

# THIS Recruitment

## Combined Insurance Policy for Recruiters

### Policy Document

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## About your policy

This Policy has been prepared in accordance with *Your* instructions.

It is a legal contract. Please read it carefully to ensure that it is in accordance with *Your* requirements and that *You* understand its limits, terms, conditions and exclusions.

This Recruitment should be contacted immediately if any correction is necessary.

This Policy consists of:

- the **Introduction** which explains the basis on which cover is provided;
- the **Schedule**, which states who is the *Insured*, the *Business* being covered and other particulars, such as the *Period of Insurance* and details of which Sections are operative. It also shows such details as the property or occurrences insured, limits of liability, and matters and amounts for which the *Insured* is responsible;
- **Definitions**, which define particular words and expressions applying to the whole of this Policy or, where specifically stated, applying to a particular Section;
- the **Sections** of the Policy which give precise details of the cover being provided;
- the **General Conditions** and **General Exclusions** of cover applying to the whole of this Policy or, where specifically stated, applying to a particular Section;
- any **Endorsement(s)** which might apply to the Policy or individual Sections, which incorporate extensions, limitations, amendments, and such like.

*You* should immediately notify **This Recruitment** of any changes which may affect the insurance provided by this Policy.

Alterations in the cover required after issue of the Policy will be confirmed by separate *Schedule(s)* and/or *Endorsement(s)* which *You* should file with the Policy. *You* should refer to these *Schedule(s)* and/or *Endorsement(s)* and the Policy to ascertain precise details of cover currently in force.

## General Insuring Clause

This Policy, the *Proposal*, the *Schedule* (including any *Schedule* issued in addition or substitution) and any Endorsements or Memoranda shall be considered one document and any word or expression to which a specific meaning has been attached shall bear such meaning wherever it appears.

The *Insured* named in the *Schedule*:

1. having made to the *Insurers* a *Proposal* and/or having provided to the *Insurers* information, the truth of the representations, declarations and information contained therein being agreed to be the basis of this Insurance and to be considered incorporated herein; and,
2. having paid or agreed to pay the *Premium*;

the *Insurers* hereby bound shall by payment, or at their option by reinstatement or repair, indemnify the *Insured* to the extent hereafter described in respect of loss, destruction or damage, accident or *Injury* occurring during the *Period of Insurance* subject to the limits, terms, conditions and exclusions contained herein or endorsed hereon.

## Definitions

**These Definitions are applicable to the whole Policy or, where specifically stated, to a particular Section of the Policy wherever the words appear in italics starting with a capital letter. These Definitions are subject to the terms, conditions, limits and exclusions of the Policy.**

### **Accident**

means a single, sudden and unexpected event by violent, external and visible means, which occurs at an identifiable time and place and includes exposure resulting from a mishap to a conveyance in which the *Insured Person* is travelling.

### **Additional Insured**

means

1. The personal representatives of the *Insured* in respect of legal liability incurred by the *Insured* against legal liability in respect of which the *Insured* would have been entitled to indemnity under this Policy if the claim for which indemnity is sought had been made against the *Insured*;
2. The officers, committees and members of the *Insured's* canteen, social, sports and welfare organisations and first aid, fire, medical and security services in their respective capacities as such;
3. Any director or partner of the *Insured* or *Person Employed* in respect of private work undertaken by any *Person Employed* for such director, partner or *Person Employed* with the prior consent of the *Insured*;

each of whom shall as if they were the *Insured* be subject to the limits, terms, conditions and exclusions contained in this Policy so far as they can apply.

### **Air Travel**

means being in or on or boarding an aircraft for the purpose of flying therein or alighting therefrom following a flight.

### **Ancillary Equipment**

means equipment solely used for the specific purpose of creating a suitable operating environment for *Computer Equipment*, including air conditioning equipment, generating equipment, voltage regulating equipment, temperature and humidity recording equipment, electronic access equipment, heat and smoke detection equipment and computer room partitioning.

### **Annual Rent Receivable**

means *Rent Receivable* during the 12 (twelve) months immediately before the date of the *Incident*.

*Annual Rent Receivable* and *Standard Rent Receivable* are subject to such adjustments as may be necessary to provide for the trend of the *Business* and for variations in or other circumstances affecting the *Business*, either before or after the date of the *Incident* or which would have affected the *Business* had the *Incident* not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the *Incident* would have been obtained during the relative period after the date of the *Incident*.

### **Annual Income**

means the *Income* during the 12 (twelve) months immediately before the date of the *Incident*.

*Annual Income* and *Standard Income* are subject to such adjustments as may be necessary to provide for the trend of the *Business* and for variations in or other circumstances affecting the *Business* either before or after the *Incident* or which would have affected the *Business* had the *Incident* not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the *Incident* would have been obtained during the relative period after the date of the *Incident*.

**Any One Claim**

means all claims or legal proceedings arising from the same originating cause or series of events or occurrences attributable to one originating cause.

**Appointed Representative**

means a solicitor, barrister or other appropriately qualified person appointed to act in the name of and behalf of the *Insured* in accordance with the terms, conditions, limitations, provisos and Exclusions of this Policy.

**Aspect Enquiry**

means an enquiry by HM Revenue & Customs into the *Insured's* business self-assessment return following the issue of a formal Notice under S9A or S12AC of the Taxes Management Act 1970 or under S24 (1) *Schedule* 18 Finance Act 1998.

**Assault**

means actual or attempted physical assault, robbery or hold-up.

**Auditor's Fees**

means necessary and reasonable fees payable by the *Insured* to its auditors or professional accountants for producing such particulars or details contained in the *Insured's* books of account or other business documents, or such other proofs, information or evidence as may be required by the *Insurers*.

**Awards of Compensation**

means Basic and Compensatory Awards made against the *Insured* by an Employment Tribunal or payments in settlement of such claims made with the *Claims Administrator's* prior written consent, but not including Additional Awards, Special Awards, Interim Relief, arrears of pay, damages under the Equal Pay Act, or damages arising out of failure to comply with awards in respect of reinstatement or re-engagement. *Awards of Compensation* does not include any fine or award of damages incurred for deliberately avoiding a payment or liability under statutory requirements. Nor does it include any redundancy payment or monies due or properly payable arising from obligations under a contract of employment, service agreement or related document incorporated into the terms of a contract of service.

**Benefit**

means the amount payable under the *Schedule* of Compensation in Section 4B – Personal Accident Assault.

**Bodily Injury**

means bodily injury which:

- a) is sustained by the *Insured Person* while working under the control of the *Insured* in connection with the *Business* during the *Period of Insurance*;
- b) is caused by an *Accident*; and
- c) solely and independently of any other cause occasions the death or disablement of the *Insured Person* within 24 (twenty-four) calendar months from the date of the *Accident*.

*Bodily Injury* does not include sickness or disease or any naturally occurring condition or degenerative process or the result of a gradually operating cause.

**Breakage**

means accidental fracture extending through the entire thickness of the *Glass* or *Sanitary Fittings*.

**Breakdown**

means the failure of any part or all of the *Computer Equipment* owned, leased, hired or rented by the *Insured*.

**Brit Advisory Service**

means the 24 hour legal and taxation telephone advisory service provided by Brit in conjunction with Section 10 *Legal Expenses* only.

## **Building(s)**

Means

1. the *Building(s)* situated at the *Premises* being constructed of brick, stone or concrete and roofed with slates, tiles, concrete, metal or asbestos unless otherwise agreed by the *Insurers*; and
2. landlord's fixtures and fittings in or on the said *Building(s)*;

which are the property of or leased to the *Insured*.

Unless more specifically insured, *Building(s)* also includes:

- a) annexes and *Outbuildings*;
- b) tenants' improvements (where the *Building(s)* are not insured the *Sum Insured* under the *Building(s)* Item relates to tenants' improvements);
- c) conveyors, trunks, lines, wires, service pipes and similar property on the *Premises* and extending to the public mains;
- d) walls, gates and fences;

which are the property of the *Insured* or for which the *Insured* is legally responsible.

*Building(s)* in the course of construction are excluded.

## **Business**

means the business of the *Insured* as stated in the *Schedule*.

(Sections 5, 7, 8 and 9) means the business of the *Insured* as stated in the *Schedule*, which shall include:

1. the ownership, repair, maintenance and decoration of the *Insured's Premises*;
2. the provision and management of canteen, social, sports and welfare organisations for the benefit of any *Person Employed* and first aid, fire, medical and security services;
3. private work undertaken by any *Person Employed* for any director, partner of the *Insured* or *Person Employed* with the prior consent of the *Insured*.

## **Business Hours**

means any period during which the *Premises* are open for *Business* and attended by the *Insured* or any authorised *Insured Person* entrusted with *Money*.

## **Circumstance**

Any Circumstance of which the *Insured* first becomes aware during the *Period of insurance* which is likely to give rise to a claim against them and is subject to the indemnity provided under this Policy.

## **Claims Administrator**

means the company stipulated in the *Schedule* or appointed subsequently by the *Insurers* which administers the claims under Section 10 of this Policy on the *Insurers'* behalf and to whom any notification of a claim must be made.

## **Compensation Awards**

means the *Insured's* liability for any judgement made against it under the Data Protection Act 1998 concerning the inaccuracy, loss, destruction or unauthorised disclosure of data.

## **Computer Equipment**

means *Hardware*, *Peripheral Equipment* and *Ancillary Equipment* including any equipment, which having more than one function, can be used as *Computer Equipment*.

**Computer Record**

means a unit of *Electronic Data* representing a particular transaction or inter-related data which describes an event, person or other entity.

**Contents**

means machinery, plant, equipment, *Computer Equipment*, furniture, fixtures, fittings, alterations and decorations and all other contents, the property of the *Insured* or held by it in trust for which the *Insured* is legally responsible and is contained within the *Premises*. Excluding:

1. *Building(s)*;
2. *Stock in Trade*;
3. *Money*;
4. Documents, manuscripts and business books except for an amount not exceeding £10,000 in respect of the value of the materials as stationery, together with the cost of the clerical labour expended in reproducing such documents, manuscripts and business books;
5. *Computer Records* except for an amount not exceeding £10,000 in respect of the value of the *Data Media* together with the cost of the clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein);
6. patterns, models, moulds, plans and designs except for an amount not exceeding £25,000 in respect of the value of the materials together with the cost of labour expended in reinstatement;
7. the personal effects including tools, clothing, and pedal cycles of employees, directors, partners and visitors except for an amount not exceeding £500 in respect of any one person;
8. glass;
9. motor vehicles and their accessories;
10. wines, spirits, cigarettes and tobacco goods except for an amount not exceeding £500;
11. works of art except for an amount not exceeding £5,000 during the *Period of Insurance* nor £1,000 in respect of any one item.

**Consequential Loss**

means loss resulting from interruption of or interference with the *Business* carried on by the *Insured* at the *Premises* in consequence of accidental loss of or destruction of or damage to property used by the *Insured* at the *Premises* for the purpose of the *Business*.

**Contracting Party**

means a company, firm or individual who has a direct contractual relationship with the *Insured*.

**Corruption**

means the loss, distortion, corruption or erasure of any software *Programme(s)* or data forming part of the *Data Media*.

**Damage**

means accidental physical loss of, destruction of or damage to the *Property Insured*.

**Damage to Property**

means physical loss of, destruction of or damage to material property.

**Data Media**

means data carrying materials of all types (other than paper records) both current and back-up incorporating any stored *Programme(s)* and/or *Electronic Data* that is the property of the *Insured* or is leased, hired, rented or licensed to the *Insured*.

**Debris Removal**

means costs and expenses necessarily and reasonably incurred by the *Insured* with the prior consent of the *Insurers* to:

1. remove debris from;
2. dismantle and/or demolish;
3. shore-up or prop up;

the portion or portions of the *Property Insured* following *Damage*.

The *Insurers* will not pay for any costs or expenses:

1. incurred in removing debris except from the site of the *Property Insured* and the area immediately adjacent to such site;
2. arising from pollution or contamination of property not insured by this Policy.

**Defence Costs**

All costs and expenses incurred with the prior written consent of the *Insurers* in the investigation, defence or negotiation of the settlement of any claim or *Circumstance*.

The *Excess* does not apply to *Defence Costs*.

**Defined Peril**

means fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, lockedout workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any tank, apparatus or pipe or impact by any vehicle or animal.

**Denial of Service Attack**

means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems.

*Denial of Service Attack* includes, but is not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or nongenuine traffic between and amongst networks.

**Documents**

All forms of *Documents* of whatsoever nature including computer system records (provided the *Insured* maintains duplicates of computer system records).

**Electronic Data**

means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

**Employee**

See – *Person Employed*

(Section 5) Any person currently or previously employed under a Contract of Services with the *Insured* including partners, executives and non executive directors, consultants and temporary employees employed by the *Insured*.

(Section 10) *Employee* means an individual under a Contract of Service or a Contract for Services with the *Insured*.

(Section 12) *Employee* means any temporary worker or employee who is under a Contract of Service or a Contract for Services with the *Insured* as declared to the *Insurers*.

(Section 13) *Employee* means a Director or Senior Partner who is under a Contract of Service or a Contract for Services with the *Insured* as declared to the *Insurers*.

**Event**

means any occurrence, including the continuous or repeated injurious exposure to substantially the same general conditions, which results in accidental *Injury* or *Damage to Property* or *Nuisance*. All *Events* or series of *Events* consequent upon or attributable to one source or original cause shall be regarded as a single *Event* for the purposes of this Policy.

**Excess**

(Sections 1 to 4, 6 and 11) means the amounts as stated either in this Policy wording or in the *Schedule*, as applicable, that are to be deducted from any loss and which amounts shall be borne by the *Insured*. Under Section 1 Property Damage All Risks this shall apply to each loss after the application of any Average (underinsurance) Condition.

(Sections 5, 7, 8 and 9) means the amounts as stated in the *Schedule*, which the *Insured* shall pay in respect of all damages, compensation, claimant's costs, *Legal Costs* and expenses before the *Insurers* shall be liable to make any payment. The *Excess* shall apply to each *Event* other than legal liability arising out of *Injury* unless otherwise stated in the *Schedule*.

(Section 10) means the amount specified in the Section that the *Insured* must bear in *Legal Expenses*, *Professional Expenses*, *Awards of Compensation* or *Compensation Awards* in respect of *Any One Claim* before the *Insurers* are liable to provide any indemnity under this Policy.

**Firm**

(a) The Firm(s) identified as the *Insured* in the *Schedule* and named in the *Proposal* being either a partnership comprised solely of the partners and former partners, sole trader or corporate body.

(b) Any firm(s) or business(es) or any subsidiary firm(s) or subsidiary business(es) for which the *Insured* is legally liable in consequence of their acquisition (whether partial or otherwise) either prior to the inception of this Policy or during the *Period of insurance* provided the *Insurers* have been notified in writing of their existence and has agreed to insure such firm(s) or business(es).

**Fungal Pathogens**

means any fungus or mycota or any by-product or type of infestation produced by such fungus or mycota including but not limited to mould, mildew, mycotoxins, spores or any biogenic aerosols.

**Geographical Limits**

means anywhere in the world.

**(Section 5)** means Worldwide excluding the United States of America and Canada, unless stated otherwise in the *Schedule*.

**Glass**

means

1. Fixed plain or wired glass and mirrors in or at the *Premises*;
2. Window alarm foil, ornamental glass, lettering and silvering;
3. Fixed external signs including neon signs;

the property of the *Insured* or for which the *Insured* is responsible.

**Governing Law**

This Policy shall be governed by and construed in accordance with the laws of England and Wales.

**Hacking**

means unauthorised access to any computer or other equipment or component or system or item which processes, stores or retrieves data, whether or not the property of the *Insured*.

**Hardware**

means the physical equipment or units that make up the *Computer Equipment*.

**Incident**

means loss or destruction of or damage to property used by the *Insured* at the *Premises* for the purpose of the *Business*.

**Income**

means the money paid or payable to the *Insured* for goods sold (less the cost of purchases) and services rendered in the course of the *Business* activities as stated in the *Schedule* either at the *Premises* or elsewhere or as amended by endorsement.

**Increased Excess**

means the amount specified in Section 10 *Legal Expenses* that the *Insured* must bear in *Legal Expenses*, *Professional Expenses*, *Awards of Compensation* or *Compensation Awards* in respect of *Any One Claim* before the *Insurers* are liable to provide any indemnity under this Policy where the *Insured* elects to appoint an *Appointed Representative* other than as suggested by the *Claims Administrator*.

**Indemnity Period**

means the period beginning with the occurrence of the *Incident* and ending not later than the end of the *Maximum Indemnity Period* thereafter during which the results of the *Business* shall be affected in consequence of the *Incident*.

(Section 11) means the period beginning with the occurrence of the *Breakdown* and ending not later than the *Maximum Indemnity Period* thereafter during which the results of the *Business* shall be affected in consequence of the *Breakdown*.

**Information**

means processed data.

**Injury**

means bodily injury, death, disease (or sickness), illness, nervous shock or mental injury.

(Section 10) means bodily injury or death but does not mean any sickness, disease or naturally occurring condition or degenerative process.

**Insured**

means the *Insured* as stated in the *Schedule*.

(Section 5) means;

- (a) the *Firm*;
- (b) any partner, director or principal of the *Firm* including any person appointed to such position during the *Period of Insurance*;
- (c) any former partner, director or principal of the *Firm*;
- (d) the estate, personal representatives or trustee or assignee in bankruptcy of (a), (b) and/or (c).

(Section 10) means the company, firm or individual specified in the *Schedule* and at the *Insured's* request any *Employee*, director or partner of the *Insured*.

**Insured Person**

means any partner, director or employee of the *Insured* whose usual place of employment is at the *Premises* or as otherwise stated in the *Schedule*.

(Section 12 and 13) means the person identified in the *Schedule* as such provided such person is not under 16 (sixteen) or over 65 (sixty-five) years of age at the commencement of the *Period of Insurance*.

**Insurers**

means Brit Insurance Limited.

**Intruder Alarm System**

means an electrical installation to detect and indicate the presence, entry or attempted entry of an intruder into *Protected Premises*.

**Investigation**

means

**1. Business Tax Investigations**

The enquiry which takes place when HM Revenue & Customs makes a request to examine all of the business books and records and issues a formal Notice under S9A or S12AC of the Taxes Management Act 1970 or under S24 (1) *Schedule* 18 Finance Act 1998; or

**2. Employer Compliance Disputes**

The enquiries which take place following an expression of dissatisfaction with the *Insured's* PAYE, and/or NIC affairs following an employer compliance visit by HM Revenue & Customs following an expression of dissatisfaction with the *Insured's* P11Ds or P9Ds; or

**3. IR35 Disputes**

The enquiries which take place when HM Revenue & Customs challenges the status of a contract for services and invokes the IR35 legislation following either the issue of a Notice under S24(1) *Schedule* 18 Finance Act 1998 or a compliance visit by HM Revenue & Customs; or

**4. VAT Disputes**

The enquiries which take place following a written decision, assessment or statement of alleged arrears made by HM Revenue & Customs into Value Added Tax and/or Value Added Tax default surcharges and penalties for incorrect declarations.

**Keyholder**

means the *Insured* or any person or keyholding company authorised by the *Insured* who must be available at all times to accept notification of faults or alarm signals relating to the *Intruder Alarm System*, attend, and allow access to the *Premises*.

**Legal Costs**

means

1. costs of legal representation at:
  - a) any coroners inquest or fatal accident inquiry in respect of any death;
  - b) proceedings in any court arising out of any alleged breach of statutory duty resulting in any *Event*; which may be the subject of indemnity under Sections 7, 8 and 9 of this Policy;
2. all other legal costs and expenses in relation to any *Event* which may form the subject of a claim for indemnity under Sections 7, 8 or 9 of this Policy;

incurred with the written consent of the *Insurers*.

**Legal Expenses**

means

1. fees, expenses and disbursements including *Witness Attendance Allowance* reasonably incurred by the *Appointed Representative* with the *Claims Administrator's* written consent;
2. costs incurred by other parties to which the *Insured* is held liable in court or tribunal proceedings to pay or which the *Insured* agrees to pay with the *Claims Administrator's* written consent but excluding any costs which the *Insured* may be ordered to pay by a court of criminal jurisdiction following a conviction;

3. fees, expenses and disbursements including *Witness Attendance Allowance* reasonably incurred by the *Appointed Representative* with the written consent of the *Claims Administrator* in an appeal of the judgement of a court or tribunal.

### **Limit of Indemnity**

(Section 5 only)

The sum stated in the *Schedule* which applies in respect of each and every claim, for which indemnity is provided under this Policy.

For the avoidance of doubt it should be noted that the indemnity afforded under the terms of this policy is provided jointly to all parties constituting the *Insured* and for all purposes this Policy shall be considered as a joint policy with one *Limit of Indemnity*.

For the purposes of determining the *Limit of Indemnity* and the application of the *Excess*, all claims resulting from one and the same act, error or omission or a series of acts, errors or omissions arising out of the same cause or the acts, errors or omissions of one person or persons acting together or in which such person or persons is/are concerned or implicated shall be deemed to be one claim.

### **Loss of Limbs**

means total irredeemable and irrecoverable loss of use or loss by physical separation at or above the ankle or wrist of one or more limbs.

### **Loss of Sight**

means total irredeemable and irrecoverable loss of sight of one or both eyes.

### **Maximum Indemnity Period**

means the number of months as stated in the *Schedule* of Locations attaching to and forming part of this Policy.

(Section 11) means as stated in the *Schedule*.

### **Money**

means money that is the property of the *Insured* or for which the *Insured* is legally responsible that is either:

1. negotiable instruments which must be current coinage, bank and currency notes, uncrossed cheques, Giro cheques, uncrossed postal and money orders, unexpired units in franking machines, unused postage stamps, revenue stamps, National Savings and National Insurance stamps, business travel tickets, luncheon and customer redemption vouchers, trading stamps, holidaywith-pay stamps, bills of exchange, promissory notes, traveller's cheques, dividend warrants, gift tokens, sales vouchers, land registry stamps or telephone cards; or
2. non-negotiable instruments which must be any crossed instrument being a cheque, money or postal order, traveller's cheque, Giro draft, banker's draft, National Savings Certificates, premium bonds, credit cards and reservation vouchers, VAT purchase invoices, used National Insurance stamps, stamped National Insurance cards, credit and charge card counterfoils, or stamped pension cards.

### **Nuisance**

means nuisance, trespass or interference with any easement; right of air; right of light; right of water; right of way.

### **Occurrence**

means any one loss or series of losses consequent upon or attributable to one source or original cause.

(Section 6) means all individual losses arising during a continuous period of 72 (seventy two) hours of which the proximate cause is the same Act of Terrorism.

**Offshore**

means from the time of embarkation onto a conveyance at the point of final departure to any *Offshore* installation, including but not limited to any *Offshore* rig or platform, whilst on any *Offshore* installation or support or accommodation vessel for an *Offshore* installation, until disembarkation onto land upon return from such installation.

**Outbuildings**

means any building that is subsidiary to the *Building*, which does not incorporate permanent foundations below ground level and which is not capable of being properly secured, including but not limited to any stable, garage, shed, hut, lean-to, greenhouse, hay loft or barn.

**Outstanding Debit Balances**

means the total outstanding debit balances last recorded by the *Insured* before the date of the *Incident*, adjusted for:

1. bad debts;
2. amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the *Incident*) to customers' accounts in the period between the date to which the last record relates and the date of the *Incident*;
3. any abnormal condition of trade which had or could have had a material effect on the *Business*;

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

**Period of Insurance**

means the period as stated in the *Schedule*.

**Peripheral Equipment**

means hardware not contained within the main processing computer such as but not limited to terminals, modems, local area network cabling and infrastructure, separate storage devices and other devices that can be operated under computer control.

**Permanent Total Disablement**

means permanent total disablement which prevents the *Insured Person* from engaging in or attending to business of any kind.

**Person Employed**

means

(Applicable to Section 7 to 10)

- i) any person under a Contract of Service or apprenticeship with the *Insured*,
  - ii) any person who is hired to or borrowed by the *Insured*,
  - iii) any person engaged in connection with a work experience or training scheme,
  - iv) any labour master or person supplied by him,
  - v) any person engaged by labour only sub-contractors,
  - vi) any self-employed person working on a labour only basis under the control or supervision of the *Insured*,
  - vii) any voluntary person
- viii) any person who is a temporary worker or self-employed person under a contract for service provided that all sums paid to such persons are declared to the *Insurers*

while working for the *Insured* in connection with the *Business*.

(applicable to all other Sections of the Policy)

- i) any person under a contract of service or apprenticeship with the *Insured*,
- ii) any person who is hired to or borrowed by the *Insured*,
- iii) any person engaged in connection with a work experience or training scheme,

- iv) any labour master or person supplied by him,
- v) any person engaged by labour only sub-contractors,
- vi) any self-employed person working on a labour only basis under the control or supervision of the *Insured*,
- vii) any voluntary person

while working for the *Insured* in connection with the *Business*.

**Pollutants**

means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste.

**Pollution or Contamination**

means pollution or contamination of building(s) or other structures, or of water or land, or the atmosphere and all loss or destruction or damage or *Injury* directly or indirectly caused by such pollution or contamination.

**Premises**

means the location(s) as stated in the *Schedule* used by the *Insured* for the purposes of the *Business*.

**Premium**

means the amount specified in the *Schedule*.

