000 must be undertaken by at least three persons together
- c where the limit shown on the **schedule** in respect of item 1b exceeds £8,000, transits of more than £8,000 at any one time must be undertaken by a specialist security carrier.

Sub-Section E – Assault By Thieves

The cover described below is only operative if shown on the **schedule**

Cover

We will pay **you** the appropriate benefits shown in the Table of Benefits if during the **period of insurance** an **insured person** is assaulted during theft or attempted theft of **property** or **money** insured by this **policy** and:

- a suffers **physical injury** which, independently of any other cause and within two years of the **physical injury**, results in death, **temporary total disablement**, **loss of limbs**, **eyes**, **hearing or speech**
- b sustains **damage** to their **personal belongings**.

Table of Benefits	Maximum Benefit
1 Temporary Total Disablement (payable for up to 104 weeks)	£100 per week
2 Loss of Limbs, Eyes, Hearing or Speech	£10,000
3 Permanent Total Disablement	£10,000
4 Death	£10,000
5 Personal Belongings	£1,000 per insured person

Payment of Benefits

Unless **we** agree otherwise in writing any claim under this sub-section will commence with payment of Benefit 1. If during the progress of a claim **we** agree with **you** that it is more appropriate to progress to Benefits 2 or 3, all amounts paid or payable under Benefit 1 will be deducted from any sum paid under Benefits 2 or 3 in respect of the same **physical injury**.

If a payment is made under Benefit 4, all amounts paid or payable under Benefits 1, 2 or 3 will be deducted from any sum paid under Benefit 4 in respect of the same **physical injury**.

Payment under Benefit 1 will be made when the total amount payable has been agreed or, if **you** request and **we** agree, at intervals of four weeks in arrears.

The maximum period for which payments will be made under Benefit 1 for any one incident or series of incidents occurring in any one **period of insurance** in respect of any one person is 104 weeks from the commencement of the disablement.

For **personal belongings**, **we** will pay the full cost of replacement as new which shall be:

- a where any item of **personal belongings** is damaged, the repair of the **damage** and the restoration of the damaged portion of the item to a condition substantially the same but not better or more extensive than its condition when new
- b where any item of **personal belongings** is lost, destroyed or damaged beyond repair, its replacement by similar **property** in a condition equal to but not better or more extensive than its condition when new.

For **personal belongings**, the maximum amount **we** will pay for **damage** is the amount shown in the Table of Benefits.

Extension to Sub-Section E – Assault By Thieves

(Subject to the terms, conditions and exclusions of this sub-section and this section and this **policy**)

Medical Expenses

When a payment is made under Benefits 1, 2, 3 or 4 **we** will also pay for medical expenses incurred and arising from treatment following **physical injury** to an **insured person** during the **period of insurance**. **Our** liability under this extension will not exceed £250 in respect of any one incident.

Conditions to Sub-Section E – Assault By Thieves

1 Medical Consultation

If an **insured person** sustains a **physical injury** which may result in a claim under this sub-section, such person shall consult a duly qualified medical practitioner and follow any medical advice given.

2 Discharge of Liability

When a payment is made under Benefits 2, 3 or 4 in respect of an **insured person**, **our** liability under this sub-section shall then cease in respect of that person.

3 Evidence of Bodily Injury

Where a claim is made for Benefits 1, 2 or 3 all certificates, information and evidence **we** reasonably require shall be provided to **us** at **your** expense. The **insured person** will agree to medical examination, when reasonably required, at **our** expense during the period of incapacity. If the requirement for documents or attendance at examinations at **our** request is not complied with, **we** will stop all payments under this sub-section and rights to benefit will be forfeited until the requested documentation is provided in its entirety or such person submits to examination within 30 days of being asked or a longer period mutually agreed by **you** and **us**.

Where a claim is made for Benefit 4 **we** may require a post mortem at **our** expense.

Sub-Section F – Specified Property

The cover described below is only operative if shown on the **schedule**

Cover

We will pay for accidental **damage** occurring during the **period of insurance** to **property** as shown on the **schedule** owned by **you** or for which **you** are responsible by Cover Cause 6 whilst within the **territorial limits** shown on the **schedule**.

Extension to Sub-Section F – Specified Property

(Subject to the terms, conditions and exclusions of this sub-section and this section and this **policy**)

Theft without Force and Violence

For **property** insured by this sub-section, theft or attempted theft is covered whether or not the theft or attempted theft involves entry to or exit from a building by forcible and violent means or actual or threatened assault or violence, or use of force against **you** or any person lawfully on the premises.

Conditions Precedent to Sub-Section F – Specified Property

1 Unattended Vehicles

Whenever a **vehicle** containing **property** is left unattended by **you**, any **director**, **partner** or **employee** it is a condition precedent to **our** liability to pay claims in respect of **damage** caused by theft or attempted theft or malicious persons that:

- a all doors, windows, sunroofs or other openings must be securely shut
- b all doors and other lockable points of access (including the boot) must be securely locked
- c any immobiliser, alarm and tracking system must be set to be fully operational
- d all keys or electronic devices to lock or unlock or otherwise secure the **vehicle** must be removed from the **vehicle** and be held in the personal custody of **you**, a **director**, **partner** or **employee**.

2 Overnight Security

Whenever a **vehicle** being used for the transport of **property** is left unattended by **you**, any **director**, **partner** or **employee**, it is a condition precedent to **our** liability to pay claims in respect of **damage** caused by theft or attempted theft or malicious persons that the **vehicle** is, between 21:00hrs and 06:00hrs:

- a stored in a locked and secure building or a **secure compound**
- b secured in accordance with Condition 1 Unattended Vehicles of this sub-section.

Exclusion to Sub-Section F – Specified Property

Theft of Unattended Property

We will not pay for **damage** caused by theft or attempted theft of **property** left unattended by **you**, any **director**, **partner** or **employee** unless contained in a:

- a **vehicle** and Conditions 1 and 2 of this sub-section have been complied with
- b locked and secure building when away from the **premises**.

Sub-Section G – Machinery and Computer Equipment Breakdown

The cover described below is only operative if shown on the **schedule**

Cover

We will pay for loss occurring during the **period of insurance** caused by an **accident** to **covered equipment**:

- a at the **premises**
- b during **transit** anywhere within the **territorial limits**
- c whilst temporarily removed from the **premises** to a location anywhere within the **territorial limits** provided that the **covered equipment**:
 - i remains under **your** control, or
 - ii is removed for the purpose of repair, replacement, restoration, service or modification.

All **accidents** that are the result of the same event will be considered one **accident**.

Limit

Our liability for each item under this sub-section in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause will not exceed the limit shown for that item on the **schedule**.

Our liability in respect of **portable computer equipment** for any one claim will not exceed £5,000.

Extensions to Sub-Section G – Machinery and Computer Equipment Breakdown

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Expediting Expenses

We will pay for the additional cost to make temporary repairs and expedite permanent repairs to, or permanent replacement of, damaged **covered equipment**.

Our liability under this extension will not exceed £20,000 for any one **accident**.

2 Hire of Substitute Item

We will pay the hire charges incurred by **you** during the **period of insurance** for the hire, following an **accident** to **covered equipment**, of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged.

Our liability under this extension will not exceed £10,000 for any one **accident**.

3 Costs of Reinstating Data

We will pay the costs incurred in reinstating onto **computer media**, **data** lost or damaged as a result of an **accident** to or **electrical derangement** of **computer equipment**. In addition, we will pay costs incurred, with **our** prior consent, in minimising or preventing the resulting interruption of or interference with **your** computer operations.

We will not pay for **damage** to software.

Our liability under this extension will not exceed £50,000 for any one **accident** or **electronic derangement** of **computer equipment**.

4 Hazardous Substances

We will pay for the additional cost to repair or replace **covered equipment** because of contamination by a hazardous substance, other than ammonia, that has been declared hazardous to health by a governmental agency

including any additional expenses incurred to clean up or dispose of such **covered equipment**.

Our liability under this extension will not exceed £10,000 for any one **accident**.

5 Storage Tanks and Loss of Contents

We will pay for **damage** caused by an **accident** to oil or water storage tanks including connected pipework owned by **you** or for which **you** are responsible at the **premises**.

We will also pay for loss of the contents of oil storage tanks caused by:

- a leakage, discharge or overflow from the oil storage tanks caused by or resulting from an **accident**
- b contamination of the contents of oil storage tanks caused by or resulting from an **accident** including cleaning costs incurred as a result of such loss.

Our liability under this extension will not exceed £10,000 for any one **accident**.

6 Own Surrounding Property Damage

We will pay for **damage** to **property** belonging to **you** or in **your** custody and control and for which **you** are responsible at the **premises** directly resulting from the **explosion** or **collapse** of any **covered equipment** operating under steam pressure.

Our liability under this extension will not exceed £1,000,000 for any one **accident**.

7 Debris Removal

We will pay for costs incurred in the removal of debris and protection of **covered equipment** following an **accident**.

Our liability under this extension will not exceed £25,000 for any one **accident**.

8 Repair Costs Investigation

We will pay for costs incurred with **our** prior written consent relating to repair, investigations and tests by consulting engineers for **damage** to **covered equipment** following an **accident**.

Our liability under this extension will not exceed £25,000 for any one **accident**.

9 Public Authorities

The limit in respect of this sub-section includes an amount for additional costs incurred solely by reason of the necessity to comply with any legislation, statutory requirements or regulations or public authority byelaw in:

- a reinstating the damaged parts of the **buildings**
- b upgrading any undamaged parts of the **buildings** as a result of an **accident** to **covered equipment** that causes **damage** to **buildings** insured by this **policy**.

We will not pay for:

- i any amount exceeding 15% of the amount that would have been payable if the **buildings** had been totally destroyed in respect of item b above
- ii any such cost resulting from a notice served on **you** prior to the date of the **damage**
- iii the amount of any rate, tax, duty, development or other charge arising out of capital appreciation which may be payable in respect of the **buildings**.

The work of reinstatement or upgrading must be completed within 12 months of the date of the **damage** unless a longer period is agreed by **us** in writing.

10 Energy Efficiency Improvements

We will pay for the additional cost incurred, with **our** prior written consent, to replace **covered equipment** damaged as a result of an **accident** with similar equipment that is better for the environment, safer and more efficient than the **covered equipment** being replaced.

Our liability under this extension for any one **accident** will not exceed 25% of the new replacement cost of the damaged **covered equipment** or £25,000 whichever is lower.

Exclusions to Sub-Section G – Machinery and Computer Equipment Breakdown

1 Pressure Testing and Insulation Testing

We will not pay for **damage** caused by or resulting from a hydrostatic, pneumatic or gas pressure test of any boiler or pressure or an insulation breakdown test of any type of electrical equipment.

2 Damage to Data and Computer Media

We will not pay for **damage** to **data** or **computer media** of any kind caused by:

- a programming error or programming limitation
- b **virus**
- c introduction of malicious code
- d loss of **data** (other than as specifically provided for under Extension 3 Costs of Reinstating Data)
- e loss of access
- f loss of use
- g loss of functionality.

3 Gradually Operating Causes

We will not pay for **damage** caused by or resulting from depletion, deterioration, corrosion, erosion, wear and tear or other gradually developing conditions but if **damage** is caused by an **accident**, **we** will pay for the resulting **damage**.

4 Resetting

We will not pay for **damage** to **covered equipment** caused by or resulting from any condition which can be corrected by resetting, calibrating, realigning, tightening, adjusting, or cleaning or by the performance of maintenance, but if the **damage** is caused by an **accident**, **we** will pay for the resulting **damage**.

5 Maintenance Agreement

We will not pay for **damage** recoverable under a maintenance agreement or any warranty or guarantee in place in respect of **covered equipment**.

6 Service Providers

We will not be liable to pay for any claim, cost or loss caused by the deliberate act of a **service provider** to restrict or withhold the provision of any services.

Conditions to Sub-Section G – Machinery and Computer Equipment Breakdown

1 Precautions

You shall take reasonable care to:

- a comply with any statute or order
- b ensure that insured items are properly maintained and used in accordance with manufacturers' recommendations
- c prevent **damage**.

2 Back-up Procedures

- a **You** must back-up all original **data** every seven days.

- b **You** must take all reasonable precautions to store and maintain records in accordance with the recommendations of the makers of the storage devices used.
- c If a **service provider** processes or stores **data** for **you**, **you** must ensure that the terms of the contract with the **service provider** allows for **data** to be backed up in accordance with this condition.

If **you** fail to comply with this condition, **we** may still pay a claim following loss of **data** if **you** are able to provide evidence that formal procedures were in place to ensure the safe storage and backing-up of **data** and that the failure was the result of an accidental oversight or circumstances beyond **your** control.

Sub-Section H – Deterioration of Refrigerated Stock

The cover described below is only operative if shown on the **schedule**

Cover

We will pay for accidental **damage** occurring during the **period of insurance** to **stock** at the **premises** whilst contained in freezer or refrigerator cabinets, cold rooms or cold stores by deterioration or putrefaction resulting from:

- a breakdown or failure of a cabinet, cold room or cold store due to its own inherent defect, or **damage** that includes the non-operation of any thermostatic or automatic device controlling the cabinet, cold room or cold store
- b accidental failure of the supply of electricity to the cabinets, cold room or cold store
- c escaping refrigerant or refrigerant fumes due to any accidental cause.

Exclusion to Sub-Section H – Deterioration of Refrigerated Stock

Electricity Supply Failure

We will not pay for **damage** as a result of load shedding or suspension of any electricity companies' supply.

Condition to Sub-Section H – Deterioration of Refrigerated Stock

Co-insurance

If the freezer or refrigerator cabinet, cold room or cold store in which the **damage** occurs:

- a is more than 15 years old at the time of the **damage**, or
- b is more than two years old and not subject to an annual inspection and maintenance contract

you will be required to pay the first 20% or the first £500, whichever is the greater, of the amount payable in respect of any one claim.

If a or b do not apply, **you** will only be required to pay the first £250 provided **you** send **us** the following:

- i in respect of item a, verification of age in the form of an original purchase receipt or manufacturers' warranty or guarantee
- ii in respect of item b, documentary evidence of the annual inspection and maintenance contract.

Basis of Settlement – Sub-Section H – Deterioration of Refrigerated Stock

The basis of settlement in respect of any claim under this sub-section shall be the amount paid by **you** for such **stock**.

Sub-Section I – Household Contents

The cover described below is only operative if shown on the **schedule**

Cover

We will pay for accidental **damage** occurring during the **period of insurance** to **household contents** in **your home** by Cover Cause 6.

Extensions to Sub-Section I – Household Contents

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Domestic Employees

We will, at **your** request, pay for accidental **damage** occurring during the **period of insurance** to **personal belongings** owned by **your** live-in **domestic employees** by Cover Cause 6:

- a whilst in **your home**, or
- b temporarily removed by the **domestic employees** whilst accompanying **you**, a **director**, **partner** or **family** member elsewhere.

Our liability under this extension will not exceed £1,000 in respect of any one loss.

2 Fatal Injury

If a **family** member suffers an accidental **injury**:

- a caused by a fire in **your home**, or
- b as a result of an assault in **your home** which, independently of any other cause, and within two years of sustaining the **injury** results in death, **we** will pay a sum of £5,000 in respect of the deceased.

The maximum amount **we** will pay under this extension will not exceed £5,000 in any one **period of insurance**.

If a claim is made under Sub-Section E – Assault by Thieves to the Property Section, a claim cannot be made for the same death under this extension.

3 Household Removals

We will pay for accidental **damage** occurring during the **period of insurance** to **household contents** by Cover Cause 6 whilst they are:

- a being transported anywhere within the **territorial limits** between **your home** and **your** new address
- b on their way to or from a furniture depository
- c being loaded on or into a **vehicle** or unloaded off or from a **vehicle**

provided the **household contents** are packed and carried by a professional removal contractor.

The cover provided under a and b includes overnight storage during transportation.

