



Commercial Guard – Office and Surgery

Policy Wording

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Office & Surgery Policy

This Policy and Schedule shall be read together as one contract.

The **Insured** has applied to the **Company** for this insurance by a proposal and declaration, or statement of fact, which shall be the basis of and incorporated in this contract, and in consideration of which a premium has been or will be paid.

As part of this contract the **Company** will provide insurance by any Section or Extension of this Policy made operative as shown on the Schedule for each period of insurance for which payment of premium has been accepted, subject to the terms, Conditions and Exclusions shown within the Policy and Schedule.

This Policy forms part of the contract with the **Company** and must be kept safe with all Schedules and Endorsements.

Please read the Policy including the Schedule and Endorsements carefully to ensure it meets your requirements. If it does not, please contact your insurance agent immediately.

Definitions

Except in relation to Section 4 – Legal Expenses which has its own set of definitions within the Business Legal Guard policy wording, the following words or expressions shall carry the meaning shown below whenever they appear in **bold** in the Policy, Schedule, Endorsements and the proposal form or statement of fact. Wherever the defined words are shown in the plural they take the same meaning as shown below, but in the plural.

Additional Increase in Cost of Working

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Gross Revenue** which but for that expenditure would have taken place during the **Indemnity Period** beyond that recoverable as **Increase in Cost of Working** wherever it is insured in the Policy.

Breakdown

Breakdown of Insured Plant consisting of:

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

Buildings

The **Buildings** (excluding Glass, Blinds and Signs) at the risk address shown in the Schedule including:

- a outbuildings attached to the main **Building**
 - b detached outbuildings within the boundaries of the risk address and built solely of incombustible materials unless specified as otherwise on the Schedule
 - c walls, gates and fences around the **Buildings** and belonging to them
 - d landlord's fixtures and fittings excluding carpets
- all belonging to the **Insured** or for which the **Insured** is legally responsible.

Business

The **Business** shown in the Schedule including:

- a the repair and maintenance of the **Premises**
- b the provision of fire, security and ambulance services at the **Premises**
- c the provision of first aid but excluding any first aid provided by any qualified medical practitioner or nurse

- d private work undertaken by the **Insured's Employees** (with the consent of the **Insured**) for any director, partner or senior executive of the **Insured**
- e the provision and management of canteen, sports, social and welfare organisations by the **Insured** for the benefit of the **Insured's Employees**.

Business Hours

The period during which the **Premises** are actually occupied for **Business** purposes and during which the **Insured** or **Employees** are in the **Premises**.

Business Money

Money held in connection with the **Business** belonging to the **Insured** or for which the **Insured** is legally responsible.

Collapse

The sudden and dangerous distortion (whether or not attended by rupture) of any part of the **Insured Plant** 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).

Company

Ageas Insurance Limited.

Computer Equipment

Electronic, computer or other data processing equipment owned by the **Insured** or for which the **Insured** is legally responsible, including **Media** and peripherals used in conjunction with such equipment.

Damage

Accidental loss, destruction or damage.

Declared Value

The **Insured's** assessment of the cost of reinstatement of each **Building** (arrived at in accordance with Paragraph (a) of Memorandum 1 to Section 1 Reinstatement) at the level of costs applying at the inception of the period of insurance (ignoring inflationary factors which may operate subsequently) together with due allowance for:

- a the additional cost of reinstatement to comply with public authority requirements as allowed in Extension 1 of Sub-Sections A and G to Section 1
- b professional fees as allowed in the Cover to Section 1
- c removal of debris as allowed in Extension 2 to Section 1.

Deferment Period

The initial period following the bodily injury in which no benefit is payable as may be specified on the Schedule or by Endorsement.

Denial of Service Attack

Any actions or instructions constructed or generated with the ability to **Damage**, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. **Denial of Service Attacks** include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

Employee

Any:

- person under a contract of service or apprenticeship with the **Insured**
- labour master (or labour only sub-contractor) or person supplied by them or any self employed person for labour only
- person hired or borrowed by the **Insured** from another employer subject to any agreement under which the person is considered to be employed by the **Insured**
- volunteer or voluntary worker
- student or persons undertaking work for the **Insured** under a work experience or similar scheme whilst engaged by the **Insured** in the course of the **Business**.

Estimated Gross Revenue

The amount of **Gross Revenue** which it is anticipated will be earned by the **Business** during the financial year most nearly concurrent with the Period of Insurance.

Excess

The amount or amounts shown in the Policy or on the Schedule which the **Company** will deduct from each and every claim at each separate location after the application of Average.

Excluded Property

Antiques, furs, suede or leather clothing (other than footwear), jewellery, gold or silver articles, firearms, ammunition, explosives or fireworks.

Explosion

The sudden and violent rending of **Insured Plant** 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 **Insured Plant** together with forcible ejection of the contents.

Gross Revenue

The money paid or payable to the **Insured** for work done and services rendered in the course of the **Business**, less the cost of consumable goods.

Hacking

Unauthorised access to any **Computer Equipment** or other equipment or component or system or item which processes, stores or retrieves data, whether the **Property** of the **Insured** or not.

Increase in Cost of Working

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Gross Revenue** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage**.

Indemnity Period

The period beginning with the occurrence of the **Damage** and ending no later than the Maximum Indemnity Period specified in the Schedule afterwards during which the results of the **Business** shall be affected in consequence of the **Damage**.

Injury

Bodily injury, death, illness or disease.

Insured

The person, persons or company named in the Schedule as "The **Insured**" and includes subsidiary companies notified to and agreed as accepted by the **Company**.

Insured Person

A person specified by name or included in a group of persons shown on the Schedule.

Insured Plant

Property owned by the **Insured** or for which the **Insured** is legally responsible, built to operate under vacuum or pressure, other than weight of contents, or used for the generation, transmission or utilisation of energy, but excluding:

- a structure, foundation, masonry, brickwork, cabinet, compartment or air supported structure or building
- b insulating or refractory material
- c sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system
- d water piping, other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system
- e vehicles, aircraft, floating vessels or any equipment mounted on such vehicle (other than vehicle recovery cranes or equipment), aircraft or floating vessels
- f mobile plant and equipment (other than fork lift trucks used by the **Insured** at the **Premises**), dragline, excavation or construction equipment
- g equipment manufactured by the **Insured** for sale
- h tools, dies, cutting edges, crushing surfaces, trailing cables, non metallic linings, driving belts or bands or any part requiring periodic renewal
- i any electronic equipment (other than **Computer Equipment**), used for research, diagnostic, treatment, experimental or other medical or scientific purposes
- j any **Manufacturing Production or Process Equipment**
- k domestic laundry, kitchen, audio visual and home entertainment equipment when such equipment is used in private living quarters
- l equipment owned by tenants of the **Insured**.

Intruder Alarm Systems

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

Legal Costs

All costs and expenses incurred with the written consent of the **Company**.

Loss of Information

Accidental loss, distortion, corruption or erasure of programs or information.

Loss of Limbs or Eyes

Physical Injury, which solely and directly results in:

- a loss by physical severance of hand or foot at or above the wrist or ankle or the total and permanent loss of use of an entire hand or arm or an entire foot or leg or
- b total and irrecoverable loss of all sight in one or both eyes.

Definitions - continued

Manufacturing Production or Process Equipment

Any machine or apparatus which takes in, processes, forms, cuts, shapes, grinds or conveys raw materials, materials undergoing a process or the finished product including any equipment forming a part of the dedicated power supply, or the driving or controlling mechanism for such machines or apparatus.

This definition also applies to all component parts of such machines or apparatus and any other machines used exclusively with such machinery or apparatus.

Media

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

Money

Cash, bank currency notes, cheques, postal orders, bankers drafts, money orders, unused postage stamps, National Insurance stamps and certificates, trading stamps, luncheon vouchers, credit company sales vouchers, Value Added Tax purchase invoices, gift vouchers, lottery and other prize scratch cards, utility vouchers, top up cards and mobile phone vouchers.

Outstanding Debit Balances

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

Permanent Total Disablement

Physical Injury not resulting in death or **Loss of Limbs or Eyes**, which solely and directly results in permanent and absolute inability of the **Insured** or an **Employee** to attend to any part whatsoever of their occupation or any other occupation for which they are fitted by knowledge or training.

Physical Injury

Bodily injury by accidental, external, violent and visible means sustained by the **Insured** or an **Employee** of the **Insured** in the course of the **Business** where such **Injury** arises directly from assault with the intent of theft of **Property** or **Money** insured by this Policy.

Premises

The **Buildings** and the land inside the boundaries at the risk address shown in the Schedule.

Principal

Any person, firm, company, ministry or authority for whom the **Insured** is undertaking work.

Products Supplied

Goods (including containers) sold, supplied, erected, repaired, serviced, altered, treated, installed, processed, manufactured or tested by the **Insured** in the course of the **Business** other than food or drink consumed on the **Premises** consisting of:

- i food and drink supplied socially
- ii motor vehicles or office machinery surplus to the **Insured's** requirements
- iii defective proprietary branded goods except medicines and no other.

Property

Material property.

Rent

The money paid or payable by the **Insured** for accommodation and services provided (by the landlord including service charges unless excluded by Endorsement) at the **Premises** shown on the Schedule.

Rent Receivable

The money paid or payable to the **Insured** for accommodation and services provided as landlord (including service charges unless excluded by Endorsement) at the **Premises** shown on the Schedule.

Solicitors' Fees

Solicitors' Fees for representation of the **Insured** at any Coroner's Inquest or Fatal Accident Inquiry or at proceedings in any Court of Summary Jurisdiction in respect of any occurrence which may be the subject of indemnity under Section 3.

Stock

Stock in trade, excluding **Target Stock** but including raw materials, work in progress and finished goods the **Property** of the **Insured** and goods held in trust.

Target Stock

Stock in trade or goods in trust comprising cigarettes, cigars, tobaccos, wines and spirits, clothing, DVDs and compact discs, mobile phones or computer games.

Temporary Total Disablement

Physical Injury which solely and directly results in total and absolute inability of the **Insured** or an **Employee** to attend to any part whatsoever of their occupation.

Territorial Limits

- a Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- b A country which is a member of the European Union but only in respect of temporary **Business** carried out by the **Insured** and any **Employee** normally resident in the territories set out in (a) above
- c Elsewhere in the world in respect of temporary **Business** journeys by any person normally resident in the territories set out in (a) above which do not involve the performance or the supervision of manual work.

Terrorism

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

Trade Contents

The contents of the **Buildings** used in connection with the **Business** shown in the Schedule, the **Property** of the **Insured** or for which the **Insured** is legally responsible, including:

- a patterns, models, moulds, plans and designs, documents, manuscripts and **Business** books for their value as stationery and materials and the cost of labour expended in writing up and/or reinstatement thereof or restoration if more economical
- b **Computer Equipment** up to a limit of £10,000 unless specified as a separate item on the Schedule
- c wines, spirits, cigarettes and tobacco kept for entertainment purposes up to a limit of £500
- d directors, partners or **Employees' Personal Effects**, clothing, pedal cycles and tools unless otherwise insured subject to a limit of £500 per person

but excluding Landlord's fixtures and fittings, Tenant's improvements, Glass, Blinds and Signs, **Money, Stock, Target Stock** and any other **Property** more specifically insured.

Unlawful Association

Any organisation which is engaged in **Terrorism** including any organisation which at any relevant time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973.

Unoccupied

Empty or not in use for 21 or more consecutive days.

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations, whether involving self-replication or not. The definition of **Virus or Similar Mechanism** includes but is not limited to "trojan horses", "worms" or "logic bombs".

Cover Causes

Wherever they are referred to in the Policy wording or Schedule the relevant Cover Causes applicable are as follows:

Cover Cause 1 – Fire

Fire, lightning and explosion but not **Damage** caused by:

- a the explosion of any equipment that has to be inspected as part of any Statutory Regulations unless the inspection and maintenance is completed as required by the regulation
- b the explosion of any non-domestic steam pressure equipment under the **Insured's** control
- c earthquake
- d subterranean fire, riot, civil commotion, strikers, locked-out workers or malicious people
- e spontaneous heating or fermentation or from undergoing any process involving the application of heat.

Cover Cause 2 – Perils

- A Riot, civil commotion, strikers, locked-out workers or malicious people but not **Damage**:
 - a caused by theft or attempted theft
 - b through requisition, confiscation or destruction by order of the Government or other statutory authority
 - c resulting from the stopping of work
 - d arising when the **Premises** are **Unoccupied**
 - e arising from tamper, deliberate erasure, distortion or corruption of information or **Virus or Similar Mechanism, Hacking or Denial of Service Attack** in respect of **Computer Equipment**.
- B Earthquake
- C Explosion of boilers and economisers but not **Damage** from the explosion of any equipment that has to be inspected as part of any Statutory Regulations unless the inspection and maintenance is completed as required by the regulation and adequate insurance is in place for such equipment. Peril C Explosion of boilers and economisers is only effective for Sub-Section A of Section 2 – Business Interruption of this Policy.
- D Subterranean fire
- E Impact by:
 - a aircraft and aerial devices or articles dropped from them
 - b road vehicles
 - c animals
 - d breakage or collapse of radio and television aerials, satellite dishes and other aerial fittings or masts excluding **Damage** arising from erection or maintenance
 - e falling trees and branches excluding **Damage** from tree felling, lopping or moving.
- F Escape of oil from any fixed oil fired heating installation but not **Damage** whilst the **Premises** are **Unoccupied**.
- G Storm but not **Damage**:
 - a due to changes in the water table level

- b by lightning, frost, subsidence, ground heave or landslip
- c to fences, gates and moveable **Property** in the open or open sided **Buildings**
- d caused by Flood.
- H Flood caused by the inundation of water from the sea or escape of water from the normal confines of any natural or artificial watercourse, lake, reservoir, canal or dam, but not **Damage**:
 - a due to changes in the water table level
 - b by lightning, frost, subsidence, ground heave or landslip
 - c to fences, gates and moveable **Property** in the open or open sided **Buildings**
 - d escape of water from any water tank, apparatus or pipes.
- I Escape of water from any tank, apparatus or pipes but not **Damage**:
 - a from water leaking or discharged from any automatic sprinkler installation
 - b to the actual tank, apparatus or pipes from which water escaped unless caused by freezing
 - c arising while the **Premises** are **Unoccupied**.
- J Sprinkler installation leakage but not **Damage**:
 - a caused by heat from fire, explosion, earthquake or subterranean fire
 - b through repairs, alterations or extensions to the sprinkler installation or the **Buildings**
 - c to the actual sprinkler installation from which water escaped unless caused by freezing
 - d arising while the **Premises** are **Unoccupied**.