**Product(s)**

means any item of office furniture (other than electrical equipment or *Computer Equipment*), promotional material, merchandise or souvenirs including packaging, containers and labels sold, supplied, distributed, erected, repaired, altered, treated, installed, processed or tested by or on behalf of the *Insured* and no longer in the possession of, or under the control of, the *Insured*.

**Professional Business**

The *Business* as stated in the *Schedule* and any other *Business* as may be specifically stated in any Endorsement to this Policy.

**Professional Duty**

means contractual, tortious or fiduciary duties owed to or by the *Insured* to or by another company, firm or individual in connection with the provision of professional services or advice.

**Professional Expenses**

means fees, expenses and disbursements reasonably incurred by the *Appointed Representative* with the written consent of the *Claims Administrator* but does not include any tax or VAT, interest or penalties demanded, assessed or required by the relevant authority or other penalty imposed by a court or tribunal.

**Professional Fees**

means architects', surveyors', consulting engineers' and legal fees necessarily and reasonably incurred with the *Insurers'* consent in the reinstatement of the *Property Insured* directly consequent upon its *Damage* by an event insured hereby but not for the preparation of any claim. The amount payable for such fees shall not exceed those authorised under the scales of the professional institutions and/or bodies regulating such charges prevailing at the time of the *Damage*, and the amount payable under any Item including or consisting of *Professional Fees* shall not exceed in total its *Sum Insured*.

**Programme(s)**

means the set of instructions significant to the computer's central processor which is composed to enable a user to achieve the desired result with data input by the user.

**Property**

(Section 10) means land (including buildings thereon) or an interest in land.

**Property at Exhibition**

means exhibits including the stand, its furnishings and equipment that is the property of the *Insured* or held by the *Insured* in trust for which the *Insured* is legally responsible whilst such property is at any exhibition or in transit to or from any exhibition including loading, temporary housing enroute and unloading.

**Property Insured**

means the subject matter insured as stated in Section 1 and/or Section 3 and in the *Schedule*, but not intellectual property.

**Proposal**

means any information supplied by the *Insured* in connection with this insurance and any declaration made in connection therewith by or on behalf of the *Insured* or its agents.

**Protected Premises**

means the *Premises* or those portions of the *Premises* protected by the *Intruder Alarm System*.

**Rent**

means *Rent* which continues to be legally payable by the *Insured* whilst the *Premises* are rendered unusable as a result of *Damage* but only in respect of the period reasonably necessary for their reinstatement and not exceeding the maximum period stated in the *Schedule*.

**Rent Receivable**

means the money paid or payable to the *Insured* for accommodation provided in the course of the *Business* at the *Premises*.

**Responsible Person**

means the *Insured* or any other person authorised by the *Insured* to be responsible for the security of the *Premises*.

**Sanitary Fittings**

means fixed items of sanitary ware, the property of the *Insured*, or for which the *Insured* is responsible, situated within the *Premises*.

**Schedule**

means the *Schedule* of Insurance attaching to and forming part of this Policy.

**Software**

means any *Programme(s)* which is/are characterised as systems and/or application software and which is/are designed to invoke processing and/or facilitate the writing of any *Programme(s)*.

**Standard Rent Receivable**

means the *Rent Receivable* during that period in the 12 (twelve) months immediately before the date of the *Incident* which corresponds with the *Indemnity Period*.

*Annual Rent Receivable* and *Standard Rent Receivable* are subject to such adjustments as may be necessary to provide for the trend of the *Business* and for variations in or other circumstances affecting the *Business*, either before or after the date of the *Incident* or which would have affected the *Business* had the *Incident* not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the *Incident* would have been obtained during the relative period after the *Incident*.

**Standard Income**

means the *Income* during that period in the 12 (twelve) months immediately before the date of the *Incident* which corresponds with the *Indemnity Period*.

*Annual Income* and *Standard Income* are subject to such adjustments as may be necessary to provide for the trend of the *Business* and for variations in or other circumstances affecting the *Business* either before or after the *Incident* or which would have affected the *Business* had the *Incident* not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the *Incident* would have been obtained during the relative period after the date of the *Incident*.

**Stock in Trade**

means stock and materials in trade, including trade samples, finished stock and work in progress, the property of the *Insured* and goods in trust for which the *Insured* is responsible.

**Sum Insured**

means the *Sum Insured* as stated in the *Schedule* applicable to the particular Item or Section.

**Temporary Partial Disablement**

means temporary disablement entirely preventing the *insured Person* from engaging in or attending to a substantial part of his or her usual occupation.

**Temporary Total Disablement**

means temporary disablement entirely preventing the *Insured Person* from engaging in or attending to his or her usual occupation.

**Territorial Limits**

means unless expressly stated to the contrary in any Section of this Policy, the *Schedule* or any memoranda or endorsement which may be attached to this Policy, Great Britain, Northern Ireland, the Channel Islands and the Isle of Man. In respect of Sections 7, 8 and 9 cover is extended to include:

1. the non-manual activities of any director and/or partner of the *Insured* and/or *Person Employed* ordinarily resident in the territories named above, but temporarily engaged in the *Business* elsewhere in the world;
2. elsewhere in the world, excluding any country or territory which operates under the law of the United States of America or Canada, in connection with any *Event*, arising out of the *Products*.

Section 10 only

The United Kingdom of Great Britain and Northern Ireland but excluding the Isle of Man and the Channel Islands.

**Terrorism**

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

**Unlawful Association**

means any organisation which is engaged in *Terrorism* and includes an organisation which at any time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973 or any amendment thereto.

**Unoccupied**

means closed for business or not occupied for its usual business purposes, for any period of more than 30 (thirty) consecutive days.

**Vehicle**

means any vehicle including a caravan or trailer constructed to be towed by such a vehicle on the public highway, which is owned by the *Insured* or leased to the *Insured* other than one used in connection with racing and/or rallies and/or competition of any kind.

**Virus or Similar Mechanism**

means any Programme code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect any computer *Programme(s)*, data files or operations, whether involving self replication or not. *Virus or Similar Mechanism* includes but is not limited to trojan horses, worms and logic bombs.

**Waste**

means all waste including materials to be recycled, reconditioned or reclaimed.

**We/Us/Our**

these terms have their usual meaning with reference to Thistle Insurance Services Ltd.

**Witness Attendance Allowance**

means costs not to exceed £100 per day or £1,000 *Any One Claim* when any director, partner or *Employee* of the *Insured* is absent from work consequent upon attending a court or tribunal hearing of a claim to which the *Claims Administrator* has given written consent under this Policy.

**You/Your/Yours**

these terms have their usual meaning with reference to the *Insured*.

## Section 1

# Property Damage All Risks

### The Cover

The *Insurers* will indemnify the *Insured* as stated in the *Schedule* against *Damage* arising from any accidental cause not being an Excepted Cause, occurring during the *Period of Insurance*, subject always to the *Excess(es)* and the limits, terms, conditions and exclusions of this Section and the Policy.

### Limit of Liability

The liability of the *Insurers* under this Section shall not exceed in the whole the Total *Sum Insured* or the *Sum Insured* in respect of any individual Item subject to any other limit of liability as stated herein or in the *Schedule*.

### The Excess

The *Insurers* shall not indemnify the *Insured* for the amount of the *Excess*.

### The Property Insured

- A) *Building(s)*;
- B) *Contents* (including *Computer Equipment*);

Unless as otherwise stated in the *Schedule*, any insurance by this Section in respect of *Building(s)* or *Contents* shall include provision for *Professional Fees* and *Debris Removal*;

- C) *Stock in Trade*;
- D) *Rent*;
- E) Any other property specified in Section 1 of the *Schedule*;

all the property of the *Insured* or for which the *Insured* is legally responsible whilst at the *Premises* to which this Insurance applies.

## Section 1 Exclusions

### Excepted Causes

The *Insurers* shall not indemnify the *Insured* for:

1. *Damage* caused directly or indirectly by or consisting of:
  - a. inherent vice, latent defect, gradual deterioration, wear and tear, frost, its own faulty or defective design or materials;
  - b. faulty or defective workmanship, operational error or omission on the part of the *Insured* or any of its employees;
  - c. the operation of machinery, plant, apparatus or equipment unless such operation is in accordance with the manufacturers' instructions or specification;
  - d. explosion occasioned by the bursting of a boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the *Insured*; (in respect of any vessel, machinery or apparatus or its contents belonging to, or under the control of the *Insured* which requires examination to comply with any Statutory Regulations, cover against destruction or damage thereto caused by an explosion originating therein is subject to the provision that such vessel, machinery or apparatus shall be the subject of a policy or other contract providing the required inspection service)

but this shall not exclude subsequent *Damage* which itself results from a cause not being an Excepted Cause or otherwise excluded.

2. *Damage* caused directly or indirectly by or consisting of:
  - a. corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, humidity, action of light, marring, scratching, vermin or insects;
  - b. change in temperature, colour, flavour, texture or finish;
  - c. joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith;

but this shall not exclude:

- i) such *Damage* which itself results from a *Defined Peril* or from any other cause not being an Excepted Cause or otherwise excluded;
  - ii) subsequent *Damage* which itself results from a cause not being an Excepted Cause or otherwise excluded.
- 3) *Damage* caused directly or indirectly by or consisting of mechanical or electrical breakdown, derangement or overloading in respect of the particular machine, apparatus or equipment in which such breakdown, derangement or overloading originates

but this shall not exclude:

- a. loss of, or damage to, surrounding property not forming part of the same machine, apparatus or equipment;
  - b. such *Damage* which itself results from a *Defined Peril* or from any other cause not being an Excepted Cause or otherwise excluded;
  - c. subsequent *Damage* which itself results from a cause not being an Excepted Cause or otherwise excluded.
4. *Damage* caused directly or indirectly by or consisting of theft or attempted theft from yards, gardens, open spaces or *Outbuildings* unless the contents thereof are specifically insured by this Section.
  5. *Damage* caused directly or indirectly by or consisting of:
    - a. subsidence, ground heave or landslip, unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe;
    - b. normal settlement or bedding down of new structures.

6. *Damage* caused directly or indirectly by or consisting of:
  - a. acts of fraud or dishonesty on the part of the *Insured* or any partner, director or employee of the *Insured*, members of their families or any other person to whom *Property Insured* has been entrusted;
  - b. unexplained disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
  - c. erasure or distortion of information on computer systems or other records:
    - i) whilst mounted in or on any machine or data processing apparatus; or

- ii) due to the presence of a magnetic flux;
- unless caused by *Damage* not being the result of an Excepted Cause in respect of the machine or apparatus in which the records are mounted.
7. *Damage* in respect of buildings or structures caused directly or indirectly by their own collapse or cracking unless such *Damage* results from a *Defined Peril* and is not otherwise excluded.
  8. *Damage* caused directly or indirectly by wind, rain, hail, sleet, snow, flood or dust to:
    - a) moveable property in the open or in open sided buildings or contained in *Outbuildings*;
    - b) fences and gates.
  9. *Damage* caused directly or indirectly by fire resulting from its undergoing any process involving the application of heat.
  10. *Damage* (other than by fire) resulting from:
    - a) its undergoing any process of production;
    - b) its undergoing any process of packing, treatment, testing, commissioning, cleaning, servicing, repair or any other process;

but this shall not exclude loss of or damage to surrounding property not forming part of:

    - i) the same machine;
    - ii) the same process of production;
    - iii) the same process of packing, treatment, testing, commissioning, cleaning, servicing, repair or other process.
  11. *Damage*:
    - a) caused directly or indirectly by the escape of water from any tank, apparatus or pipe;
    - b) caused directly or indirectly (other than by fire or explosion) by malicious persons not acting on behalf of or in connection with any political organisation;
    - c) caused directly or indirectly by freezing;
    - d) caused directly or indirectly by theft or attempted theft;

in respect of any *Unoccupied Building*.
  12. *Damage* caused directly or indirectly by or consisting of or occasioned by the voluntary parting with title or possession of any property or rights to property.
  13. *Damage* caused directly or indirectly by or consisting of or resulting from cessation of work.
  14. Delay, loss of market, loss of use or consequential loss or damage of any kind except loss of *Rent* when such loss is included in the cover by this Section.
  15. the first £250 of each and every loss arising hereunder

## Excepted Property

The *Insurers* shall not indemnify the *Insured* in respect of loss of or damage to:

- 1
  - a. jewellery, precious stones, precious metals, bullion, furs, curiosities or rare books;
  - b. *Glass or Sanitary Fittings*;
  - c. glass (other than *Glass*), china, earthenware, marble statuary or other fragile or brittle objects; but this shall not exclude *Damage* caused by a *Defined Peril* and not otherwise excluded.
  
- 2 property in transit except as provided for in Extensions 16 Temporary Removal, 17 Temporary Removal Computer Records and 18 Temporary Removal Documents.
  
- 3
  - a. vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;
  - b. property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection;
  - c. working dynamos, motor wires, main or electrical apparatus through short circuiting, overrunning or excessive pressure;
  - d. land, roads, pavements, piers, jetties, bridges, culverts or excavations;
  - e. livestock, growing crops or trees;

unless specifically mentioned in the *Schedule* as insured by this Section.

## Section 1 Clauses

### 1 Designation

For the purpose of determining where necessary the heading under which any property is insured, the *Insurers* agree to accept the designation under which such property has been entered into the *Insured's* books of accounts.

### 2 Electrical Apparatus

If any electrical apparatus or fittings are damaged by fire due to self ignition, over-running, excessive pressure, short circuiting, self heating or leakage of electricity, the *Insurers* shall not be liable for *Damage* to the equipment which contained the particular piece of apparatus or fitting which has caused the fire, but the *Insurers* shall be liable for *Damage* to any other apparatus or fittings in consequence of such fire if such other apparatus or fittings are otherwise insured under this Section.

### 3 Non-Invalidation

The Insurance under this Section shall not be invalidated by any act or omission or by any alteration whereby the risk of *Damage* is increased unknown to or beyond the control of the *Insured*, provided that the *Insured* shall give notice to the *Insurers* as soon as reasonably practicable after such act or omission or alteration comes to the notice of the *Insured* and shall pay any additional premium required by the *Insurers*.

### 4 Replacement or Reinstatement

In the event of *Damage* under Item A (*Building(s)*) and/or Item B (*Contents*) insured hereby, the basis upon which the amount payable by the *Insurers* is to be calculated shall be the reinstatement of the *Property Insured* suffering *Damage*, subject to the following Special Provisions and subject also to the limits, terms, conditions and exclusions of the Policy except insofar as the same may be varied hereby.

For the purpose of this Clause “reinstatement” shall mean the carrying out of the after-mentioned work, namely:

- a. where *Property Insured* is lost or destroyed, the rebuilding of the property, if a *Building*, or, in the case of other property, its replacement by similar property, in either case in a condition equal to but not better or more extensive than its condition when new;
- b. where *Property Insured* is damaged, the repair of the *Damage* and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.

#### **Special Provisions for Clause 4**

- a. The work of reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the *Insured* subject to the liability of the *Insurers* not being thereby increased) must be commenced and carried out with reasonable despatch; otherwise no payment beyond the amount which would have been payable under this Policy if this Clause had not been incorporated herein shall be made.
- b. When any *Property Insured* under Item A (*Building(s)*) and/or Item B (*Contents*) is damaged or destroyed in part only the liability of the *Insurers* shall not exceed the sum representing the cost that the *Insurers* could have been called upon to pay for reinstatement if such property had been wholly destroyed.
- c. No payment beyond the amount which would have been payable by the *Insurers* under this Policy if this Clause had not been incorporated therein shall be made until the cost of reinstatement shall have been actually incurred by the *Insured*.
- d. Item A (*Building(s)*) and Item B (*Contents*) are declared to be separately subject to the following condition of Average:

If at the time of reinstatement the sum representing 85% (eighty five percent) of the cost which would have been incurred by the *Insured* in reinstatement if the whole of the *Property Insured* under the Item had been destroyed, exceeds the *Sum Insured* at the commencement of the *Damage*, then the *Insured* shall be considered as being their own insurers for the difference between the *Sum Insured* and the sum representing the cost of reinstatement of the whole of the *Property Insured* and shall bear a rateable proportion of the loss accordingly.

- e. Where by reason of any of the above Special Provisions no payment is to be made by the *Insurers* beyond the amount which would have been payable under the Policy if these Special Provisions had not been incorporated herein, the rights and liabilities of the *Insurers* and the rights and liabilities of the *Insured* in respect of the loss, destruction or damage shall be subject to the limits, terms, conditions and exclusions of this Policy, including any conditions of Average herein as if these Special Provisions had not been incorporated herein.

## **Section 1 Conditions**

### **1 Fire Extinguishing Appliances**

This Insurance takes into consideration the installation of fire extinguishing appliances in accordance with details provided by the *Insured* to the *Insurers* and the *Insured* undertakes to maintain the said appliances in full and effective working order and under a contract for maintenance during the *Period of Insurance*. Subject to the observance of this Condition, this Section shall not be invalidated by any defect in any of the said appliances due to any circumstances unknown to or beyond the control of the *Insured*.

### **2 Stock in Trade**

It is a condition precedent to liability that all *Stock in Trade* when stored below ground level shall be on racking that is not less than 150mm (one hundred and fifty millimetres) above the floor.

### **3 Roof Maintenance**

It is a condition precedent to the liability of the *Insurers* under Section 1 Property Damage All Risks that:

- a. in respect of all areas of flat felted roofs which are greater than 10 (ten) years old:

- i) these are inspected at least once every 2 (two) years by a qualified builder or property surveyor and all defects identified by that inspection are repaired immediately;
  - ii) all guttering is inspected for blockages or defects by a competent person at inception date or renewal date and at 6 (six) monthly intervals thereafter and all blockages or defects identified by that inspection are repaired immediately;
- b. in respect of any roofs that have valley gutters such gutters are inspected for blockages or defects by a competent person at inception date or renewal date and at 6 (six) monthly intervals thereafter and all blockages or defects identified by that inspection are repaired immediately;
- c. a record of all inspections referred to above is made and retained by the *Insured* and is to be available for inspection by the *Insurers* if they so require.

## Section 1 Extensions

Unless otherwise stated in the *Schedule* the following Extensions shall apply, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

### 1 Additional Costs

This Section extends to include cover for reasonable additional costs necessarily incurred by the *Insured* to maintain security, habitability and tenantability at the *Premises* following *Damage* insured hereby, other than the loss of keys by theft, subject to a limit of £5,000 or 5% (five percent) of the Total *Sum Insured* as stated in the *Schedule*, whichever is the lesser, in respect of the *Premises* at which the *Damage* occurred.

### 2 Automatic Reinstatement of Sums Insured

In consideration of the *Sums Insured* not being reduced by the amount of any loss, the *Insured* undertakes to pay the appropriate additional premium on the amount of the loss from the date thereof to the expiry of the *Period of Insurance*, and to carry out any measures that the *Insurers* may require to prevent further *Damage* or enhance the security of the *Premises*. Subject to the *Insurers'* liability not exceeding the *Sum Insured* in respect of any one Item in respect of any one *Occurrence*.

### 3 Breakage of Glass and Sanitary Fittings

This Section extends to indemnify the *Insured* for the costs of repair or replacement in the event of *Breakage of Glass* or *Sanitary Fittings*.

The liability of the *Insurers* under this Extension shall not exceed the replacement value of the *Glass* or *Sanitary Fittings* at the time of the *Breakage*.

The basis of claim settlement shall be the value of *Glass* or *Sanitary Fittings* or at the *Insurers'* option its repair, replacement or reinstatement.

The *Insurers* will also pay:

- a. for damage to frames or framework which has to be removed to replace the *Glass*;
- b. for the cost of necessary boarding-up and the provision of a temporary door, consequent upon the *Breakage of Glass*;
- c. for damage to goods displayed for an amount not exceeding £1,000 any one *Occurrence* provided such damage was not a direct result of theft or attempted theft.

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

- 1. *Breakage* arising directly from alteration to or repair or restoration of the *Premises*;
- 2. *Breakage of Glass* or *Sanitary Fittings*:
  - i) already damaged at inception of the *Period of Insurance*;

- ii) forming part of the *Insured's Stock in Trade*;
- 3. scratching or chipping of *Glass* unless it extends through the complete fabric of the *Glass*;
- 4. *Breakage* caused by wear and tear, any gradually operating cause or the costs of maintenance;
- 5. *Breakage* in respect of any *Unoccupied* building;
- 6. *Breakage* of bulbs or tubes unless consequent upon damage to neon or illuminated signs;
- 7. *Breakage* caused by mechanical or electrical breakdown or the application of electrical energy;
- 8. *Breakage* arising from a *Defined Peril*;
- 9. the first £250 of each and every loss arising hereunder.

#### **4 Capital Additions, Alterations and Improvements**

The insurance of Item A (*Building(s)*) and Item B (Contents) extends to include cover for capital additions, alterations and improvements subject to the following conditions:

- a. the *Insured* shall declare to the *Insurers* the date and value of such capital additions, alterations and improvements at intervals of not more than 6 months and shall pay an appropriate additional premium from the time such additional cover applies;
- b. the maximum additional cover granted by this Extension shall not exceed 10% (ten percent) of the total *Sum Insured* under Items A (*Building(s)*) and B (Contents) or £250,000 whichever the lesser;
- c. this Extension does not include cover for appreciation in value.

#### **5 Changing Locks**

This Section extends to include costs incurred by the *Insured* as a result of the necessary replacement of locks, if any of the keys of the *Premises* are stolen from the *Premises* or from the homes of principals, partners, directors or authorised employees, provided that if such keys relate to a safe or strong-room they shall not be left on the *Premises* outside the *Insured's* normal business hours. Subject to a limit of £1,000 in respect of any one *Occurrence*. The *Excess* as stated in the *Schedule* does not apply in respect of this Extension.

#### **6 Customers Goods**

It is agreed that the *Insured* having intimated to their customers that they will accept responsibility for loss of or destruction of or damage to goods the property of such customers or for which the said customers may be legally responsible whether manufactured by the *Insured* or not, upon which work is to be, is being or has been done on behalf of customers by the *Insured* or which may be left in the *Insured's* hands for storage or despatch or otherwise temporarily in the *Insured's* custody, then all such goods shall be held to be insured by Item C (*Stock in Trade*) of this Section unless they are more specifically insured elsewhere.

#### **7 Damage to Surfaces**

The insurance by this Section is extended to include the costs of restoration of the surfaces of car parks, yards, roadways and similar surfaces adjacent to the *Buildings* for which the *Insured* is responsible arising out of *Damage* insured hereby.

The *Insurers'* liability under this Extension is limited to £1,000 in respect of any one *Occurrence*.

#### **8 Day One Basis (Non Adjustable) Extension**

The amounts shown as *Sums Insured* in respect of Item A (*Building(s)*) and Item B (*Contents*) in the *Schedule* represent the Declared Values of such Items it being understood and agreed that in the event of *Damage* such *Sums Insured* shall be uplifted by 15% (fifteen per cent) in accordance with and subject always to the provisions of this Extension.

Day One Basis (Non Adjustable) applicable to Item A (*Building(s)*) and Item B (*Contents*) unless otherwise stated in the *Schedule*:

- a. The *Insured* having stated in writing the Declared Value incorporated in each Item to which this Extension applies, the premium has been calculated accordingly.

Declared Value shall mean the *Insured's* assessment of the cost of reinstatement of the *Property Insured* arrived at in accordance with paragraph a of Clause 4 at the level of cost applying at the inception of the *Period of Insurance* (ignoring inflationary factors which may operate subsequently) together with, in so far as the insurance by the Item provides, due allowance for:

- i the additional cost of reinstatement to comply with Public Authority requirements;
- ii *Professional Fees*;
- iii *Debris Removal*.

- b. At the inception of the *Period of Insurance* the *Insured* shall notify the *Insurers* of the Declared Value of the *Property Insured* by the said Item. In the absence of such declaration the last amount declared by the *Insured* shall be taken as the Declared Value for the ensuing *Period of Insurance*.

- c. Notwithstanding any General Condition or Endorsement to the contrary, the following wordings shall apply to the Special Provisions to Clause 4, paragraphs **d** and **e** of which are restated as follows:

- i) Each Item insured under this Extension is declared to be separately subject to the following condition of Average:

If at the time of *Damage* the Declared Value of the *Property Insured* covered by such Item is less than the cost of reinstatement (as defined in paragraph a of Clause 4) at the inception of the *Period of Insurance* then the *Insurers'* liability for any *Damage* hereby insured shall be limited to that proportion thereof which the Declared Value bears to the cost of reinstatement.

- ii) Where by reason of any of the Section Extensions, no payment is to be made beyond the amount which would have been payable under this Policy if this Extension had not been incorporated therein the rights and liabilities of the *Insurers* and the rights and liabilities of the *Insured* in respect of the loss, destruction or damage shall be subject to the limits, terms, conditions and exclusions of this Policy including any condition of Average therein, as if this Extension had not been incorporated therein except that the *Sums Insured* shall be limited to the percentage as stated herein.

- d. The provisions of Section Extension 4 (Capital Additions, Alterations and Improvements) shall not be subject to this Extension.

### **9 Drain Clearing**

This Section extends to include cover for reasonable expenses necessarily incurred by the *Insured* in clearing, cleaning and/or repairing drains, gutters, sewers and the like for which the *Insured* are legally responsible in consequence of *Damage* insured hereby. Subject to the maximum liability of the *Insurers* not exceeding £2,500 any one *Occurrence* and in the aggregate during the *Period of Insurance*.