4 Ceremonies and Religious Festivals

The sum insured shown on the **schedule** for **household contents** will be increased by 10% for 30 days before, and 30 days after, any **family** member's wedding day, civil partnership ceremony, religious festival or ceremony observed by the **family** to provide cover for gifts and the cost of items bought for the occasion. During this period, **we** will pay for

accidental **damage** to such items by Cover Cause 6 whilst they are:

- a in **your home**
- b in the building where the wedding, ceremony or religious festival is being held
- c in transit between **your home** and the building described in b above.

5 Refrigerators and Freezers

We will pay for accidental **damage** occurring during the **period of insurance** to food intended for consumption by the **family** whilst contained in any domestic freezer or refrigerator cabinet caused by deterioration or putrefaction resulting from:

- a breakdown or failure of the freezer or refrigerator cabinet due to its own inherent defect or **damage** that includes the non-operation of any thermostatic or automatic device
- b accidental failure of the electricity company's supply
- c escaping refrigerant or refrigerant fumes due to any accidental cause.

Our liability under this extension will not exceed £1,000 in respect of any one loss.

6 Property in the Garden

We will pay for accidental **damage** occurring during the **period of insurance** to **personal belongings** that **you**, a **director**, **partner** or **family** member own or are responsible for by Cover Causes 1, 2, 3 or 4 occurring in the open within the garden at the **premises**.

We will not pay for **damage**:

- a to **valuables**
- b caused while the **buildings** the garden pertains to are **unoccupied**
- c caused by malicious persons.

Our liability under this extension will not exceed £500 in respect of any one loss.

Sub-Section J – Personal Possessions

The cover described below is only operative if shown on the **schedule**

Cover

We will pay for accidental **damage** occurring during the **period of insurance** to:

- a unspecified **personal belongings** (including, but not limited to, mobile phones, glasses, sunglasses and contact lenses), **valuables**, **sports equipment** and pedal cycles (up to a limit of £500 for any one pedal cycle)
 - b any specified item from a above as shown on the **schedule** that **you**, a **director**, **partner** or **family** member own or are responsible for
- by Cover Cause 6 whilst:
- i anywhere within the **territorial limits**
 - ii in the course of temporary business or personal travel anywhere else in the world for up to 60 days in any one **period of insurance**.

We will treat a pair or set of items as a single item. **We** will treat a bag of golf clubs, whether or not by the same manufacturer, as a set.

Exclusions to Sub-Section J – Personal Possessions

We will not pay for **damage**:

- a by theft or attempted theft:
 - i from an unattended **vehicle** unless the item is in a locked glove or luggage compartment
 - ii to pedal cycle tyres, lamps or other accessories unless the pedal cycle is stolen at the same time
 - iii to unattended pedal cycles away from the **home** unless the pedal cycle is in a locked building or secured by a suitable chain and padlock or cycle lock to a post, cycle rack or immovable object
- b by any cover cause to:
 - i **sports equipment** in the course of play or use
 - ii toys
 - iii **sports equipment** for mountaineering, potholing, underwater sports, skiing, windsurfing and snow or skateboarding
 - iv microphones, amplifiers, speakers or similar ancillary items of electrical equipment
 - v pedal cycles whilst being used for racing, pace making or trials riding.

Sub-Section K – Employee Dishonesty

The cover described below is only operative if shown on the **schedule**

Cover

We will pay for:

- a loss of **money** or **property** owned by **you** or for which **you** are responsible caused by an act of fraud or dishonesty by any **employee** described on the **schedule** committed in the course of their employment during the **period of insurance** and discovered within 24 months of the act of fraud or dishonesty
- b auditors' fees incurred with **our** written consent solely to substantiate the amount of a claim under this sub-section
- c the cost of rewriting or amending the software, programs or systems where such rewriting or amending is necessary to correct the programs or amend the security codes following the fraudulent use of computer hardware or software, programs or computer systems the subject of a valid claim under this sub-section.

Limit

For specified **employees**, **our** liability will not exceed the limit applicable to the **employee** involved.

In the event that one claim is caused by two or more **employees** acting in collusion, **our** liability will not exceed the higher of the individual limits applicable to the **employees** involved.

Extension to Sub-Section K – Employee Dishonesty

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

Previous Insurance

We will cover **you** in respect of any loss committed during the period of a previous insurance which is not recoverable under the previous insurance solely because the period allowed for discovery has expired provided that:

- a discovery of the loss occurs during the continuation of the insurance provided by this sub-section

- b the previous insurance had been continuously in force from the time of the loss until inception of the insurance provided by this sub-section
- c the loss would have been insured by this sub-section had it been in force at the time of the loss.

Our liability under this extension will not exceed:

- i the amount that would have been recoverable under the previous insurance or
- ii the sum insured shown on the **schedule** for this sub-section whichever is lower.

For the purposes of this extension only, 'previous insurance' means an employee dishonesty or fidelity guarantee insurance effected by **you** and in force immediately prior to this sub-section and Condition 2 Other Insurances will not apply.

Exclusions to Sub-Section K – Employee Dishonesty

We will not pay for:

- a **consequential loss**
- b loss caused by any act of any **employee** committed prior to the commencement of cover applicable to that **employee**
- c any monies which would have been payable by **you** to an **employee** but for the **employee's** dishonesty
- d loss caused by any act of any **employee** not normally resident within the **territorial limits**
- e loss caused by the act of any:
 - i labour master or labour only subcontractor
 - ii person hired or borrowed by **you** from another employer
 - iii **director** who controls more than 5% of the issued share capital of the company or companies insured by this **policy**
- f loss for which a claim has been made under Extension 2 Theft by Directors, Partners or Employees to Sub-Section D – Money.

Condition Precedent to Liability to Sub-Section K – Employee Dishonesty

Minimum Standards of Control

It is a condition precedent to **our** liability to pay claims under this sub-section that the following minimum standards of control are complied with:

1 Auditors

Your accounts, including those of all subsidiary companies insured by this **policy**, must be examined by external auditors every 12 months. All recommendations of the auditors must be implemented.

2 Cheque Signing and Electronic Fund Transfers

- a All cheques or other bank instruments drawn for more than £5,000 must have two manually applied signatures added after the amount has been inserted.
- b No cheque or other bank instrument may be signed until one signatory has examined the supporting documentation.
- c **Your** bank has been instructed not to pay cheques or instruments unless signed by two authorised signatories.
- d Electronic fund transfers for more than £5,000 must have dual authorisation prior to release.

3 Payroll

- a Where **employees** are not paid by crossed cheque or credit transfer the cost of the payroll must be subject to an independent check before payment to ensure that the total amount drawn is correct.

- b At least quarterly, and independently of persons responsible, the payroll must be checked to minimise the possibility that fictitious names and enhanced payments have been included.

4 Stocktaking

There must be a physical check on all **stock, target stock** and materials held against verified stock records independently of **employees** responsible at least every 12 months.

5 Ordering Goods

Different persons, acting independently, must be responsible for the ordering of **stock, target stock** and materials, the recording of receipt of such and the authorising of payment for them.

6 Computer Security

Security checks will be built into all computer functions with reconciliations made as necessary.

7 Reconciliation

Bank statements, electronic fund transfers, stamped bank paying in slips, receipts, counterfoils and vouchers must be checked at least monthly against cash book entries and the balance tested with cash and unrepresented cheques.

This must be done independently of the **employee**:

- a making the cash book entries
- b signing cheques
- c paying into the bank
- d transferring funds electronically.

Conditions to Sub-Section K – Employee Dishonesty

1 References

You must obtain satisfactory references to confirm the honesty of each **employee** who will be responsible for **money**, goods, accounts, computer operations (including electronic fund transfers) or computer programming engaged after commencement of this **policy**. Such references must be obtained directly from former employers for the three years immediately preceding engagement and before the **employee** is entrusted without supervision.

References need not be obtained in respect of **employees** who have satisfactorily and continuously served **you** for at least one year in another capacity before being entrusted with the duties referred to above.

In respect of **employees** joining directly from full or part time education, government sponsored youth training schemes, or who are returning to work after a gap of more than three years, one character reference shall be obtained.

2 Other Insurances

If at the time of loss of **money** or **property** owned by **you** or for which **you** are responsible or at the time a claim for such **money** or **property** arises **you** are or would but for the existence of this insurance be entitled to indemnity under any other insurance or to recovery under any guarantee or indemnity fund, **we** shall not be liable except in respect of any excess beyond the amount which would have been payable under such other insurance, guarantee or fund had this insurance not been effected.

Extensions to the Property Section

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Non Invalidation

The insurance under this section will not be invalidated by any act, omission, alteration or neglect unknown to **you** or beyond **your** control whereby the risk of **damage** is increased provided that **you** give **us** notice immediately on becoming aware of such act, omission, alteration or neglect. **We** will have the right to amend the premium, terms, conditions and exclusions of this **policy**, or may exercise **our** right to cancel this **policy** in accordance with General Condition 6 Our Cancellation Rights.

2 Professional Fees

The sum insured on each item insured by this section includes an amount in respect of architects', surveyors', legal and consulting engineers' fees incurred solely in connection with the repair or reinstatement of insured **property** excluding **stock** or **target stock**. **We** will not pay for claim preparation costs.

3 Removal of Debris

(Not applicable to Sub-Section G – Machinery and Computer Equipment Breakdown)

The sum insured on each item insured by this section includes an amount in respect of the costs incurred by **you** for the:

- a removal of debris of insured **property**
- b dismantling, demolishing, or shoring or propping of the insured **buildings**

as a result of accidental **damage** occurring during the **period of insurance** within the **territorial limits** to such **property** or **buildings** by the any of the cover causes shown against each item on the **schedule**.

We will not pay for the costs incurred in removing debris except from the site of such **damage** and the area immediately adjacent to such site.

4 Parent and Subsidiary Companies

In the event of a claim arising under this section **we** agree to waive any rights, remedies or relief to which **we** become entitled by subrogation against any company standing in the relation of parent or subsidiary to **you** or any company which is a subsidiary of a parent company of which **you** yourself are a subsidiary in each case as defined in current legislation.

5 Damage by Emergency Services

We will pay for costs and expenses incurred by **you**, with **our** prior consent, in repairing, reinstating or making good, **damage to property** and grounds at the **premises** caused by emergency services equipment and personnel in the course of effecting a rescue of persons within the **buildings** where there is believed to be a threat to their lives, or combating or reducing **damage to property**.

Our liability under this extension will not exceed £25,000 in any one **period of insurance**.

6 Capital Additions

Where **buildings** and **general contents** are shown as being operative on the **schedule**, **we** will pay for accidental **damage** occurring during the **period of insurance** to:

- a alterations and additions to, but not appreciation in value of, the **buildings** and **general contents** insured by this **policy**
 - b any newly acquired **buildings**
 - c any newly acquired **general contents**
- within the **territorial limits** by any of the cover causes shown against such items on the **schedule** so far as they are not otherwise insured provided that:

- i **you** tell **us** of the alteration, addition or acquisition within 30 days of it occurring
- ii **you** request a change to this **policy** to cover the alteration, addition or acquisition or arrange specific insurance
- iii **you** pay **us** an additional premium.

We will then tell **you** of any changes to the terms, conditions and exclusions of this **policy**.

Our liability under this extension at any one location will not exceed £500,000 or:

- a in respect of **buildings**, 10% of the total sum insured on **buildings**
 - b in respect of **general contents**, 10% of the total sum insured on **general contents**
 - c in respect of **buildings** and **general contents** combined, 10% of the combined total sum insured
- whichever is lower.

For the purposes of this extension only, the definition of **buildings** and **general contents** includes any newly acquired property pending notification to **us** within the 30 day limit.

7 Trace and Access

We will pay for the costs incurred by **you**, with **our** prior written consent, in:

- a locating the source of an escape of water or fuel oil from any fixed pipe or apparatus on the **premises**
- b removing any walls, floors or ceilings for access and repairing or replacing them after repair of such pipe or apparatus has been completed.

We will not pay the cost of repairs to the actual pipes or apparatus.

Our liability under this extension will not exceed £25,000 in any one **period of insurance**.

8 Clearing of Drains

We will pay for costs and expenses incurred in cleaning, clearing or repairing drains, gutters or sewers at the **premises**, for which **you** are responsible, as a consequence of accidental **damage** occurring during the **period of insurance** by any of the cover causes shown against **buildings** or **general contents** on the **schedule**.

Our liability under this extension will not exceed £10,000 in any one **period of insurance**.

9 Workmen

You can engage workmen to carry out repairs and general maintenance to the **premises** but if the work they are engaged for or are required to do involves:

- a structural alteration
- b demolition or partial demolition
- c compromising of the security protections to the **premises** that **you** have told **us** about and which **we** require as a condition of **your** insurance
- d the closure of the **buildings** or the occupant being required to vacate them

you must provide **us** with full details, and obtain **our** agreement, before work is commenced and **we** may advise **you** of restrictions to be imposed or the additional terms **we** require in order for cover to continue.

10 Loss of Oil and LPG

We will pay for the cost to replace oil or LPG accidentally lost from a fixed heating installation as a result of accidental **damage** occurring during the **period of insurance** to the fixed heating installation at the **premises** by any of the cover

causes against **general contents** on the **schedule** provided that **we** will not be liable for:

- a any loss not discovered within 180 days
- b any loss occurring when the **building** or self contained unit within a **building** in which the loss occurs is **unoccupied**.

Our liability under this extension will not exceed £25,000 in any one **period of insurance**.

11 Metered Water and Gas Charges

We will pay for metered water or gas charges **you** are responsible for following accidental **damage** by any of the cover causes shown on the **schedule** against **general contents** to the apparatus after the point of the service feed to the **premises**.

We will not pay for:

- a any loss not discovered within 180 days
- b any loss occurring when the **building** or self contained unit within a **building** in which **damage** occurs is **unoccupied**.

Our liability under this extension will not exceed £10,000 in any one **period of insurance**.

12 Fire Extinguishment and Resetting Expenses

We will pay for the cost of:

- a replacing, recharging or refilling extinguishment materials or appliances used in an attempt to extinguish fire or minimise **damage**
- b replacing used sprinkler heads
- c resetting fire and **intruder alarm systems** and closed circuit television systems

We will not be liable for costs other than as a direct result of accidental **damage** insured by this section.

Our liability under this extension will not exceed £25,000 in any one **period of insurance**.

13 Index Linking

The sums insured by Sub-Section A in respect of **buildings**, Sub-Section B in respect of **general contents**, **computer equipment** and all other **property** (other than **stock** and **target stock**) will be adjusted at monthly intervals in accordance with the index drawn up or used by **us** and **we** waive all right to additional premium arising out of such adjustment prior to renewal. At each renewal of this **policy**, the premium will be adjusted to take account of the effect of indexation in the preceding **period of insurance**.

14 Other Interested Parties

The interest of other parties in any **property** insured by this section and which forms the subject of a lease, loan or mortgage agreement or a written contract of hire between **you** and the interested party is noted in the insurance provided that, in the event of a claim, the nature and extent of such interest is disclosed to **us**.

15 Contract Works

We will pay for accidental **damage** occurring during the **period of insurance** to the **contract works** by Cover Cause 6 whilst on the **contract** site, at the **premises** or in transit within the **territorial limits** and travelling between the specified territories.

We will pay the value of **contract works** at the time of the **damage** or, at **our** option, **we** will:

- a reinstate
- b replace
- c repair

the **contract works** to a condition substantially the same but not better or more extensive than its condition at the time of the **damage**.

We will not pay for:

- i the cost of repair, replacement or reinstatement of any part of the **contract works** which is defective in design, plan, specification, materials or workmanship
- ii **damage** to the **contract works** or any part of them for which a Certificate of Practical Completion has been issued or which have been taken into use or handed over to the employer or purchaser or occurring after the **contract works** have been completed pending sale
- iii **damage** to any **existing structures**
- iv **contracts** with a value in excess of £25,000.

Our liability under this extension will not exceed £25,000 in any one **period of insurance**.