Cover Cause 3 – Accidental Damage

Accidental damage but not **Damage**:

- a by Cover Causes 1, 2, 4 or 5 or any of their detailed Exclusions
- b to a building or structure caused by its own collapse or cracking
- c resulting from any process of production, packing, treatment, testing, commissioning, maintenance, servicing or repair
- d to **Property** or structures in the course of construction or erection and materials or supplies connected with them
- e caused by:
 - i inherent vice, latent defect, gradual deterioration, wear and tear, frost, faulty or defective design, 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 the subsequent **Damage** which itself results from a Cover Cause that is otherwise operative
- vi acts of fraud or dishonesty including any collusion
- vii disappearance, unexplained or inventory shortage, misfiling or misplacing of information
- viii freezing when the **Premises** are **Unoccupied**
- ix any process of treatment, dyeing, cleaning, alteration, repair, restoration, testing, commissioning, servicing, packing or production
- x or consisting of distortion, erasure or corruption of computer records or **Media**
- xi pollution or contamination
- xii any loss insured or insurable under Sub-Section H of Section 1 of this Policy.

Cover Cause 4 – Theft or attempted theft

Theft or attempted theft but not:

- a the first £250 of any loss by theft 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 at the **Premises** against the **Insured** or any person legally on the **Premises**
- b theft or attempted theft of any **Property** from any garden, yard or open space unless specified as an insured item on the Policy Schedule
- c theft or attempted theft of any **Property** from an outbuilding unless there has been forcible or violent entry to or exit from the outbuilding
- d theft or attempted theft arising while the **Premises** are **Unoccupied**
- e theft or attempted theft by any **Employee** of the **Insured** unless the theft or attempted theft involves entry into or exit from the **Buildings** by forcible and violent means.

Cover Cause 5 – Subsidence, ground heave or landslip

Subsidence, ground heave or landslip but not **Damage**:

- a to outbuildings, yards, pipes, cables, wires, ducting, car parks, roads, pavements, walls, gates and fences unless the structure of the main **Building** is also affected
- b caused by or consisting of:
 - i the normal settlement or bedding down of new structures
 - ii the settlement or movement of made-up ground
 - iii coastal or river erosion
 - iv defective design or workmanship or the use of defective materials
- c which originated before this Cover Cause was effective on the Schedule
- d resulting from:
 - i demolition, construction, structural alteration or repair of any **Property**
 - ii groundwork or excavation at the same **Premises**.

Conditions to Cause 5

The **Insured** shall notify the **Company** immediately they become aware of any demolition, ground works, excavation or construction being carried out on any adjoining site.

The **Company** shall then have the right to vary the terms or cancel this cover.

Section 1 – Material Damage

Cover

Sub-Section A – Buildings

(This Sub-Section and the Covers described below are only operative if specified on the Schedule)

Buildings

The **Company** will indemnify the **Insured** in respect of **Damage** to the **Buildings**, including professional fees necessarily incurred in the reinstatement of the **Buildings**, as a consequence of the **Damage** from the Cover Causes shown against each item on the Schedule, but not for the costs of preparing any claim. The amount payable for professional fees shall not exceed those authorised under the current scale of the appropriate professional body.

Rent

The **Company** will indemnify the **Insured** in respect of loss of **Rent** as a consequence of **Damage** from the Cover Causes shown against each item on the Schedule, rendering the **Buildings** uninhabitable, but only in respect of the period necessary for the reinstatement of the **Buildings**, and not for the costs of preparing any claim or an amount exceeding the sum insured shown on the Schedule.

Sub-Section B – Contents

(This Sub-Section and the Covers described below are only operative if specified on the Schedule)

Stock

The **Company** will indemnify the **Insured** in respect of **Damage** from the Cover Causes, shown against each item on the Schedule, to the **Stock** or **Target Stock** at the **Premises**, but not for the costs of preparing any claim.

Property other than Stock

The **Company** will indemnify the **Insured** in respect of **Damage** to **Trade Contents** and all other **Property**, excluding **Stock** and **Target Stock**, as specified on the Schedule at the **Premises**, including professional fees necessarily incurred in the reinstatement of the **Property**, as a consequence of **Damage** from the Cover Causes shown in the Schedule, but not for the costs of preparing any claim. The amount payable for professional fees shall not exceed those authorised under the current scale of the appropriate professional body.

Sub-Section C – Glass, Blinds and Signs

(This Sub-Section is only operative if specified on the Schedule)

The **Company** will indemnify the **Insured** in respect of **Damage** at the **Premises** insured from Cover Causes 1, 2, 3 and 4, to:

- 1 any external glass (including polycarbonate shop fronts) except glass described in the Exclusions to this Sub-Section
- 2 **Property** insured under Section 1, within any display windows caused by breakage of any glass
- 3 fixed plate glass (including interior showcases and mirrors) inside the **Premises** up to a value not exceeding £2,500
- 4 external signs up to a total value not exceeding £1,500
- 5 sanitary ware, if the cost of replacement has to be borne by the **Insured**, up to a value of £2,500
- 6 external blinds up to a value of £2,500
- 7 framework following breakage of fixed glass but not for the costs of preparing any claim.

The **Company** will also indemnify the **Insured** at the **Premises** insured for:

- 1 the reasonable cost of necessary boarding up prior to the replacement of any glass insured by this Sub-Section
- 2 the reasonable cost of reinstating **Intruder Alarm Systems** 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.

Sub-Section D – Money

(This Sub-Section is only operative if specified on the Schedule)

Business Money

The **Company** will indemnify the **Insured** in respect of **Damage** to **Business Money** from Cover Causes 1, 2, 3 and 4 as detailed below but not for the costs of preparing any claim.

Safes, Strongrooms, Tills, and Stamp Franking Machines

The **Company** will indemnify the **Insured** in respect of **Damage** to any safe or strongroom or till or any stamp franking machine, the **Property** of the **Insured** or for which the **Insured** is legally responsible, from Cover Cause 4 as detailed below but not for the costs of preparing any claim.

Cover description and locations	Limit of liability any one loss
1 Business Money – other than crossed cheques, crossed money orders, crossed postal orders, company sales vouchers and Value Added Tax purchase invoices:	
a in the Buildings during Business Hours or whilst in a bank night safe	£5,000
b in transit to and from the Premises whilst in the custody of the Insured or an authorised Employee , but this does not cover Business Money whilst in the possession of Employees delivering or collecting Business Money other than to or from the Premises and the Insured's bank unless specified by Endorsement	£5,000
c whilst at the private residence of the Insured or any authorised Employee	£500
d in the Buildings whilst left unattended or outside Business Hours and not secured in a locked safe	£500
e in the Buildings whilst left unattended or outside Business Hours and secured in a locked unspecified safe	£2,500
f in the Buildings whilst left unattended or outside Business Hours and secured in a specified safe, if noted on the Schedule	See Schedule
g in coin-operated machines at the Buildings , if noted on the Schedule	See Schedule
h in automated teller machines (ATMs), if noted on the Schedule	See Schedule
2 Crossed cheques, crossed money orders, crossed postal orders, credit company vouchers and Value Added Tax purchase invoices	£250,000
3 Safes, strongrooms, tills and stamp franking machines	Cost of repair or replacement

Sub-Section E – Malicious Attack

(This Sub-Section is only operative if specified on the Schedule)

The **Company** will pay compensation to the **Insured** or any **Employee** in accordance with the Schedule of Benefits in respect of **Physical Injury**.

Schedule of Benefits	Compensation
1 Death occurring within 12 calendar months of the happening of the Physical Injury	£10,000
2 Loss of Limbs or Eyes occurring within 12 calendar months of the happening of the Physical Injury	£10,000
3 Permanent Total Disablement occurring within 12 calendar months of the happening of the Physical Injury	£10,000
4 Temporary Total Disablement (payable up to a maximum of 104 weeks)	£100 per week
5 Incurred medical expenses	£250 maximum limit per occurrence
6 Damage to clothing or Personal Effects	£500 per person

Section 1 Material Damage - continued

Sub-Section F – All Risks

(This Sub-Section is only operative if specified on the Schedule)

The **Company** will indemnify the **Insured** in respect of **Damage** to the items of **Property** specified on the Schedule, owned by the **Insured** or for which the **Insured** is legally responsible, whilst within the territorial limits specified for each item on the Schedule, from Cover Causes 1, 2, 3 and 4 but not for the costs of preparing any claim.

Sub-Section G – Machinery and Computer Equipment Breakdown

(This Sub-Section and the Covers described below are only operative if specified on the Schedule)

The **Company** will indemnify the **Insured** in respect of loss caused by or resulting from an Accident to **Insured Plant** but not for the costs of preparing any claim.

Accident means direct physical loss as follows:

- a electrical or mechanical **Breakdown**, including rupture or bursting caused by centrifugal force
- b artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires
- c **Explosion** or **Collapse** of steam boilers, steam pipes, steam engines or steam turbines owned or leased by the **Insured**, or operated under the **Insured's** control
- d **Damage** to steam boilers (and connected oil tanks and interconnecting oil pipework but excluding buried, flexible or non metallic pipework), steam pipes, steam engines or steam turbines caused by or resulting from any condition or event (not otherwise excluded) occurring inside such boilers or equipment
- e **Damage** to hot water boilers or other water heating equipment (including connected oil storage tanks and interconnecting oil pipework excluding buried, flexible or non metallic pipework) caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment
- f operator error
- g **Damage** caused by materials being processed.

Limit of Indemnity

The liability of the **Company** 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 shall not exceed the amount of the Limit of Indemnity stated for that item in the Schedule.

Sub-Section H – Deterioration of Stock

(This Sub-Section is only operative if specified on the Schedule)

The **Company** will indemnify the **Insured** against **Damage** to **Stock** of drugs whilst contained in freezer cabinets or refrigerated cabinets by deterioration or putrefaction resulting from:

- 1 breakdown or failure of the plant due to its own inherent defect, or **Damage** including the non-operation of any thermostatic or automatic device controlling it
- 2 accidental failure of public authorities' supply
- 3 escaping refrigerant or refrigerant fumes due to any accidental cause

but not for the costs of preparing any claim.

The liability of the **Company** shall not exceed the limit(s) stated in the Schedule or by additional Endorsement.

Sub-Section I – Fidelity Guarantee

(This Sub-Section is only operative if specified on the Schedule)

The **Company** will indemnify the **Insured** in respect of:

- 1 direct loss of **Money** or **Property** belonging to the **Insured** or for which the **Insured** is legally responsible caused by an act of fraud or dishonesty by an **Employee** described in 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
- 2 auditors' fees incurred with the **Company's** written consent solely to substantiate the amount of the claim
- 3 the reasonable cost of amending software programmes or systems necessary following their fraudulent use in connection with a claim under this Sub-Section for which liability is admitted under this Policy.

Limit of Indemnity

Irrespective of the number of Periods of Insurance during which this insurance (and any other insurance issued in substitution therefore) shall remain in force, the total liability of the **Company** under this Sub-Section in respect of all losses attributable to any one **Employee** or group of **Employees** shall not exceed the Limit of Indemnity stated in the Schedule as applicable to that **Employee** or group of **Employees**.

In the event that one claim is caused by two or more **Employees** acting in collusion the liability of the **Company** shall be limited to the higher of the individual limits of indemnity applicable to the **Employees** involved.

Extensions

Extensions to Sub-Section A

(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

1 Contracting Purchaser

Where the **Insured** contracts to sell their interest in a **Building** insured by this Section, the contracting purchaser, who has not, but will complete the purchase, has the benefit of the insurance by this Section up to the date of completion, to the extent that the **Buildings** are not otherwise insured.

2 Mortgagees

The interest of any mortgagee shall not be prejudiced by any act or neglect of the mortgagor or occupier of any **Buildings** insured by this Policy provided the mortgagee immediately upon becoming aware of such act shall give notice to the **Company** and pay any additional premium required.

3 Underground Services

The **Company** will indemnify the **Insured** for **Damage** to underground water pipes, drains and sewers, gas pipes, electricity and telephone cables extending from the public mains to the **Buildings** from Cover Causes 1, 2, 3 and 4.

Extensions to Sub-Sections A and B

(Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section)

Index Linking

The sums insured under Sub-Section A in respect of **Buildings**, Sub-Section B in respect of **Trade Contents** and **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 the **Company**.

At each renewal of the Policy, the premium will be adjusted and the **Company** waives all right to additional premium arising out of such adjustments prior to renewal.