### **10 Landscaped Grounds**

It is agreed that the insurance by this Section extends to include the costs necessarily and reasonably incurred by the *Insured* in making good the landscaped grounds of the *Premises* damaged by the Fire Brigade or any other Emergency Service in consequence of *Damage* to *Property Insured*. The *Insurers'* liability under this Extension is limited to £5,000 in respect of any one *Occurrence*.

### **11 Loss of Metered Water Charges**

This Section extends to include cover for additional metered water charges incurred by the *Insured*, following *Damage* insured hereby, at the *Premises* during the *Period of Insurance*. The *Insurers* shall not be liable for any such charges incurred by the *Insured* in respect of any *Unoccupied Building(s)*. The basis upon which the amount payable is to be calculated shall be the amount of the water charges for the period during which *Damage* occurs, less the charge made to

the *Insured* for the corresponding period in the preceding year, adjusted for changes in the water suppliers' charges and for variations affecting the water consumption of the *Insured* during the intervening period. Subject to the maximum liability of the *Insurers* not exceeding £2,500 any one *Occurrence* and in the aggregate during the *Period of Insurance*.

## 12 Other Interests

In the event of the *Insured* having property under the terms of any hire purchase or similar form of agreement then the interest of such parties is noted in this Insurance, and the nature and extent of such interest is to be declared to the *Insurers* in the event of *Damage*.

## 13 Property at Exhibitions

The Insurance of Item B (*Contents*) and Item C (*Stock in Trade*) extends to include cover for *Damage* insured hereby to *Property at Exhibition* whilst within the *Territorial Limits*. Subject to the maximum liability of the *Insurers* not exceeding £2,500 any one *Occurrence*.

## 14 European Union and Public Authorities

The Insurance by Item A (*Building(s)*) or Item B (*Contents*) extends to include such additional cost of reinstatement of the lost, destroyed or damaged *Property Insured* as may be incurred by the *Insured* solely by reason of the necessity to comply with the Stipulations of:

- a. European Union legislation; or
- b. Building or other Regulations under or framed in pursuance of any Act of Parliament or with Bye Laws of any municipal or local authority or other Codes of Practice;

(hereinafter referred to as the Stipulations) in respect of the lost, destroyed or damaged *Property Insured* and undamaged portions thereof provided always that the amount recoverable under this Extension shall not include:

- a. the cost incurred in complying with the Stipulations:
  - i) in respect of *Damage* occurring prior to the granting of this Extension;
  - ii) in respect of *Damage* not insured hereby;
  - iii) under which notice has been served upon the *Insured* prior to the happening of the *Damage*;
  - iv) for which there is an existing requirement which has to be implemented within a given period;
- b. the additional cost that would have been required to make good the property lost, damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Stipulations not arisen;
- c. the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid Stipulations.

Provided that:

- a. the work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within 12 (twelve) months after the *Damage*, or within such further time as the *Insurers* may (during the said 12 (twelve) months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Stipulations so necessitate) subject to the liability of the *Insurers* under this Extension not being thereby increased;
- b. if the liability of the *Insurers* under any Item of the *Schedule* apart from this Extension shall be reduced by the application of any of the terms and conditions of the Section and the Policy then the liability of the *Insurers* under this Extension in respect of any such Item shall be reduced in like proportion;
- c. the total amount recoverable under any Item of the *Schedule* shall not exceed:
  - i) in respect of the lost, destroyed or damaged *Property Insured* – its *Sum Insured*;

- ii) in respect of undamaged portions of property (other than foundations) – 15% (fifteen percent) of the total amount for which the *Insurers* would have been liable had the *Property Insured* by the Item at the *Premises* where the *Damage* has occurred been wholly destroyed;
  - iii) in respect of European Union legislation:
    - a) 15% (fifteen percent) of its *Sum Insured*;
    - b) where the *Sum Insured* by the Item applies to property at more than one *Premises* 15% (fifteen percent) of the total amount for which the *Insurers* would have been liable had the *Property Insured* by the Item at the *Premises* where *Damage* has occurred been wholly destroyed;
  - iv) in respect of building or other regulations under or framed in pursuance of any Act of Parliament or Bye Laws of any municipal or local authority or other Codes of Practice its *Sum Insured* being part of and not in addition to the *Sum Insured* shown in the *Schedule*;
- d) all the terms, limits, exclusions and conditions of this Section and the Policy except in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

### 15 Services

The *Property Insured* includes telephone, gas, water and electric instruments, meters, pipes, ducts, cables and the like and the accessories thereof including similar property in adjoining yards or roadways or underground (and pertaining to the *Building(s)* or *Contents* insured under the respective Items of this Section) all the property of the *Insured* or for which the *Insured* is legally responsible.

### 16 Temporary Removal

The *Property Insured* under this Section (other than *Stock in Trade* or *Rent*) is covered whilst temporarily removed for cleaning, renovation, repair or similar purposes, elsewhere on the same or to any other premises and in transit thereto and therefrom by road, rail or inland waterway within the *Territorial Limits*, subject to a limit of 15% (fifteen percent) of the relevant *Sum Insured* as stated in the *Schedule*. The *Insurers* shall not be liable for losses arising elsewhere than at the *Premises* from which the property is temporarily removed to vehicles licensed for road use in so far as they are insured by this Section.

### 17 Temporary Removal Computer Records

The Insurance of *Data Media* extends to cover such property for an amount not exceeding 10% (ten percent) of the total value of such property whilst temporarily removed to any premises not in the *Insured's* occupation and whilst in transit thereto and therefrom all within the *Territorial Limits*.

### 18 Temporary Removal Documents

Deeds and other documents (including stamps thereon), manuscripts, plans and writings of every description and books (written and printed) are insured for an amount not exceeding 10% (ten percent) of the total value of such property whilst temporarily removed to any premises not in the *Insured's* occupation and whilst in transit thereto and therefrom all within the *Territorial Limits*.

### 19 Temporary Repairs

Within the limits of the *Sum Insured*, this Section extends to include cover for the cost actually incurred by the *Insured* in making temporary repairs to any of the insured *Buildings* and erecting temporary buildings in place of any of the insured *Building(s)* following *Damage* insured hereby.

### 20 Theft Damage to Buildings

Where Buildings are not insured under Item A (*Building(s)*), cover is extended to include *Damage* to Buildings for which the *Insured* is legally responsible as a result of theft or attempted theft involving forcible and violent entry to or exit from Buildings at the *Premises*.

The liability of the *Insurers* under this Extension and this Policy shall not exceed the Total *Sum Insured* by this Section arising out of any one *Occurrence*. Provided that if such *Damage* is insured elsewhere no liability shall be admitted by the *Insurers* under this Extension.

## 21 Trace and Access

In the event of *Damage* during the *Period of Insurance* resulting from escape of water or fuel oil from any tank, apparatus or pipe, the *Insurers* shall pay costs necessarily and reasonably incurred by the *Insured* in locating the source of such *Damage*, and in the subsequent making good of *Damage* caused as a consequence of locating such source, up to an amount of £5,000 any one *Occurrence* and in the aggregate during the *Period of Insurance*.

## 22 Transfer of Interest

It is agreed that notwithstanding General Condition 15 Insurable Interest that, if at the time of *Damage* to any *Building(s)* insured by Item A of this Section, the *Insured* shall have contracted to sell their interest in such *Building(s)* and the purchase shall not have been completed but shall thereafter be completed, the purchaser on the completion of the purchase, if and so far as the property is not otherwise insured by or on behalf of the purchaser against such *Damage*, shall be entitled to the benefit of this Section so far as it relates to such *Damage*, without prejudice to the rights and liabilities of the *Insured* or the *Insurers* under this Section, but only up until the date of completion.

## 23 Workmen

Workmen shall be allowed on the *Premises* for the purpose of carrying out minor repairs, decorations or alterations without prejudice to this Insurance.

## Special Extension

This Special Extension shall only apply if stated as 'Included' in the *Schedule*.

### Subsidence Extension

It is hereby understood and agreed that:

1. Excepted Causes 5 a and 5 b are deleted and of no further effect;
2. this Section is extended to include *Damage* caused by subsidence, landslip or ground heave of any part of the site on which the *Property Insured* stands, excluding *Damage*:
  - a. resulting from:
    - i) collapse, cracking, shrinkage or settlement of *Building(s)* or any part thereof;
    - ii) coastal or river erosion;
    - iii) defective design or workmanship or the use of defective materials, including inadequate construction of foundations;
    - iv) settlement or movement of made up ground;
    - v) the normal settlement or bedding down of new structures;
  - b. to forecourts, car parks, driveways, footpaths, walls, gates, hedges or fences, unless specifically insured hereunder where such *Damage* also affects the *Building(s)* insured herein against such *Damage*;
  - c. which originated prior to the inception of this cover;
  - d. resulting from:
    - i) demolition, construction, structural alteration or repair of any *Building(s)*;
    - ii) groundworks or excavation; at the same *Premises*.
  - e. the first £1000 of each and every loss arising hereunder

### Special Conditions

- a. It is a condition precedent to liability that the *Insured* shall notify the *Insurers* immediately they become aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site.
- b. The *Insurers* shall then have the right to vary the terms or cancel cover in respect of subsidence, ground heave or landslip.

Subject always to the limits, terms, conditions and exclusions of this Section and the Policy

## Section 2

### Business Interruption All Risks

#### The Cover

The *Insurers* will indemnify the *Insured* as stated in the *Schedule* against *Consequential Loss* arising from any accidental *Incident* occurring during the *Period of Insurance* and not otherwise being excluded, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

Provided that:

at the time of the happening of the *Incident* there shall be in force an insurance covering the interest of the *Insured* in the property at the *Premises* against such loss or damage and that:

- a. payment shall have been made or liability admitted therefor; or
- b. payment would have been made or liability admitted therefor but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.

The *Insurers* will also indemnify the *Insured* in respect of Auditor's Fees, subject to the *Sum Insured*.

#### Notes

1. 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.
2. For the purpose of any Definitions applicable to this Section, any adjustment implemented in current cost accounting shall be disregarded.
3. The undefined words in this Section shall have the meaning usually attached to them in the *Insured's* books and accounts.

#### Limit of Liability

The liability of the *Insurers* under this Section shall not exceed in the whole the total *Sum Insured* or the *Sum Insured* in respect of any individual Item or any other limit of liability stated herein or in the *Schedule*.

#### The Excess

The *Insurers* shall not indemnify the *Insured* for the amount of the *Excess*.

#### Section 2 Exclusions

The *Insurers* shall not indemnify the *Insured* for:

1 *Consequential Loss* caused directly or indirectly by or consisting of:

- a. inherent vice, latent defect, gradual deterioration, wear and tear, frost, its own faulty or defective design or materials;
- b. faulty or defective workmanship, operational error or omission on the part of the *Insured* or any of their employees;
- c. the operation of machinery, plant, apparatus or equipment unless such operation is in accordance with the manufacturers' instructions or specification;
- d. explosion occasioned by the bursting of any vessel, machine or apparatus (not being a boiler or economiser on the *Premises*) in which internal pressure is due to steam only and belonging to or under the control of the *Insured*;

but this shall not exclude subsequent *Consequential Loss* which itself results from a cause not being an excepted cause or otherwise excluded.

**2** *Consequential Loss* caused directly or indirectly by or consisting of:

- a. corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, humidity, action of light, marring, scratching, vermin or insects;
- b. change in temperature, colour, flavour, texture or finish;
- c. joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith;
- d. a deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services;

but this shall not exclude:

- i) such *Consequential Loss* which itself results from a *Defined Peril* or from any other accidental loss or damage not otherwise excluded;
- ii) subsequent *Consequential Loss* which itself results from a cause not otherwise excluded.

**3** *Consequential Loss* caused directly or indirectly by or consisting of mechanical or electrical breakdown, derangement or overloading in respect of the particular machine, apparatus or equipment in which such breakdown, derangement or overloading originates but this shall not exclude:

- a. *Consequential Loss* in respect of surrounding property not forming part of the same machine, apparatus or equipment;
- b. such *Consequential Loss* which itself results from a *Defined Peril* or from any other accidental loss or damage not otherwise excluded;
- c. subsequent *Consequential Loss* which itself results from a cause not otherwise excluded.

**4** *Consequential Loss* caused directly or indirectly by or consisting of:

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

**5** *Consequential Loss* caused directly or indirectly by or consisting of:

- a. acts of fraud or dishonesty on the part of the *Insured* or any partner, director or employee of the *Insured*, members of their families or any other person to whom property has been entrusted;
- b. unexplained disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
- c.
  - i) erasure, loss, distortion or corruption of information on computer systems or other records, *Programmes* or *Software* caused deliberately by rioters, strikers, lockedout workers, persons taking part in labour disturbances or civil commotions or malicious persons;
  - ii) other erasure, loss, distortion or corruption of information on computer systems or other records, *Programmes* or *Software* unless resulting from a *Defined Peril* insofar as it is not otherwise excluded.

**6** *Consequential Loss* in respect of buildings or structures caused directly or indirectly by their own collapse or cracking unless resulting from a *Defined Peril* and not otherwise excluded.

**7** *Consequential Loss* in respect of moveable property in the open or in open sided buildings or contained in *Outbuildings*, fences and gates caused directly or indirectly by:

- a. theft or attempted theft;
- b. wind, rain, hail, sleet, snow, flood or dust.

**8** *Consequential Loss* caused directly or indirectly by fire resulting from property undergoing any process involving the application of heat.

**9** *Consequential Loss* resulting from:

- a. property undergoing any process of production;
- b. property undergoing any process of packing, treatment, testing, commissioning, cleaning, servicing, repair or any other process;

but this shall not exclude *Consequential Loss* in respect of surrounding property:

- i) not forming part of the same machine;
- ii) not forming part of the same process of production;
- iii) not forming part of the same process of packing, treatment, testing, commissioning, cleaning, servicing, repair or other process.

**10** *Consequential Loss*:

- a. caused directly or indirectly by escape of water from any tank, apparatus or pipe;
- b. caused directly or indirectly (other than by fire or explosion) by malicious persons not acting on behalf of or in connection with any political organisation;
- c. caused directly or indirectly by freezing;
- d. caused directly or indirectly by theft or attempted theft;

in respect of any *Unoccupied* building.

**11** *Consequential Loss* occasioned by the voluntary parting with title or possession of any property or rights to property.

**12** *Consequential Loss* in respect of:

- a) jewellery, precious stones, precious metals, bullion, furs, curiosities or rare books;
- b) *Glass* or *Sanitary Fittings*;
- c) glass (other than *Glass*), china, earthenware, marble, statuary or other fragile or brittle objects;

but this shall not exclude *Consequential Loss* caused by a *Defined Peril* and not otherwise excluded.

**13** *Consequential Loss* in respect of *Computer Equipment* but this shall not exclude *Consequential Loss* caused by a *Defined Peril* or theft or attempted theft and not otherwise excluded.

**14** *Consequential Loss* in respect of property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection unless specifically mentioned

within the Definition of the *Business* and such sites of construction or erection are specifically mentioned within the Definition of the *Premises* or otherwise added by endorsement to the cover by this Section subject to:

- a) such *Consequential Loss* being caused by a *Defined Peril* and not otherwise excluded;
- b) all other terms, Conditions and Exclusions of the Policy.

**15** *Consequential Loss* in respect of:

- a) land, roads, pavements, piers, jetties, bridges, culverts or excavations;
- b) vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;
- c) livestock, growing crops or trees.

## Item A Income

The Insurance under Item A (*Income*) is limited to:

1. Loss of *Income*; and
2. Increase in Cost of Working.  
The amount payable by the *Insurers* as indemnity there under shall be:
  1. In respect of Loss of *Income*: the amount by which the *Income* during the *Indemnity Period* stated in the *Schedule* shall, in consequence of the *Incident*, fall short of the *Standard Income*;
  2. In respect of Increase in Cost of Working: the additional expenditure necessarily and reasonably incurred by the *Insured* for the sole purpose of avoiding or diminishing the reduction in *Income*, which but for that expenditure would have taken place during the *Indemnity Period* in consequence of the *Incident*, but not exceeding the amount of the reduction in *Income* thereby avoided;

less any sum saved during the *Indemnity Period* in respect of such of the charges and expenses of the *Business* as may cease or be reduced in consequence of the *Incident*.

### Special Condition to Item A – Underinsurance

If the *Sum Insured* under Item A (*Income*) is less than the *Annual Income* (or proportionate to a multiple thereof where the *Maximum Indemnity Period* exceeds 12 (twelve) months), the amount payable by the *Insurers* shall be proportionately reduced.

### Special Provisions to Item A – Income

1. The premium paid for Item A (*Income*) may be adjusted on receipt by the *Insurers* of a declaration of *Income* earned during the financial year most nearly concurrent with the *Period of Insurance*, as reported by the *Insured's* auditors. If any *Incident* shall have occurred giving rise to a claim for loss of *Income*, the above-mentioned declaration shall be increased for the purposes of premium adjustment by the amount by which the *Income* was reduced during the financial year solely in consequence of the *Incident*.
2. If the declaration (adjusted as provided for above and proportionately increased where the *Maximum Indemnity Period* exceeds 12 (twelve) months) is less than the *Income Sum Insured* for the relative *Period of Insurance*, the *Insurers* will allow a pro rata return premium not exceeding 50% (fifty percent) of the premium paid.

## Extensions for Item A (Income)

If stated in the *Schedule* as 'Included' the following Extensions shall apply, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

### 1 Denial of Access

The insurance by Item A (*Income*), extends to include interruption of or interference with the *Business* in consequence of accidental loss, destruction or damage as insured by this Section to any property within 250 metres (two hundred and fifty metres) of the *Premises* which prevents or hinders the use of the *Property Insured* or access to the *Premises* (whether or not the *Property Insured* or the *Premises* suffer similar loss, destruction or damage). The *Insurers* shall not be liable for any claim in excess of £25,000 unless otherwise stated in the *Schedule*.

### 2 Disease, Infestation and Defective Sanitation

The insurance of Item A (*Income*) extends to include interruption of or interference with the *Business* in consequence of the occurrence at the *Premises* of:

- a. murder, suicide or food or drink poisoning;
- b. a notifiable, human, infectious or contagious disease excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition;
- c. vermin, pests or defective sanitation;

which causes restrictions on the use of the *Premises* on the order or advice of the competent local authority; or

- d. accidental loss, destruction or damage as insured by this Section, to the drains or sanitary apparatus at the *Premises* which results in closure of the *Premises* for the *Business*.

The *Insurers* shall not be liable for any claim in excess of 5% (five percent) of the *Sum Insured* under Item A (*Income*) or £25,000 whichever is the lesser unless otherwise stated in the *Schedule*.

#### **Clarification of Notifiable Human Infectious or Contagious Disease**

It is hereby understood and agreed that for the purposes of the cover afforded by this Extension, the reference to a notifiable, human, infectious or contagious disease contained in paragraph b shall be deemed to mean solely the following diseases:

#### **Diseases notifiable under the Public Health (Control of Disease) Act, 1984 or the Public Health (Infectious Diseases) Regulations, 1988, namely:**

Acute encephalitis, Acute poliomyelitis, Anthrax, Cholera, Diphtheria, Dysentery, Food poisoning, Leptospirosis, Malaria, Measles, Meningitis, (Meningococcal, Pneumococcal, Haemophilus influenzae, Viral, Other specified, Unspecified), Meningococcal septicaemia (without meningitis), Mumps, Ophthalmia neonatorum, Paratyphoid fever, Plague, Rabies, Relapsing fever, Rubella, Scarlet fever, Smallpox, Tetanus, Tuberculosis, Typhoid fever, Typhus fever, Viral haemorrhagic fever, Viral hepatitis, Hepatitis A, Hepatitis B, Hepatitis C, Whooping cough and Yellow fever.

No other disease shall be added to the above list without the prior written consent of the *Insurers*.

#### **3 Public Utilities**

The insurance of Item A (*Income*) extends to include interruption of or interference with the *Business* in consequence of accidental loss, destruction or damage as insured by this Section, to property at the premises of the following public utilities in the *Territorial Limits* from which the *Insured* obtains supplies or services:

- a. any generating station or sub-station of the public electricity supply undertaking from which the *Insured* obtains electricity;
- b. any land-based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith from which the *Insured* obtains gas;
- c. any water works or pumping station of the public water supply undertaking from which the *Insured* obtains water;
- d. any land-based telecommunication services to the *Premises*.

The *Insurers* shall not be liable for any claim in excess of 5% (five percent) of the *Sum Insured* under Item A (*Income*) or £25,000, whichever is the lesser, unless as otherwise stated in the *Schedule*.

The *Insurers* shall not be liable for total or partial failure occasioned by strike or lock-out, total or partial withdrawal of labour, or total or partial cessation of work.

#### **4 Unspecified Suppliers and Unspecified Customers**

The insurance of Item A (*Income*) extends to include interruption of or interference with the *Business* in consequence of accidental loss, destruction or damage as insured by this Section to property at the premises of any of the *Insured's* suppliers, manufacturers or processors of components, goods or materials and/or customers, other than as specified herein, within the *Territorial Limits*.

Under this Extension the premises or facilities of any supply undertaking from which the *Insured* obtains electricity, gas, water or telecommunication services shall not be deemed to be the premises of the *Insured's* suppliers, manufacturers or processors.

The *Insurers* shall not be liable for any claim amount in excess of 5% (five percent) of the *Sum Insured* for Item A (*Income*) or £25,000, whichever is the lesser, unless as otherwise stated in the *Schedule*.

## 5 Subsidence

It is hereby understood and agreed that:

1. Exclusions 5 a and 5 b are deleted and of no further effect;
2. This Section is extended to include *Consequential Loss* caused by subsidence, landslip or ground heave of any part of the site excluding *Consequential Loss*:
  - a) resulting from:
    - i) collapse, cracking, shrinkage or settlement of *Building(s)* or any part thereof;
    - ii) coastal or river erosion;
    - iii) defective design or workmanship or the use of defective materials including inadequate construction of foundations;
    - iv) settlement or movement of made up ground;
    - v) the normal settlement or bedding down of new structures;
  - b) forecourts, car parks, driveways, footpaths, walls, gates, hedges or fences, unless specifically insured hereunder where such an *Incident* also affects the *Building(s)* insured herein against such loss, destruction or damage;
  - c) which originated prior to the inception of this cover;
  - d) resulting from:
    - i) demolition, construction, structural alteration or repair of any *Building(s)*;
    - ii) groundworks or excavation;

at the same *Premises*.

### Special Conditions

1. It is a condition precedent to liability that the *Insured* shall notify the *Insurers* immediately they become aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site.
2. The *Insurers* shall then have the right to vary the terms or cancel cover in respect of subsidence, ground heave or landslip.

### Item B Additional Expenditure

The insurance of Item B (Additional Expenditure) is limited to the additional expenditure necessarily and reasonably incurred by the *Insured* in consequence of the *Incident* in order to prevent or minimise the interruption of or interference with the *Business* during the *Indemnity Period* (including the cost of removal to and from temporary premises and expenses incidental thereto, increase in rents, rates and taxes, salaries of additional staff and overtime payments) but only in so far as such additional expenditure is not recoverable under any other Item of this Policy.

The limit of the *Insurers'* liability shall not exceed:

- a) in respect of the first three months of the *Maximum Indemnity Period*: 25% (twenty five percent) of the *Sum Insured* by this Item;
- b) in respect of each subsequent month of the *Maximum Indemnity Period*: that proportion of the remainder of the *Sum Insured* by this Item which one month bears to the remainder of the *Indemnity Period*;
- c) the *Sum Insured* by this Item as stated in the *Schedule*.

### Item C Outstanding Debit Balances

The Insurance of Item C (*Outstanding Debit Balances*) is limited to loss of *Outstanding Debit Balances* incurred by the *Insured* following loss, destruction or damage as insured by this Section to the *Insured's* books of account or other *Business* books or records at the *Premises*, and the maximum liability in respect of any one *Occurrence* shall not exceed whichever is the lesser of the total of:

- a) the difference between the *Outstanding Debit Balances* and the total of the amounts received or traced in respect thereof; and
- b) the additional expenditure necessarily and reasonably incurred with the *Insurers'* prior consent for the sole purpose of tracing and establishing customers' debit balances after the loss, destruction or damage;

or the *Sum Insured*.

Excluding any loss or expenditure arising from bad debts or erasure, distortion or corruption or deliberate falsification of *Business* records.

#### Special Condition to Item C – Outstanding Debit Balances

The *Insured* shall maintain an up-to-date monthly record of all *Outstanding Debit Balances*, and shall either:

- a) keep such record in fire-resisting safe(s) or fire resisting cabinet(s) when not in use; or
- b) keep a duplicate record in a building separate from that in which the working record is kept.

### Item D Loss of Rent Receivable

The Insurance under Item D is limited to:

1. Loss of *Rent Receivable*; and
2. Increase in Cost of Working.  
The amount payable by the *Insurers* as indemnity hereunder shall be:
  - a) In respect of Loss of *Rent Receivable*: the amount by which the *Rent Receivable* during the *Indemnity Period* as stated in the *Schedule* shall, in consequence of the *Incident*, fall short of the *Standard Rent Receivable*;
  - b) In respect of Increase in Cost of Working: the additional expenditure necessarily and reasonably incurred by the *Insured* for the sole purpose of avoiding or diminishing the reduction in *Rent Receivable* which but for that expenditure would have taken place during the *Indemnity Period* in consequence of the *Incident*, but not exceeding the amount of the reduction in *Rent Receivable* thereby avoided;

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

#### Special Condition – Underinsurance

If the *Sum Insured* under this Item D (Loss of *Rent Receivable*) is less than the *Annual Rent Receivable* (or proportionate to a multiple thereof where the *Maximum Indemnity Period* exceeds 12 (twelve) months) the amount payable by the *Insurers* shall be proportionately reduced.