16 Terrorism

If Terrorism cover is shown on the **schedule**, **we** will pay for **damage** or loss resulting from **damage** to insured **property** as shown on the **schedule** within the **territorial limits** caused by **terrorism** occurring during the **period of insurance** provided that:

- a in any action suit or other proceedings where **we** allege that any **damage** or loss resulting from **damage** is not covered by this extension the burden of proving that such **damage** is covered will be upon **you**
- b this extension is not subject to any of the exclusions specified in this **policy** other than as specified in exclusions i to vii of this extension
- c this extension is subject to all the terms and conditions of this **policy** unless otherwise specified in this extension
- d **our** liability in respect of all losses arising out of any one occurrence and in the aggregate in any one **period of insurance** will not exceed the sums insured or limits shown on the **schedule** in respect of insured **property** or as otherwise specified in the **policy**.

We will not pay for:

- i **damage** to any **building** or **property** therein insured under this **policy**, in the name of an individual or individuals, which is occupied as a private residence or any part thereof which is so occupied except as expressly varied in exclusions ii and iv of this extension
- ii **damage** to blocks of flats and/or private dwelling houses or **property** therein insured under this **policy**, in the name of an individual or individuals, (other than where such individuals are sole traders, partners in an unincorporated business partnership, trustees or executors of a will (or beneficiaries of such trust or will) and provided they do not occupy any part of the property for their own residential purposes)
- iii **damage** to any **building** or **property** therein insured under this **policy**, in the name of an individual or individuals (where such individuals are trustees or executors of a will or beneficiaries of such trust or will), which is occupied as a private residence where any part of the **building** is occupied by such individuals except as expressly varied in exclusion iv of this extension
- iv **damage** to any **building** or **property** therein comprising mixed commercial and residential usage which is insured under this **policy**, in the name of an individual or individuals, and/or owned and/or occupied in any part by such individual or individuals unless the commercially occupied proportion of the **building** is more than 20%
- v chemical, biological or radioactive contamination defined as any losses whatsoever or any expenditure resulting or

arising therefrom or any **consequential loss** directly or indirectly caused by or contributed to by or arising from:

- a the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
 - b ionising radiation or contamination by radioactivity or from the combustion of any radioactive material
 - c chemical, biological or radiological irritants, contaminants or pollutants
- in respect of properties occupied as a private residence or any part thereof which is so occupied and/or **property** therein insured under this **policy**, in the name of an individual or individuals, except where such properties are insured for **terrorism** under this extension by virtue of the variations to exclusions ii or iv of this extension
- vi riot, civil commotion, war and allied risks defined as any loss whatsoever directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
 - vii remote digital interference defined as any losses whatsoever directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from:
 - a **damage** to any **system**, or
 - b any alteration, modification, distortion, erasure or corruption of **data**whether owned by **you** or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus** or **hacking** or **phishing** or **denial of service attack**.

Proviso to exclusion vii

- 1 **We** will pay for the cost of reinstatement, replacement or repair in respect of **damage** to insured **property**
- 2 **We** will pay for loss of **gross profit** or **gross revenue** as a result of interruption of or interference with the **business** as a direct result of either:
 - i **damage** to insured **property**, or
 - ii **damage** to other **property** within one mile of the insured **property** by **terrorism** which prevents or physically hinders the use of or access to the insured **property**
- 3 **Our** liability for any loss under items 1 and 2 of this proviso (which would otherwise fall within exclusion vii of this extension) is on the condition that such loss:
 - i results directly from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, **damage** to or movement of **buildings** or structures, plant or machinery other than any **system**, and
 - ii is not proximately caused by **terrorism** in relation to which the relevant organization or any persons acting on behalf of or in connection with that organization are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.
- 4 If the **damage** to insured **property** indirectly results from any alteration, modification, distortion, erasure or corruption of **data** because the occurrence of one or more of the causes listed in item 3 i of this proviso results directly or indirectly from any alteration, modification, distortion, erasure or corruption of **data**, **we** will pay **you** in accordance with items 1 or 2 of this proviso.

- 5 **We** will not pay for any losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of **data** other than under item 4 of this proviso.

For the purposes of this proviso only, the definition of **property** excludes **data**, **money**, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatsoever.

Condition to Extension 16 Terrorism

If this **policy** is subject to any Long Term Agreement or Undertaking it does not apply to this extension.

Condition Precedent to Liability to Extension 16 Terrorism

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

- a **you** have purchased cover in respect of **terrorism** from a Pool Reinsurance Company Limited member company in respect of all property and premises owned by **you** or for which **you** are responsible and that are eligible for such cover. A list of Pool Reinsurance Company Limited member companies is available via the Pool Re website
- b the Treasury has issued a certificate certifying that **terrorism** is the cause of the loss or **damage** or, if the Treasury has refused to issue a certificate, a tribunal formed by agreement between **us** and Pool Reinsurance Company Limited concludes that **terrorism** was the cause of the loss or **damage**.

For the purposes of this condition, property and premises owned by **you** or for which **you** are responsible includes those pertaining to subsidiary companies unless such subsidiary has full control over its own insurance arrangements.

Exclusions to the Property Section

1 Excess

We will not pay for the amount of the **excess** shown on the **schedule**.

2 Excluded Damage

We will not pay for:

- a **damage** which is not identifiable with a specific event
- b **damage** to **property** more specifically insured.

3 Fraud

We will not pay for **damage** arising out of acts of fraud or dishonesty of any person to whom **property** insured has been entrusted including any collusion by **you**, any **director**, **partner** or **employee** (except as provided by Extension 2 Theft by Directors, Partners or Employees to Sub-Section D – Money or Sub-Section K – Employee Dishonesty).

4 Vehicles

We will not pay for **damage** to **vehicles** licensed for road use (including their accessories), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft.

5 Computer Media

We will not pay for **damage** caused by or consisting of distortion, erasure or corruption of computer records or **computer media**.

6 Excluded Losses

We will not pay for **damage** due to any delay, loss of market, strikes, reduction in value or **consequential loss** of any kind (except for Loss of Rent if shown on the **schedule**).

7 Excluded Property

We will not pay for **damage** to:

- a firearms (unless otherwise specified), ammunition, explosives, fireworks, promissory notes, securities, bonds or deeds
- b buildings or structures in the course of construction or erection at the **premises** and materials or supplies in connection therewith
- c land (other than item h of the **buildings** definition if **buildings** are insured by Sub-Section A – Buildings), piers, jetties, bridges, culverts or excavations
- d animals, birds, fish or any living thing
- e growing crops, plants or trees
- f **money** held on behalf of a building society
- g the **property** of Post Office Limited or money held in connection with the business of a sub-post office
- h precious stones, jewellery or articles made from gold, silver or other precious metals or incorporating precious stones (except where such items are specified in the **schedule** or where cover is operative under **valuables** or **personal belongings**).

8 Other Insurances

We will not pay for **damage** to **property** which at the time 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.

Basis of Settlement – Property Section

We will pay **you** the value of **property** insured at the time of the **damage** or, at **our** option, reinstate, replace or repair such **property** or any part of such **property** in accordance with the following bases of settlement. We will not be bound to reinstate exactly, but only as circumstances permit. We will not pay for the cost of preparing a claim.

For **property**, the maximum amount we will pay for **damage** is the sum insured or limit shown on the **schedule** in respect of such **property** (adjusted in accordance with Extension 13 Index Linking to the Property Section) and subject to any inner limit otherwise specified in the policy wording.

A Reinstatement

For items insured by Sub-Sections C – Glass, Blinds and Signs, F – Specified Property and G – Machinery and Computer Equipment Breakdown, I – Household Contents and J – Personal Possessions or where R is shown as the basis of settlement on the **schedule**, (except **computer equipment**, computer records, business books, manuscripts, plans and designs or other documents) the basis of settlement of any claim shall be the full cost of replacement as new which shall be:

- a where **property** is damaged, the repair of the **damage** and the restoration of the damaged portion of the **property** to a condition substantially the same but not better or more extensive than its condition when new
- b where **property** is lost, destroyed or damaged beyond repair, its replacement by similar **property** in a condition equal to but not better or more extensive than its condition when new.

For **computer equipment** insured by Sub-Section B – Contents and Sub-Section G – Machinery and Computer Equipment Breakdown, the basis of settlement shall be:

- i where **computer equipment** is damaged, the repair of the **damage** and the restoration of the damaged portion of the **computer equipment** to a working condition, substantially

the same but not better or more extensive than its condition when new

- ii where **computer equipment** is lost, destroyed or damaged beyond repair its replacement by similar **computer equipment** of equal performance and capacity or if that is impossible, replacement by new **computer equipment** having the nearest higher performance and capacity to the item lost, destroyed or damaged.

Special Provisions

The following special provisions apply when a claim is dealt with on this basis:

- a if replacement does not happen within 12 months of the **damage**, or longer period if agreed in writing by **us**, **we** will settle the claim in accordance with basis of settlement B Indemnity
- b when any **property** insured by this section is damaged in part only, **our** liability will not exceed the sum representing the cost which **we** could have been called upon to pay for the replacement if such **property** had been wholly destroyed
- c the basis of settlement for customers' goods shall be as per B Indemnity
- d no payment beyond indemnity shall be made until the cost of replacement has actually been incurred.

B Indemnity

For:

- a unsold **stock** or **target stock**

- b customers' goods, clothing or household linen

the amount **we** will pay is the cost of repair or replacement (less a reduction for wear, tear and depreciation) up to the trade market value of the item in a condition equal to but not better or more extensive than its condition immediately prior to the **damage**.

For **stock** or **target stock** sold, but not delivered, for which **you** are responsible under the terms of the sale contract, **we** will make payment on the basis of the contract price if following insured **damage** the contract is cancelled, due to the contract conditions, either wholly or to the extent of the **damage**.

Where **we** have agreed to cover **stock** comprising of second hand goods, **our** liability will not exceed in respect of any one item the price paid by **you** for that item as evidenced in **your** accounting books.

For **property** where I is shown as the basis of settlement on the **schedule** (other than **stock** or **target stock**), the amount **we** will pay is the cost of repair or replacement of such **property** (less a reduction for wear, tear and depreciation) to a condition equal to but not better or more extensive than its condition immediately prior to the **damage** (unless otherwise shown by endorsement to the **schedule**).

C Day One

For items where D is shown as the basis of settlement on the **schedule** (except **computer equipment**, computer records, business books, manuscripts, plans and designs or other documents), the basis of settlement of any claim shall be the full cost of replacement as new which shall be:

- a where **property** is damaged, the repair of the **damage** and the restoration of the damaged portion of the **property** to a condition substantially the same but not better or more extensive than its condition when new
- b where **property** is lost, destroyed or damaged beyond repair, its replacement by similar **property** in a condition equal to but not better or more extensive than its condition when new

provided **you** tell **us**, at inception of this **policy** and at the inception of each subsequent **period of insurance**, the **declared value** of each item of **property** insured on this basis.

For **computer equipment** insured by Sub-Section B – Contents, the basis of settlement shall be:

- i where **computer equipment** is damaged, the repair of the **damage** and the restoration of the damaged portion of the **computer equipment** to a working condition, substantially the same but not better or more extensive than its condition when new
- ii where **computer equipment** is lost, destroyed or damaged beyond repair its replacement by similar **computer equipment** of equal performance and capacity or if that is impossible, replacement by new **computer equipment** having the nearest higher performance and capacity to the item lost, destroyed or damaged provided **you** tell **us**, at inception of this **policy** and at the inception of each subsequent **period of insurance**, the **declared value** of each item of **computer equipment** insured on this basis.

D Designation

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

E Computer Records and Documents

The basis of settlement of any claim for computer records, business books, manuscripts, plans and designs or other documents shall be their value as materials or stationery together with the cost of clerical labour expended in their reproduction (or restoration if more economical).

Conditions Precedent to Liability – Property Section

1 Minimum Security Requirements

It is a condition precedent to **our** liability to pay claims in respect of **damage** caused by fire, theft or attempted theft or malicious persons under Sub-Sections A – Buildings, B – Contents, C – Glass, Blinds and Signs, D – Money, I – Household Contents and J – Personal Possessions of this section that the following protections are in place and in full operation at the **premises** outside of **business hours** or when the **premises** are left unattended by **you**, any **director, partner or employee**:

- 1 all external doors including wicket gates (or internal doors which access parts of the **building** that are not occupied by **you** for the **business**) must be secured as follows:
 - a a mortice deadlock conforming to BS3621 or BSEN1303 with matching steel box striking plate, or locking metal bars with a closed shackle padlock conforming to BSEN12320 security grade 5, or
 - b for manually operated roller shutters, key operated bullet locks securing the shutter to its guide, or a padlock conforming to BSEN12320 security grade 4 securing the operating chain of the roller shutter to the internal frame, or
 - c for electrically operated roller shutters, a key operated isolation switch to the electricity supply to the controls, or security as noted in item 1a or 1b of this condition, or
 - d for doors officially designated fire exits by **your** written fire risk assessment, appropriate internally operated mortice deadlocks conforming to BS8621, or panic bars/latches conforming to BSEN1125, or
 - e for aluminium and UPVC doors, an integral cylinder key operated mortice deadlock certified to BSEN1303, or

f other security devices if agreed by **us** in writing to **you**.

In addition to the above:

- i all outward opening doors (except for aluminium or UPVC doors with multiple locking points) must be fitted with hinge bolts to the top and bottom and otherwise secured by one of the means noted in 1a or 1e of this condition, and
 - ii all double leaf doors must be fitted with bolts to the top and bottom on the first closing leaf with the second closing leaf secured by one of the means noted in 1a or 1e of this condition, and
 - iii doors pertaining to detached domestic:
 - garages
 - sheds
 - garden buildingsmust be fitted with a closed shackle padlock conforming to BSEN12320 with padbar or a key-operated security device or, if roller shutters, security as noted in item 1b or 1c of this condition.
- 2 all windows and skylights not protected by bars or grilles that are on the ground floor or basement level or are easily accessible from adjoining roofs, porches or downpipes must be secured as follows:
 - a key-operated locks with the keys removed and stored out of sight, or
 - b locking bars with a padlock conforming to BSEN12320 security grade 4, or
 - c screwed or fixed permanently shut on the inside, or
 - d for windows officially designated fire exits by **your** written fire risk assessment, panic bars or latches conforming to BSEN1125, or
 - e other security devices if agreed by **us** in writing to **you**.

2 Fire Extinguisher Requirements

It is a condition precedent to **our** liability to pay claims in respect of **damage** caused by fire that:

- a a fire extinguisher or extinguishers as required in accordance with **your** fire risk assessment or, where such an assessment is not required by law, a suitable fire extinguisher or extinguishers appropriate for **your** workplace must be installed at the **premises**
- b such fire extinguishers must be subject to an annual maintenance contract.

3 Intruder Alarm

(This condition is only operative if shown on the **schedule**)

It is a condition precedent to **our** liability to pay claims in respect of **damage** caused by fire, theft or attempted theft or malicious persons under Sub-Sections A – Buildings, B – Contents, C – Glass, Blinds and Signs and D – Money of this section that the following minimum standards are in place:

- a The **premises** must be protected by an **intruder alarm system** providing a level of protection agreed with **us**.
- b The **intruder alarm system** must be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or such other company, as agreed with **us**.
- c No alteration to or substitution of:
 - i any part of the **intruder alarm system**
 - ii the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**
 - iii the maintenance contractmust be made without **our** written consent.
- d The **premises** must not be left without at least one responsible person in them without **our** prior consent:

- i unless the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals in full operation
- ii if the police have withdrawn their response to alarm calls.
For the purposes of this condition 'responsible person' is **you**, a **partner** or **director** or any other person authorised by **you** to be responsible for the security of the **premises**.
- e All keys to the **intruder alarm system** must be removed from the **premises** when the **premises** are left unattended.
- f **You** must appoint at least two keyholders and lodge written details (which must be kept up to date) with the alarm company. For the purposes of this condition, 'keyholder' is **you**, a **partner** or **director** or any other responsible person or professional key holding company authorised by **you** who is available at all times to accept notification of any activation of the **intruder alarm system** or interruption of the means of communication to attend and allow access to the **premises**.
- g **You** must maintain the secrecy of codes for the operation of the **intruder alarm system** and share them only with keyholders. No details of codes are to be left on the **premises**.
- h In the event of notification of any activation of the **intruder alarm system** or interruption of the means of communication during any period that the **intruder alarm system** is set a keyholder must:
 - i attend the **premises** as soon as reasonably possible
 - ii enter the **premises** if it is safe to do so
 - iii remain in the **premises** until the **intruder alarm system** has been re-set or an engineer has attended to repair or re-set the **intruder alarm system**
 - iv remain at the **premises** until they are fully secure.
- i In the event of **you** receiving any notification:
 - i that police attendance in response to alarm signals or calls from the **intruder alarm system** may be withdrawn or the level of response reduced or delayed
 - ii from a local authority or magistrate imposing any requirement for abatement of nuisance relating to the **intruder alarm system**
 - iii that the **intruder alarm system** cannot be returned to or maintained in full working order

you must advise **us** as soon as possible and in any event not later than 10am on **our** next working day and comply with any reasonable subsequent requirements stipulated by **us**.