Extensions to Sub-Sections A and G

(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

1 Public Authorities

The **Company** will indemnify the **Insured** for the additional cost of:

- a reinstating the damaged parts of the **Buildings**
- b upgrading any undamaged parts of the **Buildings** for an amount not exceeding 15% of the amount that would have been payable if the **Buildings** had been totally destroyed incurred solely by reason of the necessity to comply with any statutory requirements or regulations or public authority bye-law, excluding:
 - i any such cost resulting from a notice served on the **Insured** prior to the date of the **Damage**
 - ii 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 must be completed within 12 months of the date of the **Damage** or such further period as the **Company** may in writing allow. The liability of the **Company** for **Damage** to such **Property** including such costs and expenses shall not exceed the sum insured shown in the Schedule.

Extensions to Sub-Section B

(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

1 Theft of Keys

The **Company** will indemnify the **Insured** for the cost of replacing locks and keys to the **Buildings**, **Intruder Alarm Systems**, safes, strongrooms or tills up to £1,000 any one period of insurance provided that:

- a the original keys were stolen from the **Buildings** or the private residence of the **Insured** or any authorised **Employee**
- b keys are not left in the **Buildings**, other than any private residential portion of the **Buildings**, when closed for **Business** nor in an unattended room during **Business Hours** unless locked in a safe, cupboard or drawer.

2 Theft Damage to Buildings

The **Company** will also indemnify the **Insured** against resultant **Damage** to the **Buildings** for which the **Insured** is legally responsible arising out of theft or attempted theft involving entry to or exit from the **Buildings** by forcible and violent means.

3 Contract Price

In respect of **Stock** sold but not delivered, for which the **Insured** is responsible, subject to a sale contract, which following insured **Damage** is cancelled due to the contract conditions wholly or to the extent of the **Damage**, the **Company's** liability will be based on the contract price.

4 Temporary Removal

The **Company** will indemnify the **Insured** for **Damage** to **Trade Contents** whilst temporarily removed for cleaning, renovation, repair or similar purposes and to documents whilst temporarily removed, elsewhere on the same or other premises and in transit by road, rail or inland waterway in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, from Cover Causes 1, 2, 3 or 4 up to an amount not exceeding 10% of the sum insured shown for **Trade Contents** on the Schedule, or £100,000 whichever is the lesser.

This Extension shall not apply to:

- a motor vehicles and motor chassis licensed for normal road use
- b **Property** held by the **Insured** in trust other than **Trade Contents**.

5 Exhibitions

The **Company** will indemnify the **Insured** for **Damage** to **Trade Contents**, from Cover Causes 1, 2, 3 and 4, whilst in any buildings being used for an exhibition anywhere within Great Britain, Northern Ireland, the Channel Islands and the Isle of Man, and whilst in transit to and from the exhibition premises but excluding theft from any unattended vehicles, subject to a maximum limit of £2,500 any one loss unless a higher amount is specified on the Schedule.

Extensions to Sub-Sections B and G

(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

1 Expedition Expenses

The **Company** will indemnify the **Insured** in respect of the reasonable extra cost to make temporary repairs and expedite permanent repairs to or permanent replacement of damaged **Property** insured by Sub-Section B or **Insured Plant** insured by Sub-Section G subject to a maximum limit of £20,000.

2 Hire of Substitute Item

The **Company** will indemnify the **Insured** in respect of hire charges actually incurred by the **Insured** during the Period of Insurance for the necessary hire following **Damage** to **Property** insured by Sub-Section B or Accident to **Insured Plant** insured by Sub-Section G of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged, subject to a maximum limit of £5,000.

3 Costs of Reinstating Data

The **Company** will indemnify the **Insured** for costs incurred by the **Insured** in recreating or reinstating on to **Media** data lost or damaged in consequence of **Damage** or an Accident to insured **Computer Equipment** including where necessary the cost of modifying or replacing the **Computer Equipment** following an indemnifiable loss to achieve equivalent compatibility with that existing immediately prior to the **Damage** or Accident due to undamaged **Media** being incompatible with the replacement **Computer Equipment** but not for:

- a losses discovered later than six months after the loss was initiated
- b loss of or **Damage** to software
- c increase in cost of working insured by Section 2 of this Policy
- d any amount in excess of £25,000.

Extension to Sub-Section D

(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

The **Company** will indemnify the **Insured** in respect of fraud or dishonesty of the **Insured's Employees** but excluding any loss not discovered within seven days of the loss.

Section 1 Material Damage - continued

Extension to Sub-Sections D and F

(Subject to the Exclusions and Conditions of the operative Sub-Sections and the Section)

For the purposes of Sub-Sections D and F Exclusion (a) of Cover Cause 4 is deleted and is of no effect unless specified by Endorsement on the Schedule.

Extension to Sub-Section F

(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

The **Company** will also indemnify the **Insured** for theft or attempted theft of **Property** insured by this Sub-Section whilst in any garden, yard, open space, or outbuilding which does not involve forcible and violent entry to or exit from the outbuilding.

For the purposes of Sub-Section F Exclusions (b) and (c) of Cover Cause 4 are deleted and are of no effect unless specified by Endorsement on the Schedule.

Extensions to Sub-Section G

(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

1 Hazardous Substances

The **Company** will indemnify the **Insured** for the additional cost to repair or replace **Insured Plant** because of contamination by a hazardous substance. This includes the additional expenses to clean up or dispose of such **Property**. Hazardous substance means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency. Additional costs mean those beyond what would have been required had no hazardous substance been involved. The maximum amount payable under this Extension shall not exceed £10,000.

2 Loss Of Oil Storage Tank Contents

The **Company** will indemnify the **Insured** in respect of:

- a loss of the contents of oil storage tanks at the **Premises** belonging to the **Insured** or for which the **Insured** is legally responsible by escape, leakage, discharge or overflow of contents from the oil storage tanks caused by or resulting from an Accident to the tank which is insured by this Sub-Section
- b contamination of the contents of the oil storage tanks caused by or resulting from an Accident insured by this Sub-Section including cleaning costs incurred as a result of such loss.

Provided that the **Company** shall not be liable for:

- i loss caused by fire howsoever the fire may have been caused
- ii loss resulting from corrosion, erosion or wasting
- iii contamination of the contents resulting from the natural settling, separation or accumulation of fluids or materials constituting the normal contents
- iv contamination of the contents resulting from the deliberate use of fluids or materials in the oil storage tank for cleaning, flushing or similar purposes
- v loss sustained whilst oil storage tanks are in transit between premises
- vi costs or expenses arising from pollution or contamination of property not covered by this Extension.

The liability of the **Company** under this Extension shall not exceed £5,000 in respect of any one incident or series of incidents arising out of one source or original cause.

3 Own Surrounding Property damage caused by Steam Explosion

The **Company** will indemnify the **Insured** against **Damage** to **Property** belonging to or in the custody and control of the **Insured** and for which the **Insured** is responsible directly resulting from the **Explosion** of any non-domestic steam pressure equipment under the **Insured's** control.

This Extension is subject to such pressure equipment being inspected and maintained as required by any statutory regulations.

The **Company's** liability under this extension shall not exceed £1,000,000 any one Accident.

4 Debris Removal

The cover provided by this Sub-Section extends to include costs incurred in the removal of debris and protection of the **Insured Plant** following loss or **Damage** insured under this Sub-Section.

The liability of the **Company** under this Extension shall not exceed £25,000 or 20% of the loss or **Damage** whichever is the lower.

5 Loss Avoidance Measures

The **Company** will indemnify the **Insured** in respect of reasonable costs necessarily incurred by the **Insured** to take exceptional measures to prevent or mitigate impending Accident or **Damage**.

Provided that :

- a **Damage** would reasonably be expected if such measures were not implemented
- b the **Company** is satisfied that **Damage** has been avoided or mitigated by means of the exceptional measures
- c the maximum liability of the **Company** will not exceed the cost of the **Damage** which would have otherwise occurred
- d the terms, Conditions and Exclusions of this Section and the Policy will apply as if **Damage** has occurred
- e if **Damage** had occurred it would have resulted in a claim that would have been accepted by the **Company** under this Sub-Section of the Policy
- f the maximum liability of the **Company** shall not exceed £5,000 in any one period of insurance.

6 Repair Costs Investigation

With their prior written agreement the **Company** will pay costs relating to repair investigations and tests following indemnifiable **Damage** to **Insured Plant** by consulting engineers.

The **Company** shall not be liable under this Extension of cover for fees incurred in preparing a claim under this Policy. The liability of the **Company** shall not exceed £25,000 under this Extension.

Extensions to Sub-Section I

(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

Previous Insurance

If this insurance immediately supersedes a Fidelity Guarantee insurance effected by the **Insured** (the 'Superseded Insurance') the **Company** will indemnify the **Insured** in respect of any loss discovered during the continuation of this insurance but committed during the period of the Superseded Insurance if the loss is not recoverable thereunder solely because the period allowed for discovery has expired.

Provided that:

- a such insurance had been continuously in force from the time of the loss until inception of this insurance
- b the loss would have been insured by this insurance had it been in force at the time of the loss
- c the liability of the **Company** shall not exceed whichever is the lesser of:
 - i the amount recoverable under the insurance in force at the time of the loss or
 - ii the Limit of Indemnity under this insurance.

Extensions to Section 1

(Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section)

1 Non Invalidation

The insurance under Section 1 shall not be invalidated by any act or omission or alteration unknown to or beyond the **Insured's** control whereby the risk of **Damage** to insured **Property** is increased as long as immediately the **Insured** becomes aware of the increase in risk they inform the **Company** in writing and pay any appropriate additional premium if required.

2 Removal of Debris

The insurance under Section 1 shall be extended to include the cost of removal of debris of insured **Property**, dismantling, demolishing, or shoring or propping of the insured **Building** resulting from **Damage** insured by Cover Causes 1, 2, 3, 4 or 5 as shown against the **Property** or **Building** on the Schedule excluding:

- a costs incurred in removing debris except from the site of such **Damage** and the area immediately adjacent to such site
- b costs arising from pollution or contamination of **Property** not insured by this Section.

3 Subrogation Waiver

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

- a any company standing in the relation of parent or subsidiary to the **Insured** or any company which is a subsidiary of or a parent company of which the **Insured** themselves are subsidiary in each case as defined in current legislation
- b a tenant or lessee in respect of **Damage** to the part of the **Buildings** they occupy or to common parts of the **Buildings** unless the **Damage** arises out of a criminal, fraudulent or malicious act of the tenant or lessee.

4 Damage by Emergency Services

This insurance extends to include costs and expenses incurred by the **Insured** with the consent of the **Company** in repairing, reinstating or making good, **Damage** to landscaped gardens and grounds caused by Fire Brigade equipment and personnel in the course of combating or reducing **Damage** from Cover Causes 1 or 2 at the **Premises** subject to a maximum amount of £5,000 any one loss.

5 Capital Additions

The insurance under Section 1 shall, subject to the terms and Conditions of the Policy be extended to include:

- a any alterations, additions and improvements to **Buildings** and **Trade Contents** excepting any appreciation of the value of the **Property**
- b any newly erected or acquired **Buildings** and **Trade Contents** at the **Premises** or elsewhere within Great Britain, Northern Ireland, the Channel Islands or the Isle of

Man, from when the **Insured** becomes responsible, subject to:

- i the **Insured** advising the **Company** of the amendments as soon as practicable on becoming aware of the increase in extent of cover required
- ii the sum insured for **Buildings** and **Trade Contents** at each location only being increased by the value of the additional **Property** up to no more than 10% of the existing sums insured or £250,000, whichever is the lesser, at any one location
- iii the **Insured** paying the appropriate additional premium
- iv other specific insurance having not been already arranged.

6 Loss of Metered Water

The **Company** will indemnify the **Insured** for the unit cost of metered water at the current rate per cubic metre consumed as a direct result of **Damage** from Cover Causes 1, 2 or 3, to the water apparatus at the point of the service feed to the **Premises** subject to a maximum amount of £2,500 any one loss but excluding any loss occurring when the **Premises** are **Unoccupied** or where **Damage** is undiscovered for a period of 120 days or more.

7 Trace and Access

The **Company** will indemnify the **Insured** for the reasonable costs incurred with the **Company's** consent in locating the source of an escape of water from any fixed pipe or water apparatus on the **Insured's Premises** including the cost of any walls, floors or ceilings removed for access, subject to a maximum limit of £5,000 any one loss and excluding any cost of repairs to the actual pipes or water apparatus.

8 Clearing of Drains

The **Company** will indemnify the **Insured** for the costs and expenses necessarily and reasonably incurred in cleaning, clearing or repairing drains, gutters or sewers at the **Premises**, for which the **Insured** are responsible, as a consequence of **Damage** caused from Cover Causes 1 or 2 subject to a maximum limit of £5,000 any one loss.

9 Workmen

Workmen are allowed on the **Premises** for the purpose of effecting repairs and minor structural and other non-structural alterations and also for general maintenance purposes and the like without prejudice to this insurance, but if any more major works are to be undertaken details must be advised to the **Company**, for agreement, prior to commencement of work.

10 Loss of Oil and LPG

The **Company** will indemnify the **Insured** for the cost to replace oil or LPG accidentally lost from a fixed heating installation as a result of **Damage** to the fixed heating installation at the **Premises** from Cover Causes 1, 2, 3, or 4 subject to a maximum limit of £2,500 any one loss, but excluding any loss occurring when the **Premises** are **Unoccupied** or where **Damage** is undiscovered for 120 days or more.

Section 1 Material Damage - continued

Exclusions

Exclusion to Sub-Section B

The **Company** shall not be liable for **Damage** to glass, china, earthenware, marble or other fragile or brittle objects as a result of Cover Cause 3.