#### Special Provisions to Item D – Loss of Rent Receivable

1. The premium paid for Item D (Loss of *Rent Receivable*) may be adjusted on receipt by the *Insurers* of a declaration of *Rent Receivable* earned during the financial year most nearly concurrent with the *Period of Insurance*, as reported by the *Insured's* auditors. If any *Incident* shall have occurred giving rise to loss of *Rent Receivable*, the above mentioned declaration shall be increased for the purpose of premium adjustment by the amount by which the *Rent Receivable* is reduced during the financial year solely in consequence of the *Incident*.

2. If the declaration (adjusted as provided for above and proportionately increased where the *Maximum Indemnity Period* exceeds 12 (twelve) months) is less than the *Rent Receivable Sum Insured* for the relative *Period of Insurance*, the *Insurers* shall allow a pro rata return premium not exceeding 50% (fifty percent) of the premium paid.

## Section 2 Conditions

The following Conditions are included in this Section.

Any Conditions or Warranties, which are stated in this Policy and/or the *Schedule* as being applicable to Section 1 Property Damage All Risks, shall apply in like manner to this Section.

### 1 Accumulated Stock

In adjusting any loss, account shall be taken, and an equitable allowance made, if any reduction in *Income* due to the *Incident* is postponed by reason of the *Income* being temporarily maintained from accumulated stocks of finished goods.

### 2 Alternative Trading

If during the *Indemnity Period* as stated in the *Schedule* goods shall be sold or services rendered elsewhere than at the *Premises* for the benefit of the *Business*, either by the *Insured* or by others on the *Insured's* behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the *Income* during the *Indemnity Period*.

### 3 Cessation of Business

This Section of this Policy shall be avoided if the *Business* is wound up or carried on by a liquidator, receiver or administrator or permanently discontinued unless this Section's continuance is agreed in writing by the *Insurers*.

### 4 Departmental Clause

If the *Business* is conducted in departments, the independent results of which are ascertainable, Increase in Cost of Working and Loss of *Income* shall apply separately to each department affected by the *Incident*; except that if the *Sum Insured* by the said Item is less than the aggregate of the sums produced by applying the relevant Definition of the Item for each department of the *Business* (whether affected by the *Incident* or not), the amount payable by the *Insurers* shall be proportionately reduced.

### 5 Due Diligence

In the event of an *Incident* that may give rise to a claim under this Section, the *Insured* shall with due diligence take all steps that are reasonably practicable to avoid or minimise any interruption of or interference with the *Business*.

### 6 First Twelve Months Trading

In the event of a claim arising from an *Incident* occurring before the completion of the first 12 (twelve) months trading of the *Business* at the *Premises*, any terms in this Section's Definitions referring to income and outgoings during a prior period of 12 (twelve) months shall be adjusted so as to apply to the income and outgoings during the period from commencement of the *Business* to the date of the *Incident*.

### 7 Payments on Account

Payments on account shall be made by the *Insurers* to the *Insured* during the *Indemnity Period* if required.

### 8 Reinstatement of Limit

In the event of loss or losses occurring under this Section, it is hereby mutually agreed to reinstate the *Sum Insured* of the Item(s) affected to the full amount from the time of the occurrence of such loss or losses until expiry of this Insurance and that an additional premium (calculated at pro rata of the Insurance rate) from the date of such loss or losses to expiry of this Insurance, shall be paid by the *Insured* upon the amount of such loss or losses when such loss or losses is/are settled. However, the liability of the *Insurers* shall never exceed the *Sum Insured* in respect of any one loss.

## Section 3

# Specified Business Equipment All Risks

### The Cover

The *Insurers* will indemnify the *Insured* as stated in the *Schedule* against *Damage* occurring during the *Period of Insurance* and within the *Territorial Limits* as specified against each item number shown in the *Schedule*, including whilst in transit, and arising from any accidental cause not otherwise being excluded, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

### Limit of Liability

The liability of the *Insurers* under this Section shall not exceed the *Sum Insured* in respect of any one Item or any other Limit of Liability as stated in the *Schedule*.

### Basis of Settlement

The amount payable shall be the cost of repair, reinstatement or replacement of the specified *Property Insured* as new without deduction for wear and tear to a condition equivalent to or substantially the same but not better or more extensive than its condition when new, provided that repair, reinstatement or replacement has been effected.

### The Excess

The *Insurers* shall not indemnify the *Insured* for the amount of the *Excess*.

## Section 3 Conditions

### 1 Average

Each item under this Section is declared to be subject to General Condition 6 – Average (unless otherwise stated in the *Schedule*).

### 2 Warranties/Conditions Precedent to Liability

Where *Property Insured* at the *Premises* insured by Section 1 of this Policy is or may be made subject to any Warranty or Condition precedent to liability then the Warranty or Condition precedent to liability shall be deemed to apply in like manner in the event of loss of or damage to *Property Insured* under this Section which occurs at the *Premises*.

## Section 3 Exclusions

**1 Excluded Property** – this Section does not cover (unless specified in the *Schedule*):

- a) *Stock in Trade*;
- b) glass, china, earthenware, marble or other fragile or brittle articles;
- c) moveable property in the open where *Damage* arises as a result of wind, rain, hail, sleet, snow, flood or dust;
- d) property whilst it is operational or being worked upon or undergoing maintenance, repair, restoration or testing;
- e) *Computer Records*.

**2 Excluded Causes** – the *Insurers* shall not indemnify the *Insured* for:

a *Damage* caused by:

- i) inherent vice, latent defect, gradual deterioration, wear, tear, frost, its own faulty or defective design or materials;
- ii) faulty or defective workmanship, operational error or omission on the part of the *Insured* or any of their employees;

but this shall not exclude subsequent *Damage* which itself results from a cause not being an Excluded Cause or otherwise excluded.

**b** *Damage* caused by:

- i) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, change in colour, flavour, texture or finish, dampness, dryness, marring, scratching, dust, chemical action or reaction, pests, vermin or insects;
- ii) change in temperature or atmospheric or climatic conditions;
- iii) mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates and erasure or distortion of data records or systems by electromagnetic flux;

but this shall not exclude

- i) such *Damage* which results from a *Defined Peril* or from any other cause, not being an Excluded cause or otherwise excluded;
- ii) subsequent *Damage* which itself results from a cause not being an Excluded Cause or otherwise excluded.

**c** any loss from an *Unattended* vehicle.

**d** *Damage* caused by:

- i) acts of fraud or dishonesty by the *Insured's* employees;
- ii) unexplained disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
- iii) any process of fitting, testing, servicing, repair, renovation or adjustment.

## Section 4

# Money and Personal Accident Assault

## Section 4A Money

### The Cover

The *Insurers* shall pay for:

1. The loss of current coinage and the other negotiable instruments listed in paragraph 1 of the General Definition of *Money* up to the Limits of Liability as stated below, by any cause not otherwise excluded, whilst in:

### Limits of Liability

- a) the *Premises* during *Business Hours*: **£5,000**
  - b) transit within the *Territorial Limits* or in any bank night safe: **£5,000**
  - c) a locked safe, when outside *Business Hours*, provided the keys or any record of the safe combination are removed from the *Premises* and held in the personal custody of an authorised *Insured Person*: **£1,500**
  - d) the *Premises* outside *Business Hours* and not in a locked safe: **£250**
  - e) the personal custody of the *Insured* or an authorised *Insured Person* in their private dwelling or in transit between such dwelling and the *Premises* and/or as otherwise stated in the *Schedule*: **£500**
  - f) any machine operated by coins, bank notes or credit cards within the *Premises*: **£500**
2. The loss of crossed cheques and the other nonnegotiable instruments listed in paragraph 2 of the General Definition of *Money* by any cause not otherwise excluded whilst within the *Territorial Limits*: **£250,000**
  3. The cost of repair or replacement in the event of loss of, destruction of or damage to safes, strongrooms, tills, cash registers, franking machines and special money-carrying cases if loss, destruction or damage results from the theft or attempted theft of *Money*: **Unlimited**
  4. Losses arising from the fraudulent use by any unauthorised person, other than an employee of the *Insured*, of any credit card issued to the *Insured* for use in the *Insured's Business* up to a limit of £1,000 in respect of any one *Occurrence* and £5,000 in the aggregate during the *Period of Insurance*;

occurring during the *Period of Insurance* subject to the limits, terms, conditions and exclusions of this Section and the Policy.

### Limit of Liability

The liability of the *Insurers* under Section 4A Money shall not exceed any Limit of Liability as stated above or any other limit of liability as stated herein.

### The Excess

The *Insurers* shall not indemnify the *Insured* for the first £100 of each and every loss arising hereunder.

## Section 4A Money Conditions

It is a condition precedent to the liability of the *Insurers* that:

1. any till or cash register on the *Premises* is left open and unlocked and empty of *Money* outside *Business Hours*;

2. *Money* in transit in excess of £2,500 any one transit, must be accompanied by at least 2 (two) able bodied persons:
3. a complete record is kept of all *Money* held by the *Insured*;
4. the *Insured* upon becoming aware of a loss of any credit card shall give immediate notice to the organisation which issued the card.

### **Section 4A Money Exclusions**

Section 4A *Money* does not cover any loss of *Money*:

1. caused by fraud or dishonesty of any *Insured Person* or members of their families or households unless discovered and reported to the Police and the *Insurers* in writing within 7 (seven) days of the actual occurrence;
2. due to shortages from accounting or mysterious or unexplained disappearances, or other error or omission, depreciation in value, counterfeit money, or dishonoured cheques;
3. from an *Unattended* vehicle;
4. from the *Premises* outside of *Business Hours* unless all keys, duplicate keys and combination codes to safes, strongrooms, cash boxes, drawers or filing cabinets from which *Money* was taken were removed from the *Premises* at the time of loss;
5. whilst in the custody of any security company employed by the *Insured* unless specifically mentioned as included up to a Limit of Liability as stated herein and the security company is as agreed by the *Insurers*. However, security companies' contingency cover is granted hereunder in circumstances where loss of, destruction of or damage to *Money* in the custody or control of a security company as agreed by the *Insurers* is not recoverable from such company subject always to the Limits of Liability as stated herein.

## Section 4B Personal Accident Assault

### The Cover

The *Insurers* shall pay for:

1. accidental bodily injury occurring during the *Period of Insurance* to any *Insured Person(s)*, solely as the direct result of *Assault* in the course of his/her duties in the *Business*, anywhere within the *Territorial Limits* up to the amount of *Benefit* as stated in the *Schedule* of Compensation below;
2. any medical expenses incurred by the *Insured Person* following such *Assault*, up to but not exceeding 15% (fifteen percent) of the total amount of any claim admitted by the *Insurers* under Item 2 or 3 of the *Schedule* of Compensation below;
3. *Damage* to clothing of the *Insured Person* as a result of *Assault* in the course of his/her duties in the *Business* anywhere within the *Territorial Limits* up to £250 in respect of any one loss;

subject to the limits, terms, conditions and exclusions of the Section and the Policy.

Schedule of Benefit	Compensation
<b>Item 1</b> Death, <i>Permanent Total Disablement</i> or <i>Permanent Loss of Sight</i> and/or <i>Loss of Limbs</i> :	£10,000 for any one <i>Person Insured</i>
<b>Item 2</b> <i>Temporary Partial Disablement</i> (so long as such <i>Disablement</i> continues):	£100 per week for a maximum of 104 (one hundred and four) consecutive weeks for any single <i>Disablement</i> covered hereunder.
<b>Item 3</b> <i>Temporary Total Disablement</i> (so long as such <i>Disablement</i> continues):	£100 per week for a maximum of 104 (one hundred and four) consecutive weeks for any single <i>Disablement</i> covered hereunder.

### Limit of Liability

The liability of the *Insurers* under Section 4B Personal Accident Assault for any one *Insured Person* shall not exceed the Capital Sum as stated in the *Schedule* of Compensation.

### Section 4B Assault Conditions

1. Benefits shall not be payable by the *Insurers* in respect of the consequences of any one *Assault* involving any one *Insured Person*:
  - a) under more than one of the types of claim in the *Schedule* of Compensation; or
  - b) until the total amount of *Benefit* has been agreed by the *Insurers*.
2. In the event of any bodily injury, the *Insured Person* must place himself/herself under the care of a qualified medical practitioner and act upon such medical or surgical advice as is given as soon as practicable.
3. The *Insured* shall notify the *Insurers* within 7 (seven) days of the incident giving rise to the claim, providing all necessary details and obtaining at the *Insured*'s own expense any medical report(s) as may be required by the *Insurers*.
4. The *Insured Person* shall at the request of the *Insurers* submit himself/herself to medical examination at the expense of the *Insurers* as often as the *Insurers* deem necessary.

5. Notwithstanding anything to the contrary in Condition 1 above, the *Insurers* may at their discretion pay any weekly *Benefit* due at intervals in arrears of not less than 4 (four) weeks, if the *Insured* so requests.
6. *Benefit* shall only be paid by the *Insurers* on production of medical evidence or other such written evidence from a qualified medical practitioner and in the event of Death of an *Insured Person*, the *Insurers* shall be entitled to have a post mortem examination performed.
7. *Benefit* payable by the *Insurers* under Item 2 (two) or 3 (three) of the *Schedule* of Compensation shall not exceed the *Insured Person's* pre-injury weekly earnings from the *Business* of the *Insured Person*.

#### **Section 4B Assault Exclusions**

1. Section 4B Assault does not cover *Benefit*:
  - a) to any person under 16 (sixteen) or over 65 (sixty five) years of age at the commencement of the *Period of Insurance*;
  - b) for death, bodily injury or disablement caused or contributed to by or arising from any pre-existing defect, infirmity or disease.
2. Bodily injury does not include sickness or disease or any naturally occurring condition or degenerative process or the result of a gradually operating cause.

## Section 5

### Professional Indemnity

The *Insurers* will indemnify the *Insured* in respect of:-

#### 1. Legal Liability

claims made against the *Insured* and notified to the *Insurers* during the *Period of insurance* incurred in the conduct of the *Insured's Professional Business* which give rise to a legal liability as a result of:

- (a) breach of professional duty arising out of negligence on the part of:
  - (i) the *Insured*
  - (ii) any *Employee*
- (b) libel and slander committed without intentional malice by
  - (i) the *Insured*
  - (ii) any *Employee*
- (c) any dishonest or fraudulent act or omission on the part of any *Employee*
- (d) any unintentional breach of confidentiality on the part of:
  - (i) the *Insured*
  - (ii) any *Employee*
- (e) any allegation of infringement of copyright, patent or registered design committed in good faith by:
  - (i) the *Insured*
  - (ii) any *Employee*

In the case of any claim arising out of any dishonest or fraudulent act or omission on the part of any *Employee*

- (a) no person committing or condoning such dishonest or fraudulent act or omission shall be entitled to indemnity
- (b) no indemnity shall be provided for dishonest or fraudulent acts committed by any person after discovery by the *Insured* thereof or reasonable cause for suspicion of fraud or dishonesty on the part of that person
- (c) no indemnity shall be provided for dishonest or fraudulent acts committed by any partner or director of the *Insured*
- (d) the following shall be deducted from any amount payable by the *Insurers*:-
  - (i) any monies which, but for such dishonest or fraudulent act or omission would be due from the *Insured* to the person committing or condoning such act or omission
  - (ii) any monies held by the *Insured* and belonging to such person
  - (iii) any monies recovered following action as described in the Claims Conditions.

#### 2. Loss of Documents

any reasonable cost or expense incurred by the *Insured* (and to which the *Insurer* has consented) in replacing and restoring *Documents* either owned by or the responsibility of the *Insured* in the conduct of the *Insured's Professional Business* which are discovered lost or damaged and notified to the *Insurer* during the *Period of Insurance*.

For the purpose of this Clause only, the *Excess* payable by the *Insured* is £1,000, or equivalent currency, and the *Limit of Indemnity* shall be limited to £25,000, or equivalent currency, in all during the *Period of Insurance*. The equivalent currency exchange rate will be fixed at the time of any first payment applicable under this Clause.

### 3. Compensation for Court Attendance

the cost of attendance at any court of any of the under mentioned persons as a witness at the request of the *Insurers* in connection with a claim in respect of which the *Insured* is entitled to indemnity under clause 1 of the Policy Cover at the following rates per day on which attendance is required

- (i) any principal, partner or director of the *Insured* £500
- (ii) any *Employee* £200

#### PROVIDED THAT:

- a. the liability of the *Insurers* in respect of all Policy Cover Clauses, including any Extensions, shall not exceed the *Limit of Indemnity* except that *Defence Costs* shall be paid in addition
- b. if a payment beyond the amount of indemnity available under this Policy has to be made to dispose of a claim, the *Insurers'* liability for *Defence Costs* shall be such proportion as the amount of indemnity available under this Policy bears to the amount payable to dispose of the claim
- c. in respect of any claim, arising under Policy Cover Clause 1 and any Extensions, the *Excess* is payable by the *Insured* and the *Insurers* shall thereafter be liable to indemnify the *Insured* only in excess of such amount.

### Section 5 - CONDITIONS

#### 1. Warranties

It is hereby agreed and warranted that:

- a. the *Insured* must pay to the *Insurers* all premiums due to the *Insurers* together with all taxes due on the premiums
- b. the *Insured* must not notify any claim knowing it to be false or fraudulent as regards amount or otherwise
- c. beginning with the *Insured's Proposal* and continuing to the end of the *Period of Insurance* the *Insured* is under a continuing duty to disclose to the *Insurers* as soon as is reasonably practicable all material changes.

Any breach of Condition 1a, b or c by the *Insured* will entitle the *Insurers* at their discretion to terminate this Policy from the date of inception and all claims shall be forfeited.

#### 2. Claims Conditions Precedent to Liability

The following Conditions are Conditions precedent to the *Insurers'* liability. No claim will be paid unless full and complete adherence to these Conditions is maintained by the *Insured*.

##### (a) Notification

The *Insured* shall give notice to the *Insurers*, as soon as practicable, of:

- (i) any claim made against the *Insured* or
- (ii) any *Circumstance*.
- (iii) the discovery of or any reasonable cause for suspicion of any dishonest or fraudulent act or omission on the part of any *Employee*

Notification of any claim or *Circumstance* is to be made via the Brit Claims Notification Line by:-

- Telephone on 0800 587 6713
- E-mail to britinsurance@cl-claims.com
- Fax on 029 2066 6382
- Post to Brit Insurance, Oakleigh House, 14-16 Park Place, Cardiff, CF10 3DQ

(Notwithstanding anything contained to the contrary, receipt of notice by the *Insured's* Intermediary will not be treated as notice to the *Insurers*).

Provided that such notice as required in 2(a)(ii) or (iii) of this Condition has been given during the *Period of Insurance*, any resultant claim arising from such matters notified, shall be deemed to have been given during the *Period of Insurance*, provided however that this deeming provision shall only have effect if the *Insured* complies within a reasonable time and at their own expense with: -

- (1) the *Insurers'* standard requirement that the notification should state precisely why a claim is likely and if so, from whom, and
- (2) any reasonable request by the *Insurer* for further information in relation to the matters notified and
- (3) any request by the *Insurer* for steps to be taken to reduce or avert the said risk.

For the avoidance of doubt, no other Condition of this Policy shall have the effect of limiting the *Insurers'* right to refuse to give effect to this deeming provision in the event of a failure by the *Insured* to comply with a request under 2(a)(1), (2) and (3) above.

(b) Co-operation

Following notification of a claim or *Circumstance*, the *Insured* shall at their own expense: -

- i. give all information and assistance within timescales reasonably required by the *Insurers* and
- ii. make no admission of liability, arrangement, compromise, offer, promise or payment without the consent of the *Insurers*.
- iii. if the *Insurers* so requests, take all reasonable steps to effect recovery from any person committing or condoning any dishonest or fraudulent act or omission or from the estate and/or legal representatives of such person

### 3. *Insurers' Rights*

Notification

Following the notification of a claim or a *Circumstance* the *Insurers* will be entitled: -

- i) at its discretion, to take over and conduct in the name of the *Insured* the investigation, defence or settlement of any such matter;
- ii) at any time, to pay to the *Insured* the amount of the *Limit of Indemnity* (less the *Excess* and any sum already paid or expended during the *Period of Insurance*) or any lesser amount for which, in the *Insurers'* opinion, any claim or claims can be settled and shall then cease to have conduct and control of the claim or proceedings and be under no further liability in respect of such costs, claim or claims except for *Defence Costs* reasonably incurred prior to the date of such payment for which the *Insurers* are liable. The *Insurers* shall not be responsible for any loss which the *Insured* may claim to have sustained by reason of the *Insurer* having so acted;
- iii) to be subrogated to all rights of recovery the *Insured* may have against any party and the *Insured* shall do nothing to prejudice such rights. It is agreed however that the *Insurers* shall not exercise such rights against any *Employee*

unless such claim has been brought about or contributed to by the dishonest fraudulent criminal or malicious act or omission of the *Employee*.

#### **4. Administrative Conditions**

##### **(a) Policy Disputes**

Any dispute or difference between the *Insured* and the *Insurers* arising from this Policy shall be referred to a Queen's Counsel of the English Bar whose identity shall be mutually agreed upon between the *Insurers* and the *Insured* or to any other party as may be mutually agreed.

The findings of the appointed Queen's Counsel (or the party as may be mutually agreed) shall be binding upon the *Insurers* and the *Insured* and the costs of such an exercise shall be allocated by the Queen's Counsel (or the party as may be mutually agreed) on the basis he/she considers fair and equitable.

#### **SECTION 5 - EXCLUSIONS**

This Section of Cover shall not indemnify the *Insured* in respect of any claim, loss, liability or expense arising directly or indirectly out of :-

##### **1. Asbestos and Toxic Mould**

or in any manner related to, asbestos and Fungi.

For the purposes of this clause, Fungi shall mean any fungus or mycota or any by-product or type of infestation produced by such fungus or mycota, but not limited to mould, mildew, mycotoxins, spores or any biogenic aerosols.

In any claim and in any action, suit or other proceedings to enforce a claim under this Policy, the burden of proving that such claim does not fall within this Exclusion shall be upon the *Insured*.

##### **2. Bodily Injury and Property Damage**

(a) any bodily, mental or emotional injury, sickness, disease or death or

(b) any loss of or damage to property, other than covered under Policy Cover Clause 2

of any third party unless such claim, loss, liability or expense arises from negligent advice, design or specification.

##### **3. Breach of Contract of Employment**

any contract of service or obligation owed by the *Insured* as employer including any claim for wrongful or unfair dismissal.

##### **4. Claims and Circumstances Known at Inception**

any claim or *Circumstance*

(a) known to the *Insured* prior to the inception of this Policy or which in the reasonable opinion of the *Insurers* ought to have been known or

(b) notified to the *Insurer*, or to any other insurer, by the *Insured* under any other insurance prior to the inception of this Policy.

##### **5. Computer Network and Data Corruption**

(a) the corruption, erasure, theft, alteration of, or

(b) the access or lack of access to, or

(c) the interference with electronically held data of or by the *Insured* wholly or partly caused by any computer virus or by any person who is not a partner, director or employee currently employed by the *Insured*.

## 6. Computer Records

loss, distortion or erasure of computer records

- (a) whilst mounted in or on any machine for use or processing unless caused by any negligent act or omission on the part of the *Insured* or
- (b) resulting from wear, tear, vermin or gradual deterioration or
- (c) caused by climatic or atmospheric conditions or extremes of temperature or
- (d) due to the presence of magnetic flux or due to loss of magnetism.

## 7. Controlling Interest/Associated Companies

any claim by

- (a) any parent or subsidiary company of the *Insured* or any company having the same parent company as the *Insured* or
- (b) any other company in which the *Insured* has a majority shareholding in excess of 50% or
- (c) any other company in common ownership with the *Insured*

unless such claim emanates from an independent third party.

## 8. Employers' Liability

bodily injury, sickness, disease or death sustained by any person arising out of and in the course of their employment by the *Insured* in any capacity.

## 9. Geographical and Jurisdiction Limits

- (a) work in connection with any contract performed outside the *Geographical Limits* or
- (b) any judgement, award, payment, or settlement made within countries which operate under the laws of the United States of America or Canada or
- (c) any order made anywhere in the World to enforce any judgement, award, payment or settlement either in whole or in part, made in the courts of or under the laws of the United States of America or Canada.

## 10. Insolvency

the insolvency, bankruptcy or liquidation of the *Insured*.

## 11. Nuclear Risks and War/Terrorist Risks

or caused by or contributed to by

- (a) ionising radiations or contamination by radioactivity from any nuclear fuel, waste or substance or
- (b) the radioactive, toxic, explosive or other hazardous properties of any explosive, nuclear assembly or nuclear component thereof
- (c) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, riot, civil commotion assuming the proportion of or amounting to a popular uprising, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority, or

(d) any act or acts, or threat thereof, of terrorism, force or violence for political, religious or other ends directed towards the overthrowing or influencing of the government, or for the purpose of putting the public in fear, by any person or persons acting alone or on behalf of or in connection with any organisation.

In any claim and in any action, suit or other proceedings to enforce a claim under this Policy, the burden of proving that such claim does not fall within this Exclusion shall be upon the *Insured*.