4 Portable Heater

It is a condition precedent to **our** liability to pay claims in respect of **damage** caused by fire that portable heating must not be used at the **premises** unless it comprises an electric:

- a oil filled radiator
- b convector heater
- c fan assisted heater

incorporating a thermostat and provided that such heater is:

- i used only in the office areas of the **premises** (excluding any passageway or walkway)
- ii switched off and unplugged at the end of each working day
- iii not covered in any way or used as shelving
- iv sited at least 1 metre away from any potential ignition sources or moveable combustible materials.

5 Waste Storage and Removal

It is a condition precedent to **our** liability to pay claims in respect of **damage** caused by fire or explosion that:

- a all oily, greasy or solvent-soaked cloths or wipes which remain in the **buildings** at the end of each working day must be kept in closed, lidded metal containers
- b all waste (other than a above) must be swept up, bagged and removed from the **buildings** at the end of each working day and stored outside in closed, lidded containers
- c in all designated smoking areas at the **premises**, metal receptacles with metal lids must be provided for the safe disposal of waste smoking materials
- d all waste referenced in a, b and c of this condition must be removed from the **premises** weekly.

6 Electrical Installation Inspection and Testing

It is a condition precedent to **our** liability to pay claims in respect of **damage** caused by fire that:

- a the fixed electrical installation at the **premises** must be inspected and tested at five yearly intervals by a contractor:
 - i enrolled by the National Inspection Council for Electrical Installation Contracting (NICEIC), or
 - ii approved by the Electrical Contractors' Association (ECA), or
 - iii accredited by the National Association of Professional Inspectors and Testers (NAPIT), or
 - iv a member of Electrical Contractors' Association of Scotland (SELECT)

or any subsequent replacement body and any defects identified remedied in accordance with the IET Wiring Regulations
- b all electrical testing reports and certificates must be retained by **you** and made available to **us** on request.

Loss of Income Section

Sub-Section A – Income/Costs

The covers described below are only operative if shown on the **schedule**

Cover

1 Gross Profit

We will pay for loss of **gross profit** as a result of interruption of or interference with the **business** arising from accidental **damage** occurring during the **period of insurance** to **property** used by the **business** at the **premises** by any of the cover causes shown against this item on the **schedule**.

2 Gross Revenue

We will pay for loss of **gross revenue** as a result of interruption of or interference with the **business** arising from accidental **damage** occurring during the **period of insurance** to **property** used by the **business** at the **premises** by any of the cover causes shown against this item on the **schedule**.

3 Rent Receivable

We will pay for loss of **rent receivable** as a result of interruption of or interference with the **business** arising from accidental **damage** occurring during the **period of insurance** to insured **property** at the **premises** by any of the cover causes shown against this item on the **schedule**.

4 Increase in Cost of Working

We will pay for **increase in cost of working** as a result of interruption of or interference with the **business** arising from accidental **damage** occurring during the **period of insurance** to **property** used by the **business** at the **premises** by any of the cover causes shown against this item on the **schedule**.

5 Additional Increase in Cost of Working

We will pay for **additional increase in cost of working** as a result of interruption of or interference with the **business** arising from accidental **damage** occurring during the **period of insurance** to **property** used by the **business** at the **premises** by any of the cover causes shown against this item on the **schedule**.

6 Cost of Alternative Accommodation

We will pay for the additional cost of comparable alternative residential accommodation for **you**, **your family** and any direct **employees** or **domestic employees** and any of their families normally resident at the **premises**, if the **premises** are rendered uninhabitable or inaccessible as a direct result of accidental **damage** occurring during the **period of insurance** to insured **property** at the **premises** by any of the cover causes shown against this

item on the **schedule**, but not where payment has been made or liability admitted for:

- a such costs under more specific insurance where it is in force
- b such costs under the **increase in cost of working** item of Cover 1 Gross Profit or Cover 2 Gross Revenue of this sub-section
- c loss of **rent receivable** arising from the same accidental **damage** under Cover 3 Rent Receivable of this sub-section.

The cover provided includes:

- i the cost of temporary storage of **your** or **your family's** furniture
- ii the cost of temporary accommodation for **your** or **your family's** domestic pets where such pets normally reside in **your home** but are not permitted in the alternative accommodation provided.

We will not pay for costs arising:

- a once the **premises** become habitable or accessible again
- b after the **indemnity period** shown on the **schedule** has expired.

Extensions to Sub-Section A – Income/ Costs

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Accountants' and Auditors' Charges

We will pay for charges payable by **you** to **your accountants** or auditors to confirm any declarations required by **us** in accordance with Basis of Settlement 9 Declaration Linked of this sub-section.

2 Documents

We will cover **you** for loss resulting from interruption of or interference with the **business** as a direct result of accidental **damage** occurring during the **period of insurance** to computer records, business books, manuscripts, plans and designs or other documents belonging to **you** or held in trust by **you** by any of the cover causes shown on the **schedule** against Sub-Section A – Income/ Costs whilst:

- a temporarily at premises not in **your** occupation, or
- b whilst in transit within the **territorial limits** and travelling between the specified territories.

3 Denial of Access

We will cover **you** up to the limit shown on the **schedule** for loss resulting from interruption of or interference with the **business** as a direct result of accidental **damage** occurring during the **period of insurance** to **property** within a radius of 1km of the **premises** by any of the cover causes shown

on the **schedule** against Sub-Section A – Income/Costs which prevents or physically hinders the use of or access to the **premises**, whether or not there has been **damage to property** at the **premises**.

The Property Insurance Exclusion to Sub-Section A – Income/Costs does not apply to this extension.

4 Public Utilities

We will cover **you** up to the limit shown on the **schedule** for loss resulting from the interruption of or interference with the **business** as a direct result of accidental failure occurring during the **period of insurance** of wireless or wired telecommunications services and the public supply of water, electricity or gas at the terminal ends of the supply company's feed to the **premises**.

We will not be liable for:

- a the deliberate act of the supplier to restrict or withhold the supply
- b atmospheric, solar or lunar conditions causing interference with transmissions to or from any satellite
- c a fault in any part of the installation **you** are responsible for at the **premises**
- d drought
- e any interruption of or interference with the **business** as a direct result of a failure of wireless or wired telecommunications services or a public supply which lasts less than 24 consecutive hours.

The Property Insurance Exclusion to Sub-Section A – Income/Costs does not apply to this extension.

5 Loss of Book Debts

We will cover **you** up to the limit shown on the **schedule** for loss if **you** are unable to trace or establish the **outstanding debit balances** as a result of accidental **damage** occurring during the **period of insurance** to **your** accounting or other business books or records by any of the cover causes shown on the **schedule** against Sub-Section A – Income/Costs whilst at the **premises** or temporarily removed elsewhere within the **territorial limits**.

Payment will not exceed:

- a the difference between the **outstanding debit balances** and the total of the amounts received or traced, and
- b the additional expenditure incurred, with **our** prior consent, in tracing and establishing the **outstanding debit balances** after the **damage**.

We will not pay for losses resulting from:

- i books or records being mislaid or misfiled
- ii deliberate falsification of business records
- iii distortion, erasure or corruption of information on **computer media** or other records:
 - a due to the presence of magnetic flux unless such flux results from lightning
 - b whilst mounted in or on any machine or data processing apparatus unless caused by **damage** to the machine or apparatus
 - c due to defects in such records.

6 Customers

We will cover **you** up to the limit shown on the **schedule** for loss resulting from interruption of or interference with the **business** as a direct result of accidental **damage** occurring during the **period of insurance** to **property** at the premises, within the **territorial limits** of any customers with whom, at the time of the **damage**, **you** have contracts or trading relationships to supply goods or services by any of the cover

causes shown on the **schedule** against Sub-Section A – Income/Costs.

The Property Insurance Exclusion to Sub-Section A – Income/Costs does not apply to this extension.

7 Suppliers

We will cover **you** up to the limit shown on the **schedule** for loss resulting from interruption of or interference with the **business** as a direct result of accidental **damage** occurring during the **period of insurance** to **property** at the premises, within the **territorial limits** of any manufacturer, processor, packer or supplier, other than a supplier of water, electricity, gas or telecommunications with whom, at the time of the **damage**, **you** have contracts or trading relationships to purchase goods or services by any of the cover causes shown on the **schedule** against Sub-Section A – Income/Costs.

The Property Insurance Exclusion to Sub-Section A – Income/Costs does not apply to this extension.

8 Third Party Storage Locations

We will cover **you** up to the limit shown on the **schedule** for loss resulting from interruption of or interference with the **business** as a direct result of accidental **damage** occurring during the **period of insurance** to **stock** whilst temporarily stored inside any building within the **territorial limits** by any of the cover causes shown on the **schedule** against Sub-Section A – Income/Costs.

9 Property in Transit

We will cover **you** up to the limit shown on the **schedule** in respect of loss resulting from interruption of or interference with the **business** as a direct result of accidental **damage** occurring during the **period of insurance** to **general contents** or **stock** whilst in transit within the **territorial limits** and travelling between the specified territories by any of the cover causes shown on the **schedule** against Sub-Section A – Income/Costs.

10 Diseases (Premises), Poisoning, Vermin, Defective Drains, Murder or Suicide

We will pay for loss resulting from the interruption of or interference with the **business** as a direct result of:

- a any occurrence of the following diseases, or discovery of an organism which causes the following diseases, at the **premises**:
Acute Encephalitis, Acute Poliomyelitis, Anthrax, Chicken Pox, Cholera, Diphtheria, Dysentery, Legionellosis, Legionnaires Disease, Leprosy, Leptospirosis, Malaria, Measles, Meningococcal Infection, Mumps, Paratyphoid Fever, Plague, Rabies, Rubella, Scarlet Fever, Tetanus, Tuberculosis, Typhoid Fever, Viral Hepatitis, Whooping Cough, Yellow Fever
- b any occurrence of food or drink poisoning attributable to food or drink supplied from the **premises**
- c the discovery of vermin or pests at the **premises** which causes restrictions on the use of the **premises** on the order or advice of the local authority
- d any accident causing defects in the drains or other sanitary arrangements at the **premises** which causes restrictions on the use of the **premises** on the order or advice of the local authority
- e any occurrence of murder or suicide at the **premises** during the **period of insurance**.

We will not pay for:

- i any costs incurred in the cleaning, repair, replacement, recall or checking of **property**, **data** or the **premises**
- ii any amount in excess of £100,000 in any one **period of insurance**.

For the purposes of this extension, the **indemnity period** means the period during which the results of the **business** are affected in consequence of the occurrence, discovery or accident beginning:

- a in the case of a, b and e above, with the date of the occurrence or discovery (whichever occurs first), or
- b in the case of c and d above, with the date from which local authority restrictions are applied to the **premises** and ending not later than three months thereafter.

The Property Insurance Exclusion to Sub-Section A – Income/Costs does not apply to this extension.

11 Exhibitions, Trade Shows and Conferences

We will cover **you** up to the limit shown on the **schedule** for loss resulting from interruption of or interference with the **business** as a direct result of accidental **damage** occurring during the **period of insurance** to **general contents** or **stock** owned by **you** or for which **you** are responsible whilst at any exhibition, trade show or conference site or in transit within the **territorial limits** and travelling between the specified territories by any of the cover causes shown on the **schedule** against Sub-Section A – Income/Costs.

Exclusion to Sub-Section A – Income/Costs

Property Insurance

Unless otherwise stated, **we** will not pay for any loss unless at the time of the **damage to property** resulting in interruption of or interference with the **business** there is in force an insurance policy covering **your** interest in the **property** for the **damage** and:

- a payment has been made or liability admitted for the **damage**, or
- b payment would have been made or liability would have been admitted for the **damage** but for the exclusion of losses below a stated amount or percentage in the policy.

Sub-Section B – Machinery and Computer Equipment Breakdown

The cover described below is only operative if shown on the **schedule**

Cover

We will pay for loss occurring during the **period of insurance** directly arising from an **accident to covered equipment**:

- a at the **premises**
- b during **transit** anywhere in the **territorial limits**
- c whilst temporarily removed from the **premises** to a location anywhere within the **territorial limits** provided that the **covered equipment**:
 - i remains under **your** control, or
 - ii is removed for the purpose of repair, replacement, restoration, service or modification

provided **we** have admitted liability under Sub-Section G – Machinery and Computer Equipment Breakdown of the Property Section.

Limit

We will pay for loss as calculated under Sub-Section A – Income/Costs up to the limit shown on the **schedule** for Sub-Section B – Machinery and Computer Equipment Breakdown except for losses resulting from an **accident to portable computer equipment** where **our** liability will not exceed £5,000 for any one **accident** and £50,000 in any one **period of insurance**.

Extensions to Sub-Section B – Machinery and Computer Equipment Breakdown

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Computer Operations

We will pay for the costs incurred in minimising or preventing the resulting interruption of or interference with **your** computer operations following an **accident** to, or **electronic derangement** of, **computer equipment** insured by the Property Section for which **we** have admitted liability under Sub-Section G – Machinery and Computer Equipment Breakdown.

Our liability under this extension will not exceed £50,000 in any one **period of insurance**.

2 Additional Access Costs

We will pay for additional cost incurred in order to gain access to repair or replace the **covered equipment** following an **accident**.

Our liability under this extension will not exceed £20,000 for any one **accident** and £100,000 in any one **period of insurance** except for losses resulting from an **accident to computer equipment** where **our** liability will not exceed £20,000 for any one **accident** and £50,000 in any one **period of insurance**.

3 Service Providers

We will pay for loss as calculated under Sub-Section A – Loss of Income/Costs up to the limit shown on the **schedule** for Sub-Section B – Machinery and Computer Equipment Breakdown, directly arising from an **accident to covered equipment** which occurs at **your service provider's** premises.

The proviso that liability must be admitted under Sub-Section G – Machinery and Computer Equipment Breakdown of the Property Section does not apply to this extension.

4 Public Relations Costs

In the event of financial loss and with **our** prior written agreement **we** will pay the cost for the services of professional public relations firm to assist **you** in creating and disseminating communications to:

- a the media
- b the public
- c **your** customers and clients.

Exclusions to Sub-Section B – Machinery and Computer Equipment Breakdown

1 Back-up Procedures

We will not be liable for delay in resuming operations due to the need to reconstruct or re-input **data** onto **computer media** where **you** have not fully complied with Condition 2 Back-up Procedures to Sub-Section G – Machinery and Computer Equipment Breakdown of the Property Section.

2 Own Surrounding Property Damage

We will not be liable under this sub-section for loss resulting from the **explosion** or **collapse** of any **covered equipment** operating under steam pressure.

Sub-Section C – Loss of Licence

The cover described below is only operative if shown on the **schedule**

Cover

If the licence specified in the **schedule** in respect of the **premises** is:

- a forfeited under the provisions of the legislation governing such licences, or
- b refused renewal by the appropriate licensing authority from causes beyond **your** control during the **period of insurance**, **we** will cover **you** in respect of either:
 - i loss of **gross profit** or **gross revenue** as a result of interruption of or interference with the **business**, or
 - ii in the event that the **business** is sold or discontinued, depreciation in the value of **your** interest in the **premises**.

Extension to Sub-Section C – Loss of Licence

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Defence Costs

We will pay costs and expenses incurred, with **our** prior consent, in connection with any proceedings in which an order for a forfeiture or refusal of the licence is made, arising out of a cause beyond **your** control, including any appeal against such order.