Exclusions to Sub-Section C

The **Company** shall not be liable for:

- a breakage or **Damage** arising:
 - i from repairs or alterations to the **Premises**
 - ii in **Unoccupied Premises**
- b glass which was in any way defective at the time cover was effected
- c breakage or **Damage** to any glass or sanitary ware comprising samples or display materials held in connection with the **Business**
- d wear, tear, depreciation, loss of use, scratching, rust or other gradually operating cause, mechanical or electrical breakdown and additionally in respect of electrical signs:
 - i **Damage** to tubes unless the surrounding glass or perspex is fractured at the same time
 - ii **Damage** arising from repair, removal or erection
- e chipping or cracking of sanitary ware unless there is breakage or complete fracture of such a nature as to render such article totally unserviceable.

Exclusions to Sub-Section D

The **Company** shall not be liable for:

- a any loss arising from fraud or dishonesty of the **Insured's Employees**:
 - i not discovered within seven days of the loss
 - ii specifically covered by Sub-Section I of Section 1 of this Policy or any other fidelity guarantee insurance
- b shortage due to error or omission c loss from an unattended vehicle
- d loss from any coin-operated machines or Automated Teller Machines (ATMs) unless specified as an item on the Schedule
- e any loss resulting directly or indirectly from forgery, fraudulent alteration or substitution or fraudulent use of a computer or electronic transfer
- f loss resulting from use of any form of payment which proves to be counterfeit, false, fraudulent, invalid, uncollectible or irrecoverable for any reason
- g loss arising under 1(b) outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Exclusions to Sub-Section E

The **Company** shall not be liable:

- a under more than one of the Benefits 1, 2 or 3 in respect of any one person arising out of the same **Physical Injury**
- b in respect of any person under 16 or over 70 years of age
- c under Benefit 4 until the termination of disablement except by special agreement by the **Company**.

Exclusions to Sub-Section F

The **Company** shall not be liable for loss or **Damage** to insured **Property** left unattended unless contained in:

- a a securely locked building when away from the **Premises**
- b a motor vehicle which is closed and locked at all points of access, with all keys removed from the vehicle and any security alarms and immobiliser fitted to the vehicle are set, and **Damage** from Cover Cause 4 is subject to the vehicle being contained in a securely locked building or guarded security park between 21.00hrs and 06.00hrs.

Exclusions to Sub-Section G

- 1 The **Company** shall not be liable for loss or **Damage** caused by or resulting from:
 - a a hydrostatic, pneumatic, or gas pressure test of any boiler or pressure vessel
 - b an insulation breakdown test of any type of electrical equipment
 - c any defect, virus, loss of data or other situation within **Media**
 - d depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions, except that this Exclusion shall not apply to subsequent **Damage** which itself results from a cause not otherwise excluded
 - e loss due to solidification, biological activity or spontaneous chemical reaction in the contents of tanks.
- 2 The **Company** shall not be liable for loss or **Damage** recoverable under a maintenance agreement or any warranty or guarantee, or which would be recoverable but for breach of the **Insured's** obligations under an agreement.

Exclusion to Sub-Section H

The **Company** shall not be liable for **Damage** as a result of shedding or suspension of public authorities' supply.

Exclusions to Sub-Section I

The **Company** shall not be liable for:

- a consequential loss of any kind including loss of interest
- b loss caused by any act of any **Employee** prior to the commencement of cover applicable to that **Employee**
- c any monies which would have been payable by the **Insured** to an **Employee** but for the **Employee's** dishonesty
- d loss caused by any act of any **Employee** not normally resident in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- e loss caused by any act of any:
 - i labour master or labour only sub-contractor
 - ii person hired or borrowed by the **Insured** from another employer
 - iii director who controls more than 5% of the issued share capital of the insured company.

Exclusions to Section 1

The **Company** shall not be liable for:

- a The amount of the **Excess** or **Excesses** in the Schedule b loss or **Damage** by Cover Causes 1, 2, 3, 4 or 5 to:
 - i vehicles licensed for road use (including their accessories), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
 - ii **Property** or structures in the course of construction or erection and materials or supplies in connection with all such **Property** in course of construction or erection
 - iii land, roads, pavements, piers, jetties, bridges, culverts or excavations
 - iv animals, growing crops or trees unless specifically mentioned as insured by this Section or on the Schedule
- c loss or **Damage** to **Property** which at the time of the happening of loss or **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
- d loss or **Damage** to any **Property** more specifically insured

- e loss or **Damage** caused by an explosion of any vessel, machinery or apparatus, or its contents belonging to or under the control of the **Insured**, which requires to be examined to comply with any Statutory Regulations unless such vessel, machinery or apparatus is the subject of a policy or other contract providing the required inspection service
- f reduction in value or consequential loss of any kind
- g wear and tear.

Conditions Precedent to Liability

Condition to Sub-Section B

All **Stock**, **Target Stock** or Customers' Goods contained in any cellar, basement or sub-basement must be kept on racks or shelves at least 30 centimetres above floor level.

Condition to Sub-Section D

When the **Buildings** or any room in which **Business Money** is kept is left unattended all keys and duplicate keys of safes, strongrooms, tills and intruder alarms must be held in the personal custody of an authorised person and removed from the unattended **Buildings** or such room.

Conditions to Sub-Section E

- 1 All sums paid under Benefit 4 shall be deducted from any sum which may subsequently be paid under Benefits 1, 2 or 3 in respect of the same **Physical Injury**.
- 2 Upon payment of any claim under Benefits 1, 2 or 3 all further liability of the **Company** shall cease in respect of that person.
- 3 All certificates, information and evidence required by the **Company** shall be provided at the **Insured's** expense and in the form prescribed by the **Company**. The injured person shall as often as required submit to medical examination on behalf of and at the expense of the **Company** in connection with any claim.

Conditions to Sub-Section G

- 1 The **Insured** shall exercise due diligence in:
 - a complying with any statute or order
 - b ensuring that **Insured** items are properly maintained and used in accordance with manufacturers recommendations and in taking reasonable precautions to prevent **Damage**.
- 2 The **Insured** shall maintain a minimum of 2 generations of back-up computer records. These must be checked for accuracy and integrity to ensure a precise match with the source data, be capable of restoration and be taken at intervals no less frequently than every 48 hours. At least one copy must be stored off site and the **Insured** must take all reasonable precautions to store and maintain records in accordance with the makers recommendations.

Conditions to Sub-Section H

- 1 The plant must not be more than ten years old at the date of any loss for cover to apply.
- 2 The **Insured** shall take all reasonable precautions to minimise any loss and shall provide all such proofs and information with respect to the claim as may be reasonably required.
- 3 The basis of settlement for any claim falling under this Extension shall be the cost price of the goods.

Condition to Sub-Section I

The **Insured** shall operate or bring into force the Minimum Standards of Control and shall not make any change to any of the Minimum Standards of Control unless agreed in writing by

the **Company**. All **Employees** shall be instructed as to their duties or responsibilities in respect of the Minimum Standards of Control and be expected to comply.

Minimum Standards of Control

a Auditors

The accounts of the **Insured** including all subsidiary companies shall be examined by external auditors every 12 months. All recommendations or alternatives acceptable to the auditors shall be implemented without delay.

b Cheque signing

All cheques or other bank instruments drawn for more than £5,000 shall require two manually applied signatures to be added after the amount has been inserted. No cheque or instrument must be signed until one signatory has examined the supporting documentation. The **Insured's** bankers shall be advised of the above requirements as to signatures.

c Payroll

In respect of **Employees** not paid by crossed cheque or credit transfer the cost of the payroll will be subject to an independent check before payment to ensure that the total amount drawn is correct. At least quarterly and independently of persons responsible the payroll will be checked to minimise the possibility that fictitious names and enhanced payments have been included.

d Stocktaking

There will be a physical check on all **Stock** and materials held against verified stock records independent of **Employees** responsible at least every 12 months.

e Ordering Goods

Different **Employees**, acting independently, shall be responsible for the ordering of **Stock** and materials, the recording of receipt of such and the authorising of payment for them.

f Computer Security

Security checks will be built into all computer functions with reconciliations made as necessary. Responsibilities for authorisation of transactions, processing of transactions and handling of output shall be exercised by different **Employees**.

References Condition

The **Insured** shall obtain satisfactory references to confirm the honesty of each **Employee** who will be responsible for money, goods, accounts, computer operations or computer programming engaged after commencement of this Policy. Such references shall 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 the **Insured** for at least one year in another capacity before being entrusted with the duties referred to above.

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

Section 1 Material Damage - continued

Conditions

Condition to Sub-Section I

If at the time of direct loss of **Money** or **Property** of the **Insured** or for which the **Insured** is legally responsible or at the time a claim for such property arises the **Insured** is 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, the **Company** 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.

Conditions to Section 1

1 Minimum Requirements

The following minimum requirements must be complied with:

- a all external doors to the **Buildings** must be secured by either a 5 lever mortice deadlock conforming to BS3621 or locking bars with 5 lever close shackle padlock or other security devices if agreed with the **Company** in writing
- b all windows and skylights accessible from the ground, adjoining roofs, porches or downpipes must be fitted with key-operated locks
- c the glass in any louvre windows must be fixed to its metal runners with contact adhesive
- d a 2 or 3kg CO2 or dry powder fire extinguisher, which must be the subject of an annual maintenance contract, installed at the **Premises**.

2 Average

If the **Property** covered by this Section shall at the time of the loss or **Damage** be collectively of greater value than the sums insured then the **Insured** shall be considered as being their own Insurer for the difference and shall bear a rateable share of the **Damage** accordingly.

This Condition does not apply to Sub-Sections C, D, E, G or I.

Memoranda applicable to Section 1

1 Reinstatement

The basis of settlement of any claim under Sub-Sections A, B, C, F, and G, except in respect of **Stock**, **Target Stock** and customers' goods and specified items on an agreed value basis of settlement, shall be the full cost of replacement as new which requires the carrying out of the following work:

- a where **Property** is destroyed or lost, its replacement by similar **Property** in a condition equal to but not better or more extensive than its condition when new
- b 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.

The basis of settlement of any claim under Sub-Sections B or G, in respect of **Computer Equipment**, shall be the full cost of replacement as new which requires the carrying out of the following work:

- a where **Computer Equipment** is destroyed or lost, 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 destroyed or lost
- b 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.

2 Special Provisions

- i The replacement must be carried out without undue delay and in any case must be completed within 12 months of the loss or **Damage** occurring or such further time as the **Company** may (during the 12 months) in writing allow otherwise the basis of settlement will revert to Indemnity.
- ii When any **Property** insured under this Memorandum is damaged in part only the liability of the **Company** shall not exceed the sum representing the cost which the **Company** could have been called upon to pay for the replacement if such **Property** had been wholly destroyed.
- iii No payment beyond Indemnity shall be made until the cost of replacement shall have been actually incurred.
- iv For the purpose of all **Property** insured on this basis of settlement Condition to Section 1 Average is cancelled and replaced by the following:

If at the time of replacement of any item the sum representing 85% of the cost which would have been incurred in replacement if the whole of the **Property** covered by such item had been destroyed or lost exceeds the sum insured on that item at the time of the loss or **Damage**, the **Insured** shall be considered as being their own insurer for the difference between the sum insured and the sum representing the cost of reinstatement (or replacement) of the whole of the **Property** and shall bear a rateable proportion of the loss or **Damage** accordingly.

3 Indemnity

The cost of repair or replacement (less a reduction for wear, tear and depreciation) up to the value of the item in a condition substantially the same as, but not better or more extensive than its condition immediately prior to the loss or **Damage**.

4 Day One Basis

(applicable to each insured item where a declared value is shown on the Schedule)

- a The **Insured** has stated in writing, and will at the inception of each period of insurance state the **Declared Value** of each item of **Property**, shown on the Schedule.
- b Each insured item is separately subject to the following Condition of Average:
If at the time of the **Damage**, the **Declared Value** of the insured item be less than the cost of reinstatement arrived at in accordance with Paragraph (a) of Memorandum 1 to Section 1 – Reinstatement) at the inception of the period of insurance, then the **Company's** liability shall be limited to the proportion which the **Declared Value** bears to the cost of reinstatement.
- c Where the basis of settlement of a claim reverts to Indemnity due to the application of the Special Provisions under Memorandum 1 to Section 1 – Reinstatement, the liability of the **Company** shall be limited to the sum insured in the Schedule.

5 Designation

For the purpose of determining where necessary the item under which any **Property** is insured the **Company** agrees to accept the designation under which such **Property** has been entered in the **Insured's** books.

6 Business Books

The basis of settlement of any claim for business books shall be their value as stationery together with the cost of clerical labour expended in their reproduction.

Warranties applicable to Section 1

Warranty Applicable to Sub-Section D

Money Transit Warranty

It is warranted that all transits of **Money**, where the amount carried is £3,000 or more but no more than £5,000 at any one time, must be undertaken by at least 2 able-bodied adult **Employees** together.

Warranty Applicable to Section 1

Intruder Alarm Warranty

Where required by the **Company** it is warranted that:

- 1 The **Premises** are protected by an **Intruder Alarm System** installed as agreed with the **Company**.
- 2 The **Intruder Alarm System** shall 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 the **Company**.
- 3 No alteration to or substitution of:
 - i any part of the **Intruder Alarm System**
 - ii the procedures agreed with the **Company** for Police or any other response to any activation of the **Intruder Alarm System**
 - iii the maintenance contractbe made without the written agreement of the **Company**.
- 4 The **Premises** shall not be left without at least one responsible person in them without the agreement of the **Company**:
 - 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 Endorsement 'responsible person' is the **Insured** or any person authorised by the **Insured** to be responsible for the security of the **Premises**.
- 5 All keys to the **Intruder Alarm System** are removed from the **Premises** when they are left unattended.
- 6 The **Insured** maintains secrecy of codes for the operation of the **Intruder Alarm System** and no details of same are left on the **Premises**.
- 7 The **Insured** shall appoint at least two keyholders and lodge written details (which must be kept up to date) with the alarm company.
- 8 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 shall:
 - 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.
- 9 In the event of the **Insured** receiving any notification:
 - i that Police attendance in response to alarm signals/calls from the **Intruder Alarm System** may be withdrawn or the level of response reduced or delayed
 - ii from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
 - iii that the **Intruder Alarm System** cannot be returned to or maintained in full working orderthe **Insured** shall advise the **Company** as soon as possible and in any event not later than 10am on the **Company's** next working day and comply with any reasonable subsequent requirements stipulated by the **Company**.