In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall continue in full force and effect.

## **12. Other Insurance**

a situation where the *Insured* is entitled to indemnity under any other insurance except in respect of any sum beyond the amount which would have been payable under any such other insurance had this Policy not been effected.

## **13. Pollution**

pollution, seepage or contamination, howsoever caused

## **14. Punitive or Exemplary Damages**

An fines, penalties, punitive or exemplary damages, liquidated damages / aggravated / restitutionary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages.

## **15. Retroactive Date**

Any act, error or omission committed or alleged to have been committed prior to the Retroactive Date (if any) specified in the *Schedule*.

## **16. Supply of Goods**

The manufacture, construction, alteration, repair, servicing or treating of any goods or product sold, supplied or distributed by the *Insured* even though the same might be carried on by the *Insured* in conjunction with their *Professional Business*.

## **17. Warranty or Guarantee**

the giving by the *Insured* of any warranty, indemnity or guarantee or financial obligation assumed by the *Insured* under contract unless such liability would have attached to the *Insured* notwithstanding such express agreement.

## Section 6

# Terrorism

## The Cover

The *Insurers* shall indemnify the *Insured* against *Damage* to the *Property Insured* under Section 1 Property Damage All Risks and Section 3 Specified *Business Equipment All Risks* and/or any *Consequential Loss* under Section 2 Business Interruption All Risks, resulting therefrom insofar and to the extent that it is stated as being insured in the *Schedule* to this Section in Great Britain (meaning England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 or any subsequent amending legislation and not the Isle of Man or the Channel Islands) caused by an Act of *Terrorism* certified as such by Her Majesty's Government or Her Majesty's Treasury or any successor or other relevant authority, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

## Limit of Liability

The liability of the *Insurers* under this Section in respect of any one *Occurrence* and in the aggregate during the *Period of Insurance* shall not exceed the Limits of Liability as stated in the *Schedule*; and in any action, suit or other proceedings where the *Insurers* allege that any claim hereunder is not covered by this Section of this Policy (or is covered only up to a Limit of Liability as stated in the *Schedule*), the burden of proving that such claim hereunder is covered (or is covered beyond that Limit of Liability) shall be upon the *Insured*.

## Section 6 Conditions

The insurance provided by this Section shall be subject to all limits, terms, conditions and exclusions of this Policy except that the following shall not apply:

- 1 any long term agreement or undertaking;
- 2 any terms in the Policy which provide for adjustments of premium based upon declarations on expiry or during the *Period of Insurance*;
- 3 any extension of *Premises* to locations outside England and Wales and Scotland; 4 any General or Section Exclusions elsewhere in this Policy (other than those stated as Section 6 Exclusions).

## Section 6 Exclusions

This Section does not cover any claim of whatsoever nature directly or indirectly caused by or occasioned by or happening through or in consequence of:

- 1 Chemical, biological or radioactive contamination from:
  - a. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
  - b. ionising radiation or contamination by radioactivity or from the combustion of any radioactive material;
  - c. chemical and/or biological and/or radiological irritants contaminants or pollutants;

in respect only of residential property houses and blocks of flats and other dwellings insured in the name of a private individual.

- 2 Riot, civil commotion, war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law, confiscation or nationalisation or requisition or seizure or destruction of or damage to property by or under the order of any Government or public or local authority.

3 Arising out of Marine, Aviation, Transit and Motor Certificates or Policies.

4 Electronic, digital or cyber risks that is any loss whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:

- a. damage to any computer or other equipment or component or system or item which processes, stores, transmits or receives data or any part thereof, whether tangible or intangible (including but without limitation any information or *Programme(s)* or *Software*) and whether the property of the *Insured* or not, where such damage is caused by *Virus or Similar Mechanism* or *Hacking or Denial of Service Attack*; or
- b. *consequential loss* directly or indirectly caused by or arising from *Virus or Similar Mechanism* or *Hacking or Denial of Service Attack*.

## Section 7

# Employers' Liability

### The Cover

The *Insurers* shall indemnify the *Insured* and any *Additional Insured*:

1. against legal liability for damages and claimant's costs and expenses in respect of *Injury* sustained by any *Person Employed* caused during the *Period of Insurance* within the *Territorial Limits* and arising out of and in the course of employment by the *Insured* in the *Business*;
2. in respect of *Legal Costs* in connection with any *Event* which is or may be the subject of indemnity under 1 above.

The *Insurers* shall not indemnify the *Insured* in respect of any judgement, award or settlement made in any country or territory outside Great Britain, Northern Ireland, the Channel Islands, the Isle of Man or in respect of any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part unless the *Insured* has requested that there shall be no such limitation and has accepted the limits, terms, conditions and exclusions offered by the *Insurers* in granting such cover, which offer and acceptance must be signified by an Endorsement attaching to this Policy.

### Limit of Liability

Irrespective of:

1. the number of parties and/or entities entitled to indemnity;
2. the number of claimants;

the liability of the *Insurers* under this Section including all Extensions in respect of or arising from any one claim or series of claims against the *Insured* arising out of one *Event* shall not exceed the Limit of Liability as stated in the *Schedule*.

Notwithstanding the provisions of General Exclusion 11 *Terrorism*, this Section provides cover against legal liability for damages and claimant's costs and expenses in respect of *Injury* sustained by *Persons Employed* caused as a result of *Terrorism* during the *Period of Insurance* within the *Territorial Limits* up to a limit of £5,000,000 in respect of any one *Event*.

### Section 7 Extension

The following Extensions shall apply, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

#### 1 Unsatisfied Court Judgements

If a judgement for damages obtained:

- a. by any *Person Employed* or the personal representative(s) of any *Person Employed* in respect of *Injury* sustained by the *Person Employed* caused during the *Period of Insurance* and arising out of and in the course of employment by the *Insured* in the *Business*;
- b. against any company, partnership or limited liability partnership or individual operating from premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man;

in any court within the territories specified in b above remains unsatisfied in whole or in part 6 (six) months after the date of such judgement, then at the request of the *Insured* the *Insurers* shall pay to the *Person Employed* or the personal representative(s) of the *Person Employed* the amount of any such damages and any awarded costs and expenses (but excluding any interest which may accrue after the day of judgement) to the extent that they remain unsatisfied provided that there is no appeal outstanding against the judgement.

If any payment is made by the *Insurers* under the terms of this Extension, the *Person Employed* or the personal representatives of the *Person Employed* shall assign the benefit of the unsatisfied amount of the judgement and awarded costs and expenses to the *Insurers* and will give all information and assistance required.

## **2 Contractual Liability**

We will indemnify the *Insured* against liability imposed on *You* solely by reason of the terms of any agreement provided that the conduct and control of any claim is vested in *Us*.

We will not provide indemnity in respect of any agreement for or including the performance of work outside the *Territorial Limits*.

## **Section 7 Exclusions**

This Section shall not apply to legal liability for damages and claimant's costs and expenses and/or *Legal Costs* in respect of:

### **1. Road traffic legislation:**

*Injury* for which the *Insured* is required to arrange motor insurance or security in accordance with any road traffic legislation within the *Territorial Limits*.

### **2. Offshore work:**

*Injury* sustained by any *Person Employed* whilst *Offshore*.

### **3. Medical and repatriation costs:**

- a. medical costs or medical expenses;
- b. repatriation costs or repatriation expenses; incurred by any *Person Employed* whilst outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

### **4. Supervision Direction or Control**

Notwithstanding the General Definition of Employee this Section 7 does not provide any indemnity in respect of any contract where the *Insured* is responsible for any supervision, direction or control of any individual or group of individuals placed on a temporary contract or assignment.

## **Section 7 Condition**

The indemnity granted by Section 7 of this Policy is deemed to be in accordance with the requirements of any legislation enacted in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man relating to the compulsory insurance of legal liability to employees. The *Insured* shall repay to the *Insurers* all sums paid under this Policy which the *Insurers* would not have been liable to pay but for the provisions of such legislation.

## Section 8

### Public Liability

#### The Cover

The *Insurers* shall indemnify the *Insured* and any *Additional Insured*:

1. against legal liability for damages and claimant's costs and expenses in respect of:
  - a. accidental *Injury* sustained by any person;
  - b. accidental *Damage to Property*;
  - c. accidental *Nuisance*;

occurring during the *Period of Insurance* within the *Territorial Limits* in connection with the *Business*.

2. in respect of *Legal Costs* in connection with any *Event* which is or may be the subject of indemnity under 1 above.

The *Insurers* shall not indemnify the *Insured* in respect of any judgement, award or settlement made in any country or territory which operates under the laws of the United States of America or Canada or in respect of any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part unless the *Insured* has requested that there shall be no such limitation and has accepted the limits, terms, conditions and exclusions offered by the *Insurers* in granting such cover which offer and acceptance must be signified by an Endorsement attaching to this Policy.

#### Limit of Liability

1. Irrespective of:
  - a. the number of parties and/or entities entitled to indemnity;
  - b. the number of claimants;

the liability of the *Insurers* under this Section including all Extensions in respect of any one *Event* shall not exceed the Limit of Liability as stated in the *Schedule*.

2. *Legal Costs* payable by the *Insurers* shall be paid in addition to the Limit of Liability unless as otherwise stated in the *Schedule*, provided that:
  - a. if a payment of damages and/or claimant's costs and expenses exceeding the Limit of Liability has to be made by the *Insurers* to dispose of any claim;

and

  - b. the *Insurers* are liable to pay *Legal Costs* in addition to the Limit of Liability;

then the liability of the *Insurers* for *Legal Costs* shall be limited to such proportion as the Limit of Liability bears to the amount paid by the *Insurers* to dispose of such claim.

Nothing contained in this clause shall be construed to vary or override Condition 2 of Sections 7, 8 and 9 of this Policy.

## Section 8 Extensions

The following Extensions shall apply, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

### 1 Cross Liabilities

If the *Insured* comprises more than one party and/or entity the *Insurers* shall indemnify each in the same manner and to the same extent as if a separate Policy had been issued to each.

Provided that the liability of the *Insurers* shall not exceed the Limit of Liability stated in the *Schedule* regardless of the number of parties and/or entities entitled to indemnity.

### 2 Contingent Motor Liability

Notwithstanding Section Exclusion 4, the *Insurers* will indemnify the *Insured* (and no other) against legal liability for damages and claimant's costs and expenses arising out of the use and in the course of the *Business* of any mechanically propelled vehicle not the property of nor provided by the *Insured*.

This Extension shall not apply to legal liability for damages and claimant's costs and expenses:

- a. arising while such vehicle is being driven by the *Insured* or any *Additional Insured* ;
- b. in respect of loss of or damage to such vehicle or to any property conveyed therein;
- c. arising out of the use of any such vehicle owned or provided by any principal for whom the *Insured* is working or any subcontractor acting for or on behalf of the *Insured*;
- d. arising outside Great Britain, Northern Ireland, the Isle of Man and the Channel Islands;
- e. notwithstanding Condition 3 to Sections 7, 8 and 9, where indemnity is provided by any other insurance;
- f. caused or arising whilst such vehicle is engaged in racing, pace-making, reliability trials or speed testing;
- g. caused or arising whilst such vehicle is being driven with the general consent of the *Insured* or his representative by any person who to the knowledge of the *Insured* or other such representative does not hold a licence to drive such a vehicle, unless such person has held and is not disqualified from holding or obtaining such a licence.

### 3 Overseas Personal Liability Indemnity

The *Insurers* shall indemnify the *Insured* and if the *Insured* so requests any director or partner of the *Insured* or *Person Employed* against legal liability for damages and claimant's costs and expenses incurred in a personal capacity while temporarily outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man but excluding any country or territory which operates under the law of the United States of America or Canada in connection with the *Business*.

This Extension will not apply to legal liability for damages and claimant's costs and expenses:

- a. arising out of the ownership or occupation of land or buildings;
- b. notwithstanding Condition 3 to Sections 7, 8 and 9, where indemnity is provided by any other insurance.

### 4 Data Protection

The *Insurers* shall indemnify the *Insured* and, if the *Insured* so requests any director or partner of the *Insured* or *Person Employed* against legal liability for damages and claimant's costs and expenses arising out of any claim under Section 13 of the Data Protection Act 1998, or any subsequent amending legislation first made against the *Insured* during the *Period of Insurance*. For the purposes of this Extension only damage and/or distress within the meaning of such Act shall be deemed to be *Injury* provided that the *Insured*:

- a. is registered in accordance with the terms of such Act or has applied for registration, which has not been refused or withdrawn;
- b. has taken all reasonable care to comply with the requirements of such Act.

This Extension shall not apply to:

- i) the costs of replacing, reinstating, rectifying or erasing data;
- ii) legal liability for damages and claimant's costs and expenses arising from or caused by any deliberate act or omission of the *Insured* or any person entitled to indemnity if the result thereof could reasonably have been expected by the *Insured* or such other person having regard to the nature and circumstances of such act or omission;
- iii) fines or penalties of any kind;
- iv) claims arising out of circumstances notified to previous insurers or known to the *Insured* at the inception of this Policy;
- v) legal liability for damages and claimant's costs and expenses in respect of which indemnity is provided by any other insurance.

### **5 Defective Premises Act**

The *Insurers* shall indemnify the *Insured* against damages and claimant's costs and expenses arising out of legal liability in respect of accidental Injury or accidental *Damage to Property* incurred by the *Insured* by virtue of Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with premises disposed of by the *Insured*.

This Extension will not apply to legal liability:

- a. for the costs of remedying any defect or alleged defect in premises disposed of by the *Insured*;
- b. notwithstanding Condition 3 to Sections 7, 8 and 9, where indemnity is provided by any other insurance.

### **6 Indemnity to Principals**

The Definition of *Additional Insured* extends to include any Principal for whom the *Insured* is carrying out a contract but only to the extent required by such contract and only if the *Insured* would have been entitled to indemnity under this Policy notwithstanding such a contract provided that the Principal will comply with and be subject to all terms, conditions and exclusions in this Policy and the full conduct and control of all claims is vested in the *Insurers*.

### **7 Wrongful Arrest**

This Section is extended to include the *Insured's* liability arising out of wrongful detention, false or malicious arrest, malicious prosecution or false imprisonment arising out of any accusation of shoplifting, theft, dishonesty or other improper conduct by any person and occurring on or about the *Premises*.

The liability of *Insurers* under this Extension shall not exceed the sum of £50,000 during any one *Period of Insurance*.

### **8 Contractual Liability**

We will indemnify the *Insured* against liability imposed on You solely by reason of the terms of any agreement provided that the conduct and control of any claim is vested in Us.

We will not provide indemnity in respect of any agreement for or including the performance of work outside the Territorial Limits.

## Section 8A Drivers Negligence Extension

(Operative only if shown in the *Schedule*)

In the event of *Damage* to a vehicle which arises whilst the vehicle is being driven by a temporary worker supplied by the *Insured* in connection with a specific contract as notified to *Us* and which occurs during the *Period of Insurance* within the *Territorial Limits*

### Indemnity

In respect of *Damage* we will provide indemnity arising from

1. Legal Liability for Accidental Loss of or Damage to a vehicle up to the Limit of Indemnity in the *Schedule*
2. Costs incurred in removing a disabled vehicle to the nearest repairer

The maximum amount we will pay in the event of total loss or destruction of the vehicle shall be the market value of the vehicle immediately prior to the loss or destruction but not exceeding in total the Limit of Indemnity shown in the *Schedule*

### Exceptions

We will not be liable under this extension for

1. Loss of use depreciation wear and tear and claims in respect of mechanical or electrical breakdown failures or breakages unless caused by the negligent acts or omissions of the temporary worker supplied by the *Insured*;
2. Damage to tyres by application of the brakes or by punctures cuts or bursts;
3. Loss or damage caused by climatic or atmospheric conditions or extremes of temperature;
4. Loss of or damage to any device designed for the purpose of transmitting or receiving radio signals;
5. Loss or damage caused by or happening through deterioration, rust, corrosion, inherent defect or any process of cleaning, restoration, alteration or repair;
6. Loss or damage caused by any wilful act by *You* or temporary worker supplied by *You*;
7. Loss or damage occasioned by racing pacemaking or speed testing;
8. Theft of accessories and/or spare parts except in conjunction with a total loss;
9. Any liability which attributes by virtue of an agreement but which would not have attached in the absence of such agreement;
10. The amount of any *Excess* shown in the *Schedule* as applying to this Extension
11. Any loss or *Damage* arising from the driving of a vehicle by a person;-
  - a. Under the age of 23 years;
  - b. Who does not hold a full driving licence clear of endorsements other than endorsements for speeding and/or parking offences up to a maximum of nine points;
  - c. Who has not held a valid licence appropriate for the vehicle in use for at least two years;
  - d. Who has not worked as a driver for at least 180 days in the last 24 months;
12. Loss or damage caused by or happening through the operation or use of any plant, lifting gear or fork lift truck attached to the vehicle.

Cover under this Extension is subject otherwise to the terms Exceptions and Conditions of this Policy

## Section 8B - Fidelity Bonding Extension

(Operative only if shown in the *Schedule*)

We will indemnify the *Insured* against

- (a) legal liability for any loss sustained which arises out of any act of dishonesty by any temporary worker supplied by the *Insured*;
- (b) liability assumed by the *Insured* under contract for any act of dishonesty by any temporary worker supplied by the *Insured*;

provided that:-

- (i) *Our* liability shall not exceed the Limit of Indemnity shown in the *Schedule* in respect of this Extension;
- (ii) in respect of liability assumed by the *Insured* under contract such contractual agreement shall be in the form of an amendment to the *Insured's* normal terms of business as notified to and accepted by *Us*;
- (iii) unless specifically agreed otherwise the indemnity by this Extension excludes all claims arising from loss of cash, bank currency, promissory notes, securities for money, deeds, bonds, bills of exchange, stamps, medals, coins, jewellery, furs, gold, silver, precious metals, gems, precious stones or articles composed of any of these;
- (iv) written notice is provided to the *Insured* by their Client within seven days of an occurrence likely to give rise to a claim;
- (v) the client of the *Insured* has operated their same system of check supervision and security arrangements in respect of the temporary worker(s) supplied by the *Insured* as that operated for an employee of the client
- (vi) the temporary worker(s) alleged to be involved in any act of dishonesty shall be capable of being prosecuted to conviction in connection with the alleged act

## Section 8 Exclusions

This Section shall not apply to legal liability for damages and claimant's costs and expenses and/or *Legal Costs*:

### 1 Injury Sustained by Persons Employed

for *Injury* sustained by any *Person Employed* arising out of and in the course of employment by the *Insured* in the *Business*.

### 2 Product

directly or indirectly caused by, arising from or in connection with any *Product(s)* (other than food or drink for consumption on the *Insured's Premises*).

### 3 Pollution or Contamination

directly or indirectly caused by, arising from or in connection with *Pollution* or *Contamination*.

### 4 Vehicles

arising out of the ownership, possession or use of any mechanically propelled vehicle by or on behalf of the *Insured* in circumstances where insurance or security is required under the provisions of any road traffic legislation but this Exclusion shall not apply to:

- a. mechanical plant while operating as a tool of trade;
- b. the loading or unloading of any vehicle; except in respect of legal liability for which:
  - i) insurance or security is required by law;
  - ii) indemnity is provided by any motor insurance contract.

### **5 Vessels and Craft**

arising out of the ownership, possession or use by or on behalf of the *Insured* of any vessel or craft designed to travel in, on or through water and/or air and/or space but this Exclusion shall not apply to waterborne craft not exceeding 4 (four) metres in length in inland or United Kingdom territorial waters.

### **6 Property in the Care, Custody or Control of the Insured**

in respect of *Damage to Property* which at the time of the *Event* giving rise to such liability is the property of or held in trust by or in the care, custody or control of the *Insured* or any *Person Employed* other than:

- a. personal effects including vehicles and their contents of any *Person Employed* or any director or partner of or visitor to the *Insured*;
- b. premises including their contents not owned by or leased or rented to the *Insured* but temporarily occupied by the *Insured* for the purposes of undertaking work in connection with the *Business*;
- c. premises and their fixtures and fittings leased or rented to the *Insured* provided that where such liability has been accepted by agreement, indemnity shall only be provided by the *Insurers* to the extent that such liability would have attached in the absence of the said agreement.

### **7 Work Offshore**

arising from or in connection with any work undertaken *Offshore*.

### **8 Supervision Direction or Control**

Notwithstanding the General Definition of Employee Section 8 does not provide any indemnity in respect of any contract where the *Insured* is responsible for any supervision, direction or control of any individual or group of individuals placed on a temporary contract or assignment.

## Section 9

### Products Liability

#### The Cover

The *Insurers* shall indemnify the *Insured* and any *Additional Insured*:

1. against legal liability for damages and claimant's costs and expenses in respect of:
  - a. accidental *Injury* sustained by any person;
  - b. accidental *Damage to Property*; happening during the *Period of Insurance* and caused by any *Product(s)*.
2. in respect of *Legal Costs* in connection with any *Event* which is or may be the subject of indemnity under 1 above.

The *Insurers* will not indemnify the *Insured* in respect of any judgement, award or settlement made in any country or territory which operates under the laws of the United States of America or Canada or in respect of any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part unless the *Insured* has requested that there shall be no such limitation and has accepted the limits, terms, conditions and exclusions offered by the *Insurers* in granting such cover, which offer and acceptance must be signified by an Endorsement attaching to this Policy.

#### Limit of Liability

1. Irrespective of:
  - a. the number of parties and/or entities entitled to indemnity;
  - b. the number of claimants;

the total amount payable by the *Insurers* under this Section including all Extensions in respect of any one *Event* and in the aggregate shall not exceed the Limit of Liability as stated in the *Schedule* and in the aggregate.
2. *Legal Costs* payable by the *Insurers* shall be paid in addition to the Limit of Liability unless as otherwise stated in the *Schedule* provided that:
  - a. if a payment of damages and/or claimant's costs and expenses exceeding the Limit of Liability has to be made by the *Insurers* to dispose of any claim; and
  - b. the *Insurers* are liable to pay *Legal Costs* in addition to the Limit of Liability;

then the liability of the *Insurers* for *Legal Costs* shall be limited to such proportion as the Limit of Liability bears to the amount paid by the *Insurers* to dispose of such claim. Nothing contained in this clause shall be construed to vary or override Condition 2 of Sections 7, 8 and 9 of this Policy.

#### Section 9 Extension

The following Extension shall apply, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

##### 1. Consumer Protection Act and Food Safety Act Legal Defence Costs

The *Insurers* shall indemnify the *Insured* and, if the *Insured* so requests any *Person Employed* or any director or partner of the *Insured* in respect of *Legal Costs* incurred with the written consent of the *Insurers* in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of:

- a. Part 2 of the Consumer Protection Act 1987; or
- b. Part 2 of the Food Safety Act 1990; arising out of the *Business*.

This Extension will not apply:

- a. to fines or penalties of any kind;

- b. to proceedings consequent upon any deliberate act or omission by:
  - i) the *Insured*; or
  - ii) any partner or director or *Person Employed* of the *Insured*;

which could reasonably have been expected to constitute a breach of applicable legislation having regard to the nature and circumstances of such act or omission;

- c. notwithstanding Condition 3 to Sections 7, 8 and 9, where indemnity is provided by any other insurance.

## Section 9 Exclusions

This Section shall not apply to legal liability for damages and claimant's costs and expenses and/or Legal Costs:

### 1 Product(s)

- a. in respect of loss of or damage to any *Product(s)* caused by any defect therein or the unsuitability thereof for its intended purpose;
- b. in respect of the costs of recall, removal, repair, alteration, reconditioning, replacement, reinstatement, reduction in value or making any refund in respect of any *Product(s)* caused or necessitated by the defective condition or unsuitability of any *Product(s)* or part of such *Product(s)* to fulfil its intended purpose;

### 2 Aircraft and Marine Products

arising from or in connection with any *Product(s)* which to the knowledge of the *Insured* is or are for use in or incorporation into any craft designed to travel in, on or through air or space or in the safety or navigation of marine craft of any sort;

### 3 Pollution or Contamination

directly or indirectly caused by, arising from or in connection with *Pollution* or *Contamination*;

### 4 Contractual Liability

in respect of liability assumed under contract or agreement which would not have attached in the absence of such contract or agreement;

### 5 Food and Drink

directly or indirectly caused by, arising from or in connection with food or drink for consumption on the *Insured's Premises*.

## Sections 7, 8 and 9 Extensions

The following Extensions shall apply, subject always to the limits, terms, conditions and exclusions of Sections 7, 8 and 9 and the Policy.

### 1 Health and Safety at Work Legal Defence Costs

Subject to the written consent and the control of the *Insurers*, the *Insurers* shall indemnify the *Insured* and if the *Insured* so requests any *Person Employed* or director or partner of the *Insured* in respect of *Legal Costs* incurred in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of any Applicable Legislation provided that the proceedings relate to both the health and safety and welfare of any *Person Employed* and an offence is alleged to have been committed during the *Period of Insurance* in the course of the *Business*.

This Extension shall not apply to:

- a. fines or penalties of any kind;
- b. proceedings consequent upon any deliberate act or omission by:
  - i) the *Insured*; or
  - ii) any partner, director or *Person Employed* of the *Insured*;

which could reasonably have been expected to constitute a breach of the Applicable Legislation having regard to the nature and circumstances of such act or omission;

- c. where indemnity is provided by any other Insurance.

For the purposes of this Extension "Applicable Legislation" shall mean:

- i) the Health & Safety at Work Act 1974 and any amending and/or subsequent legislation;
- ii) the Health & Safety at Work (Northern Ireland) Order 1978 and any amending and/or subsequent legislation.