Exclusions to Sub-Section C – Loss of Licence

1 Town and Country Planning

We will not pay for loss resulting from the forfeiture or refusal to renew the licence, directly or indirectly arising from:

- a any scheme of town or country planning, improvement or redevelopment or compulsory purchase, or
- b the surrender, reduction or redistribution of licences in connection therewith.

2 Change in Law

We will not pay for loss resulting from the forfeiture or refusal to renew the licence, directly or indirectly, arising from any alteration in the law affecting the granting, surrender or forfeiture of or the refusal to renew any licence.

Conditions Precedent to Sub-Section C – Loss of Licence

1 Breach of Licensing Laws

You must give **us** immediate notice in the event of any proceedings against or conviction of **you**, a **partner**, **director**, manager, tenant or occupier of the **premises** for any breach of licensing laws or any other matter whereby the character or reputation of the person concerned is affected with respect to their honesty, moral standing or sobriety.

2 Objection to Renewal of Licence

You must give **us** notice immediately **you** become aware of any objection to renewal or other circumstances which might endanger the renewal of the licence.

3 Notification of Forfeiture of Licence

In the event of a forfeiture or refusal of renewal of the licence **you** must notify **us** within 24 hours after the order by the authorities and also state as far as **you** are able the grounds upon which such order has been made.

4 Notification of Review of Licence

In the event of a review of the licence **you** must notify **us** within 24 hours of the advertising of the review by the authorities, and also state as far as **you** are able the grounds upon which such review has been made.

Basis of Settlement – Loss of Income Section

1 Gross Profit

We will calculate the loss of **gross profit** as follows:

- a in respect of the reduction in **turnover** due to the **damage** or loss of licence, apply the ratio of **gross profit** earned on the **turnover** during the financial year immediately before the **damage** or loss of licence to the amount by which the **turnover** during the **indemnity period** will fall short of the **turnover** during the corresponding period in the year immediately prior to the date of the **damage** or loss of licence, and
- b **increase in cost of working** but not exceeding the reduction in the **gross profit** avoided less any sum saved during the **indemnity period** for expenses, charges or for depreciation in the value of **stock** and **target stock** which would have been paid for by the **business** out of the **gross profit**.

2 Gross Revenue

We will calculate the loss of **gross revenue** as follows:

- a an amount by which the **gross revenue** during the **indemnity period** shall in consequence of the **damage** or loss of licence, fall short of the **gross revenue** during the corresponding period in the year immediately prior to the date of the **damage** or loss of licence, and
- b the **increase in cost of working** but not exceeding the reduction in **gross revenue** avoided less any sum saved during the **indemnity period** for expenses, charges or for depreciation in the value of **stock** and **target stock** which would have been paid for by the **business** out of the **gross revenue**.

3 Rent Receivable

We will calculate the loss of **rent receivable** as follows:

- a the amount by which the **rent receivable** during the **indemnity period** shall in consequence of the **damage** fall short of the amount that should have been received, and
 - b **increase in cost of working** but not exceeding the reduction of **rent receivable** avoided
- less any sum saved during the **indemnity period** in respect of the charges and expenses of the **business** payable out of **rent receivable** as may cease or be reduced in consequence of the **damage**.

4 Trends and Variations

Adjustments will be made to the figures representing **gross profit**, ratio of **gross profit**, **turnover** and **gross revenue** to allow for trends, variations or special circumstances affecting the **business** either before or after the occurrence of **damage** or loss of licence, or which would have affected the **business** had the **damage** or loss of licence not occurred, so that these figures represent as near as possible the results which but for the **damage** or loss of licence would have been obtained during the relative period after the **damage** or loss of licence.

5 Maximum Amount Payable

The maximum amount **we** will pay under this section will not exceed in any one **period of insurance** the sums insured or limits shown on the **schedule** plus any additional percentage shown in Basis of Settlement 9 Declaration Linked if either **estimated gross profit** or **estimated gross revenue** is shown as being operative and subject to any inner limit otherwise specified in the policy wording.

6 Value Added Tax (VAT)

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

7 Departmental Trading

If the **business** is conducted in departments or across a number of **premises**, the separate trading results of which can be ascertained, then any claim settlement under this section will be calculated for each department or **premises**.

8 Alternative Trading

If during the **indemnity period** work is done or services are provided elsewhere than at the **premises** for the benefit of the **business** either by **you** or by others on **your** behalf, the money paid or payable in respect of such work or services will be brought into account in arriving at the **gross profit** or **gross revenue** during the **indemnity period**.

9 Declaration Linked

When **estimated gross profit** is shown on the **schedule**, **you** have elected to have the basis of settlement amended to declaration linked.

For this purpose:

- a wherever **gross profit** is shown in this **policy** it should be read as **estimated gross profit** as defined
- b **our** liability under Basis of Settlement 1 Gross Profit will not exceed 133.3% of the sum insured shown on the **schedule** for estimated **gross profit**
- c the first and annual premiums are provisional based on the **estimated gross profit**.

You must provide **us** with a declaration, not later than six months after the expiry of each **period of insurance**, which has been confirmed by **your** accountants or auditors of the **gross profit** earned during the financial year most nearly concurrent with the **period of insurance**.

When **estimated gross revenue** is shown on the **schedule**, **you** have elected to have the basis of settlement amended to declaration linked.

For this purpose:

- a wherever **gross revenue** is shown in this **policy** it should be read as **estimated gross revenue** as defined
- b **our** liability under Basis of Settlement 2 Gross Revenue will not exceed 133.3% of the sum insured shown on the **schedule** for estimated **gross revenue**
- c the first and annual premiums are provisional based on the **estimated gross revenue**.

You must provide **us** with a declaration, not later than six months after the expiry of each **period of insurance**, which has been confirmed by **your** accountants or auditors of the **gross revenue** earned during the financial year most nearly concurrent with the **period of insurance**.

Extensions to the Loss of Income Section

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Terrorism

Where Extension 16 Terrorism of the Property Section is operative, **terrorism** cover is also provided by this section. Any payment in respect of **terrorism** under this section will be subject to the same exclusions and conditions applicable to that extension.

2 Claim Preparation Costs

We will pay for:

- a charges payable by **you** to **your** accountant, auditor or other professional consultant (other than **your agent**)
- b additional costs incurred by **you** for an **employee** to produce particulars, details, proofs, information or evidence that **we** may require in connection with any claim for which **we** have admitted liability under this section and where the cost of the claim exceeds £50,000.

We will not pay for any amount in excess of £25,000 in any one **period of insurance**.

Liability Section

Sub-Section A – Employers' Liability

The cover described below is only operative if shown on the **schedule**

Cover

We will pay the amount of damages and **claimants' costs and expenses** which **you** become legally liable to pay in respect of accidental **injury** sustained by any **employee** caused during the **period of insurance**, arising out of and in the course of their engagement by **you** for the purposes of the **business** and occurring within the **territorial limits**.

We will also pay **your costs and expenses**.

Limit of Indemnity

The maximum amount **we** will pay under this sub-section in respect of one claim or series of claims arising out of one occurrence or all occurrences of a series consequent on or attributable to one original source or cause including all compensation, **claimants' costs and expenses** and **your costs and expenses** will not exceed:

- a in respect of **terrorism**, £5,000,000
- b in respect of all other claims, the employers' liability limit of indemnity shown on the **schedule** for this sub-section.

If **we** allege that by reason of the **terrorism** limitation any **injury**, cost or expense is not covered, the burden of proving the contrary shall be upon **you**.

Where more than one party is entitled to indemnity under this sub-section, **our** total combined liability to all parties will not exceed the applicable limit of indemnity shown in a or b above.

Extensions to Sub-Section A – Employers' Liability

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Corporate Manslaughter – Legal Defence Costs

We will pay **your costs and expenses** incurred in connection with:

- a the defence of criminal proceedings brought against **you**
 - b an appeal against a conviction
- in respect of a charge, or investigation in connection with a charge, of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007, for an offence committed, or alleged to have been committed, in the course of the **business** during the **period of insurance**.

We will also pay for prosecution costs awarded against **you**.

We will not be liable:

- i for the payment of fines or penalties
- ii for intervention fees payable under the Health and Safety (Fees) Regulations 2012 or equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- iii for costs and expenses in connection with remedial orders or publicity orders
- iv for costs and expenses in connection with a charge or investigation which was as a result of an intentional or deliberate breach of or reckless disregard for statutory regulations
- v for costs and expenses arising from an offence committed, or alleged to have been committed, outside England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- vi for costs and expenses in connection with proceedings or an appeal for which a claim has been admitted under Sub-Section B – Public Liability, Sub-Section C – Products Liability or Sub-Section D – Treatment
- vii for the costs and expenses of any appeal against conviction unless in the opinion of counsel, appointed by mutual agreement of **you** and **us**, the appeal is more likely to succeed than not
- viii if an indemnity is provided by any other insurance.

If, in addition to a claim under this extension, **you** also have a claim under any section or sub-section of this **policy** arising from the same cause or occurrence, any amounts already paid, or incurred but not yet paid, for **your costs and expenses** and prosecution costs will be deducted from the total amount payable under this extension.

2 Health and Safety at Work etc. Act 1974 – Legal Defence Costs

We will cover **you** and, at **your** request, any **director**, **partner** or **employee** in respect of **your costs and expenses** incurred in:

- a the defence of a prosecution
 - b an appeal against a conviction
- for a breach, or an investigation in connection with a breach, of the Health and Safety at Work etc. Act 1974 or equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man provided that the offence under such legislation:
- i was committed, or is alleged to have been committed, in the course of the **business** during the **period of insurance**
 - ii relates to the health, safety and welfare of an **employee**.

We will also pay for prosecution costs awarded against **you**.

We will not be liable:

- a for the payment of fines or penalties
- b for intervention fees payable under the Health and Safety (Fees) Regulations 2012 or equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- c for costs and expenses in connection with remedial orders
- d for costs and expenses in connection charge or investigation relating to an incident which was as a result of an intentional or deliberate breach of or reckless disregard for statutory regulations
- e for costs and expenses arising from any offence committed, or alleged to have been committed, outside England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- f unless each **director, partner or employee** to be indemnified complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply
- g if an indemnity is provided by any other insurance.

3 Unsatisfied Court Judgments

If a judgment for damages or costs is obtained by an **employee** or their personal representatives for an **injury** sustained by the **employee** within the **territorial limits** we will, at **your** request, pay to the **employee**, or their personal representatives, the amount of such compensation to the extent that it remains unsatisfied provided that:

- a the **injury** is caused during the **period of insurance**
- b the **injury** arises out of their engagement by **you** in the course of the **business**
- c the judgment remains unsatisfied in whole or in part six months after the date of such judgment
- d the judgment for damages was obtained in a court of law within England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- e the judgment was against a company, partnership or individual other than **you**, conducting business at or from premises within England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- f the judgment is not the subject of an outstanding appeal
- g if any payment is made under the terms of this extension the **employee** or the personal representatives of the **employee** shall assign the judgment to **us**.

4 Temporary Work Overseas

Where work away is shown as being operative on the **schedule**, we will cover **you** in respect of legal liability incurred by **you** for accidental **injury to directors or employees** normally resident in England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man, arising from work undertaken by them in the course of the **business** elsewhere in the world provided that:

- a the duration of such work does not exceed six months during the **period of insurance**
- b any work outside **Europe** consists solely of clerical, sales promotion or administrative work or participation in exhibitions, trade shows and conferences as an exhibitor or attendee unless otherwise agreed by **us**.

Where work away is not shown as being operative on the **schedule**, the cover provided is limited to:

- i delivery or collection of goods or **money** to or from the **premises**
- ii participation in exhibitions, trade shows and conferences as an exhibitor or attendee only.

Exclusions to Sub-Section A – Employers' Liability

1 Use of Vehicles

We will not pay for liability for **injury** for which **you** are required to arrange insurance or security in accordance with road traffic legislation.

2 Use of Wood-Working Machinery

Unless woodworking machinists wages are shown on the **schedule**, we will not pay liability for **injury** sustained by any **employee** arising from the use of wood-working machinery driven by steam, gas, water, electricity or other mechanical power including pendulum or swing saws. For the purposes of this exclusion, wood-working machinery shall not include fret-saws, lathes, boring machines, sanding machines or any other mechanically driven portable tools held and applied to the work by hand.

Condition to Sub-Section A – Employers' Liability

Right of Recovery

The cover provided by this sub-section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **employees** in England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man but **you** shall repay to **us** all sums paid by **us** which **we** would not have been liable to pay but for the provisions of such law.

Sub-Section B – Public Liability

The cover described below is only operative if shown on the **schedule**

Cover

We will pay the amount of damages and **claimants' costs and expenses** which **you** become legally liable to pay in respect of accidental:

- a **injury**
 - b **damage to property**
 - c obstruction, trespass, nuisance or interference with any right of way, light, air or water
- occurring during the **period of insurance** and arising in the course of the **business** and within the **territorial limits**.

We will pay **your costs and expenses** in addition.

Limit of Indemnity

The maximum amount **we** will pay under this sub-section in respect of one claim or series of claims arising out of one occurrence or all occurrences of a series consequent on or attributable to one original source or cause will not exceed:

- a in respect of **terrorism**, £2,000,000 or the public liability limit of indemnity shown on the **schedule** for this sub-section whichever is lower
- b in respect of all other claims, the public liability limit of indemnity shown on the **schedule** for this sub-section.

Where liability arises out of or in connection with **terrorism**, **our** maximum liability including damages, **claimants' costs and expenses** and **your costs and expenses** under this sub-section will not exceed £2,000,000 or the public liability limit of indemnity shown on the **schedule** for this sub-section whichever is lower.

If **we** allege that by reason of the **terrorism** limitation any **damage, injury**, cost or expense is not covered or is covered only up to the **terrorism** limit of indemnity, the burden of proving the contrary will be upon **you**.

All **pollution or contamination** arising out of one occurrence will be deemed to have occurred at the time such occurrence takes place.

Our total liability for all pollution or contamination which is deemed to have occurred during any one **period of insurance** will not exceed the public liability limit of indemnity shown on the **schedule**.

Where more than one party is entitled to indemnity under this sub-section, **our** total combined liability to all parties will not exceed the applicable limit of indemnity shown in a or b above.

Extensions to Sub-Section B – Public Liability

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Corporate Manslaughter– Legal Defence Costs

We will pay your costs and expenses incurred in connection with:

- a the defence of criminal proceedings brought against **you**
 - b an appeal against a conviction
- in respect of a charge, or investigation in connection with a charge, of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007, for an offence committed, or alleged to have been committed, in the course of the **business** during the **period of insurance**.

We will also pay for prosecution costs awarded against you.

We will not be liable:

- i for the payment of fines or penalties
- ii for intervention fees payable under the Health and Safety (Fees) Regulations 2012 or equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- iii for costs and expenses in connection with remedial orders or publicity orders
- iv for costs and expenses in connection with a charge or investigation which was as a result of an intentional or deliberate breach of or reckless disregard for statutory regulations
- vi for costs and expenses arising from an offence committed, or alleged to have been committed, outside England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- vii for costs and expenses in connection with proceedings or an appeal for which a claim has been admitted under Sub-Section A – Employers' Liability, Sub-Section C – Products Liability, Sub-Section D – Treatment or Sub-Section E – Injury to a Working Partner or Proprietor
- viii for the costs and expenses of any appeal against conviction unless in the opinion of counsel, appointed by mutual agreement of **you** and **us**, the appeal is more likely to succeed than not
- ix if an indemnity is provided by any other insurance.

If, in addition to a claim under this extension, **you** also have a claim under any section or sub-section of this **policy** arising from the same cause or occurrence, any amounts already paid, or incurred but not yet paid, for **your costs and expenses** and prosecution costs will be deducted from the total amount payable under this extension.