Section 2 – Business Interruption

Cover

Sub-Section A – Income/Costs

(This Sub-Section and the Covers described below are only operative if specified on the Schedule)

1 Gross Revenue

The **Company** will indemnify the **Insured** for loss of **Gross Revenue** as a result of interruption of or interference with the **Business** carried on at the **Premises** in consequence of **Damage to Property** used by the **Insured** for the **Business** from the Cover Causes shown against the item on the Schedule.

The **Company** will calculate the loss of **Gross Revenue** as follows:

- a the amount by which the **Gross Revenue** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the Standard **Gross Revenue** and
- b **Increase in Cost of Working** but not exceeding the amount of reduction in **Gross Revenue** avoided less any sum saved during the **Indemnity Period** in respect of the charges and expenses of the **Business** payable out of **Gross Revenue** as may cease or be reduced in consequence of the **Damage**.

For the purposes of this Cover the following additional definition applies:

Standard Gross Revenue

The **Gross Revenue** during the 12 month period immediately before the date of the **Damage** which corresponds with the **Indemnity Period** adjusted to provide for trends, variations or special circumstances affecting the **Business** either before or after the occurrence of **Damage** or which would have affected the **Business** had the **Damage** not occurred, so that the figure represents as near as practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

2 Rent Receivable

The **Company** will indemnify the **Insured** for loss of **Rent Receivable** in consequence of **Damage to Property** at the **Premises** from the Cover Causes shown against the item on the Schedule.

The **Company** will calculate the loss of **Rent Receivable** as follows:

- a the amount by which **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**.

3 Increase in Cost of Working

The **Company** will indemnify the **Insured** for **Increase in Cost of Working** as a result of interruption of or interference with the **Business** carried on at the **Premises** in consequence of **Damage to Property** used by the **Insured** for the **Business** at the **Premises** from the Cover Causes shown against the item on the Schedule.

4 Additional Increase in Cost of Working

The **Company** will indemnify the **Insured** for **Additional Increase in Cost of Working** as a result of interruption of or interference with the **Business** carried on at the **Premises** in consequence of **Damage to Property** used by the **Insured** for the **Business** at the **Premises** from the Cover Causes shown against the item on the Schedule.

Sub-Section B – Machinery and Computer Equipment Breakdown

(This Sub-Section is only operative if specified on the Schedule)

Gross Revenue

The **Company** will indemnify the **Insured** for loss of **Gross Revenue**, as calculated under Sub-Section A, subject to the limit stated in the Schedule, as a result of interruption of or interference with the **Business** carried on at the **Premises** in consequence of **Damage to Insured Plant** insured by Section 1 for which the **Company** has admitted liability under Sub-Section G but not for the costs of preparing any claim.

Extensions

Extensions to Sub-Section A

(The following Extensions only apply if shown as operative on the Schedule and are subject to the Limits shown in the Schedule, and the Exclusions and Conditions of the operative Sub-Section(s) and the Section)

1 Denial of Access

The **Company** will indemnify the **Insured** in respect of loss resulting from interruption of or interference with the **Business** in consequence of **Damage** from Cover Causes 1, 2, 3, 4 and 5 to **Property** in the vicinity of the **Premises** which shall prevent or hinder the use of or access to the **Insured's Premises**, whether or not there has been **Damage** to the **Premises** or **Property** of the **Insured**.

2 Public Utilities

The **Company** will indemnify the **Insured** in respect of loss resulting from the interruption of or interference with the **Business** in consequence of accidental failure at the terminal ends of the public supply undertaking's feed to the **Premises**

of water, electric, gas or telecommunication services as a direct result of **Damage** by Cover Causes 1 and 2 excluding atmospheric, solar, or lunar conditions causing temporary interference with transmission to or from any satellite.

3 Loss of Book Debts

The **Company** will indemnify the **Insured** in respect of loss in consequence of the **Insured** being unable to trace or establish the **Outstanding Debit Balances** as a result of **Damage** by Cover Causes 1, 2, 3 and 4, to the **Insured's** books of account or other business books or records at the **Premises** or whilst temporarily removed elsewhere within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

The **Company** will pay to the **Insured** the amount of loss resulting from such **Damage** but not exceeding:

- a the difference between the **Outstanding Debit Balances** and the total of the amounts received or traced; and
- b the additional expenditure incurred with the previous consent of the **Company** in tracing and establishing the **Outstanding Debit Balances** after the **Damage** subject to the limit shown in the Schedule.

Excluding loss resulting from:

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

4 Customers

The **Company** will indemnify the **Insured** in respect of loss resulting from the interruption of or interference with the **Business** in consequence of **Damage** at the premises of any of the **Insured's** customers within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man from Cover Causes 1, 2, 3 and 4, subject to the limit stated in the Schedule.

5 Suppliers

The **Company** will indemnify the **Insured** in respect of loss resulting from the interruption of or interference with the **Business** in consequence of **Damage** at the premises of any of the **Insured's** suppliers, manufacturers or processors within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man from Cover Causes 1, 2, 3 and 4, subject to the limit stated in the Schedule.

6 Notifiable Diseases, Poisoning, Defective Drains and Murder or Suicide

The **Company** will indemnify the **Insured** in respect of loss resulting from the interruption or interference with the **Business** in consequence of:

- a
 - i any occurrence of a Notifiable Disease (as defined below) at the **Premises** or attributable to food or drink supplied from the **Premises**
 - ii any discovery of an organism at the **Premises** likely to result in the occurrence of a Notifiable Disease (as defined below)
- b 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
- c any accident causing defects in the drains or other sanitary arrangements in the **Premises** which causes restrictions

- d on the use of the **Premises** on the order or advice of the Local Authority
- d any occurrence of murder or suicide at the **Premises**.

Special Provisions

- a Notifiable Disease shall mean illness sustained by any person resulting from:
 - i food or drink poisoning
 - ii any human infectious or human contagious disease (excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition) an outbreak of which the competent Local Authority has stipulated shall be notified to them.
- b For the purpose of this Extension the Definition of Indemnity Period is amended to read:
Indemnity Period shall mean the period during which the results of the **Business** shall be affected in consequence of the loss beginning:
 - i in the case of (a) and (d) above, with the occurrence or discovery of the incident
 - ii in the case of (b) and (c) above, with the date from which the restrictions on the **Premises** are applied and ending not later than the Maximum Indemnity Period thereafter.
- c For the purposes of this Extension the Maximum Indemnity Period is 12 months.
- d The **Company** shall not be liable under this Extension for any costs incurred in the cleaning, repair, replacement, recall or checking of the property.
- e The **Company** shall only be liable for the loss arising at those **Premises** which are directly subject to the **Damage**.

Extensions to Sub-Section B

(Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section)

1 Additional Increase in Cost of Working

The **Company** will also indemnify the **Insured** for **Additional Increase in Cost of Working** as a result of interruption of or interference with the **Business** carried on at the **Premises** in consequence of Accident to **Insured Plant** insured by Section 1 for which the **Company** has admitted liability under Sub-Section G but not for the costs of preparing any claim and subject to a maximum amount of £25,000 in any one period of insurance.

2 Computer Operations

The **Company** will pay the reasonable costs necessarily incurred in minimising or preventing interruption or interference to the computer operations of the **Insured** following Accident to **Computer Equipment** insured by Section 1 for which the **Company** has admitted liability under Sub-Section G but not for the costs of preparing any claim and subject to a maximum amount of £30,000 in any one period of insurance.

Extensions to Section 2

(Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section)

1 Accountants and Auditors' Charges

The **Company** will pay to the **Insured** the reasonable charges payable by the **Insured** to their professional accountants and auditors for producing any particulars or details or any other proofs, information or evidence as may be required by the **Company** under the Terms of this Section and reporting that such particulars or details are in accordance with the **Insured's** books or documents.

Section 2 Business Interruption - continued

2 Documents

The **Company** shall indemnify the **Insured** in respect of loss resulting from interruption of or interference with the **Business** in consequence of **Damage** to documents belonging to or held in trust by the **Insured** whilst temporarily at premises not in the occupation of the **Insured** or whilst **In Transit** by road, rail or inland waterway in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Exclusions

Exclusions to Sub-Sections A and B

The **Company** shall not be liable for any loss unless:

- a there is in force at the time of the **Damage** to **Property** causing interruption of or interference with the **Business**, an insurance policy covering the interest of the **Insured** in the **Property** for the **Damage** suffered and
- b
 - i payment has been made or liability admitted for such **Damage** or
 - ii payment would have been made or liability would have been admitted for such **Damage** but for the exclusion of losses below a stated amount in the policy.

Exclusions to Sub-Section B

The **Company** will not be liable for:

- a delay in resuming operations due to the need to reconstruct or re-input data or programs on **Media** where the **Insured** has not fully complied with Condition 2 to Sub-Section G of Section 1 - Back Up Records
- b loss resulting from interruption or interference with the **Business** carried on at the **Premises** in consequence of **Damage** as insured by Extension 3 to Sub-Section G of Section 1.

Condition

Condition to Sub-Section A

1 Average

Gross Revenue – if the sum insured is less than the **Gross Revenue** for the 12 months (or proportionately increased multiple thereof if the maximum Indemnity Period exceeds 12 months) immediately prior to the occurrence of the **Damage** after due provision has been made to provide for the trend or variation in or other circumstances affecting or which would have affected the **Business** either before or after the **Damage**. **Rent Receivable** – if the sum insured is less than the **Rent Receivable** for 12 months (or proportionately increased multiple thereof if the maximum Indemnity Period exceeds 12 months) immediately prior to the occurrence of the **Damage** the amount payable shall be proportionately reduced, after due provision has been made to provide for the trend or variation in or other circumstances affecting or which would have affected the **Business** either before or after the **Damage**.

Memoranda applicable to Section 2

1 Limit

The **Company's** liability under Section 2 shall not exceed in any one period of insurance the sums insured and limits shown in the Schedule.

2 VAT

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

3 Current Cost Accounting

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

4 Alternative Trading

If during the **Indemnity Period** work is done or services rendered elsewhere than at the **Premises** for the benefit of the **Business** either by the **Insured** or by others on behalf of the **Insured** the money paid or payable in respect of such work or services will be accounted for in arriving at the **Gross Profit** during the **Indemnity Period**.

5 Miscellaneous Extensions

For other miscellaneous extensions included on the Schedule the wording will appear on the Schedule as an endorsement.

6 New Business

For the purpose of a new business that has not been trading 12 months at the time of the **Damage** the Standard **Gross Profit** is restated as follows:

Standard **Gross Profit** is the proportional equivalent for a period equal to the **Indemnity Period** of the income realised during the period between the commencement of the **Business** and the date of the **Damage**.

7 Declaration linked

When **Estimated Gross Revenue** is shown on the Schedule the **Insured** has elected to have the basis of settlement amended to Declaration Linked. For this purpose Memorandum 1 Limit is amended to read as follows:

The **Company's** liability under Sub-Section A of Section 2 shall not exceed in any one period of insurance 133.3% of the sum insured shown on the Schedule for **Estimated Gross Revenue**.

In addition wherever **Gross Revenue** is shown in the Policy it should be read as **Estimated Gross Revenue** as defined.

For this purpose:

- a the first and annual premiums are provisional based on the **Estimated Gross Revenue** and the **Insured** must produce to the **Company** not later than 6 months after the expiry of each period of insurance a declaration confirmed by the **Insured's** auditors of the **Gross Revenue** earned during the financial year most nearly concurrent with the period of insurance.
- b Condition 1 to Sub-Section A Average is not operative.

Section 3 – Liability

Cover

Sub-Section A – Employers' Liability

(This Sub-Section and the Covers described below are only operative if specified on the Schedule)

In the event of accidental **Injury** sustained by any **Employee** of the **Insured** caused during the period of insurance and arising out of and in the course of their employment by the **Insured** for the purposes of the **Business**, within the **Territorial Limits**, the **Company** will indemnify the **Insured** in respect of all sums which the **Insured** become legally liable to pay as compensation and claimant's costs and expenses, for such **Injury**.

The **Company** will also pay **Legal Costs** and **Solicitors' Fees**. The indemnity granted by this Sub-Section shall be interpreted as being in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man but the **Insured** shall repay to the **Company** all sums paid by the **Company** which the **Company** would not have been liable to pay but for the provisions of such law.

Limit of Indemnity

The liability of the **Company** under this Sub-Section for compensation and claimant's costs and expenses in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause (inclusive of **Legal Costs** and **Solicitors' Fees**) shall not exceed the Limit of Indemnity stated in the Schedule.

Sub-Section B – Public Liability

(This Sub-Section and the Covers described below are only operative if specified on the Schedule)

In the event 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 out of ownership of the **Premises** or in the course of the **Business**, within the **Territorial Limits**, the **Company** will indemnify the **Insured** in respect of all sums which the **Insured** becomes legally liable to pay as compensation and claimant's costs and expenses, in respect of such **Injury**, **Damage to Property**, obstruction, trespass, nuisance, or interference with any right of way, light, air or water.