## 2 Compensation for Court Attendance

If at the request of the *Insurers* any director or partner of the *Insured* or any *Person Employed* shall attend court as a witness in connection with a claim in respect of which the *Insured* is entitled to indemnity under these Sections the *Insurers* shall provide compensation to the *Insured* at the following rates per day for each day on which attendance is required.

Any director or partner of the *Insured* **£500**

Any other *Person Employed* **£250**

## Sections 8 and 9 Extension

The following Extension shall apply, subject always to the limits, terms, conditions and exclusions of Sections 8 and 9 and the Policy.

### 1 Pollution or Contamination

Notwithstanding Exclusion 3 of Section 8 and Exclusion 3 of Section 9 the *Insurers* will indemnify the *Insured* and any *Additional Insured* against legal liability for damages and claimant's costs and expenses in respect of *Pollution or Contamination* within the *Territorial Limits* in connection with the *Business* provided always that:

**a** *Pollution or Contamination* is caused by a sudden, identifiable, unintended and unexpected happening, which takes place in its entirety at a specific time and place during the *Period of Insurance*;

**b** No indemnity shall be provided in respect of activities commenced by or on behalf of the *Insured* prior to inception of the *Period of Insurance* or any period of continuous Insurance prior to inception of the *Period of Insurance* placed under Thistle Insurance Services Ltd.

All *Pollution or Contamination* which arises out of a sudden, identifiable, unintended and unexpected happening, which takes place in its entirety at a specific time and place during the *Period of Insurance* shall be deemed by the *Insurers* for the purposes of this Policy to have been caused at the time such happening takes place.

The total liability of the *Insurers* for all events agreed by the *Insurers* to have happened during the *Period of Insurance* stated in the *Schedule* in respect of *Pollution or Contamination* shall not exceed the Limit of Liability specified in the *Schedule* for Section 8 in the aggregate for Sections 8 and 9 in respect of the *Period of Insurance*, inclusive of *Legal Costs*.

## Sections 7, 8 and 9 Conditions

### 1 Excess(es)

No indemnity shall be provided until the applicable *Excess(es)* for any claim has been paid to and received by the *Insurers*.

### 2 Discharge of Liability

In respect of any claim(s) against the *Insured* to which a Limit of Liability applies, the *Insurers* may at any time pay the amount of such Limit after deduction of any sums already paid or incurred or any lesser amount for which at the absolute discretion of the *Insurers*, such claim(s) can be settled. The *Insurers* shall relinquish control of the said claim(s) and be under no further liability in respect thereof except for *Legal Costs* for which the *Insurers* may be responsible prior to the date of such payment unless the Limit of Liability is inclusive of *Legal Costs*.

### 3 Other Insurances

If at the time of any claim(s) covered by this Policy there is, or but for the existence of this Policy would be any other insurance covering the same legal liability the indemnity afforded by this Policy will not apply except in respect of any amount beyond that which would have been payable under such other insurance had this Policy not been effected and shall be subject to the Limit of Liability as stated in the *Schedule*.

## Sections 7, 8 and 9 Exclusions

Sections 7, 8 and 9 of this Policy shall not apply to legal liability:

### 1 Radioactive Contamination

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

- a. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- b. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- c. the radioactive, toxic, explosive or other hazardous or contaminating properties of any explosive nuclear installation, reactor or other nuclear assembly or nuclear component thereof;

but in respect of Section 7 only, this Exclusion shall apply only where such legal liability is:

- i) that of any principal;
- ii) accepted under agreement and would not have attached in the absence of such agreement.

### 2 Punitive and Exemplary Damages

for punitive, exemplary or aggravated damages or any damages resulting from the multiplication of compensatory damages or any compensation ordered by the Criminal Courts.

### 3 Fines, Liquidated Damages, Penalty Clauses and Performance Warranties

for fines, liquidated damages, penalty clauses or performance warranties.

### 4 Defamation

in respect of any form of defamation.

### 5 Professional Services

arising from or in connection with:

- a. advice;
- b. design;
- c. specification;

provided for a fee.

### 6 Excess(es)

for the amount of the *Excess(es)* for each Operative Section.

### 7 Employment Practice Liability

directly or indirectly occasioned by, happening through or in consequence of any claim for breach of employment contract, defamation, discrimination and/or harassment and/or in relation to the hiring, supervision, retention and/or personal development of any director or partner of the *Insured* and/or *Persons Employed* howsoever arising.

### 8 Inhalation of Asbestos

directly or indirectly caused by or contributed to, by or arising from the handling, removal, stripping out, demolition, transportation or disposal of asbestos or materials containing asbestos fibre.

However, where such activities do not form any part of the *Insured's* normal activities this Exclusion shall not apply to legal liability arising from:

- a. the accidental discovery of materials known or suspected to be asbestos or to contain asbestos fibre;
- b. the investigation of any such suspect materials;

Provided always that:

- i) immediately upon discovery as defined in **a** above all work ceases until the composition of all such materials is established;
- ii) any subsequent handling, removal, stripping out, demolition, transportation or disposal of asbestos or materials containing asbestos fibre requiring license is carried out by qualified licensed subcontractors on terms which indemnify the *Insured* for liability arising out of such work.

Notwithstanding the provisions of this Exclusion the cover provided against legal liability for damages and claimant's costs and expenses in respect of Injury sustained by *Persons Employed* is limited to £5,000,000 any one *Event*.

### **9 North American Absolute Environmental Impairment Exclusion**

with regard to all operations located within the United States of America or Canada:

- a. for *Injury* or financial loss, loss of or damage to, or loss of use of property directly or indirectly arising out of the actual, alleged or threatened discharge, dispersal, release or escape of *Pollutants*:
  - i) at or from premises that are the property of, rented or occupied by the *Insured*;
  - ii) at or from any site or location used by or for the *Insured* or others for the handling, storage, disposal, processing or treatment of waste;
  - iii) which are at any time transported, handled, stored, treated, disposed of or processed as waste by or for the *Insured* or any person or organisation for whom the *Insured* may be legally responsible;
  - iv) at or from any site or location on which the *Insured* or any contractors or subcontractors working directly or indirectly on behalf of the *Insured* are performing operations:
    - 1. if the *Pollutants* are brought on or to the site or location in connection with such operations; or
    - 2. if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise the *Pollutants*.
- b. for any loss, cost or expense arising out of any governmental directive or request that the *Insured* test for, monitor, clean up, remove, contain, treat, detoxify or neutralise the *Pollutants*;
- c. for fines, penalties, punitive or exemplary damages arising directly or indirectly out of the dispersal, release or escape of *Pollutants*.

### **10 War**

directly or indirectly occasioned by, happening through or in consequence of war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military or usurped power, whether war be declared or not.

### **11 North American Companies**

arising from or in connection with any company domiciled or registered in the United States of America or Canada or their territories or possessions.

### **12 Cyber Liabilities**

in respect of any claim or loss arising out of business conducted and/or transacted and/or any other actions performed via any internet, intranet, extranet and/or via the *Insured's* own web-site, internet site, web-address and/or via the transmission of electronic mail or documents by electronic means.

## Section 10

# Legal Expenses

### The Cover

The *Insurers* agree to indemnify the *Insured*, to the extent specified in the following Insuring Clauses, in connection with the *Business* of the *Insured* subject to the terms, conditions, exclusions and limitations in this Policy and its *Schedule*.

All claims arising under Insuring Clauses 2 – Employment Disputes and 7 – Tax Protection are to be handled by an *Appointed Representative* chosen by Brit's *Claims Administrator*.

You should carefully read the Insuring Clauses of *Your* Policy for Employment Disputes immediately on acceptance to make sure that *You* are in no doubt as to when *You* need to call the *Brit Advisory Service* (see page 70).

If *You* are in any doubt, then phone the *Brit Advisory Service*, as taking the wrong action can jeopardise any chance of defending an employment action which may arise in the future. It can also jeopardise *Your* entitlement to cover under *Your* Policy as *Your* action (or inaction) could have contributed to the claim against *You*.

### Limit of Liability

The *Insurers'* total liability under this Insurance shall not exceed the amounts specified in the under-noted table for 1, 2 and 3 below:

1 *Any One Claim*;

2 *Any One Claim* in respect of an *Aspect Enquiry* under Insuring Clause 7 – Tax Protection;

3 in the aggregate for all claims notified to the *Claims Administrator* during the *Period of Insurance*.

The aggregate limit of liability for all claims notified to Brit's *Claims Administrator* during the *Period of Insurance* is £500,000.

Insuring Clause	Limit of Indemnity Any One Claim	Excess Any One Claim	Increased Excess Any One Claim
1 Contract Disputes	£100,000	£250	£1,000
2 Employment Disputes	£100,000	£250	Not Available
3 Health and Safety	£100,000	£250	£1,000
4 Criminal Prosecution	£100,000	£250	£1,000
5 Property Disputes	£100,000	£250	£1,000
6 Data Protection	£100,000	£250	£1,000
7 Tax Protection	£100,000	£250	Not Available
7 Tax Protection - Aspect Enquiry	£2,500	£250	Not Available
8 Personal Injury	£100,000	£250	£1,000

### Excess and Increased Excess

The *Insurers* shall only be liable under this Insurance to the extent that such liability exceeds the *Excess* or *Increased Excess* as specified in this Section. A separate *Excess* or *Increased Excess* shall apply to *Any One Claim*.

## Insuring Clauses

### 1 Contract Disputes

The *Insurers* agree to indemnify the *Insured* against Legal Expenses incurred in the pursuit or defence of any claim or legal proceedings made by or brought against the *Insured* within the *Territorial Limits* and arising from the business activity of the *Insured* in a dispute with a Contracting Party arising out of a contract for the sale or supply of goods or services within the meaning laid down in the Sale of Goods Act 1979 and the Supply of Goods and Services Act 1982 and any amending legislation, provided that:

- a) the indemnity for Legal Expenses incurred under this clause shall not exceed 75% (seventy-five percent) of the Sum in Dispute;
- b) the amount in dispute exceeds the Minimum Sum in Dispute;
- c) where the dispute relates to monies owed to the *Insured* notification of the claim to the *Claims Administrator* shall be made at the sooner of:
  - i) 30 days from the date at which the debt is contested, or
  - ii) 90 days from the Due Date provided that all reasonable attempts have been made to recover the money owed or negotiate a reasonable settlement within those 90 days; and
- d) the claim is or legal proceedings are made by or brought against the *Insured* and are notified to the *Claims Administrator* during the *Period of Insurance*.

#### Exclusions to Insuring Clause 1 Contract Disputes:

The *Insurers* shall not be liable to indemnify the *Insured* in respect of claims arising out of or in connection with:

- a) contracts:
  - i) performed outside the *Territorial Limits*;
  - ii) for the provision or procurement of insurance, credit, secured lending or guarantee;
  - iii) where the liability of the *Insured* or the right of recovery is incurred through an agent or by assignment or subrogation;
  - iv) regulated or alleged to be regulated by the Consumer Credit Act 1974 or any amending legislation;
  - v) of employment;
  - vi) for the possession, purchase, sale or use of Property;
  - vii) in connection with or related to a franchise;
  - viii) for the sale or use of an insured Vehicle;
  - ix) of construction within the meaning as defined in part 2 of the Housing Grants Construction and Regeneration Act 1996;
  - x) containing an arbitration clause where the claim is related to or due to a dispute over such clause;

breach or alleged breach of *Professional Duty* owed to or by the *Insured*.

## 2 Employment Disputes

The *Insurers* agree to indemnify the *Insured* against *Legal Expenses* and *Awards of Compensation* incurred in defending any claim or legal proceedings made or brought against the *Insured* within the *Territorial Limits* and arising from the *Business* of the *Insured* following a dispute with an *Employee* and/or ex *Employee* and/or prospective *Employee* arising out of their contract of employment with the *Insured* or breach of employment legislation, provided that:

- a. the claim is made or legal proceedings are brought against the *Insured* and is or are notified to the *Claims Administrator* during the *Period of Insurance* in accordance with Section 10 Condition 1 Notification; and
- b. the *Insured* obtains the advice of the *Brit Advisory Service* as to the procedure to be adopted and follows and acts on that advice with due diligence:
  - i) prior to carrying out any disciplinary procedure or taking any disciplinary action, such action is specifically authorised by the *Brit Advisory Service*;
  - ii) prior to the dismissal of an *Employee*, such dismissal is specifically authorised by the *Brit Advisory Service*;
  - iii) prior to instituting an individual redundancy or a redundancy programme the terms, procedure and application of such action is specifically authorised by the *Brit Advisory Service*;
  - iv) upon notification formally or informally express or implied of a complaint of sexual and/or racial and/or disability discrimination and/or other unlawful discrimination;
  - v) prior to altering the terms and conditions of employment of an *Employee* (other than in respect of increasing their wages or salary) or refusing to alter the terms and conditions of employment when requested to do so by the *Employee*, such alteration or refusal of alteration is specifically authorised by the *Brit Advisory Service*;
  - vi) on becoming aware of any cause event or circumstance that may reasonably be deemed to amount to constructive dismissal including absence from work following an *Employee* walking out with or without written notice.

### Exclusion to Insuring Clause 2 Employment Disputes:

The *Insurers* shall not be liable to indemnify the *Insured* in respect of claims arising out of or in connection with any business transfer or purported business transfer falling within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 1981 or the Acquired Rights Directive.

## 3 Health and Safety

The *Insurers* agree to indemnify the *Insured* against *Legal Expenses* incurred in an appeal made by the *Insured* within the *Territorial Limits* and arising from the *Business* of the *Insured* against the service of an Improvement or Prohibition Notice under the Health and Safety at Work etc Act 1974 or the Food Safety Act 1990 provided that the appeal is made and notified to the *Claims Administrator* during the *Period of Insurance*.

### Exclusion to Insuring Clause 3 Health and Safety:

The *Insurers* shall not be liable to indemnify the *Insured* in respect of claims arising out of or in connection with the use or ownership of a *Vehicle*.

## 4 Criminal Prosecution

The *Insurers* agree to indemnify the *Insured* against *Legal Expenses* incurred in defending a prosecution in a court of criminal jurisdiction brought or commenced against the *Insured* within the *Territorial Limits* and arising from the *Business* of the *Insured* provided that the prosecution is brought or commenced and notified to the *Claims Administrator* during the *Period of Insurance*.

**Exclusions to Insuring Clause 4 Criminal Prosecution Cover:**

The *Insurers* shall not be liable to indemnify the *Insured* in respect of any prosecution arising out of or in connection with:

- a. The ownership possession or use of any vehicle;
- b. Investigations by the Inland Revenue, HM Customs & Excise or the Benefits Agency;
- c. An allegation against the *Insured* involving:
  - i) assault, violence or dishonesty;
  - ii) malicious falsehood;
  - iii) the manufacture, dealing in or use of alcohol, illegal drugs, indecent or obscene materials;
  - iv) illegal immigration;
  - v) offences under Part 7 of the Proceeds of Crime Act 2002 (money laundering offences).

**5 Property Disputes**

The *Insurers* agree to indemnify the *Insured* against *Legal Expenses* incurred in the pursuit or defence of any claim or legal proceedings brought or commenced by or against the *Insured* within the *Territorial Limits* and arising from the *Business* of the *Insured* relating to:

- a. disputes over the possession of *Property* owned, tenanted or occupied by the *Insured*;
- b. claims or legal proceedings against the *Insured* for nuisance or trespass to *Property* owned, tenanted or occupied by the *Insured*;
- c. disputes following physical damage to *Property* owned, tenanted or occupied by the *Insured*;
- d. disputes between the *Insured* and landlords or tenants and the obtaining and serving of eviction orders.

Provided that:

- i) the *Insured* will suffer financial loss if it fails to pursue or defend the claim or legal proceedings; and
- ii) the claim is made or legal proceedings are brought against the *Insured* and is or are notified to the *Claims Administrator* during the *Period of Insurance*.

**Exclusions to Insuring Clause 5 Property Disputes:**

The *Insurers* shall not be liable to indemnify the *Insured* in respect of any claim or legal proceedings arising out of or in connection with any dispute:

- a. concerning *Property* relating to mining, subsidence or heave whatever the cause of such mining, subsidence or heave;
- b. arising out of or in connection with a contract other than a lease or a license for the use of *Property* and made between the *Insured* and a *Contracting Party*;
- c. relating to the payment or non-payment or review of rent or service charges;
- d. relating to planning consents, building regulations or compulsory purchase orders;
- e. relating to the renewal of a lease or other contract to use the *Property*.

## 6 Data Protection

The *Insurers* agree to indemnify the *Insured* against *Legal Expenses* and *Compensation Awards* incurred in any claim or legal proceedings brought or commenced against the *Insured* within the *Territorial Limits* and arising out of the *Business* of the *Insured* arising from:

- a. defending the *Insured* from an allegation of a breach of the Data Protection Act 1998;
- b. appealing against the refusal of an application for registration, or alteration of registered particulars; or
- c. appealing against an Enforcement or Deregistration or Transfer Prohibition Notice;

Provided that the claim is made or legal proceedings are brought against the *Insured* and notified to the *Claims Administrator* during the *Period of Insurance*.

## 7 Tax Protection

The *Insurers* agree to indemnify the *Insured* against *Professional Expenses* incurred by the *Insured* arising out of any *Investigation* or *Aspect Enquiry* brought or commenced against the *Insured* within the *Territorial Limits* arising out of the *Business* of the *Insured* and notified to the *Claims Administrator* during the *Period of Insurance* in accordance with Section 10 Condition 1 Notification, provided that:

- a. HM Revenue & Customs has given notice of dissatisfaction with the tax return and/or accounts of the *Insured*; and
- b. any such claim is made or proceedings are brought against the *Insured* and notified to the *Claims Administrator* during the *Period of Insurance*.

### Exclusions to Insuring Clause 7 Tax Protection:

The *Insurers* shall not be liable to indemnify the *Insured* in respect of any *Investigation* or *Aspect Enquiry* arising out of or in connection with:

- a. any dispute referred to or dealt with by the Investigation Division of HM Revenue & Customs, the Special Compliance Offices of HM Revenue & Customs, the Special Investigation Section of HM Revenue & Customs or any matter falling within S.60 of the VAT Act 1994;
- b. taxes, fines, interest or any other duties or penalties imposed upon the *Insured* by HM Revenue & Customs or any court or tribunal;
- c. the preparation, appeal or processing of any tax computation, assessment, demand or payment or routine treatment of taxation matters;
- d. any claim arising directly or indirectly from an inspection, *Investigation* or *Aspect Enquiry* undertaken prior to the commencement of this Policy;
- e. any claim arising directly or indirectly from the submission of returns or accounts where HM Revenue & Customs levy a penalty or claim for interest or which contain negligent misstatements or where the *Insured* falls below the standard of a reasonably prudent businessman in keeping books and records.

## 8 Personal Injury

The *Insurers* agree to indemnify the *Insured* against *Legal Expenses* incurred in the pursuit of any claim or legal proceedings made by the *Insured* within the *Territorial Limits* and arising out of the *Business* of the *Insured* arising from the act or omission by a third party which results in *Injury* to the *Insured* provided:

- a. the *Injury* was sustained by the *Insured* away from the *Insured's* business premises and whilst engaged in the *Business* of the *Insured* and within the *Territorial Limits*; and
- b. the *Injury* occurs and is notified to the *Claims Administrator* during the *Period of Insurance*.

## Section 10 Exclusions

The *Insurers* shall not have any liability under this Section in respect of:

1. the defence of the *Insured* in civil legal proceedings arising from or connected with:
  - a. death or injury to any person including (without limitation) any sickness, disease or any naturally occurring condition or degenerative process;
  - b. loss, destruction or damage to property owned, occupied or under the control of a third party;
  - c. alleged breach of *Professional Duty*;
  - d. any tortious liability save as specifically provided in Insuring Clause 5 (Property Disputes);
2. any claims arising out of the use or alleged use of any intellectual property, breach of confidentiality or infringement of rights to privacy whether related to use of an intellectual property right or not;
3. any claim arising out of defamation or alleged defamation;
4. any claim made, brought or commenced outside the *Territorial Limits*;
5. *Legal Expenses* and/or *Professional Expenses* incurred before the *Claims Administrator's* consent has been granted in writing or without such consent;
6. *Awards of Compensation* and/or *Compensation Awards* in any claim where the prior written consent of the *Claims Administrator* has not been given for *Legal Expenses* to be incurred;
7. any claim in connection with or arising from any cause, event or circumstance occurring prior to or existing at inception of the Policy and which the *Insured* knew or ought reasonably to have known might give rise to a claim or legal proceedings by or against the *Insured*;
8. fines, exemplary and punitive damages or other penalties imposed by a court or tribunal;
9. taxes, fines, interest or any other duties or penalties imposed by HM Revenue & Customs;
10. any claim or legal proceedings in respect of which the *Insured* is, but for the existence of this Policy, entitled to indemnity under any other insurance policy or legal aid certificate or representation order;
11. any claim arising out of the deliberate, conscious or intentional or reckless or negligent disregard by the *Insured* of the need to take all reasonable steps to avoid and prevent claims or legal proceedings. In this context, "reasonable" shall be assessed by the standards of a reasonable person carrying on the *Business* of the *Insured*;
12. costs awarded against the *Insured* by a court of criminal jurisdiction following a conviction;
13. any dispute with government or local authority departments concerning the imposition of statutory charges;
14. any dispute between the *Insured* and any parent, subsidiary or associated company, or partner;
15. any dispute between the *Insured*, and the *Insurers*, and/or the *Claims Administrator* and/or the *Appointed Representative*;
16. any *Legal Expenses*, *Professional Expenses*, *Awards of Compensation* or *Compensation Awards* in connection with judicial review or a reference to the European Court of Justice;

17. any claims or legal proceedings (including any *Legal Expenses* or other costs or expenses of any description) arising out of or in connection with:
  - a. war (whether declared or not), invasion, acts of a foreign enemy, hostilities, or any similar act, condition or warlike operation, warlike action by a regular or irregular military force or other authority to hinder or defend against an actual or expected attack;
  - b. insurrection, rebellion, revolution, riot, attempt to usurp power, popular uprising, or any action taken by any governmental or martial authority in hindering or defending against any of these;
  - c. discharge, explosion, or use of a weapon of mass destruction, whether or not employing nuclear fission or fusion, or chemical, biological, radioactive or similar agents, by any party at any time for any reason;
18. any claims or legal proceedings (including any *Legal Expenses* or other costs or expenses of any description) arising out of or in connection with any terrorist action (regardless of any other cause or event contributing concurrently or in any other sequence to the liability) or any action taken in controlling, preventing or suppressing terrorist action. If the *Insurers* allege that by reason of this Exclusion any liability or loss is not covered by this Policy, the burden of proving the contrary shall be upon the *Insured*;
19. any claims or legal proceedings (including any *Legal Expenses* or other costs or expenses of any description) arising out of or in connection with any pollution, seepage, discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant including, but not limited to, smoke, vapours, soot, dust, fibres, fungi, mould, fumes, acids, alkalis, chemicals and waste (including but not limited to material to be recycled, reconditioned or reclaimed) or contamination of any kind; or ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel; or radioactive, toxic, explosive or other hazardous properties of any explosive.

## Section 10 Conditions

### 1 Notification

It is a condition precedent to the *Insurers'* liability that the *Claims Administrator* must be notified in writing immediately the *Insured* is aware of any cause, event or circumstance which has given rise or may give rise to a claim or legal proceedings involving the *Insured* as soon as that cause, event or circumstance shall come to the attention of the *Insured*.

In the event that the *Claims Administrator* is notified during the *Period of Insurance* of any cause, event or circumstance which in the *Claims Administrator's* reasonable opinion is likely to give rise to a claim or legal proceedings then any subsequent claim or legal proceedings which arises directly from that cause, event or circumstance shall be deemed to have been made during the *Period of Insurance*.

On receipt of the *Insured's* notification, the *Claims Administrator* will forward to the *Insured* a claim form which must be completed and returned immediately.

Any claim notification under this Section must be made to the *Claims Administrator* at the address stipulated in the *Schedule*.

Other notices under this Section shall be deemed to be given:

- a. to the *Insurers* if sent in writing by first class post to the following address:

**Legal Expenses Insurance Division**  
 Brit Insurance Limited  
 55 Bishopsgate  
 London  
 EC2N 3AS

- b. to the *Insured* if sent in writing by first class post to the address as last declared to the *Insurers* or in relation to any matters arising out of any claim or legal proceedings if sent to the *Appointed Representative*.

Notices shall be deemed to be given if sent by first class post at the expiration of 48 hours from dispatch.

**Important procedure for Employment Disputes**

If a Form ET1 (Originating Application) is received from an Employment Tribunal, the *Insured* must complete a claim form and forward it to the *Claims Administrator* including copies of Forms ET1, ET2 and ET3 (Notice of Appearance by Respondent) immediately and in any event within 14 (fourteen) days of receipt. Failure to do so may prejudice the *Insured's* position and will therefore invalidate the *Insured's* claim under this Policy.

**Important procedure for Tax Protection**

To comply with this condition an Investigation or *Aspect Enquiry* by HM Revenue & Customs into the *Insured's* tax affairs must be notified to the *Claims Administrator* immediately and in any event within 30 (thirty) days of receipt of the HM Revenue & Customs notice of dissatisfaction with the *Insured's* tax return.