2 Health and Safety at Work etc. Act 1974 – Legal Defence Costs

We will cover you and, at **your** request, any **director**,

partner or **employee** in respect of **your costs and expenses** incurred in:

- a the defence of a prosecution
 - b an appeal against a conviction
- for a breach, or an investigation in connection with a breach, of the Health and Safety at Work etc. Act 1974 or equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man provided that the offence under such legislation:
- i was committed, or is alleged to have been committed, in the course of the **business** during the **period of insurance**
 - ii does not relate to the health, safety and welfare of an **employee**.

We will also pay for prosecution costs awarded against you.

We will not be liable:

- a for the payment of fines or penalties
- b for intervention fees payable under the Health and Safety (Fees) Regulations 2012 or equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- c for costs and expenses in connection with remedial orders
- d for costs and expenses in connection with a charge or investigation relating to an incident which was as a result of an intentional or deliberate breach of or reckless disregard for statutory regulations
- e for costs and expenses arising from any offence committed, or alleged to have been committed, outside England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- f unless each **director**, **partner** or **employee** to be indemnified complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply
- g if an indemnity is provided by any other insurance.

3 Food Safety Act 1990 – Legal Defence Costs

We will cover you and, at **your** request, any **director**, **partner** or **employee** in respect of **your costs and expenses** incurred in:

- a the defence of a prosecution
 - b an appeal against a conviction
- for a breach, or an investigation in connection with a breach, of Part II of the Food Safety Act 1990 or equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man provided that the offence under such legislation was committed, or is alleged to have been committed, in the course of the **business** during the **period of insurance**.

We will also pay for prosecution costs awarded against you.

We will not be liable:

- i for the payment of fines or penalties
- ii for costs and expenses in connection with a charge or investigation relating to an incident which was as a result of an intentional or deliberate breach of or reckless disregard for statutory regulations
- iii for costs and expenses arising from any offence committed, or alleged to have been committed, outside England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- iv unless each **director**, **partner** or **employee** to be indemnified complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply
- v if an indemnity is provided by any other insurance.

4 Consumer Protection Act 1987 – Legal Defence Costs

We will cover **you** and, at **your** request, any **director**, **partner** or **employee** in respect of **your costs and expenses** incurred in:

- a the defence of a prosecution
 - b an appeal against a conviction
- for a breach, or an investigation in connection with a breach, of Part II of the Consumer Protection Act 1987 or equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man provided that the offence under such legislation was committed, or is alleged to have been committed, in the course of the **business** during the **period of insurance**.

We will also pay for prosecution costs awarded against **you**.

We will not be liable:

- i for the payment of fines or penalties
- ii for costs and expenses in connection with a charge or an investigation relating to an incident which was as a result of an intentional or deliberate breach of or reckless disregard for statutory regulations
- iii for costs and expenses arising from any offence committed, or alleged to have been committed, outside England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- iv unless each **director**, **partner** or **employee** to be indemnified complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply
- v if an indemnity is provided by any other insurance.

5 Data Protection

Following a breach of personal data (as defined in the law applicable) occurring during the **period of insurance** in the course of the **business**, **we** will pay:

- a the amount of compensation which **you** become legally liable to pay in respect of damage, either material or non-material, under the provisions of Article 82 of the General Data Protection Regulation (Regulation (EU) 2016/679) or any equivalent data protection laws applicable to England, Scotland, Wales, Northern Ireland, the Channel Islands and the Isle of Man
- b for defence costs and prosecution costs awarded against **you** in respect of a prosecution under Article 83 of the General Data Protection Regulation (Regulation (EU) 2016/679) or any equivalent data protection laws applicable to England, Scotland, Wales, Northern Ireland, the Channel Islands and the Isle of Man

provided that **you** are included in the register maintained by the Information Commissioner's Office (ICO) or the equivalent in the Channel Islands, or are in the process of registration and such registration has not been refused or withdrawn.

We will not be liable:

- i for any deliberate act or omission by **you** or any **director**, **partner** or **employee** from which **you** or they could have reasonably expected liability or costs to attach
- ii for liability, defence or prosecution costs arising from the recording, processing or provision of data for reward or to determine the financial status of any person
- iii for liability, defence or prosecution costs arising from an agreement which would not have attached in the absence of such agreement
- iv for costs and expenses incurred in rectifying, replacing, reinstating, destroying or erasing data
- v for costs and expenses incurred in investigating a personal data breach or in the reporting of such to the ICO

- vi for the payment of fines or penalties
- vii if an indemnity is provided by any other insurance.

6 Defective Premises Act 1972

We will cover **you** in respect of legal liability incurred by **you** during the **period of insurance** for accidental:

- a **injury**
 - b **damage to property**
- arising solely by reason of:
- i Section 3 of the Defective Premises Act 1972, or
 - ii Section 5 of the Defective Premises (Northern Ireland) Order 1975

in connection with premises which were owned by **you** in connection with the **business** but have been disposed of by **you** provided that **we** will not be liable:

- a for the cost of remedying any defect or alleged defect in the premises
- b if an indemnity is provided by any other insurance.

7 Leased, Hired or Rented Premises

We will cover **you** in respect of legal liability incurred by **you** as a tenant of premises **you** lease, rent or hire for the purpose of the **business** within England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man in respect of:

- a accidental **damage** to buildings including any landlord's fixtures and fittings
- b reinstatement or repair of accidental **damage** to the underground water pipes, gas pipes, drains or sewers, electricity and telephone cables extending from the public mains to the buildings occupied by **you** in connection with the **business** but excluding **consequential loss** of any kind or description

provided that **we** will not be liable for liability attaching to **you** solely by the terms of the tenancy or any other agreement.

8 Motor Contingent Liability

We will cover **you** in respect of legal liability incurred by **you** for accidental:

- a **injury**
 - b **damage to property**
- arising out of the use of any motor vehicle in the course of the **business** provided that **we** will not be liable:
- i for any vehicle owned or provided by **you** or any **principal** for whom **you** are working or any subcontractor acting for **you** or on **your** behalf
 - ii for **damage** to such vehicle or to goods conveyed in or on it
 - iii for any vehicle being driven by any person **you** or **your** representative know 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
 - iv if an indemnity is provided by any other insurance or security
 - v for liability arising outside **Europe**
 - vi to provide cover in respect of any party other than **you**.

9 Wrongful Arrest

We will pay **your costs and expenses**, **claimants' costs and expenses** and for damages awarded against **you** or any **director**, **partner** or **employee** as a result of charges of wrongful arrest or malicious prosecution being brought during the **period of insurance** against **you** or any **director**, **partner** or **employee** in connection with the **business**.

We will also pay for **your costs and expenses**.

We will not pay if the person subjected to such wrongful arrest or malicious prosecution is an **employee**.

10 Overseas Personal Liability

We will cover **you** or any **director, partner** or **employee** or any member of **your** or their family accompanying **you** or them in respect of legal liability incurred in a personal capacity arising out of accidental:

- a **injury** to any person
- b **damage to property** occurring during the **period of insurance** during visits of less than six months duration in connection with the **business** to territories other than England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man provided that:
 - i the conduct and control of all claims is vested in **us**
 - ii any person entitled to indemnity under this extension complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply.

We will not pay for:

- a liability arising from or in connection with:
 - i any business, profession or trade
 - ii the ownership or occupation of land or buildings
 - iii the ownership, possession or use of:
 - mechanically propelled vehicles and anything attached to them
 - craft intended to travel through air or space
 - hovercraft and watercraft (other than non mechanically propelled craft less than nine metres in length used on inland waters)
 - animals (other than pet domestic animals)
 - iv **property** held in trust
 - v **injury** to any **director, partner** or **employee** or family member accompanying them
- b liability more specifically insured
- c liability arising under contract or agreement unless the liability would have arisen in the absence of such contract or agreement.

11 Temporary Work Overseas

Where work away is shown as being operative on the **schedule**, we will cover **you** in respect of legal liability incurred by **you** for accidental:

- a **injury**
- b **damage to property** arising from work undertaken by **you** or any **director, partner** or **employee** in the course of the **business** in territories other than England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man provided that:
 - i **you** and any **director, partner** or **employee** are normally resident in England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
 - ii the duration of such work does not exceed six months during the **period of insurance**
 - iii any work outside **Europe** consists solely of clerical, sales promotion or administrative work or participation in exhibitions, trade shows and conferences as an exhibitor or attendee unless otherwise agreed by **us**.

Where work away is not shown as being operative on the **schedule**, the cover provided is limited to:

- a delivery or collection of goods or **money** to or from the **premises**
- b participation in exhibitions, trade shows and conferences as an exhibitor or attendee only.

12 Personal Liability (Family)

Where Sub-Section I – Household Contents is operative, we will cover legal liability incurred in a personal capacity by any **family** member normally resident in **your home** for accidental:

- a **injury**
- b **damage to property**
- c obstruction, trespass, nuisance or interference with any right of way, light, air or water occurring during the **period of insurance** anywhere in the world provided that:
 - i the conduct and control of all claims is vested in **us**
 - ii any person entitled to indemnity under this extension complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply.

We will not pay for:

- a liability arising from or in connection with:
 - i any business, profession or trade
 - ii the ownership or occupation of land or buildings
 - iii the ownership, possession or use of:
 - mechanically propelled vehicles and anything attached to them
 - craft intended to travel through air or space
 - hovercraft and watercraft (other than non mechanically propelled craft less than 9 metres in length used on inland waters)
 - animals (other than pet domestic animals)
 - iv **property** held in trust
 - v **injury** to any **family** member
- b liability more specifically insured
- c liability arising under contract or agreement unless the liability would have arisen in the absence of such contract or agreement.

Exclusions to Sub-Section B – Public Liability

1 Excess

We will not pay for the amount of the **excess** shown on the **schedule**.

2 Products Supplied

We will not pay for liability arising from or in connection with any **products supplied** after they have ceased to be in **your** custody or control, other than food or drink supplied to **your** non-paying guests.

3 Employees

We will not pay for **injury** sustained by any **employee** arising out of and in the course of their employment by **you**.

4 Vehicles and Craft

We will not pay for liability arising from or in connection with the ownership, possession or use by **you** or on **your** behalf of:

- a any mechanically propelled vehicle or plant being used in circumstances where road traffic legislation requires that there shall be in force a policy of insurance or other security, provided that if **you** are not entitled to indemnity from any other policy or security, this exclusion shall not apply to the bringing to or taking away of the load from any vehicle
- b aircraft, hovercraft, drilling platform or rig and other offshore platforms or watercraft (other than hand propelled watercraft), railways, railway locomotives and carriages.

5 Property in Your Possession

We will not pay for **damage** to:

- a **property** belonging to **you**
- b **property** held in trust or in the custody or control of **you** or any **director, partner** or **employee**

but this exclusion will not apply to:

- i any personal **property** (including motor vehicles) of any **director, partner, employee** or visitor of **yours**
- ii leased, hired or rented premises as provided by Extension 7 Leased, Hired or Rented Premises of this sub-section.

6 Property Worked On

We will not pay for liability in respect of **damage** to **property** worked on where the **damage** is as a direct result of the work undertaken.

Conditions Precedent to Liability – Sub-Section B – Public Liability

1 Bona-fide Subcontractors

It is a condition precedent to **our** liability to pay claims arising from or in connection with work undertaken for **you** or on **your** behalf by any bona-fide subcontractor that:

- a **you** must, prior to their engagement on each and every occasion during the **period of insurance**, ensure that each bona-fide subcontractor holds public liability insurance that:
 - i is appropriate to the work to be carried out, and
 - ii has a period of insurance that is adequate to provide public liability cover for the duration of the works undertaken by them for **you** or on **your** behalf, and
 - iii has a limit of indemnity which is not less than the limit under Sub-Section B – Public Liability of this **policy**
- b **you** shall provide **us** with documentary evidence of the public liability insurance held by such bona-fide subcontractor at the time of their engagement to undertake the work if requested by **us**.

2 Application or Use of Heat Away from the Premises

The application or use of heat at contract sites away from the **premises** is permitted under this **policy** unless otherwise shown on the **schedule**.

It is a condition precedent to **our** liability to pay claims that the following procedures are complied with whenever such work is undertaken by **you** or any **director, partner, employee** or subcontractor at contract sites away from the **premises**:

1 Before starting work:

- a all personnel on each contract site must be made aware of the location of the site's fire alarms and fire fighting equipment
- b all **property** in the vicinity including, so far as practicable, the area on the other side of any wall or partition must be inspected to ensure that no combustible material is in danger of ignition either directly or by conducted heat. A record of such inspections must be retained by **you**.
- c the area must be cleared of all moveable combustible materials to a distance no less than:
 - i 10 metres from the point of use of electric, oxyacetylene or similar welding or cutting equipment or grinding or cutting wheels and discs
 - ii 1 metre from the point of use of blow torches, blow lamps, hot compressed air blowers, hot air guns, hot air strippers, asphalt, bitumen, tar or pitch heaters.

If combustible materials cannot be removed from the areas specified in 1c, i and ii of this condition they must

be covered and fully protected by overlapping sheets or screens of non-combustible material.

2 During the progress of work:

- a the work will be carried out only by or under the supervision of trained personnel
- b suitable fire extinguishing appliances will be kept available for immediate use at the scenes of the operations
- c the lighting of all equipment must be carried out strictly in accordance with the manufacturer's instructions and no piece of lighted equipment must be left unattended
- d gas cylinders not required for immediate use shall be kept outside any building in which the work is taking place or, where work is in the open, must be removed beyond the areas specified in 1c, i and ii of this condition.

3 After ceasing work:

You, a **director, partner** or **employee** must undertake a thorough inspection of:

- a the area within the distances specified in 1c, i and ii of this condition
- b in so far as is practicable, the area on the other side of any wall or partition to ensure that there is no risk of fire.

A record of such inspections must be retained by **you**.

4 Welding or Cutting Equipment

Whenever electric, oxyacetylene or similar welding or cutting equipment, grinding or cutting wheels or discs are used, trained personnel must supervise the progress of work and remain in attendance at all times until the work ceases and all lighted flame equipment is extinguished.

5 Irons

All electric soldering, carpet seaming or aspirated irons must be thermostatically controlled and whenever they are switched on or hot they must be continuously attended.

6 Heating of Bitumen and Similar Products

Whenever asphalt, bitumen, tar or pitch heaters are used they must be sited in the open (but not on rooftops) and continuously attended for the duration of their use.

For the purposes of this condition, the application or use of heat is deemed to be the use of blow torches, blow lamps, electric, oxyacetylene or similar welding or flame cutting equipment, hot compressed air blowers, hot air guns, hot air strippers, asphalt, bitumen, tar or pitch heaters, grinding or cutting wheels or discs, electric soldering or carpet seaming or aspirated irons.

Sub-Section C – Products Liability

The cover described below is only operative if shown on the **schedule**

Cover

We will pay the amount of damages and **claimants' costs and expenses** which **you** become legally liable to pay in respect of accidental:

- a **injury**
- b **damage to property** occurring within the **territorial limits** during the **period of insurance** and arising out of **products supplied** in the course of the **business** in or from England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man.

We will pay **your costs and expenses** in addition.

Limit of Indemnity

The maximum amount **we** will pay under this sub-section in any one **period of insurance** and in respect of one claim or series of claims arising out of one occurrence or all occurrences of a series consequent on or attributable to one original source or cause will not exceed:

- a in respect of **terrorism**, £2,000,000 or the products liability limit of indemnity shown on the **schedule** for this sub-section whichever is lower
- b in respect of all other claims, the products liability limit of indemnity shown on the **schedule** for this sub-section.

Where liability arises out of or in connection with **terrorism**, **our** maximum liability including damages, **claimants' costs and expenses** and **your costs and expenses** under this sub-section will not exceed £2,000,000 or the products liability limit of indemnity shown on the **schedule** for this sub-section whichever is lower.

If **we** allege that by reason of the **terrorism** limitation any **damage, injury**, cost or expense is not covered or is covered only up to the **terrorism** limit of indemnity, the burden of proving the contrary will be upon **you**.

All **pollution** or **contamination** arising out of one occurrence will be deemed to have occurred at the time such occurrence takes place.

Our total liability for all **pollution** or **contamination** which is deemed to have occurred during any one **period of insurance** will not exceed the products liability limit of indemnity shown on the **schedule**.