The **Company** will also pay **Legal Costs** and **Solicitors' Fees**.

Limit of Indemnity

The liability of the **Company** under this Sub-Section for compensation in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause shall not exceed the Limit of Indemnity stated in the Schedule.

Sub-Section C – Products Liability

(This Sub-Section and the Covers described below are only operative if specified on the Schedule)

In the event of accidental:

- a **Injury**
 - b **Damage to Property**
- occurring during the period of insurance and arising out of **Products Supplied** in or from Great Britain, Northern Ireland, the Channel Islands or the Isle of Man in the course of the **Business**, the **Company** will indemnify the **Insured** in respect of all sums which the **Insured** becomes legally liable to pay as compensation and claimant's costs and expenses, in respect of such **Injury** or **Damage to Property**.

The **Company** will also pay **Legal Costs** and **Solicitors' Fees**.

Limit of Indemnity

The liability of the **Company** under this Sub-Section for compensation during any one period of insurance shall not exceed the Limit of Indemnity shown in the Schedule.

Extensions

Extension to Cover for Sub-Sections A and B

(Subject to the Limits of Indemnity, Exclusions and Conditions of the operative Sub-Section(s) and the Section)

Indemnity to Principal

As far as is necessary to meet the requirements of any contract or agreement entered into by the **Insured** for the performance of work for any **Principal** or public authority the **Company** will at the request of the **Insured** treat the **Principal** or public authority as though they were also the **Insured** in respect of **Injury** or **Damage** arising out of the performance of such work by the **Insured** provided that the **Principal** or public authority shall observe, fulfil and be subject to the terms, Conditions and Exclusions of this Policy in so far as they can apply.

Section 3 Liability - continued

Extensions to Cover for Sub-Sections B

(Subject to the Limits of Indemnity, Exclusions and Conditions of the operative Sub-Section(s) and the Section)

Cross Liabilities

This Section shall, if applicable, apply separately to each of the **Insured** named in the Schedule of the Policy in the same manner as if a separate section had been issued to each **Insured** provided that the aggregate of the liabilities arising from any separate application of this Section shall not exceed in total the Limit of Indemnity shown in the Schedule.

Extensions to Cover for Section 3

(Subject, unless otherwise stated, to the Limit of Indemnity stated on the Schedule for Sub-Section B, and the Exclusions and Conditions of the operative Sub-Section(s) and the Section)

1 Leased, Hired or Rented Premises

The **Company** will indemnify the **Insured** in respect of the **Insured's** legal liability as tenant of a premises leased, rented or hired in the course of the **Business** for:

- a **Damage** to the premises including any landlord's fixtures and fittings caused by any of Cover Causes 1, 2 or 4
- b reinstatement or repair of **Damage** to the underground water pipes, drains or sewers, gas pipes, electricity and telephone cables extending from the public mains to the buildings but excluding consequential loss of any kind or description.

The **Company** will not indemnify the **Insured** for:

- i the first £250 of **Damage**
- ii liability attaching to the **Insured** solely by the terms of the tenancy or any other agreement.

2 Defective Premises Act 1972

The **Company** will indemnify the **Insured** in respect of any legal liability incurred by the **Insured** during the period of insurance under the terms of the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with **Premises**, which have been disposed of by the **Insured**.

Provided that the **Company** shall not be liable for:

- a the cost of remedying any defect or alleged defect in the **Premises** disposed of
- b liability if the **Insured** is entitled to indemnity from any other source.

3 Health and Safety at Work Act 1974 – Legal Defence Costs

The **Company** will at the request of the **Insured** indemnify any director, partner or **Employee** of the **Insured** in respect of **Legal Costs** and **Solicitors' Fees** incurred in the defence of a prosecution including an appeal against any conviction resulting from a prosecution brought for a breach of:

- i the Health and Safety at Work Act 1974
- ii the Health and Safety at Work (Northern Ireland) Order 1978 committed in the course of the **Business** during the period of insurance.

Provided that the **Company** shall not be liable:

- i for the payment of fines or penalties
- ii unless each director, partner or **Employee** shall be subject to the terms, Exclusions and Conditions of this Policy in so far as they can apply
- iii for a breach that was as a result of an intentional or deliberate act

- iv for any liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- v for any amount in excess of the Limit of Indemnity stated on the Schedule for Sub-Section A.

4 Food Safety Act – Legal Defence Costs

The **Company** will indemnify the **Insured** for all **Legal Costs** and expenses incurred with the written consent of the **Company** in respect of the defence of a prosecution or in connection with an appeal against criminal prosecution and conviction in respect of a breach of Part II of the Food Safety Act 1990 that has occurred during the Period of Insurance in connection with the **Business**.

Provided that the **Company** shall not be liable for:

- i the payment of fines or penalties
- ii a breach that was as a result of an intentional or deliberate act.

5 Consumer Protection Act 1987 – Legal Defence Costs

The **Company** will indemnify the **Insured** for all **Legal Costs** and expenses incurred with the written consent of the **Company** in respect of the defence of a prosecution or in connection with an appeal against conviction under the provisions of Part II of the Consumer Protection Act 1987 provided the alleged offence has occurred during the Period of Insurance in connection with the **Business**.

Provided that the **Company** shall not be liable for:

- i any fines or penalties
- ii liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

6 Data Protection Act 1998

The **Company** will indemnify the **Insured** against legal liability to pay compensation for damage or distress under the provisions of Section 13, and defence costs in respect of a prosecution under Section 60, of the Data Protection Act 1998 subject to the act or omission from which the legal liability arises occurring during the Period of Insurance and the **Insured** being registered in accordance with the requirements of the Data Protection Act 1984.

Provided that the **Company** shall not be liable for:

- i any fines or penalties
- ii liability arising from recording, processing or provision of data for reward or determining the financial status of a person or any deliberate act or omission by the **Insured** from which liability could have reasonably expected to attach by the **Insured** or from an agreement which would not have attached in absence of such agreement
- iii the cost of rectifying, replacing, reinstating or removing any data
- iv liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

7 Motor Contingent Liability

The **Company** will indemnify the **Insured** against legal liability for **Injury** or **Damage to Property** arising out of the use of any motor vehicle in connection with the **Business**.

Provided that the **Company** shall not be liable for:

- i any vehicle owned or provided by the **Insured** or any **Principal** for whom the **Insured** is working or any subcontractor acting for or on behalf of the **Insured**
- ii **Damage** to such vehicle or to goods conveyed in or on it
- iii any vehicle being driven by the **Insured** or by any person who to the knowledge of the **Insured** or of the **Insured's** representative does not hold a licence to drive such vehicle

- unless such person has held and is not disqualified from holding or obtaining such a licence
- iv liability if the **Insured** is entitled to indemnity under any other insurance
- v liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

8 Wrongful Arrest

The **Company** will indemnify the **Insured** in respect of all sums which the **Insured** shall become legally liable to pay in respect of damages, costs and expenses awarded against the **Insured** as the result of charges of wrongful arrest or malicious prosecution being made against the **Insured** arising out of any allegation of shoplifting or other improper conduct at the **Premises** by any customer or customers or any other person or persons (other than an **Employee** of the **Insured**) during the period of insurance.

Provided that the liability of the **Company** shall not exceed £2,500 in respect of any one occurrence or £25,000 in respect of any one period of insurance.

9 Court Attendance

The **Company** will indemnify the **Insured** for the costs of attendance at court by the **Insured**, a director, partner or **Employee** of the **Insured** to help defend or act as a witness in connection with any claim for which the **Insured** is entitled to indemnity under this Section and with the **Company's** agreement up to a maximum of £250 per day per person.

Exclusions

Exclusions to Sub-Sections A and B

Sub-Sections A and B do not cover liability arising:

- a from or in connection with any work in or on:
 - i towers, steeples, chimney shafts, blast furnaces, dams, canals, viaducts, bridges, tunnels or public highways
 - ii aircraft, airports, railways, ships, docks, piers, wharves, breakwaters or sea walls
 - iii collieries, mines, chemical works, gas works, oil refineries, power stations, nuclear installations or establishments
 - iv mainframe computer or server suites
- b on any offshore installation or any support vessel for any offshore installation or whilst in transit to and from any offshore installation or support vessel.

Exclusion to Sub-Section A

Sub-Section A does not cover liability arising out of the ownership, possession or use of any self propelled vehicle (or machinery or plant) in respect of the use of which any legislation requires that there shall be in force a policy of insurance or other security.

Exclusion to Sub-Section B

Sub-Section B does not cover liability caused through any **Products Supplied** after they have ceased to be in the custody or control of the **Insured**.

Exclusions to Sub-Sections B and C

Sub-Sections B and C do not cover:

- a liability for **Injury** sustained by any **Employee** of the **Insured**
- b liability arising directly or indirectly by, through or in connection with the ownership, possession or use by or on behalf of the **Insured**, of any:
 - i mechanically propelled vehicle or mobile plant for which insurance is required under any legislation governing the use of such vehicle or which is licensed for road use, provided that if no indemnity is afforded by any other policy this Exclusion shall not apply to the bringing to or taking away of the load from any vehicle in connection with the loading or unloading of such vehicle
 - ii aircraft, hovercraft, drilling platform or rig and other offshore platforms or watercraft (other than hand-propelled watercraft), railways, railway locomotives or carriages
 - iii pressure vessel, lifting apparatus or other item of plant owned by the **Insured** or the maintenance for which the **Insured** is responsible which has not been inspected to the extent required and approved by statutory regulations
 - iv firearms
- c liability which attaches because of an agreement but which would not have attached in the absence of such agreement
- d liability arising out of pollution or contamination unless caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the period of insurance, provided that:
 - a all pollution or contamination arising out of one incident shall be deemed to have occurred at the time such incident takes place
 - b the liability of the **Company** for all damages payable arising out of all pollution or contamination which is deemed to have occurred during any one period of insurance shall not exceed £1,000,000 in aggregate. For the purpose of this Exclusion, pollution or contamination shall be deemed to mean:
 - i all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
 - ii all **Damage** or **Injury** directly or indirectly caused by such pollution or contamination.
- e the cost of making good, replacement or reinstatement of defective work carried out by or on behalf of the **Insured**
- f liability arising:
 - i through the defective design, plan, formula or specification of **Products Supplied** given for a fee or for which a fee would normally be charged
 - ii out of technical, professional or remedial instruction and advice given for a fee or for which a fee would normally be charged
 - iii out of treatment given or administered by the **Insured** or **Employees**, or any failure to give advice or treatment or any lack of professional skill
 - iv arising from errors in connection with the sale, supply making up, prescribing or dispensing of any drug, medicine, medical, cosmetic or toilet preparation
- g **Damage** to:
 - i **Property** belonging to the **Insured**
 - ii **Property** held in trust or in the custody or control of the **Insured** or of an **Employee** but this Exclusion shall not apply to any personal **Property** (including motor vehicles) of directors, **Employees** or visitors of the **Insured**
- h claims made in any country outside the European Union

Section 3 Liability - continued

- i **Property** belonging to or in the custody or control of the **Insured**
- j liability arising in respect of **Products Supplied**, knowingly supplied, directly or indirectly to the United States of America or Canada
- k liability for **Property** being worked upon where the **Damage** is as a direct result of the work undertaken
- l liquidated damages, fines, penalties, exemplary, punitive or multiplied damages
- m the amount of the **Excess** shown in the Schedule.

Exclusions to Sub-Sections C

Sub-Sections C does not cover:

- a liability for **Damage to Products Supplied** or the cost of repairing or replacing such products
- b the cost incurred by anyone in recalling, removing, repairing, rectifying, replacing, reapplying or guaranteeing any **Products Supplied**
- c liability caused through any **Products Supplied** which are used to the knowledge of the **Insured** in connection with aircraft, hovercraft, aerial devices, watercraft, drilling platforms or rigs, motor vehicles, railways, railway locomotives or carriages, operational areas of gas, chemical, nuclear, petrochemical or power generation plants or mines.

Exclusion to Section 3

Section 3 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 if in respect of such removal or disposal of asbestos or products made entirely or mainly of asbestos if:

- a such activity does not form part of the **Insured's** usual **Business** or contract
- b the discovery of asbestos by the **Insured** is unintentional and accidental and that upon discovery of asbestos or products made entirely or mainly of asbestos all work immediately stops
- c an HSE licenced asbestos removal contractor is employed as soon as practicable to make safe the area in which the discovery is made and who have Employers' and Public Liability insurance in force for limits no less than those stated on the **Insured's** own such policies and that such work is not excluded by the contractor's own Employers', and Public Liability policies.

Conditions

Conditions to Section 3

- 1 The **Company** may at any time, pay to the **Insured**, in connection with any claim or series of claims:
 - a the amount of the Limit of Indemnity or
 - b any lesser amount for which such claim or claims can be settled

in either case, less any sum or sums already paid as compensation, claimant's costs and expenses, **Legal Costs** and **Solicitors' Fees**.

On payment, the **Company** 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 costs and expenses incurred prior to the date of such payment.

- 2 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 source the liability of the **Company** shall be limited to any excess beyond the amount which would have been payable under such other insurance or from such other source had this Section not been effected.
- 3 In the event of any occurrence which may give rise to a claim for indemnity:
 - a every letter, writ, summons or other document must be forwarded to the **Company** immediately on receipt and notice in writing given to the **Company** of any impending prosecution, Coroner's Inquest or Fatal Accident Inquiry
 - b no admission of liability or promise of payment may be made without the written consent of the **Company**.