Failure to do so may prejudice the *Insured's* position and will therefore invalidate the *Insured's* claim under this Policy.

**2 Claims Administrator's Consent**

It is a condition precedent to the *Insurers'* liability that the Claims Administrator's consent to incur *Legal Expenses* or *Professional Expenses* must first be obtained in writing. This consent will be given by the Claims Administrator if the *Insured* can satisfy the Claims Administrator that it is reasonable to incur *Legal Expenses* or *Professional Expenses* and:

- a. there are in the view of the Claims Administrator reasonable prospects of a successful defence;
- b. in Criminal Prosecution claims where the *Insured* pleads guilty, there is in the view of the Claims Administrator a reasonable prospect of a significant mitigation of the *Insured's* sentence or fine; or
- c. there are in the view of the Claims Administrator reasonable prospects of a recovery of damages or other remedy. In making this decision the Claims Administrator will have regard (without limitation) to:
  - i) the advice received by the Claims Administrator concerning the merits of the *Insured's* case;
  - ii) the *Insured's* prospects of securing and enforcing any judgement;
  - iii) the amount of money in dispute in relation to the *Legal Expenses* and/or *Professional Expenses* likely to be incurred;
  - iv) the alternative methods available for protecting the *Insured's* interests.

The decision to grant or withhold consent will be based on the consideration of the opinion of the *Appointed Representative* and any other adviser the Claims Administrator may deem it necessary to consult.

The Claims Administrator at its discretion may require the *Insured* to participate in mediation or other forms of dispute resolution and provide assistance in settling disputes, the cost of which will be covered under this Policy subject to all other terms, conditions and limitations of this Policy.

The Claims Administrator at its discretion may require the *Insured* to obtain an opinion from counsel or obtain an expert's report at the *Insured's* expense as to the merits of a claim or legal proceedings which must have regard to the same criteria as required by the Claims Administrator. If that opinion indicates there are reasonable prospects, the *Insurers* will pay for the cost of the opinion within the Limit of Indemnity for that claim.

When the Claims Administrator grants consent, the *Insurers* agree to provide indemnity to the *Insured* within the terms, conditions, limitations, provisos and exclusions of this Policy. Such consent does not imply that all *Legal Expenses* and/or *Professional Expenses* shall be paid but only those which the Claims Administrator has expressly agreed to.

If after consent has been granted by the Claims Administrator it becomes apparent to the *Claims Administrator* that the claim falls outside the terms, conditions, limitations, provisos and exclusions of the Policy such consent shall be withdrawn and no indemnity provided.

If after consent has been granted by the Claims Administrator it ceases to be reasonable in the view of the Claims Administrator to incur *Legal Expenses* and/or *Professional Expenses*, the Claims Administrator may withdraw consent. *Legal Expenses* and/or *Professional Expenses* incurred up until that time will continue to be indemnified by the *Insurers*.

Notwithstanding any general consent granted, the *Insurers* limit their liability to the payment of *Legal Expenses* and/or *Professional Expenses* and/or *Awards of Compensation* and/or *Compensation Awards* incurred solely for the purpose of indemnifying the *Insured* in respect of the claim or legal proceedings to which consent has been granted. *Legal Expenses* and/or *Professional Expenses* incurred for the routine presentation or administration of the *Insured's* affairs or expenses which would have been incurred in the normal course of the *Insured's Business* shall fall outside the indemnity provided under this Policy.

If the *Insured* elects to proceed with the pursuit or defence of a claim or legal proceedings to which consent has not been granted by the Claims Administrator because there are not reasonable prospects and the *Insured* is successful in such a pursuit or defence, then the *Insurers* agree to pay those *Legal Expenses* and/or *Professional Expenses* incurred after the Claims Administrator refused consent subject to the terms, conditions and limitations of this Policy.

For the purposes of this clause, success shall mean a cost order or agreement to pay over 50% (fifty percent) of incurred costs in favour of the *Insured* or an acquittal of the *Insured* or a finding that no additional tax is payable. In respect of claims under the Employment Disputes Insuring Clause, success shall be where the *Insured* is neither ordered to pay nor agrees to pay any compensation.

### **3 Conduct of a Claim**

#### **a Choice of Appointed Representative**

Where it is necessary that the *Insured* has recourse to a lawyer, the *Insured* is free to choose an *Appointed Representative* to act in the name and on behalf of the *Insured* in any claim or legal proceedings to which the Claims Administrator has given written consent subject to the application of the *Increased Excess*. In all other claims or legal proceedings the Claims Administrator will choose an *Appointed Representative* to act in the name and on behalf of the *Insured*.

If a claim is in respect of a dispute allocated to the small claims track under CPR part 27, the *Insurers* retain the right to choose an *Appointed Representative* to attempt to negotiate a settlement.

Such settlement will be subject to the *Insured's* agreement which shall not be unreasonably withheld or delayed.

In selecting the *Appointed Representative* the *Insured* shall have a duty to minimise the cost of any claim or legal proceedings.

In all cases the *Appointed Representative* shall act in the name of and on behalf of the *Insured*.

#### **b Access to information**

The Claims Administrator is entitled to receive from the *Appointed Representative* any information, document or advice in connection with any claim or legal proceedings even if such material is legally privileged. On request the *Insured* will give to the *Appointed Representative* any instructions necessary to secure the required access.

#### **c Disclosure and co-operation**

The *Insured* must give the *Appointed Representative* all necessary help and information including a complete truthful account of the facts of the case and all relevant documentary or other evidence in the *Insured's* possession. The *Insured* must search for, provide, obtain, sign or execute all documents as required by the relevant court or tribunal rules or as recommended by the *Appointed Representative* and attend all meetings or conferences as requested.

Cover may be withdrawn if the *Insured* fails to co-operate at all or within a reasonable time with the *Appointed Representative's* request.

#### **d Payment of Legal Expenses or Professional Expenses**

All invoices relating to a claim that the *Insured* receives from the *Appointed Representative* should be forwarded to the Claims Administrator immediately. If the Claims Administrator so requires, the *Insured* must ask the *Appointed Representative* to submit their bill of costs for assessment by the appropriate court, tribunal or Law Society.

The *Insured* shall be responsible for the payment of *Legal Expenses* and/or *Professional Expenses* invoices.

The *Insurers* will, however, settle these direct with the *Appointed Representative* if requested to do so by the *Insured*. All invoices must be certified by the Claims Administrator to the effect that all charges have been properly incurred and this will be deemed authority for the *Insurers* to settle the invoice directly with the *Appointed Representative*.

Only invoices in respect of *Legal Expenses* and/or *Professional Expenses* incurred with the consent of the Claims Administrator and in the amount agreed with the Claims Administrator shall be paid.

#### **e Instruction of counsel and experts**

Where the *Appointed Representative* wishes to obtain the opinion of or instruct counsel or experts, it must provide its reasons and seek and receive the prior written consent of the Claims Administrator.

#### **f Settlement**

It is a condition precedent to the *Insurers'* liability that the *Insured* informs the Claims Administrator in writing as soon as the *Insured* receives a Part 36 offer, a payment into court, an offer to settle a claim or legal proceedings or an invitation to participate in a mediation or other form of dispute resolution. The *Insured* must not agree to settle any claim without the prior written consent of the Claims Administrator which will not be unreasonably withheld or delayed. If the *Insured* rejects any offer to settle a claim by way of Part 36 offer or payment into court or otherwise which the Claims Administrator considers reasonable and recommends acceptance of, then no further indemnity will be provided by the *Insurers* from the date of rejection by the *Insured*.

#### **g Recovery of Costs**

Whenever the *Insured* is awarded costs or costs are included under the terms of any settlement, those costs are to be repaid to the *Insurers*. In every claim the *Insured* and the *Appointed Representative* shall make every effort to make a full recovery of costs.

Where a settlement purports to be a global or a without costs settlement, the *Insured* agrees that the *Appointed Representative's* appraisal of a fair and reasonable proportion of that settlement will be deemed costs and shall be due to the *Insurers*.

#### **h Appeals**

If, following legal proceedings to which the Claims Administrator had given written consent, the *Insured* wishes to appeal against the judgement or decision of the court or tribunal in those legal proceedings, the draft grounds of that appeal must be submitted to the *Claims Administrator* for its prior written consent to incur *Legal Expenses* and/or *Professional Expenses* in that appeal.

If, following legal proceedings to which the Claims Administrator has given written consent, an appeal is lodged against the judgement or decision of the court or tribunal in those legal proceedings made in favour of the *Insured*, the Claims Administrator must be informed immediately and its written consent obtained for cover to continue.

Where the *Insurers* wish to pursue or resist an appeal against the judgement or decision of the court or tribunal, the *Insured* must co-operate with the *Appointed Representative*.

#### **i Dishonest and Fraudulent Claims**

If the *Insured* makes any claim under this Policy (or has made a claim under any other or previous Policy) which the *Insured* knows or ought to know to be false or fraudulent in any way, this Policy shall be cancelled ab initio and all rights of the *Insured* under this Policy including the premium shall be forfeit.

The *Insurers* shall be entitled to recover any *Legal Expenses* and/or *Professional Expenses* and/or *Awards of Compensation* and/or *Compensation Awards* previously paid.

#### **j Insolvency or Liquidation of the Insured**

If the *Insured* becomes insolvent or is placed in liquidation during the course of any claim or legal proceedings any consent previously given shall automatically be withdrawn unless expressly agreed in writing to the contrary by the Claims Administrator.

The *Insured* shall be deemed insolvent or in liquidation upon the appointment of an office holder within the meaning given by the Insolvency Act 1986 or upon the appointment of a receiver within the meaning laid down in the Companies Act 1985.

**k Value Added Tax**

If the *Insured* is registered for VAT, the *Insurers* will not be liable to indemnify the *Insured* for the VAT element of any *Legal Expenses* or *Professional Expenses* invoices.

## Section 11

# Computer Breakdown

### The Cover

1. The *Insurers* will indemnify the *Insured* for the costs and expenses necessarily and reasonably incurred by the *Insured* to repair, reset or reinstate any item or items of *Computer Equipment* insured under Section 1 Property Damage All Risks of this Policy, following *Breakdown* occurring during the *Period of Insurance* as a result of any sudden and unforeseen cause other than as excluded hereunder and subject always to the *Excess(es)* and the limits, terms, conditions and exclusions of this Section and the Policy.

### Limit of Liability

The liability of the *Insurers* under this Section shall not exceed in the whole the Total *Sum Insured* or the *Sum Insured* in respect of any individual Sub Section subject to any other limit of liability as stated herein or in the *Schedule*.

### Sub Coverage Total Sum Insured

Sub Section	Coverage	Total Sum Insured
A.	<i>Breakdown of Computer Equipment</i>	As stated in the <i>Schedule</i>
B.	Reinstatement of Data	£10,000 any one period of insurance
C.	Increase in Cost of Working	£25,000 any one period of insurance

12 months *Maximum Indemnity Period*

### The Excess

The *Insurers* shall not indemnify the *Insured* for the amount of the *Excess* specified in the *Schedule*.

### Sub Section A Breakdown of Computer Equipment

### Special Conditions

#### 1 Basis of Settlement

In the event of *Breakdown of Computer Equipment*, the *Insurers* will at their option pay either the cost of repairing, resetting or replacing the *Computer Equipment* or part thereof with *Computer Equipment* of equal performance, or if this is impossible, similar *Computer Equipment* having the closest higher performance.

#### 2 Computer Maintenance

It is a condition precedent to the liability of the *Insurers* that the *Computer Equipment* is at the time of the *Breakdown* the subject of a maintenance agreement, rental, hire or lease agreement that must provide a minimum service of on-call or remedial and/or corrective maintenance at inclusive cost.

#### 3 Computer Precautions

It is a condition precedent to the liability of the *Insurers* that:

- a. the *Computer Equipment* is maintained in an efficient condition and all reasonable precautions are taken to prevent physical loss or destruction of or damage to *Computer Equipment*, *Software*, any *Programme(s)* and/or data, and in storing *Computer Record(s)*; and
- b. back-ups of *Software*, any *Programme(s)* and/or data are made at intervals of no more than 24 (twenty -four) consecutive hours and stored at a separate location sufficiently far from the *Premises* to be unaffected by any physical loss or destruction of or damage affecting the *Premises*.

#### 4 Other Sections

The *Insurers* shall not be liable to indemnify the *Insured* under this Section for any amounts for which the *Insured* is entitled to indemnity under any other Section of the Policy.

#### 5 Underinsurance

Notwithstanding General Condition 6 if the *Sum Insured* for *Breakdown of Computer Equipment* is less than the replacement value of the *Computer Equipment* covered by this Section, the *Insured* shall only be entitled to recover such proportion of the loss as the *Sum Insured* bears to the replacement value.

#### Sub Section A Limit of Liability

The liability of the *Insurers* in respect of this Sub Section shall not exceed the *Sum Insured* stated in the *Schedule*.

#### Sub Section B Reinstatement of Data

In the event of *Breakdown of Computer Equipment*, the *Insurers* will indemnify the *Insured* for necessarily and reasonably incurred costs and expenses to:

- a. recompile *Software*, any *Programme(s)* or data from other records; and/or
- b. repurchase proprietary *Software*; due to the *Corruption of Software* and *Data Media* occurring anywhere in the world and caused by:
  - i) *Breakdown* as covered under Sub Section A of this Section; and/or
  - ii) operator error in handling *Software*, *Programme(s)* or data; and/or
  - iii) *Virus or Similar Mechanism* or *Hacking* or other malicious or wilful physical loss or destruction of or damage to *Software*, any *Programme(s)* or data;

provided that payment shall have been made or liability admitted under Sub Section A of this Section.

#### Sub Section B Extension

This Sub Section is extended to indemnify the *Insured* for Reinstatement of Data arising out of *Damage* where insured under Section 1 Property Damage All Risks of this Policy and provided that payment shall have been made or liability admitted under Section 1 Property *Damage* All Risks.

#### Special Condition

##### 1 *Software* and *Data Media* Precautions

It is a condition precedent to the liability of the *Insurers* that all reasonable precautions are taken to prevent physical loss or destruction of or damage to *Software*, any *Programme(s)* and/or data and in storing *Computer Record(s)*. Back-ups of *Software*, any *Programme(s)* and/or data are to be made at least once each week and stored at a separate location sufficiently far from the *Premises* to be unaffected by any physical loss or destruction of or damage affecting the *Premises*.

#### Sub Section B Limit of Liability

The liability of the *Insurers* in respect of this Sub Section shall not exceed the *Sum Insured* stated in the *Schedule*.

#### Exclusions – applicable to A Breakdown of Computer Equipment and B Reinstatement of Data

These Sub Sections do not cover:

1. any loss arising from *Computer Equipment* caused by its own *Breakdown* or derangement before the satisfactory completion of testing or commissioning;
2. any loss arising from *Computer Equipment* that is prototype, experimental or untried;
3. wear, tear, gradual deterioration, scratching, denting, rust and oxidisation, damp and mildew;

4. the wilful act or wilful neglect of the *Insured*;
5. any loss arising from the use of *Software* on which development has not been finalised or that has not passed all testing procedures and has not been successfully proven;
6. any loss arising from programming errors or design defects in *Software*;
7. any loss arising from the failure of the *Insured* to comply with the manufacturers' recommendations for the storage of *Software* and *Data Media*;
8. the value to the *Insured* of data stored on the *Computer Equipment*;
9. any loss or destruction of or damage to consumables and auxiliary materials such as but not limited to, reagents, toner, coolant and extinguishing medium, development fluids, cassette ribbons, image and sound carriers, films, film/foil combinations, specially prepared paper and type face carriers;
10. any loss or destruction of or damage to light sources, fuses, non-rechargeable batteries, filters, cutters, bits, tools and items which require periodic replacement;
11. any loss arising from the failure or fluctuation of the electricity supply directly or indirectly caused by:
  - a) a deliberate act not performed for the sole purpose of safeguarding life or protecting any part of the supply system; or
  - b) scheme of rationing not necessitated by accidental damage to the generating or supply distribution equipment; or
  - c) the inability of the supplier to maintain the supply system as a result of industrial action;
12. any loss arising as a result of the failure of any telecommunications system directly or indirectly caused by the:
  - a) use of equipment by the *Insured* that is not approved by the telecommunications supplier; or
  - b) deliberate act of any telecommunications supplier in withholding or restricting the operation of the telecommunications system or the inability of the supplier to maintain the telecommunications system caused by industrial action; or
  - c) temporary interference with transmission to or from any satellite caused by atmospheric, solar or lunar conditions; or
  - d) failure of any satellite before it is fully operational or when it is in or past the final year of its design life;
13. any professional or other fees incurred in making a claim;
14. any loss or destruction of or damage arising as a result of the cleaning, servicing or repair of the *Computer Equipment*;
15. *consequential loss* except as expressly provided for.

### **Sub Section C Increase in Cost of Working**

In the event of *Breakdown of Computer Equipment* the *Insurers* will indemnify the *Insured* for the additional expenditure necessarily and reasonably incurred during the *Indemnity Period* in order to prevent or minimise any interruption of or interference with the *Business*; less any sum saved during the *Indemnity Period* as may cease or reduce in consequence of the *Breakdown*; provided that payment shall have been made or liability admitted under Sub Section A.

### **Sub Section C Limit of Liability**

The liability of the *Insurers* under this Sub Section shall not exceed the *Sum Insured* specified in the *Schedule*.

**Special Condition – applicable to all Sub Sections**

**1 Other Sections**

The *Insurers* shall not be liable to indemnify the *Insured* under this Section for any amounts for which the *Insured* is entitled to indemnity under any other Section or Sub Section of the Policy

## Section 12

### Group Personal Accident (Temporary Workers)

#### The Cover

The *Insurers* hereby agree with the *Insured*, to the extent and in the manner herein provided, that if the *Insured Person* sustains *Bodily Injury* occurring anywhere within the *Geographical Limits* and during the *Period of Insurance*, the *Insurers* will pay to the *Insured*, or to the *Insured Person's* executors or administrators, according to the Schedule of Compensation, after the total claim shall be sustained under this Insurance, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

#### Provided always that:

1. compensation shall not be payable under more than one of the items of the Schedule of Compensation in respect of the consequences of the same *Accident*;
2. the total sum payable under this Insurance in respect of any one or more claims shall not exceed in all in any one *Period of Insurance* the largest amount under any one of the items contained in the Schedule of Compensation or added to this Insurance by endorsement.

### Section 12 Schedule of Compensation

#### Schedule of Compensation

	One Unit of Benefit
1. Death occurring within 2 years of the event giving rise to <i>Injury</i> .	£7,500
2. Total Loss or permanent total loss of use of one or more limbs.	*£7,500
3. Total and irrecoverable loss of a) all sight in one or both eyes,* b) speech or, c) hearing.	*£7,500
4. <i>Permanent Total Disablement</i> . (other than specified in 2-3 above)	*£7,500
5. For any period up to a maximum of 2 years of total disablement from engaging in usual occupation	£75 per week (payable monthly).

\* occurring within 2 years of sustaining the *Injury*.

### Section 12 Exclusions

This Insurance does not cover death or disablement directly or indirectly resulting from or consequent upon:

1. war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
2. the *Insured Person* engaging in or taking part in:
  - a) naval, military or air force service or operations;

- b) winter sports (other than skating and curling);
  - c) skin diving involving the aid of breathing apparatus, rock climbing or mountaineering normally involving the use of ropes or guides, potholing, parachuting, hunting on horseback, or driving or riding in any kind of race;
  - d) driving or riding on motor cycles or motor scooters other than mopeds;
  - e) any leisure pursuits organised by the *Insured* in the course of the *Insured Person's* employment;
3. the *Insured Person* engaging in *Air Travel*, except as a passenger in a properly licensed multi-engined aircraft being operated by a licensed commercial air carrier or owned and operated by a commercial concern;
  4. suicide or attempted suicide or intentional self-injury or the *Insured Person* being in a state of insanity;
  5. deliberate exposure to exceptional danger (except in an attempt to save human life), or the *Insured Person's* own criminal act;
  6. the *Insured Person* being under the influence of alcohol;
  7. the *Insured Person* being under the influence of drugs or narcotics that are not lawfully available, unless prescribed for the *Insured Person* by a qualified medical practitioner;
  8. any pre-existing defect, infirmity or disease.

### Section 12 Conditions

1. If the *Insured Person* shall engage in any occupation in which greater risk may be incurred than in the occupation disclosed in this Insurance without first notifying the *Insurers* and obtaining their written agreement to the amendment of the Insurance (subject to the payment of such reasonable additional premiums as the *Insurers* may require as the consideration for such agreement), then no claim shall be payable in respect of any *Accident* arising out of or in the course of such occupation.
2. If the consequences of an *Accident* shall be aggravated by any physical disability or condition of the *Insured Person* which existed before the *Accident* occurred, the amount of any compensation payable under this Insurance in respect of the consequences of the *Accident* shall be the amount which it is reasonably considered would have been payable if such consequences had not been so aggravated.
3. Immediate notice must be given to the *Insurers* of any *Accident* of the *Insured Person* which causes or may cause disablement within the meaning of this Insurance, and the *Insured Person* must as early as possible place himself under the care of a duly qualified medical practitioner.

Immediate notice must be given to the *Insurers* in the event of the death of the *Insured Person* resulting or alleged to result from an *Accident*.

In no case will the *Insurers* be liable to pay compensation to the *Insured* or his representatives unless the medical adviser or advisers appointed by the *Insurers* for the purpose shall be allowed so often as may be deemed necessary to make an examination of the *Insured Person*.

4. Any fraud, mis-statement or concealment either in the *Proposal* on which this Insurance is based or in relation to any other matter affecting this Insurance or in connection with the making of any claim hereunder shall render this Insurance null and void and all claims hereunder shall be forfeited

## Section 13

### Group Personal Accident (Director or Senior Partner)

#### The Cover

The *Insurers* hereby agree with the *Insured*, to the extent and in the manner herein provided, that if the *Insured Person* sustains *Bodily Injury* occurring anywhere within the *Geographical Limits* and during the *Period of Insurance*, the *Insurers* will pay to the *Insured*, or to the *Insured Person's* executors or administrators, according to the Schedule of Compensation, after the total claim shall be sustained under this Insurance, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

#### Provided always that:

1. compensation shall not be payable under more than one of the items of the Schedule of Compensation in respect of the consequences of the same *Accident*;
2. the total sum payable under this Insurance in respect of any one or more claims shall not exceed in all in any one *Period of Insurance* the largest amount under any one of the items contained in the Schedule of Compensation or added to this Insurance by endorsement.

### Section 13 Schedule of Compensation

#### Schedule of Compensation

	One Unit of Benefit
1. Death occurring within 2 years of the event giving rise to <i>Injury</i> .	£10,000
2. Total Loss or permanent total loss of use of one or more limbs.	*£10,000
3. Total and irrecoverable loss of a) all sight in one or both eyes,* b) speech or, c) hearing.	*£10,000
4. <i>Permanent Total Disablement</i> . (other than specified in 2-3 above)	*£10,000
5. For any period up to a maximum of 2 years of total disablement from engaging in usual occupation	£100 per week (payable monthly).

\* occurring within 2 years of sustaining the *Injury*.

### Section 13 Exclusions

This Insurance does not cover death or disablement directly or indirectly resulting from or consequent upon:

1. war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
2. the *Insured Person* engaging in or taking part in:
  - a) naval, military or air force service or operations;

- b) winter sports (other than skating and curling);
  - c) skin diving involving the aid of breathing apparatus, rock climbing or mountaineering normally involving the use of ropes or guides, potholing, parachuting, hunting on horseback, or driving or riding in any kind of race;
  - d) driving or riding on motor cycles or motor scooters other than mopeds;
  - e) any leisure pursuits organised by the *Insured* in the course of the *Insured Person's* employment;
3. the *Insured Person* engaging in *Air Travel*, except as a passenger in a properly licensed multi-engined aircraft being operated by a licensed commercial air carrier or owned and operated by a commercial concern;
  4. suicide or attempted suicide or intentional self-injury or the *Insured Person* being in a state of insanity;
  5. deliberate exposure to exceptional danger (except in an attempt to save human life), or the *Insured Person's* own criminal act;
  6. the *Insured Person* being under the influence of alcohol;
  7. the *Insured Person* being under the influence of drugs or narcotics that are not lawfully available, unless prescribed for the *Insured Person* by a qualified medical practitioner;
  8. any pre-existing defect, infirmity or disease.

### Section 13 Conditions

1. If the *Insured Person* shall engage in any occupation in which greater risk may be incurred than in the occupation disclosed in this Insurance without first notifying the *Insurers* and obtaining their written agreement to the amendment of the Insurance (subject to the payment of such reasonable additional premiums as the *Insurers* may require as the consideration for such agreement), then no claim shall be payable in respect of any *Accident* arising out of or in the course of such occupation.
2. If the consequences of an *Accident* shall be aggravated by any physical disability or condition of the *Insured Person* which existed before the *Accident* occurred, the amount of any compensation payable under this Insurance in respect of the consequences of the *Accident* shall be the amount which it is reasonably considered would have been payable if such consequences had not been so aggravated.
3. Immediate notice must be given to the *Insurers* of any *Accident* of the *Insured Person* which causes or may cause disablement within the meaning of this Insurance, and the *Insured Person* must as early as possible place himself under the care of a duly qualified medical practitioner.

Immediate notice must be given to the *Insurers* in the event of the death of the *Insured Person* resulting or alleged to result from an *Accident*.