Where more than one party is entitled to indemnity under this sub-section, **our** total combined liability to all parties will not exceed the applicable limit of indemnity shown in a or b above in any one **period of insurance**.

Extensions to Sub-Section C – Products Liability

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Corporate Manslaughter– Legal Defence Costs

We will pay **your costs and expenses** incurred in connection with:

- a the defence of criminal proceedings brought against **you**
 - b any appeal against a conviction
- in respect of a charge, or investigation in connection with a charge, of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007, for an offence committed, or alleged to have been committed, in the course of the **business** during the **period of insurance**.

We will also pay for prosecution costs awarded against **you**.

We will not be liable:

- i for the payment of fines or penalties
- ii for intervention fees payable under the Health and Safety (Fees) Regulations 2012 or equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- iii for costs and expenses in connection with remedial orders or publicity orders
- iv for costs and expenses in connection with a charge or investigation which was as a result of an intentional or deliberate breach of or reckless disregard for statutory regulations
- v for costs and expenses arising from an offence committed, or alleged to have been committed, outside England,

Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man

- vi for costs and expenses in connection with proceedings or an appeal for which a claim has been admitted under Sub-Section A – Employers' Liability, Sub-Section B – Public Liability, Sub-Section D – Treatment or Sub-Section E – Injury to a Working Partner or Proprietor for the costs and expenses of any appeal against conviction unless in the opinion of counsel, appointed by mutual agreement of **you** and **us**, the appeal is more likely to succeed than not
- vii if an indemnity is provided by any other insurance.

If, in addition to a claim under this extension, **you** also have a claim under any section or sub-section of this **policy** arising from the same cause or occurrence, any amounts already paid, or incurred but not yet paid, for **your costs and expenses** and prosecution costs will be deducted from the total amount payable under this extension.

2 Health and Safety at Work etc. Act 1974 – Legal Defence Costs

We will cover **you** and, at **your** request, any **director, partner** or **employee** in respect of **your costs and expenses** incurred in:

- a the defence of a prosecution
 - b an appeal against a conviction
- for a breach, or an investigation in connection with a breach, of the Health and Safety at Work etc. Act 1974 or equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man provided that the offence under such legislation:

- i was committed, or is alleged to have been committed, in the course of the **business** during the **period of insurance**
- ii does not relate to the health, safety and welfare of an **employee**.

We will also pay for prosecution costs awarded against **you**.

We will not be liable:

- a for the payment of fines or penalties
- b for intervention fees payable under the Health and Safety (Fees) Regulations 2012 or equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- c for costs and expenses in connection with remedial orders
- d for costs and expenses in connection with a charge or an investigation relating to an incident which was as a result of an intentional or deliberate breach of or reckless disregard for statutory regulations
- e for costs and expenses arising from any offence committed, or alleged to have been committed, outside England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- f unless each **director, partner** or **employee** to be indemnified complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply
- g if an indemnity is provided by any other insurance.

3 Food Safety Act 1990 – Legal Defence Costs

We will cover **you** and, at **your** request, any **director, partner** or **employee** in respect of **your costs and expenses** incurred in:

- a the defence of a prosecution
 - b an appeal against a conviction
- for a breach, or an investigation in connection with a breach, of Part II of the Food Safety Act 1990 or equivalent legislation in Scotland, Northern Ireland, the Channel

Islands or the Isle of Man provided that the offence under such legislation was committed, or is alleged to have been committed, in the course of the **business** during the **period of insurance**.

We will also pay for prosecution costs awarded against you.

We will not be liable:

- i for the payment of fines or penalties
- ii for costs and expenses in connection with a charge or investigation relating to an incident which was as a result of an intentional or deliberate breach of or reckless disregard for statutory regulations
- iii for costs and expenses arising from any offence committed, or alleged to have been committed, outside England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- iv unless each **director, partner or employee** to be indemnified complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply
- v if an indemnity is provided by any other insurance.

4 Consumer Protection Act 1987 – Legal Defence Costs

We will cover **you** and, at **your** request, any **director, partner or employee** in respect of **your costs and expenses** incurred in:

- a the defence of a prosecution
- b an appeal against a conviction for a breach, or an investigation in connection with a breach, of Part II of the Consumer Protection Act 1987 or equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man provided that the offence under such legislation was committed, or is alleged to have been committed, in the course of the **business** during the **period of insurance**.

We will also pay for prosecution costs awarded against **you**.

We will not be liable:

- i for the payment of fines or penalties
- ii for costs and expenses in connection with a charge or an investigation relating to an incident which was as a result of an intentional or deliberate breach of or reckless disregard for statutory regulations
- iii for costs and expenses arising from any offence committed, or alleged to have been committed, outside England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
- iv unless each **director, partner or employee** to be indemnified complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply
- v if an indemnity is provided by any other insurance.

5 Data Protection

Following a breach of personal data (as defined in the law applicable) occurring during the **period of insurance** in the course of the **business**, **we** will pay:

- a the amount of compensation which **you** become legally liable to pay in respect of damage, either material or non-material, under the provisions of Article 82 of the General Data Protection Regulation (Regulation (EU) 2016/679) or any equivalent data protection laws applicable to England, Scotland, Wales, Northern Ireland, the Channel Islands and the Isle of Man
- b for defence costs and prosecution costs awarded against **you** in respect of a prosecution under Article 83 of the General Data Protection Regulation (Regulation (EU) 2016/679) or any equivalent data protection laws

applicable to England, Scotland, Wales, Northern Ireland, the Channel Islands and the Isle of Man provided that **you** are included in the register maintained by the Information Commissioner's Office (ICO) or the equivalent in the Channel Islands, or are in the process of registration and such registration has not been refused or withdrawn.

We will not be liable:

- i for any deliberate act or omission by **you** or any **director, partner or employee** from which **you** or they could have reasonably expected liability or costs to attach
- ii for liability, defence or prosecution costs arising from the recording, processing or provision of data for reward or to determine the financial status of any person
- iii for liability, defence or prosecution costs arising from an agreement which would not have attached in the absence of such agreement
- iv for costs and expenses incurred in rectifying, replacing, reinstating, destroying or erasing data
- v for costs and expenses incurred in investigating a personal data breach or in the reporting of such to the ICO
- vi for the payment of fines or penalties
- vii if an indemnity is provided by any other insurance.

Exclusions to Sub-Section C – Products Liability

1 Excess

We will not pay for the amount of the **excess** shown on the **schedule**.

2 Employees

We will not pay for liability arising from or in connection with **injury** sustained by any **employee** arising out of and in the course of their employment by **you**.

3 The United States of America or Canada

We will not pay for liability arising from or in connection with **products supplied** known by **you** or a **director, partner or employee** to be supplied directly or indirectly to the United States of America or any territory within its jurisdiction or Canada unless such cover is specifically noted as being insured on the **schedule**.

4 Recall Costs

We will not pay for the costs incurred by anyone in recalling, removing, repairing, rectifying, replacing, reapplying or guaranteeing any **products supplied**.

5 Drugs and Medicines

We will not pay for liability arising from or in connection with the making up or prescribing or dispensing or repackaging of any drug, medicine or medical preparation.

6 High Risk Applications

We will not pay for liability arising from or in connection with any **products supplied** known by **you** or any **director, partner or employee** to be used in connection with aircraft, aerial devices, spacecraft, motor vehicles or the operational areas of gas, chemical, nuclear, petrochemical or power generation plants or mines.

7 Products Supplied

We will not pay for liability arising from or in connection with any **products supplied** whilst they are in the custody or control of **you** or any **director, partner or employee**.

Sub-Section D – Treatment

(Subject to the terms, conditions and exclusions of this sub-section, Sub-Section B – Public Liability, Sub-Section C – Products Liability, this section and this **policy**)

Cover

Where Hairdressers' Treatment is shown as being operative on the **schedule**, Sub-Section B – Public Liability and Sub-Section C – Products Liability, if operative, are extended to include the cover shown below.

Hairdressers' Treatment

We will pay the amount of damages and **claimants' costs and expenses** which **you** become legally liable to pay in respect of accidental **injury** occurring during the **period of insurance** within the **territorial limits** caused by or arising from hairdressers' treatment administered by **you** or a **director, partner or employee** in the course of the **business**. **We** will pay **your costs and expenses** in addition in respect of such **injury**.

For the purposes of this sub-section 'hairdressers treatment' means:

- a washing, drying, cutting, styling, colouring, tinting, dyeing or perming of the hair
- b any specialist treatment to the hair or scalp normally undertaken by a hairdresser or barber
- c manicures and pedicures
- d face shaving
- e work on wigs and hairpieces
- f ear or nose piercing only and solely using the stud gun method

and no other unless shown on the **schedule** as being specifically included by endorsement.

Cover

Where Beauty Treatment is shown as being operative on the **schedule**, Sub-Section B – Public Liability and Sub-Section C – Products Liability, if operative, are extended to include the cover shown below.

Beauty Treatment

We will pay the amount of damages and **claimants' costs and expenses** which **you** become legally liable to pay in respect of accidental **injury** occurring during the **period of insurance** within the **territorial limits** caused by or arising from beauty treatment administered by **you** or a **director, partner or employee** in the course of the **business**. **We** will pay **your costs and expenses** in addition in respect of such **injury**.

For the purposes of this sub-section 'beauty treatment' means:

- a the application of cosmetics
- b pedicures, manicures, nail extensions and nail art
- c facials including washes, cleansing, ionisation and steaming treatments
- d body wrapping, brushing and exfoliation
- e Alexander technique
- f bleaching of body hair
- g eyebrow and eyelash shaping and tinting
- h biochemic tissue remedies
- i the application of tanning creams, lotions, sprays or oils
- j ear or nose piercing only and solely using the stud gun method
- k cellulite treatments (other than mesotherapy, cryolipolysis, laser, ionithermie or ultra-sound)

- l colour therapy, crystal therapy and thermo auricular treatment (hopi ear candling)
 - m glycolic acid peel treatment, light therapy, micro epidermal abrasion treatment and paraffin wax treatment
- and no other unless shown on the **schedule** as specifically included by endorsement.

Cover

Where Sunbed Treatment is shown as being operative on the **schedule**, Sub-Section B – Public Liability and Sub-Section C – Products Liability, if operative, are extended to include the cover shown below.

Sunbed Treatment

We will pay the amount of damages and **claimants' costs and expenses** which **you** become legally liable to pay in respect of accidental **injury** occurring during the **period of insurance** within the **territorial limits** caused by or arising from sunbed treatment administered by **you** or a **director, partner or employee** in the course of the **business**.

We will pay **your costs and expenses** in addition in respect of such **injury**.

For the purposes of this sub-section, 'sunbed treatment' means the use of electrically powered equipment designed to produce tanning of the human skin by the emission of ultraviolet radiation (excluding coin operated equipment) and no other unless shown on the **schedule** as being specifically included by endorsement.

Limit of Indemnity

(Applicable to Sub-Section D – Treatment)

The maximum amount **we** will pay under this sub-section in respect of one claim or series of claims arising out of one occurrence or all occurrences of a series consequent on or attributable to one original source or cause will not exceed the applicable limit of indemnity shown on the **schedule** for treatment under this sub-section.

For products liability, the limit of indemnity shown on the **schedule** for treatment under this sub-section is also the maximum amount **we** will pay in any one **period of insurance**.

Exclusions to Sub-Section D – Treatment

Excluded Treatments

We will not pay for liability for any **injury** caused by or arising from:

- a any treatment of the eyes or anything in the nature of a surgical operation
- b any preparation manufactured by **you** or a **director, partner or employee** or on **your** behalf
- c the use of ultraviolet (UV) tanning equipment (other than where cover for sunbed treatment is shown as being operative on the **schedule**)
- d sunbed treatment involving persons under 18 years of age
- e the use of needles or other equipment inserted below the skin (other than micro needles or probes required in connection with electrolysis or galvanic epilation hair removal treatments if Hair Removal Treatment is shown as being operative on the **schedule**)
- f massage undertaken on children under 16 years of age or on women known to be pregnant
- g any treatment of sports injuries or physiotherapy of any kind
- h any chiropody or podiatry.

Conditions Precedent to Liability – Sub-Section D – Treatment

1 Hairdressing Treatment

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

- a hair colouring, dyeing, tinting, perming or special treatments to the hair or scalp, face shaving, ear or nose piercing, pedicures or manicures are not carried out by any person with less than six months' continuous service as a hairdresser or apprentice hairdresser except under the constant and direct supervision of:
 - i a fully qualified person with at least six months' continuous service as a hairdresser, or
 - ii a person with at least 12 months' continuous service as an apprentice hairdresser
- b **you**, a **director**, **partner** or **employee** must not use any hair dye or preparation where the makers or vendors have issued a warning that it might be harmful without first notifying the customer of this fact and (except as provided in c below) applying such tests as recommended by the makers or vendors. In the event of any test on a customer proving unsatisfactory **we** will not be liable in respect of **injury** attributable to the use of such hair dye or preparation other than as a result of such test
- c where a particular hair dye or preparation has been applied by **you** or a **director**, **partner** or **employee** within the previous three months to an individual customer without ill effect **you** may, at the request of the customer, dispense with the test recommended by the makers or vendors provided that before undertaking the treatment **you** obtain from the customer a signed disclaimer relieving **you** from all liability for any **injury** which might follow upon the use of the hair dye or preparation. In the event of a claim **you** may be required to provide **us** with documentary evidence of such signed disclaimers from the customer
- d at the time of sale of hair dyes or other preparations **you** have supplied to **your** customers a printed copy of the 'Instructions for Use' as supplied by the makers or vendors.

2 Beauty Treatment

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

- a beauty treatment shall not be carried out by any person with less than six months' continuous service as a beauty therapist or an apprentice beauty therapist except under the constant and direct supervision of:
 - i a fully qualified person with at least six months' continuous service as a beauty therapist, or
 - ii a person with at least 12 months' continuous service as an apprentice beauty therapist
- b beauty preparations must not be used (except as provided in c below) without **you** or a **director**, **partner** or **employee** first undertaking any tests recommended by the makers or vendors. In the event of a test on a customer proving unsatisfactory **we** will not be liable in respect of **injury** attributable to the use of such beauty preparation on the customer other than as a result of such test
- c where a particular beauty preparation has been applied by **you** or a **director**, **partner** or **employee** within the previous three months to an individual customer without ill effect the recommended tests may be dispensed with, at the request of the customer, provided that before undertaking the treatment the customer signs a disclaimer relieving **you** from all liability for any **injury** which might follow upon the use of the preparation. In the event of a claim **you** may be required to provide **us** with documentary evidence of such signed disclaimers from the customer

- d at the time of sale of beauty preparations **you** have supplied to **your** customers a printed copy of the 'Instructions for Use' as supplied by the makers or vendors.

3 Sunbed Treatment

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

- a treatment is not provided unless enquiries have been made which confirm that the customer is suitable for such treatment
- b full instructions are given to customers as to the method of safe use of the equipment
- c each item of equipment is inspected at least annually by a qualified electrical engineer and records of such inspections are retained by **you**
- d the equipment is under regular supervision by a responsible, trained person who shall be on the **premises** continuously while the equipment is in use
- e each item of equipment (including any personal protective equipment issued to customers) is sanitised before use.

Sub-Section E – Injury to a Working Partner or Proprietor

The cover described below is only operative if shown on the **schedule**

(Subject to the terms, conditions and exclusions of Sub-Section A – Employers' Liability, this section and this **policy**)

Cover

For the purposes of this sub-section only, **we** will regard as an **employee** any working **partner** or proprietor of the **business** who sustains an accidental **injury** provided that:

- a such **injury** is sustained by the working **partner** or proprietor whilst working in connection with the **business** during the **period of insurance** and within the **territorial limits**
- b such **injury** is caused by the negligence of another working **partner** or another **employee**.

Limit of Indemnity

The maximum amount **we** will pay under this sub-section in respect of one claim or series of claims arising out of one occurrence or all occurrences of a series consequent on or attributable to one original source or cause including all compensation, **claimants' costs and expenses** and **your costs and expenses** will not exceed:

- a in respect of **terrorism**, £5,000,000
- b in respect of other claims, the limit of indemnity shown on the **schedule** for this sub-section.