Section 4 – Legal Expenses

When this section is shown as operative on the Schedule, please refer to the separate Business Legal Guard policy wording for full details of the cover, terms, conditions and exclusions.

Section 5 – Personal Accident

Cover

Sub-Section A - Personal Accident Individual (Occupational only)

In the event of any **Insured Person**, as specified on the Schedule, sustaining bodily injury, as described in Insured Events 1, 2, 3 and 4 and Extensions 1 and 2 of this Section, caused by accidental, external, violent and visible means occurring in the course of the **Insured Person's** employment for the purpose of the **Insured's Business** during the period of insurance, the **Company** will, subject to the terms, Conditions and Exclusions, pay compensation to the **Insured**. The compensation will be the amount of either:

- a the Capital Benefit shown on the Schedule for Insured Events 1, 2 or 3, for the benefit period shown after any **Deferment Period** or
- b the Weekly Benefit shown on the Schedule for Insured Event 4, for the benefit period shown after any **Deferment Period**.

Sub-Section B - Personal Accident Individual (24 Hour)

In the event of any **Insured Person**, as specified on the Schedule, sustaining bodily injury, as described in Insured Events 1, 2, 3 and 4 and Extensions 1 and 2 of this Section, caused by accidental, external, violent and visible means during the period of insurance, the **Company** will, subject to the terms, Conditions and Exclusions, pay compensation to the **Insured**.

The compensation will be the amount of either:

- a the Capital Benefit shown on the Schedule for Insured Events 1, 2 or 3, for the benefit period shown after any **Deferment Period** or
- b the Weekly Benefit shown on the Schedule for Insured Event 4, for the benefit period shown after any **Deferment Period**.

Sub-Section C - Personal Accident Group (Occupational only)

In the event of any **Insured Person** sustaining bodily injury, as described in Insured Events 1, 2, 3 or 4 and Extensions 1 and 2 of this Section, caused by accidental, external, violent and visible means occurring in the course of the **Insured Person's** employment for the purposes of the **Insured's Business** during the period of insurance, the **Company** will, subject to the terms, Conditions and Exclusions, pay compensation to the **Insured**.

The compensation will be the amount of either:

- a the Capital Benefit shown on the Schedule for Insured Events 1, 2 or 3, for the benefit period shown after any **Deferment Period** or
- b the Weekly Benefit shown on the Schedule for Insured Event 4, for the benefit period shown after any **Deferment Period**.

Sub-Section D - Personal Accident Group (24 Hour)

In the event of any **Insured Person** sustaining bodily injury, as described in Insured Events 1, 2, 3 or 4 and Extensions 1 and 2 of this Section, caused by accidental, external, violent and visible means during the period of insurance, the **Company** will, subject to the terms, Conditions and Exclusions, pay compensation to the **Insured**.

The compensation will be the amount of either:

- a the Capital Benefit shown on the Schedule for Insured Events 1, 2 or 3, for the benefit period shown after any **Deferment Period** or
- b the Weekly Benefit shown on the Schedule for Insured Event 4, for the benefit period shown after any **Deferment Period**.

Insured Events for which Benefit is Payable

Capital Benefits

1 Death

Bodily injury which solely and directly within 12 calendar months from the date of the accident results in death.

2 Loss of limbs or eyes

Bodily injury which solely and directly within 12 calendar months of the date of the accident results in:

- a loss by physical severance of hand or foot at or above the wrist or ankle or the total and permanent loss of use of an entire hand or arm or of an entire foot or leg or
- b total and irrecoverable loss of all sight in one or both eyes.

3 Permanent total disablement

Bodily injury other than death, loss of limbs or eyes as defined above which solely and directly results within 12 calendar months of the date of the accident in permanent and absolute inability of the **Insured Person** to attend to any part whatsoever of their occupation or any other occupation for which the **Insured Person** is fitted by knowledge or training.

Weekly Benefits

4 Temporary total disablement

Bodily injury which solely and directly within 12 calendar months of the date of the accident results in total and absolute inability of the **Insured Person** to engage in or give attention to their usual profession or occupation.

Extensions

(Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section)

1 Exposure

The **Company** will pay to the **Insured** compensation for the Capital Benefit or Weekly Benefit as appropriate if during the period of insurance an **Insured Person** suffers from exposure to the elements which results within 12 calendar months of the date of such exposure in bodily injury as described in the Insured Events.

2 Disappearance

The **Company** will pay to the **Insured** compensation for the Capital Benefit for Insured Event 1 if during the period of insurance an **Insured Person** disappears.

Provided that:

- a the **Insured** shall produce sufficient evidence within 12 calendar months of the date of such disappearance that leads the **Company** inevitably to the conclusion that the **Insured Person** has suffered an accident resulting in bodily injury as described in Insured Event 1
- b the **Company** shall be entitled to a reasonably sufficient period of time to examine and obtain all the evidence available from whatever source
- c if the **Insured Person** is found to be living at any time after payment has been made by the **Company** such payment shall be refunded to the **Company**.

3 Medical Expenses

The **Company** will also pay for medical expenses necessarily incurred and arising from treatment following bodily injury from accidental, external, violent and visible means to an **Insured Person** up to:

- a 5% of the total amount paid for the Capital Benefit for Insured Event 1, 2 or 3
- b 15% of the total amount paid as the Weekly Benefit for Insured Event 4

Conditions

Conditions to Sub-Section C and D

The **Insured** must declare all **Insured Persons** and details of their dates of birth within 14 days of each new period of insurance in order that a complete list of **Insured Persons** be maintained by the **Company**. Any changes to the list of **Insured Persons** must be advised to the **Company** in 3 monthly intervals from the inception date of any one period of insurance. In absence of any such declaration from the **Insured** the **Company** will note that there is no change to the list of **Insured Persons**.

Conditions to Section 5

- 1 In the event of an **Insured Person** sustaining bodily injury which may result in a claim under this Section such **Insured Person** shall consult a duly qualified medical practitioner and follow any medical advice, which is given.
- 2 All certificates, information and evidence required by the **Company** shall be provided at the **Insured's** expense and in the form prescribed by the **Company**. The **Insured Person** shall as often as required submit to medical

examination on behalf of and at the expense of the **Company** in connection with any claim.

- 3 In the event of death immediate notice shall be given to the **Company**, which shall be entitled to have a post mortem examination at its own expense.
- 4 The insurance by this Section in respect of any **Insured Person** will terminate at the end of the period of insurance in which such **Insured Person** attains the age of 70 years in respect of Insured Events 1–4.
- 5 No compensation shall be payable:
 - a under more than one of the Insured Events 1, 2 and 3 or Extensions 1 and 2 and on payment of a claim under any one of these Insured Events in respect of any one **Insured Person** all further liability under this Section in respect of that person shall cease
 - b under Insured Event 4 in respect of any one **Insured Person** for a period exceeding 104 weeks from the commencement of disablement for any one accident or series of accidents occurring in any one period of insurance.
- 6 Compensation under Insured Event 4 shall be payable when the total amount has been agreed or, at the request of the **Insured** and subject to the **Company's** agreement at intervals of four weeks in arrears.
- 7 Any sums paid under Insured Event 4 shall be deducted from any sum becoming payable under Insured Events 1, 2 or 3 in respect of the same accident.
- 8 The maximum amount the **Company** will pay under this Section in respect of all **Insured Persons** travelling in the same motor vehicle, aircraft, hovercraft, watercraft or railway carriages shall be £1,000,000. In the event of the accumulated loss exceeding this amount, the **Company's** liability in respect of each **Insured Person** travelling will be proportionately reduced so that the total does not exceed that amount.
- 9 Payment under Insured Event 4 in respect of volunteer workers is limited to loss of wages, medical and out of pocket expenses. The **Insured Person** shall provide all such evidence of loss as the **Company** may require.

Exclusions

Exclusions to Section 5

The **Company** shall not be liable for:

- a interest on any benefit
- b compensation payable in respect of any bodily injury caused by or resulting from:
 - i the occupational use of fixed power driven wood working machinery
 - ii suicide, attempted suicide or intentional self injury, venereal disease, insanity or being under the influence of alcohol or drugs (unless administered under medical supervision other than for the treatment of drug addiction)
 - iii pregnancy or childbirth or any consequence of pregnancy or childbirth
 - iv any physical defect, infirmity, medical condition or chronic or recurring illness for which the **Insured Person** has received medical treatment in the 12 months prior to the commencement of disablement
 - v sickness or disease or any naturally occurring condition or degenerative process or gradually operating cause
 - vi service in the armed forces or reserve armed forces
 - vii from any other health problem which ought reasonably to have been within the knowledge of the **Insured Person** at the inception of each period of insurance but has not been declared to the **Company**

Section 6 Personal Accident - continued

- viii any accident occurring outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man unless in additional territories specified by Endorsement on the Schedule
- ix the **Insured Person** engaging in or practicing or training for:
 - a sport involving financial gain or payment other than for reimbursement of reasonable travel and out of pocket expenses
 - b boxing, wrestling or other forms of unarmed or armed combat
 - c mountaineering, rock or cliff climbing, coastering or abseiling
 - d sports or activities involving freefalling or requiring the use of elastic ropes
 - e ice hockey or winter sports other than ice-skating and curling
 - f pot holing or similar underground activities
 - g racing (other than on foot)
 - h sailing or yachting outside British Coastal Waters, power boating, water ski jumping, jet skiing, canoeing, white water rafting, water sledging or other water activities that require the use of underwater breathing equipment
 - i rugby or any other type of football (other than amateur Association Football)
 - j motor cycling (as driver or passenger)
 - k flying or any aerial activity (other than as a passenger in any fully licensed passenger carrying aircraft but not as a member of the crew and not for the purpose of undertaking any trade or technical operation in or on the aircraft)
 - l hunting, hunter trials or similar, showjumping or steeplechasing
- x bodily injury to any volunteer worker unless specified on the Schedule as an **Insured Person**.

General Conditions and Exclusions

(Applicable to the whole Policy except where stated)

1 General Exclusions

This Policy does not cover:

- a **Damage** to any **Property** whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused or contributed to, by or arising from:
 - i ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - ii the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
 - iii pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds
 - iv war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power.
- b **Damage** to any **Property** in Northern Ireland or **Damage** resulting from, caused by, happening through or in consequence of:
 - i civil commotion
 - ii any unlawful, wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any **Unlawful Association**.
- c **Damage** to any **Property** whatsoever or any loss or expense whatsoever resulting or arising from, or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused or contributed to, by or arising from **Terrorism** except for accidental **Injury** sustained by any **Employee** of the **Insured** during the period of insurance and arising out of and in the course of their employment by the **Insured** in the **Business** described in the Schedule and occasioned by or happening through or in consequence directly or indirectly of **Terrorism** up to a maximum of £5,000,000 for compensation and claimants' costs and expenses in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause (inclusive of **Legal Costs** and **Solicitors' Fees**) for which the **Insured** is legally liable. In any action, suit or other proceedings, where the **Company** alleges that by reason of the provision of this Condition any loss, **Damage** or legal liability is not covered by this Policy, the burden of proving that such loss, **Damage** or legal liability is covered shall be upon the **Insured**.
- d **Damage** or **Injury** occurring outside the **Territorial Limits** (unless specifically insured).
- e **Damage** caused by pollution or contamination except (unless otherwise excluded) loss or **Damage** to the **Property** insured caused by:
 - i pollution or contamination which itself results from any one of Cover Causes 1 or 2
 - ii any of Cover Causes 1 or 2 which itself results from pollution or contamination
 - iii any cover given under Section 3 of the Policy where **Damage** is shown to come within the exception to Exclusion (d) of Exclusions to Sub-Sections B and C of Section 3
- f **Damage** or consequential loss of whatsoever nature and/or liability for damages attaching to the **Insured** or any associated costs relating thereto, arising directly or indirectly from or consisting of the failure or inability of any:
 - i computer, data processing equipment, electronic circuit, embedded system firmware, hardware, integrated circuit, interface, microchip, microprocessor, program, software, telecommunication equipment or systems and any similar device
 - ii **Media** or systems used in connection with any of the above whether the property of the **Insured** or not:
 - a to correctly recognise, use or adopt any date, day of the week or period of time as the true or correct date, day of the week or period of time
 - b to capture, save, retain, restore and/or correctly manipulate, interpret, calculate, return, transmit or process any data or information, command logic or instruction as a result of treating any date, day of the week or period of time otherwise than as, or other than, its true or correct date, day of the week or period of time but:
 - i this shall not exclude a first party claim by the **Insured** in respect of such loss, destruction or **Damage** not otherwise excluded which itself results from one of Cover Causes 1, 2 or 4
 - ii this Exclusion shall not apply in respect of Section 3, Sub-Section A – Employers' Liability.

2 Notice of Unoccupancy or Occupancy

The **Insured** must advise the **Company** as soon as the **Insured** is aware that:

- a the **Premises** or a **Building** or portion of a **Building** has become **Unoccupied**
- b an **Unoccupied Premises** or **Building** or portion of a **Building** is again tenanted.

If this Condition is not complied with, the Policy will not cover the **Premises** or **Building** concerned unless the **Company** has agreed in writing that cover will remain operative for **Unoccupied Premises, Buildings** or portions of **Buildings**, without the requirement for referral to the **Company** beforehand.