If **we** allege that by reason of the **terrorism** limitation any **injury**, cost or expense is not covered or is covered only up to the **terrorism** limit of indemnity, the burden of proving the contrary shall be upon **you**.

Where more than one party is entitled to indemnity under this sub-section, **our** total combined liability to all parties will not exceed the applicable limit of indemnity shown in a or b above.

Extensions to the Liability Section

(Subject to the terms, conditions and exclusions of the sub-sections, this section and this **policy**)

1 Indemnity to Principal

We will, at **your** request, treat any **principal** as though they were **you** in respect of legal liability arising out of the performance of work by **you** for the **principal** provided that:

- a **you** would have been liable if the claim had been made against **you**
- b the **principal** complies with and is subject to the terms, conditions and exclusions of this **policy** in so far as they can apply
- c the conduct and control of all claims is vested in **us**
- d **our** liability shall be limited to only what is required by the contract between **you** and the **principal**.

2 Indemnity to Directors, Partners and Employees

We will at **your** request treat **directors, partners or employees** as though they were **you** in respect of claims made against them provided they comply with and be subject to the terms, conditions and exclusions of this **policy** in so far as they can apply.

3 Cross Liabilities

Where more than one party is named on the **schedule** as the Insured, this section shall apply separately to each party named in the same way as if a separate section had been issued to each of them.

4 Court Attendance

We will pay **you** the amounts shown below for each day such persons are required by **us** to attend court in connection with a claim for which **you** are entitled to indemnity under this section:

- a **you** or any **director** or **partner** £500
- b any **employee** £250.

5 Legionellosis

General Exclusion 6 Pollution or Contamination will not apply in respect of **legionellosis** provided that:

- a **we** will not be liable for **legionellosis** occurring prior to the commencement of cover under this section
- b **we** will not be liable unless:
 - i claims are first made in writing to **you**, a **director** or **partner** during the **period of insurance**, or
 - ii the first notification of **injury** or alleging **injury** or of any incidents which may give rise to a claim made to **you**, a **director** or **partner** is notified to **us** during the **period of insurance** or within 30 **days** of expiry of the same **period of insurance**
- c **we** will not be liable for any **legionellosis** occurring in the United States of America or any territory within its jurisdiction or Canada
- d all **legionellosis** arising out of one occurrence shall be deemed to have occurred at the time such occurrence takes place
- e the maximum amount **we** will pay including damages, **claimants' costs and expenses** and **your costs and expenses** for **pollution and contamination** arising from or in connection with **legionellosis** during any one **period of insurance** will not exceed the public liability limit of indemnity shown on the **schedule**
- f where more than one party is entitled to indemnity under this extension, **our** total combined liability to all parties will not exceed the public liability limit of indemnity shown on the **schedule** in any one **period of insurance**.

Exclusions to the Liability Section

1 Offshore

We will not pay for liability arising from or in connection with:

- a any work in or on any offshore installation or support vessel
- b travel to, from or between any offshore installation or support vessel
- c work undertaken from an offshore installation or support vessel.

2 Excluded Locations

We will not pay for liability arising from or in connection with any work in or on:

- a towers, steeples, chimney shafts, blast furnaces, dams, canals, viaducts, bridges or tunnels
- b aircraft, hovercraft, airports or airfields, railways, watercraft (other than hand propelled watercraft), docks or harbours, piers, wharves, breakwaters or sea walls
- c collieries, mines, quarries, chemical works, gas works, oil refineries or bulk storage facilities for gas or oil, power stations, wind farms, nuclear installations or establishments.

3 Excluded Equipment

We will not pay for liability arising from or in connection with the use of cradles or tower cranes.

4 Excluded Activities

We will not pay for liability arising from or in connection with:

- a water diversion, pile driving, underpinning or the use of explosives
- b demolition or partial demolition that:
 - i is not part of a contract for erection, re-construction, alteration or repair by **you**
 - ii involves buildings or structures exceeding 15 metres in height from ground level
 - iii is undertaken by subcontractors.

5 Excluded Compensation

(Not applicable to Sub-Section A – Employers' Liability or Sub-Section E – Injury to a Working Partner or Proprietor unless otherwise shown)

We will not pay for:

- a liquidated damages, fines or penalties
- b exemplary, punitive or multiplied damages (these are damages in excess of normal compensation awarded to punish **you**).

6 Contractual Liability

(Not applicable to Sub-Section A – Employers' Liability or Sub-Section E – Injury to a Working Partner or Proprietor)

We will not pay for liability assumed under the terms of a contract or agreement unless liability would also have attached in the absence of such contract or agreement and such liability is otherwise covered by this **policy**.

Where liability has been assumed under the terms of a contract or agreement where liability would not have attached in the absence of such contract or agreement, **we** will only pay if **we** have complete control of any proceedings and the settlement of any claim and provided that **we** will not pay for liability arising from or in connection with:

- a **products supplied**
- b liability that is not otherwise covered by this **policy**
- c **damage to property** forming the subject of a contract or agreement for work therein or thereon including any costs or expenses incurred in connection therewith
- d **damage to property** for which **you** are required to effect insurance under the terms of a contract or agreement.

7 Design, Advice or Treatment

(Not applicable to Sub-Section A – Employers' Liability or Sub-Section E – Injury to a Working Partner or Proprietor)

We will not pay for liability arising:

- a from the defective design, plan, formula or specification of **products supplied** if it is given for a fee or if a fee would normally be charged for it
- b out of technical, professional or remedial instruction and advice given for a fee or for which a fee would normally be charged
- c out of treatment given or administered by **you** or any **director, partner** or **employee** or on **your** behalf unless shown by endorsement to the **schedule** or under Sub-Section D – Treatment
- d from a failure to give advice or treatment or any lack of professional skill.

8 Jurisdiction

(Not applicable to Sub-Section A – Employers' Liability or Sub-Section E – Injury to a Working Partner or Proprietor)

We will not pay for any claim made in the courts of a country outside **Europe**.

9 Defective Work

(Not applicable to Sub-Section A – Employers' Liability or Sub-Section E – Injury to a Working Partner or Proprietor)

We will not pay for the cost of making good, replacing or reinstating defective work carried out by **you** or on **your** behalf.

Conditions to the Liability Section

Other Insurance

Unless otherwise excluded, if any claim under this section is also covered in whole or in part by any other existing insurance or by an indemnity from any other insurance or security, **our** liability shall be limited to any excess beyond the amount which would have been payable under such other insurance or from such other security had this section not been effected.

Condition Precedent to Liability

Legionellosis Precautions

(Not applicable to Sub-Section A – Employers' Liability or Sub-Section E – Injury to a Working Partner or Proprietor)

Where **you** own or are responsible for any water, air-conditioning or other purpose built system or equipment that uses water including, but not limited to, associated tanks, pipes, ducting, evaporative condensers, spa pools, saunas and Turkish baths at the **premises**, it is a condition precedent to **our** liability to pay claims in respect of **legionellosis** arising from or in connection with such system or equipment that **you** must:

- a undertake risk assessments to identify the presence of legionella bacteria at intervals not exceeding 12 months
- b take appropriate measures to prevent and control the growth and multiplication of legionella bacteria
- c retain documentary evidence of all risk assessments and measures undertaken
- d produce such documentary evidence if requested by **us**.

Property in Transit Section

Sub-Section A – Own Vehicles

The cover described below is only operative if shown on the **schedule**

Cover

We will pay for accidental **damage** occurring during the **period of insurance** to **general contents, stock** or **target stock** occurring during the **period of insurance** whilst:

- a **in transit** in **vehicles** owned by **you** or for which **you** are responsible
- b kept within a securely locked building during transit for a period not exceeding 48 consecutive hours within the **territorial limits** shown on the **schedule** and travelling between the specified territories.

Extensions to Sub-Section A – Own Vehicles

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Vehicle Transfer

We will pay for the additional expenses incurred in transferring to another **vehicle**, including unloading and reloading and removal of any debris, required as a result of accidental **damage**.

Our liability under this extension will not exceed £2,500 in respect of any one loss.

2 Tarpaulins, Sheets, Ropes and Chains

We will pay for accidental **damage** to tarpaulins, sheets, ropes, chains, toggles and trolleys.

Our liability under this extension will not exceed £1,000 in respect of any one loss.

Conditions Precedent to Liability – Sub-Section A – Own Vehicles

1 Unattended Vehicles

Whenever a **vehicle** being used for the transport of **general contents, stock** or **target stock** is left unattended by **you**, a **director, partner** or **your** designated driver, it is a condition precedent to **our** liability to pay claims in respect of **damage** caused by theft or attempted theft or malicious persons that:

- a all windows, sunroofs or other openings must be securely shut
- b all doors and other lockable points of access (including the boot) must be securely locked
- c any immobiliser, alarm and tracking system must be set to be fully operational
- d all keys or electronic devices to lock or unlock or otherwise secure the **vehicle** must be removed from the **vehicle** and

be held in the personal custody of **you**, a **director, partner** or **your** designated driver.

2 Overnight Security

Whenever a **vehicle** being used for the transport of **general contents, stock** or **target stock** is left unattended by **you**, a **director, partner** or **your** designated driver, it is a condition precedent to **our** liability to pay claims in respect of **damage** caused by theft or attempted theft or malicious persons that the **vehicle** is, between 21:00hrs and 06:00hrs:

- a stored in a locked and secure building or a **secure compound**
- b secured in accordance with Condition 1 Unattended Vehicles of this sub-section.

3 Vehicle Condition

It is a condition precedent to **our** liability to pay claims in respect of any **damage** that the **vehicle** being used for transport of items must be roadworthy and suitable for the carriage of the items.

Sub-Section B – Road Hauliers, Rail and Post

The cover described below is only operative if shown on the **schedule**

Cover

We will pay for accidental **damage** occurring during the **period of insurance** to **general contents, stock** or **target stock** whilst **in transit** by a third party road haulier or by rail or post within the **territorial limits** shown on the **schedule** and travelling between the specified territories.

Extension to the Property in Transit Section

(Subject to the terms, conditions and exclusions of this sub-section, this section and this **policy**)

1 Terrorism

Where Extension 16 Terrorism of the Property Section is operative, **terrorism** cover is also provided by this section. Any payment in respect of **terrorism** under this section will be subject to the same exclusions and conditions applicable to that extension.

Exclusions to the Property in Transit Section

1 Excess

We will not pay for the amount of the **excess** shown on the **schedule**.

2 Excluded Damage

We will not pay for **damage** caused by or resulting from:

- a depreciation, deterioration or contamination unless caused by fire, explosion, theft or attempted theft or from collision or overturning of the **vehicle**
- b inherent vice, latent defect, gradual deterioration, frost, operational error or omission
- c wet or dry rot, shrinkage, evaporation, dampness, dryness, bruising, scratching, chipping, denting, rust, oxidisation or discolouration, vermin or insects
- d mechanical or electrical breakdown or derangement
- e faults in processing or insufficient or unsuitable preparation
- f change in temperature
- g unexplained disappearance or inventory shortage.

3 Fraud

We will not pay for **damage** caused by acts of fraud or dishonesty of any person to whom **general contents, stock** or **target stock** have been entrusted including any collusion.

4 Theft from a Vehicle

We will not pay for **damage** caused by theft or attempted theft from a **vehicle** owned by **you** or for which **you** are responsible which does not involve entry to or exit from the **vehicle** by forcible and violent means or that does not involve actual or threatened assault or violence or use of force against the driver or passengers of the **vehicle**.

5 Trailers, Demountable Bodies and Containers

We will not pay for **damage** to **general contents, stock** or **target stock** inside any trailer, demountable body or container or whilst they are detached from any **vehicle** owned by **you** or for which **you** are responsible.

6 Leakage and Spillage

We will not pay for **damage** caused by or resulting from leakage, shortage in weight or spilling unless caused by fire, explosion, theft or attempted theft or from collision or overturning of the **vehicle**.

7 Dangerous Goods

We will not pay for **damage** to or caused by explosives, firearms, ammunition, fireworks, gases, flammable substances, radioactive materials, corrosives or any toxic or infectious substance.

8 Vehicles

We will not pay for **damage** to **vehicles** (including their accessories), demountable bodies, containers, caravans, railway locomotives, rolling stock, watercraft or aircraft.

9 Other Insurance

We will not pay for **damage** to **general contents, stock** or **target stock** which at the time 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.

10 Open Vehicles

We will not pay for **damage** caused by theft or attempted theft from any open topped, open sided or curtain sided **vehicle**.

11 Consequential Losses

We will not pay for **damage** caused by or resulting from any delay, loss of market, strikes, reduction in value or **consequential loss** of any kind.

12 Haulage

We will not pay for **damage** to items carried by **you**, a **director, partner** or **your** designated driver for hire or reward.

13 Packaging and Addressing

We will not pay for **damage** caused by or resulting from the incorrect addressing or unsuitable or insufficient packaging of items.

14 Excluded Property

We will not pay for **damage** to **valuables, money**, promissory notes, securities, bonds, deeds or any other **property** more specifically insured.

15 Animals

We will not pay for loss of or injury to animals, birds, fish or any living thing.

Basis of Settlement – Property in Transit Section

For **general contents, stock** or **target stock** the maximum amount **we** will pay for accidental **damage** is the limit per transit shown on the **schedule** and subject to any inner limit otherwise specified in the policy wording. For clothing or **employees' personal belongings** the maximum amount **we** will pay for accidental **damage** is £1,000 per person.

A Reinstatement

The basis of settlement of any claim in respect of **general contents**, except in respect of **computer equipment**, customers' goods, computer records, business books, manuscripts, plans and designs or other documents, shall be the full cost of replacement as new which shall be:

- a where an item is destroyed or lost, its replacement by a similar item in a condition equal to but not better or more extensive than its condition when new
- b where an item is damaged, the repair of the **damage** and the restoration of the damaged portion of the item to a condition the same as, but not better or more extensive than, its condition when new.

For **computer equipment** (excluding **stock**) the basis of settlement shall be:

- i where **computer equipment** is damaged, the repair of the **damage** and the restoration of the damaged portion of the **computer equipment** to a working condition, substantially the same but not better or more extensive than its condition when new
- ii where **computer equipment** is lost, destroyed or damaged beyond repair its replacement by similar **computer equipment** of equal performance and capacity or if that is impossible, replacement by new **computer equipment** having the nearest higher performance and capacity to the item lost, destroyed or damaged.

Special Provisions

The following special provisions apply when a claim is dealt with on this basis:

- a if replacement does not happen within 12 months of the **damage**, or longer period if agreed in writing by **us**, **we** will settle the claim in accordance with Basis of Settlement Indemnity
- b when any item insured by this section is damaged in part only, **our** liability will not exceed the sum representing the cost which **we** could have been called upon to pay for the replacement if such item had been wholly destroyed
- c no payment beyond indemnity shall be made until the cost of replacement has actually been incurred.

B Indemnity

The basis of settlement of any claim in respect of:

- a unsold **stock** or **target stock** is the cost of repair or replacement (less a reduction for wear, tear and depreciation) up to the trade market value of the item in a condition equal to but not better or more extensive than its condition immediately prior to the **damage**.
- b **stock** or **target stock** sold but not yet delivered, for which **you** are responsible under the terms of the sale contract, is the basis of the contract price if following insured **damage** the contract is cancelled, due to the contract conditions, either wholly or to the extent of the **damage**.

Where **we** have agreed to cover **stock** comprising of second hand goods, **our** liability will not exceed in respect of any one item the price paid by **you** for that item as evidenced in **your** accounting books.

C Computer Records and Documents

The basis of settlement of any claim for computer records, business books, manuscripts, plans and designs or other documents shall be their value as materials or stationery together with the cost of clerical labour expended in their reproduction (or restoration if more economical).

D Customers' Goods

For customers' goods, **we** will settle the claim in accordance with Basis of Settlement B Indemnity.

E Designation

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

To make a claim, call 0345 122 3283
Please save this number to your mobile phone

Ageas Insurance Limited

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www.ageas.co.uk

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