General Conditions and Exclusions - continued

3 Precedents to Liability

Liability under this Policy is conditional:

- a on the truth and accuracy of the declarations contained in the proposal form or statement of fact if accepted instead of a proposal form
- b on the observance and fulfilment of the terms and Conditions of this Policy in so far as they relate to anything to be done by or complied with by the **Insured**
- c on all reasonable precautions being taken:
 - i for the safety of the **Property** insured
 - ii to prevent accidents or disease
 - iii to comply with all statutory obligations and regulations imposed by any authority

4 Precedents to Liability

(Applicable to Sections 1 and 2 only)

Liability under this Policy is conditional on the **Insured**:

- a keeping in working order and bringing into full operation all locks, bolts, **Intruder Alarm Systems** and other protective devices under the **Insured's** control when the **Premises** are unattended
- b removing all keys to safes, doors, windows and Intruder Alarms Systems under the **Insured's** control when the **Premises** are unattended.

5 Claims Procedure

The **Insured's** duties:

- a on discovery of any loss or **Damage** by theft or attempted theft or by malicious persons, immediate notice must be given to the Police and all practical steps taken to discover the guilty persons and recover **Property** lost
- b any incident that may give rise to a claim under this Policy must be reported to the **Company** and full written particulars of the loss supplied as soon as possible after the event at the expense of the **Insured**
- c in the event of any occurrence which may give rise to a claim for indemnity:
 - i every letter, writ, summons or other document must be forwarded to the **Company** immediately on receipt and notice in writing given to the **Company** of any impending prosecution, Coroner's Inquest or Fatal Accident Inquiry
 - ii no admission of liability or promise of payment may be made without the written consent of the **Company**
- d immediate action must be taken to minimise loss and avoid interruption or interference with the **Business** and to prevent further loss or **Damage** or **Injury**
- e all information and assistance as the **Company** may require must be supplied by the **Insured** at the **Insured's** own expense.

6 Claims Procedure

(Except as otherwise provided for by Memorandum 2 of Section 1)

The **Company's** rights. The **Company** shall:

- a at its option indemnify the **Insured** by payment, reinstatement, replacement or repair of any **Property** but it shall not be bound to reinstate exactly or completely but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one item more than the sum insured on that item
- b be allowed by the **Insured** to enter the **Insured's** **Premises** where **Damage** has occurred and take and keep possession of any of the **Property** insured and deal with such **Property** in any reasonable manner. No **Property** may be abandoned to the **Company**

- c at its expense be entitled to conduct in the **Insured's** name any settlement or defence of any claim or to prosecute for its own benefit any claim for indemnity or compensation or otherwise and have full discretion in the conduct of any proceedings and in settlement of any claim.

7 Contribution

(Not applicable to Section 3)

If at the time of any **Damage** or liability resulting in a claim under this Policy there is any other insurance effected by or on behalf of the **Insured** covering such loss, **Damage** or liability or any part of it the liability of the **Company** shall be limited to its rateable proportion of such loss, **Damage** or liability.

8 Arbitration

(Not applicable to Section 3)

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

9 Alteration

The Policy shall be void if at any time:

- a the **Business** be wound up or carried on by a Liquidator or Receiver or permanently discontinued
- b the **Insured's** interest ceases except by will or operation of law
- c the risk of loss, **Damage** or **Injury** is increased unless the **Company** agrees in writing to continue the insurance.

10 Misrepresentation

This Policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure of any material fact.

11 Fraud

If any claim under this Policy shall be in any respect fraudulent or if any fraudulent means or devices are used by the **Insured** or anyone acting on behalf of the **Insured** to obtain any benefit under this Policy all benefit shall be forfeited.

12 Automatic Re-Instatement of Sums Insured

(Applicable only to Sub-Sections A and B of Section 1, and Sub-Section A of Section 2)

In the absence of written notice by the **Insured** or the **Company** to the contrary upon notification of a claim to the **Company** the sums insured shall be deemed to be reinstated to their full amount provided that:

- a where the extent of the insured loss exceeds £5,000 the **Insured** shall pay the appropriate additional premium from the date of the loss to the expiry of the period of insurance, once the full extent of the loss is known
- b the aggregate of the amounts reinstated shall not exceed the amount of the sums insured stated in the Schedule.

13 Adjustment of Premium

If the premium or any part is calculated on estimates furnished by the **Insured**, the **Insured** shall supply within 30 days to the **Company** at the end of each period of insurance such information necessary for the adjustment of the premium and should such information differ from the estimates on which the premium has been paid the difference in premium shall

be met by a further payment or refund as the case may be subject to any minimum premium.

14 Subject to Survey

If any insurance by this Policy has been granted subject to survey, then continuance of cover after the survey by the **Company** Risk Surveyor shall be subject to the **Insured** complying with the **Company's** acceptance criteria and the completion of any risk improvements required within the timeframe agreed with the **Company**, otherwise the **Company** may, at its option, invoke the Cancelling the Policy Condition.

15 Warranties

This Policy shall be voidable in the event of non-compliance during the period of insurance with any Warranty set out in the Policy or Schedule.

16 Cancelling the Policy

The **Company** is not bound to renew this Policy and may cancel this policy at any other time by sending seven days' notice in writing giving details of the reason for cancellation to the **Insured** by registered letter or recorded delivery to the last known address the **Company** has. In the event of such a cancellation the **Insured** shall be entitled to the return of a proportionate part of the last premium paid in respect of the unexpired part of the insurance.

The **Insured** may cancel the Policy within 14 days of receipt of the Policy Schedule and Wording by writing to us to confirm cancellation. In the event of such a cancellation, the **Insured** shall be entitled to the return of a proportionate part of the last premium paid in respect of the unexpired period of insurance.

If the premium for this policy is paid by monthly direct debit and a payment is refused the **Company** will let the **Insured** know in writing and present the request again to the bank or building society. If the payment is still not met, the **Company** will send seven days' notice of cancellation to the last known address the **Company** has.

17 Law Applicable to the Contract

English law will apply to this contract.

18 Legal Representatives

In the event of the death of the **Insured** the **Company** will indemnify the **Insured's** legal personal representatives in respect of liability at law previously incurred by the **Insured** provided they observe fulfil and be subject to the terms, Conditions and limitations of the Policy to the extent that they can apply.

19 Ageas Logo

The Ageas logo must not be reproduced in any form on your own business documentation without the express permission of Ageas Insurance Limited.

20 Contracts (Rights of Third Parties Act)

No party to this contract intends that any clause or term of this contract should be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to this contract.

21 Data Protection Act 1998

Please read this condition carefully as it contains important information about the **Company's** use of **personal information**.

In this notice, **personal information** means any information the **Company** has about the **Insured**, any director, officer, partner or employee of the **Insured** or any other person connected with the **Insured**.

If the **Insured** provides false or inaccurate information the **Company** has the right to avoid the policy or it could affect the **Insured's** ability to claim.

Sensitive information

Some of the **personal information** that has been requested is known as "sensitive personal data". This will include information relating to health issues, race, religion and any criminal convictions. This information will be used to manage the policy and to provide the services set out in the policy documents.

How the Company uses personal information

The **Company** is part of the Ageas group of companies and may share **personal information** with other companies in the group for any of the purposes set out in this notice. Further information about the Ageas group can be found at www.ageas.co.uk.

The **Company** will use **personal information** to:

- manage the insurance policy, including handling underwriting and claims and issuing renewal documents and information to your agent
- assess the insurance application and provide information to credit reference agencies.

Personal information may also be shared with other insurers, statutory bodies, regulatory authorities, business partners or agents providing services on the **Company's** behalf and other authorised bodies.

Personal information will only be shared with others:

- if it is necessary to manage the policy, including settling claims
- for underwriting purposes, such as assessing the application and arranging cover
- for management information purposes
- to prevent or detect crime, including fraud (see below)
- if required or permitted by law (for example, if a legitimate request is received from the police or another authority); and/or
- if permission has been granted by the **Insured**.

Further information about the use of **personal information** can be requested by writing to the Data Protection Officer at the address set out below.

Preventing and detecting crime

Personal information may be used to prevent crime. In order to do so, the **Company** may:

- check **personal information** against its own databases
- share it with fraud prevention agencies. **Personal information** will be checked with and recorded by a fraud prevention agency. Other companies within the financial services industry may also search such fraud prevention agencies when they receive an application for financial products (including credit, savings, insurance, stockbroking or **money** transmission services). If such companies suspect fraud, the **Company** will share the **Insured's** relevant **personal information** with them. Information shared may be used by those companies when making decisions.

Details of which fraud prevention agencies are used by the Ageas group of companies can be obtained by writing to the Data Protection Officer at the address set out below.

- share it with operators of registers available to the insurance industry to check information and prevent fraud. These include the Claims and Underwriting Exchange Register administered by Insurance Database Services Limited. The Ageas group of companies may pass information relating to the insurance policy and any incident

General Conditions and Exclusions - continued

(such as an accident, theft or loss) to the operators of these registers, their agents and suppliers.

Dealing with others on your behalf

To assist with management of the policy, subject to answering security questions, the **Company** will deal with the **Insured**, any director, partner or employee of the **Insured** or any other person whom it believes to be acting on the **Insured's** behalf in connection with the policy or a claim relating to the policy.

Marketing

The **Company** may use **personal information** and information about the **Insured's** use of the **Company's** products and services to carry out research and analysis.

Personal information will only be used to market the **Company's** other products and services to the **Insured** if the **Insured** has agreed to this.

Monitoring and recording

Telephone calls may be monitored or recorded for training purposes, to improve the quality of service and to prevent and detect fraud. CCTV recording equipment may also be used in and around the **Company's** premises.

Further information

The **Insured** is entitled to receive a copy of any **personal information** held about them. If a copy or further information is required or if the **Insured** would like to complain about the way the **Company** uses **personal information**, they should write to the following address giving their name, address and insurance policy number:

Data Protection Officer
Ageas Insurance Limited
Ageas House
Hampshire Corporate Park
Templars Way
Eastleigh
Hampshire SO53 3YA

A small administration fee may be charged for this.

The **Company** will notify the **Insured** in writing if it changes the way it uses **personal information**. If the **Insured** does not agree to the change in use, they must let the **Company** know as soon as possible.

The **Insured** has the right to complain to the Information Commissioner's Office at any time if they object to the way the **Company** uses any **personal information**.

22 Language

Unless agreed otherwise, the contractual terms and Conditions and other information relating to this contract will be in the English language.

What to do if you have a complaint

Should there ever be an occasion where you need to complain, we will sort this out as quickly and fairly as possible.

If your complaint is about the way your Policy was sold to you, please contact your insurance 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 also write to us at the address shown below or email us through our website at www.ageas.co.uk/complaints (please include your policy number and claim number if appropriate).

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

We will try to resolve your complaint by the end of the next working day. If we are unable to do this, we will write to you within five working days to either:

- tell you what we have done to resolve the problem; or
- acknowledge your complaint and let you know when you can expect a full response. We will also let you know who is dealing with the matter.

We will always aim to resolve your complaint within four weeks of receipt. If we are unable to do this we will give you the reasons for the delay and indicate when we will be able to provide a final response.

If we cannot resolve the differences between us, you may refer your complaint to the Financial Ombudsman Service (FOS) if:

- you have an annual turnover of less than EUR 2million and fewer than 10 employees and,
- if for any reason you are still dissatisfied with our final response, or
- if we have not issued our final response within eight weeks from you first raising the complaint.

You can contact the Financial Ombudsman Service at the address below, however they will only consider your complaint once you've tried to resolve it with us.

South Quay Plaza
183 Marsh Wall
London
E14 9SR

Using this complaints procedure will not affect your legal rights.

Financial Services Compensation Scheme

In the event that Ageas Insurance Limited is unable to meet its liabilities you may be entitled to compensation from the Financial Services Compensation Scheme.

For compulsory insurance you may be entitled to compensation up to 100% of the claim. For all other types of insurance you may be entitled to compensation up to 90% of the claim.

Further information is available from the Financial Services Compensation Scheme.

Their telephone number is **020 7741 4100**. Alternatively, more information can be found at www.fscs.org.uk

Making a claim

If anything happens which may result in a claim being made:

Make Safe and Secure

Prevent further **Damage** and arrange for emergency repairs. For example, if you have frozen pipes, you should turn off the water supply and if necessary call out a 24 hour plumber. Remember, if you do not have your own contractor, Business Emergency Assistance can arrange for an approved contractor to effect repairs, any time of the day or night. Please refer to your Schedule for details of the telephone number and reference number (which you will need to quote).

Tell the Police

Advise them immediately of any **Damage** caused by theft, attempted theft, malicious persons, or any loss of **Property**. Take all practical steps to discover the guilty persons and recover the **Property** lost or stolen.

Tell Us

Contact us, or your intermediary as soon as possible, quoting your policy number in full (including any letters before and after the numbers). Refer to your Schedule or the front of this Policy for details of the 24 hour telephone and fax numbers for claims reporting. Alternatively you can write to Commercial Claims, Ageas Insurance Limited, Ageas House, The Square, Gloucester Business Park, Brockworth, Gloucester GL3 4FA.

For loss or **Damage**: obtain 2 estimates for repairs or replacement (as appropriate). Do not delay sending in the claim form until you get the estimates – simply tell us on the form that they are being obtained, and send them to us when you have them.

For incidents involving **Damage** to other people's **Property** or **Injury** to others; do not admit liability or offer any payments. Send us written details of the incident along with the names and addresses of any witnesses immediately. Send us every letter or other documents alleging liability or negligence, unanswered. It is very important that these are dealt with, by us, immediately.

For claims under Section 4 - Legal Expenses please refer to the separate Business Legal Guard policy wording.

Keep Evidence

Keep all damaged **Property** and other evidence for inspection until you are advised by the police and us that you may dispose of it.

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

Ageas Insurance Limited

Registered address

Ageas House, Hampshire Corporate Park,
Templars Way, Eastleigh, Hampshire SO53 3YA

www.ageas.co.uk

Registered in England and Wales No 354568

Ageas Insurance Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, Financial Services Register No 202039.