In no case will the *Insurers* be liable to pay compensation to the *Insured* or his representatives unless the medical adviser or advisers appointed by the *Insurers* for the purpose shall be allowed so often as may be deemed necessary to make an examination of the *Insured Person*.

4. Any fraud, mis-statement or concealment either in the *Proposal* on which this Insurance is based or in relation to any other matter affecting this Insurance or in connection with the making of any claim hereunder shall render this Insurance null and void and all claims hereunder shall be forfeited

## General Conditions

The following General Conditions shall apply to all Sections of this Policy unless stated otherwise:

### 1 Notification of any incident which may give rise to a claim:

#### Action by the *Insured* in respect of Sections 1 to 4, 6 and 11

It is a condition precedent to liability that if any incident occurs which may give rise to a claim under the Policy the *Insured* shall:

- a. give immediate notice to:
  - i) the Police Authority in respect of any theft, attempted theft, riot, malicious damage, accidental *loss* or act of *Terrorism* (if and to the extent that *Terrorism* is insured by this Policy);
  - ii) the *Insurers* via the broker or intermediary as stated in the *Schedule*; and
- b. within:
  - i) 7 (seven) days in the case of *Damage* caused by riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances or malicious persons;
  - ii) 30 (thirty) days of the expiry of the Indemnity Period in respect of a claim under Section 2 of this Policy;
  - iii) 30 (thirty) days of the occurrence of any other event;

supply at its own expense full details of the claim in writing together with any supporting information, receipts and proofs which the *Insurers* may reasonably require and no claim shall be paid until the *Insured* has complied with this paragraph.

#### Action by the *Insured* in respect of Section 5

Please see Condition 2 on page 47

#### Action by the *Insured* in respect of Sections 7, 8 and 9

It is a condition precedent to liability that the *Insured* shall give written notice to the *Insurers* as soon as reasonably practicable of any incident that may give rise to a claim under this Policy and shall give all such additional information as the *Insurers* may require. Every letter of claim, writ, summons or process and all documents relating thereto and any other written notification of claim shall be forwarded unanswered to the *Insurers* immediately they are received.

The *Insured* shall at all times in addition to its obligations set out above afford such information to and cooperation with the *Insurers* or their appointed agents to allow the *Insurers* to be able to comply with such relevant Practice Directions and Pre- Action Protocols as may be issued and approved from time to time by the Lord Chief Justice.

The *Insurers* shall be entitled (either before or after any payment under this Policy) to take over at its own expense the absolute control and conduct of any negotiation, proceeding or settlement of any claim in the name of and on behalf of the *Insured*.

The *Insured* shall not admit liability or make any offer or promise of payment without the prior written consent of the *Insurers*.

The *Insured* shall keep adequate business records and shall give such information and assistance as the *Insurers* may reasonably require to substantiate a claim or deal with a third party claim.

Claims correspondence notification address:

**Brit Insurance Limited**

Oakleigh House  
14-16 Park Place  
Cardiff CF10 3DQ

Telephone: 0845 6051018

Fax: 029 2066 6382

Email: britinsurance@cl-claims.com

**Action by the Insured in respect of Section 10**

Please see Notification on page 74 for details of how to claim under Section 10.

**Action by the Insured in respect of Sections 12 and 13**

Please see Condition 3 on page 84 (Section12) and 86 (Section 13).

**2 Claims Co-operation**

The *Insured* will provide all help and assistance and cooperation required by the *Insurers* in connection with any claim.

**3 Action to Minimise Loss**

It is a condition precedent to liability that if any incident occurs which may give rise to a claim under the Policy the *Insured* shall take action to minimise the loss or damage, to avoid interruption or interference with the *Business* and to prevent further damage or injury.

**4 Alteration**

This Policy shall be voided if after the inception of the *Period of Insurance* there is any alteration:

- a. by removal; or
- b. whereby the risk of *Damage, Injury* or legal liability is increased; or
- c. whereby the *Insured's* interest ceases except by will or operation of law; or
- d. whereby the *Business* of the *Insured* is wound up or carried on by a liquidator or receiver, or put into administration or otherwise permanently discontinued;

or

- e. any change is made in the description of the *Business*;

unless such alteration has been accepted by the *Insurers* in writing.

**5 Arbitration (applicable to Sections 1 to 4 6, and 11 to 13 only)**

If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions being in force at that time. 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 *Insurers*.

**6 Average (applicable to Sections 1 to 4, 6 and 11 only)**

Unless more specifically stated each *Sum Insured* shall be subject to Average other than any Item marked NA on the *Schedule* and any amounts separately stated in the *Schedule* for *Professional Fees* and *Debris Removal*.

Whenever a *Sum Insured* is declared to be subject to Average, if at the time of any *Damage* such *Sum Insured* is less than the total value of such property, then the *Insured* shall be considered as being its own insurer for the difference and shall bear a rateable share of the loss accordingly. Section 2 has its own Condition of Average which is stated in the wording of that Section.

## 7 Cancellation

- a. If the premium for this Insurance is paid by periodic instalments, whether by direct debit or otherwise, in the event of default in the payment of any instalment, for whatever reason, this Insurance shall cease from the date of non-payment, subject to the Consumer Credit Act 1974, if applicable and any amending and/or subsequent legislation.
- b. Otherwise, this Insurance may be cancelled by the *Insurers* sending 14 (fourteen) days' notice by recorded delivery letter to the last known address of the *Insured*. Where this Condition is exercised, the *Insured* shall become entitled to a return of premium in respect of the unexpired portion of the *Period of Insurance*, after any adjustment of the premium paid as provided for by any conditions of this Policy, and subject to no claim having been paid or being outstanding (in whole or in part) in respect of the expired portion of the *Period of Insurance*.

## 8 Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 and any amending and/or subsequent legislation to enforce any term of this contract but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## 9 Contribution (applicable to Sections 1 to 4, 6 and 11 to 13 only)

If at the time of any claim(s) covered by this Policy there shall be any other insurance covering the same risk or part thereof the *Insurers* shall not be liable for more than their rateable proportion thereof.

If any such other insurance be subject to any condition of Average, this Policy, if not already subject to any such condition of Average, shall be subject to Average in like manner.

If any such other insurance is subject to any provision whereby it is excluded from ranking concurrently with this Policy, either in whole or in part, or from contributing rateably, the liability of the *Insurers* shall be limited to that proportion of the *Damage* which the *Sum Insured* under this Policy bears to the value of the property.

## 10 Data Protection

It is understood by the *Insured* that any personal data provided by the *Insured* to the *Insurers* regarding the *Insured*, its Employees or its Agents shall be processed by the *Insurers*, in compliance with the provisions of the Data Protection Act 1998 and any subsequent or amending legislation, for the purpose of providing insurance and handling claims, if any, which may necessitate providing such information to third parties.

The *Insurers* shall keep such information secure at all times. In certain circumstances, for example for systems administration purposes, the *Insurers* may have to transfer information to another country, which may be a country outside the European Economic Area (EEA). By proceeding with this Insurance the *Insurers* assume that the *Insured* is agreeable to the *Insurers* transferring its information to a country outside the EEA.

Should *You* wish to obtain details of the information that we hold on *You* please contact the

### Compliance Officer

Brit Insurance Limited  
55 Bishopsgate  
London  
EC2N 3AS

A small fee may be charged to cover the cost of administration.

## 11 Declarations/Adjustments of Premium

If any part of the *Premium* is based on estimates provided by the *Insured*, the *Insured* shall keep an accurate record containing all relevant information and shall at any time allow the *Insurers* to inspect such record. The *Insured* shall within 60 (sixty) days after the expiry of each *Period of Insurance* furnish the relevant information, including but not limited to wage roll and turnover, as the *Insurers* may require. The premium shall then be adjusted and the difference paid by or allowed to the *Insured*, subject to any Minimum *Premium* required within 30 (thirty) days of receipt of the *Insurers'* adjusted Premium calculations. The *Insurers* reserve the right to request the *Insured* to supply an auditor's certificate attesting to the accuracy of any information furnished to the *Insurers*.

## 12 Choice of Law

Unless otherwise agreed by the *Insurers* and the *Insured*, this Policy shall be subject to and construed solely in accordance with the Law of England and Wales.

## 13 Fraud

If any claim made under this Policy by the *Insured* or anyone acting on behalf of the *Insured* is fraudulent or intentionally exaggerated or if any false declaration or statement shall be made in support thereof, all benefit under this Policy shall be forfeited.

## 14 Fire Break Doors and Shutters

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

## 15 Insurable Interest

The insurable interest in the insurance by this Policy shall not be transferred without the written consent of the *Insurers*.

## 16 Insurers Rights following a Claim

On the happening of any event in respect of which a claim is or may be made under this Policy, the *Insurers* (and every person authorised by them) shall have the right, without thereby incurring any liability or diminishing their right to rely on any condition of this Insurance, to enter the *Premises* where the event has occurred, and to take and keep possession of any of the *Property Insured* (or require it to be delivered to them), and to deal with any salvage in a reasonable manner. No claim under this Policy shall be payable unless the terms of this Condition have been complied with. No property may be abandoned to the *Insurers*, whether taken possession of by them or not. This Condition shall be evidence of permission from the *Insured* to the *Insurers* so to do. If the *Insured* or anyone acting on behalf of the *Insured* shall not comply with the requirements of the *Insurers* or shall hinder or shall obstruct the *Insurers* in doing any of the above mentioned acts then all benefit under this Policy shall be forfeited. The *Insured* shall not in any case be entitled to abandon any property to the *Insurers* whether taken possession of by the *Insurers* or not.

Applicable to Sections 1 to 4, 6 and 11 only: The *Insurers* may at any time pay the amount of the limit of liability to which the claim applies and shall be under no further liability in respect thereof.

## 17 Interpretation

In this Policy:

- a. reference to any statute or statutory provision and orders or regulations thereunder shall include a reference to that provision, order or regulation as amended, re-enacted or replaced from time to time whether before or after the date of the inception of this Policy;
- b. reference to any statutory or other body shall include the successor to that body;
- c. words importing the singular include the plural and vice versa and references to persons include bodies corporate or unincorporated. Words importing any gender shall include all genders;
- d. if any term, condition, exclusion or endorsement or part thereof is found to be invalid or unenforceable the remainder shall remain in full force and effect;
- e. the headings are for reference only and shall not be considered when determining the meaning of this Policy.

## 18 Jurisdiction

The *Insurers* and the *Insured* agree that all disputes arising out of or in connection with this Policy, including but not limited to any disputes relating to the formation, validity and interpretation and application of the terms, conditions, limits and exclusions of this Policy, shall be subject to the exclusive jurisdiction of the Courts of England and Wales. The premium for this Insurance has been calculated accordingly, and no consideration has been paid in respect of any sums payable as a consequence of the jurisdiction of any other court.

### 19 Long Term Undertaking

The discount as stated in the *Schedule* is allowed off the premiums for this Policy in consideration of the *Insured* having given an undertaking expiring on the date as stated in the *Schedule*, to offer annually to the *Insurers* the insurance under this Policy on the limits, terms, conditions and exclusions in force at the expiry of each *Period of Insurance* and to pay the premium annually in advance, it being understood that:

- a. the *Insurers* shall be under no obligation to accept an offer made in accordance with the above-mentioned undertaking;
- b. where appropriate the *Sum Insured* may be reduced at any time to correspond with any reduction in value or in the *Business*.

The above-mentioned undertaking applies to any Policy (or Policies) which may be issued by the *Insurers* in substitution for this Policy and the same discount shall be allowed off the premiums for any substituted Policy (or Policies) issued by the *Insurers* as aforesaid.

Payment of the premium due at the expiry date as stated in the *Schedule* shall be deemed to be acceptance by the *Insured* of the terms of this Condition.

### 20 Minimum Protections

It is a condition precedent to liability unless otherwise agreed in writing, that the following protections are fitted to the undermentioned doors, windows and other openings (where these are under the *Insured's* control) and put into full and effective operation whenever the *Premises* are closed for business or left unattended:

1. on the final exit door to the *Premises*:
  - a. timber doors to be secured by a mortice deadlock conforming to BS3621 with matching box striking plate;
  - b. Aluminium and UPVC framed doors to be secured by an integral cylinder operated mortice deadlock or deadlocking multi point locking system;
  - c. on all double leaf doors, the final closing leaf to be secured by the appropriate locks detailed in 1 a or 1 b above and on the inside of the first closing leaf, either:
    - i) two key operated security bolts; or
    - ii) two flush bolts; or
    - iii) two integral bolts which shoot into the frame at the top or the floor at the bottom of the door; if any of the above doors are outward opening then each leaf is additionally to be fitted with two hinge bolts;
2. on all other external and internal doors giving access to any part of the *Premises* not occupied solely by the *Insured* or to any adjoining premises one of the following:
  - a. by the means set out in 1 above unless double leaf doors which may have the final closing leaf secured by two key operated security bolts; or
  - b. two key operated security bolts one fitted approximately 300 millimetres from the top of the door and the other approximately 300 millimetres from the bottom of the door;
3. on all opening basement, ground floor and other accessible windows, fanlights, roof lights and skylights which are accessible from roofs, balconies, canopies, stairs, fire escapes or down pipes:
  - a. key operated window locks with the keys removed when in operation; or
  - b. solid steel bars not less than 16mm diameter and not more than 125mm apart, grouted into the masonry or securely fixed by a metal frame with screws with non return heads to the brickwork or masonry surrounding the window.

Doors and windows officially designated as a fire exit by a fire authority are excluded from the above and are to be secured internally by panic bolts or fire exit bolts (capable of opening at all times) with any additional devices being approved by the local fire prevention officer.

### 21 Policy Voidable

This Policy shall be voidable in the event of misrepresentation, mis-description or non-disclosure of any material particular.

### 22 Precautions and Reasonable Care

It is a condition precedent to liability that the *Insured* shall take all reasonable precautions:

- a. for the safety of and to avoid, prevent or minimise any *Damage* to the *Property Insured*;
- b. to avoid, prevent or minimise any injury to others or damage to their property;
- c. to prevent the sale of or supply of *Products* which are defective in any way;

which might give rise to a claim under this Policy. It is a condition precedent to liability that the *Insured* shall also:

- a. comply with all statutory and other obligations and regulations imposed by any authority;
- b. maintain the *Premises*, machinery, plant and equipment and other services (including fire, security and safety equipment) in a satisfactory state of repair;
- c. exercise reasonable care in the selection and supervision of *Employees* and in the employment of competent staff;
- d. in the event of discovery of any defect or danger immediately cause such defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require.

### 23 Reinstatement of Damage

If the *Insurers* elect or become bound to reinstate or replace any property, the *Insured* shall at its own expense provide all such plans, documents, books and information as the *Insurers* may reasonably require.

The *Insurers* 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 of the Items insured more than its *Sum Insured*.

### 24 Security (applicable to Sections 1 to 4, 6 and 11 only)

#### Fire Alarms

It is a condition precedent to liability that where the *Insurers* require that the *Premises* are protected by an automatic fire alarm installation the *Insured* will:

- a. carry out the testing and checking requirements referred to on the completion certificate and remedy promptly any defect disclosed;
- b. carry out the maintenance procedures specified by the manufacturers of the equipment;
- c. notify the *Insurers* immediately of any disconnection or failure of the automatic fire alarm installation likely to leave any area unprotected for 12 (twelve) hours or more;
- d. record details of all events such as alarm faults, tests, maintenance and disconnections and keep such details available for examination by the *Insurers'* representatives.

### **Intruder Alarm System**

It is a condition precedent to liability in respect of loss or damage following entry or attempted entry into or exit from the *Premises* by forcible and violent means that where the *Insurers* require that the *Premises* are protected by an *Intruder Alarm System* whilst the *Premises* are unattended that:

- a. such *Intruder Alarm System* and means of communication used to transmit signals from such an *Intruder Alarm System* are designed, installed and maintained as agreed with the *Insurers*;
- b. the *Protected Premises* shall not be left without at least one *Responsible Person* in attendance without the agreement of the *Insurers*:
  - i) unless the *Intruder Alarm System* is set in its entirety with all means of communication used to transmit signals in full operation;
  - ii) if the Police have withdrawn their response to alarm calls;
- c. in the event of notification of any activation of the *Intruder Alarm System* or interruption of any means of communication during any period that the *Intruder Alarm System* is set, a *Keyholder* shall attend the *Premises* as soon as reasonably possible, in order to confirm the security of the *Premises* and reset the *Intruder Alarm System* in its entirety. If the *Intruder Alarm System* cannot be reset in its entirety or all the means of communication used to transmit signals are not in full operation, a *Keyholder* must remain at the *Premises* unless agreed in writing with the *Insurers*;
- d. the *Insured* shall advise the *Insurers* as soon as possible, and in any event not later than 10.00am on the *Insurers*' next working day:
  - 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) of notice from a Local Authority or Magistrate imposing any requirement for abatement of nuisance;
  - iii) that the *Intruder Alarm System* and the means of communication used to transmit signals from such installation cannot be returned to or maintained in full working order; and the *Insured* shall comply with any subsequent requirements stipulated by the *Insurers*;
- e. no alteration or substitution of:
  - i) any part of the *Intruder Alarm System*;
  - ii) the structure of the *Premises* or changes to the layout of the *Premises* which would affect the effectiveness of the *Intruder Alarm System*;
  - iii) the means of communication used to transmit signals from the *Intruder Alarm System*;
  - iv) the procedures agreed with the *Insurers* for Police or any other response to any activation of the *Intruder Alarm System*;
  - v) the maintenance contract; shall be made without the written agreement of the *Insurers*;
- f. the *Insured* shall maintain a secrecy of codes and security of keys and setting/unsetting devices for the operation of the *Intruder Alarm System*. All keys and other setting/unsetting devices for the *Intruder Alarm System* must be removed from the *Premises* when they are left unattended;
- g. 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 *Insurers*;

- h. the *Insured* shall appoint at least two *Keyholders* and lodge written details (which must be kept up to date) with the alarm company, and with the Police if they so require.

### Protections

It is a condition precedent to liability that:

- a. all protections in force at the *Premises* at the inception of this Insurance or subsequently as stipulated by or agreed by the *Insurers* shall be in full operation securing the *Premises* whenever the *Premises* are closed for *Business* or left unattended;
- b. any keys for the *Premises* and/or *Intruder Alarm Systems* and/or safes and/or strongrooms and/or any other secured area or device in which the *Insured Property* is kept are removed from the *Premises* whenever the *Premises* are closed for *Business* or left unattended;
- c. the *Insured* maintains the secrecy of codes for the operation of the *Intruder Alarm System* to authorised persons and no details of the same are left on the *Premises*.

### Sprinkler Maintenance

It is a condition precedent to liability that where the *Insurers* require that the *Premises* are protected by an automatic sprinkler system the *Insured* will ensure that such automatic sprinkler system at the *Premises* is:

- a. maintained in good working order;
- b. in full and effective operation unless otherwise agreed by the *Insurers*;
- c. under a contract for maintenance and half yearly inspections with engineers approved by the *Insurers* and any defects, faults or shortcomings revealed by such tests are immediately rectified unless otherwise agreed by the *Insurers*;
- d. tested by the *Insured* in accordance with the *Insurers'* requirements and the Sprinkler Test card provided by them;

throughout the currency of this Policy.

### 25 Several Liability

The subscribing *Insurers'* obligations hereunder are several and not joint, and are limited solely to the extent of their individual subscriptions. The subscribing *Insurers* are not responsible for the subscription of any cosubscribing Insurer(s) or underwriter(s) who for any reason does not satisfy all or any part of their obligations.

### 26 Subrogation

Any claimant under this Policy shall, at the request and expense of the *Insurers*, take and permit to be taken all necessary steps for enforcing rights and remedies against any other party in the name of the *Insured*, whether such steps are or become necessary before or after any payment is made by the *Insurers*.

### 27 Subrogation Waiver

Notwithstanding General Condition 26, in the event of a claim arising under this Policy the *Insurers* agree to waive any rights, remedies or relief to which they might become entitled by subrogation against:

- a. any Company standing in the relation of parent to subsidiary (or subsidiary to parent) of the *Insured*; or
- b. any Company which is a subsidiary of a parent Company of which the *Insured* themselves are a subsidiary;

in each case within the meaning of the Companies Act(s).

### 28 Unoccupied Building(s)

It is a condition precedent to liability that immediate notice shall be given to the *Insurers* when any *Building(s)* become(s) *Unoccupied* or any *Unoccupied Building(s)* or portion thereof becomes occupied and the *Insurers* shall have the right to impose additional terms, Conditions and Exclusions and charge a suitable additional premium which shall be paid by the *Insured* if required.

### 29 Unoccupancy Conditions

It is a condition precedent to liability under this Policy that in respect of any *Unoccupied Building(s)*:

- a. the mains supply services are switched off and the water system is drained whenever the *Building(s)* are vacated other than:
  - i) the circuit(s) of the electricity supply which is/are needed to maintain any fire or *Intruder Alarm System* in operation;
  - ii) mains services which are needed to maintain any sprinkler systems in full working order and in these circumstances heating must be maintained in the *Building(s)* at a minimum temperature of 5 (five) degrees Centigrade;
- b. the *Building(s)* are inspected thoroughly both internally and externally at least once each week by the *Insured* or employees of the *Insured* and:
  - i) a record is maintained of such inspections;
  - ii) all defects in maintenance and security are rectified immediately;
  - iii) accumulations of combustible materials such as junk mail, in and around the *Building(s)* are removed during inspection;
- c. all windows and doors to the *Building(s)* are secured against illegal entry by good quality locks and other security measures, all of which are in operation, and all unnecessary doors and windows at ground and, if accessible, at first floor levels are bricked up or boarded over;
- d. all letter boxes are sealed to prevent insertion of any materials or liquids;
- e. the perimeter fences, walls and gates are maintained in good repair;
- f. there is no refurbishment, renovation or alteration work carried out unless agreed by the *Insurers*; throughout the *Period of Insurance* unless otherwise agreed by the *Insurers*.

### 30 Warranties

Every warranty shall from the time that the warranty attaches apply and continue to be in force during the whole *Period of Insurance* and non-compliance with any such warranty in so far as it increases the risk of loss, *Injury* or *Damage* shall be a bar to any claim. Provided that if this Policy is renewed, a claim occurring during the renewal period shall not be barred by reason of a warranty not having been complied with at any time before the commencement of such *Period*.

### 31 Computer Records (not applicable to Section 11)

It is a condition precedent to liability that the *Insured* shall maintain a minimum of 2 (two) generations of back-up *Computer Records* and *Software* taken at intervals no less frequently than 7 (seven) days, one copy as a minimum being held off site.

## General Exclusions

The following General Exclusions shall apply to all Sections of this Policy unless as stated otherwise.

The *Insurers* shall not be liable for:

### 1 Consequential Loss (applicable to all Sections other than 5, 7, 8, 9 and 10)

Consequential loss of any kind or description except:

- a. as may be insured by Sections 2, 6 or 11 of this Policy; or
- b. loss of *Rent* when such loss is included in the cover under Sections 1, 2 or 6 of this Policy.

### 2 Electronic Date Recognition

Damage or consequential loss or legal liability directly or indirectly caused by or consisting of or arising from the failure of any computer, data processing equipment or media, microchip, integrated circuit or similar device or any computer software, whether the property of the *Insured* or not:

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

but this shall not exclude subsequent *Damage* to the *Insured's* property or consequential loss resulting therefrom not otherwise excluded under this Policy, which itself results from a *Defined Peril*.

For the purposes of this General Exclusion the words *Defined Peril* shall mean fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any apparatus or pipe, impact by any road vehicle or animal and theft.

### 3 Electronic Data (applicable to all Sections other than 5, 7, 8, 9 and 10)

Any loss, damage, destruction, distortion, erasure, corruption or alteration of *Electronic Data* from any cause whatsoever (including but not limited to *Virus or Similar Mechanism or Hacking or Denial of Service Attack*) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

### 4 Law and Jurisdiction

Judgements, awards, settlements or orders of courts outside the *Territorial Limits* as defined, or to orders seeking to enforce such judgements, awards, settlements or orders, or to any liability arising under the law of any place outside the *Territorial Limits*.

### 5 Marine (applicable to Sections 1 to 4 and 6 only)

Loss or destruction of or damage to property which at the time of the happening of the loss, destruction 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.

### 6 More Specific Insurance (applicable to Sections 1 to 4, 6 and 11 to 13 only)

Loss or destruction of or damage to any property more specifically insured by or on behalf of the *Insured*.

### 7 Mould and Fungus

Loss or destruction of or damage to any property or any loss, cost or expense or legal liability directly or indirectly arising out of or resulting therefrom or any consequential loss in any manner related to *Fungal Pathogens*, whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

### **8 Northern Ireland (applicable to Sections 1 to 4 and 6 only)**

Loss or destruction of or damage to any property in Northern Ireland or loss resulting therefrom caused by or happening through or in consequence of:

- a. civil commotion;
- b. any unlawful, wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any *Unlawful Association*.

For the purposes of this General Exclusion "*Unlawful Association*" means any organisation which is engaged in *Terrorism* and includes any organisation which at any relevant time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973 and any subsequent amending legislation.

In any action, suit or other proceedings where the *Insurers* allege that by reason of this exclusion any loss, destruction or damage or loss resulting from such loss, destruction or damage is not covered by this Insurance (or is covered only up to a Limit of Liability as stated in the *Schedule*) the burden of proving such loss, destruction or damage or loss resulting from such loss, destruction or damage is covered (or is covered beyond that Limit of Liability) shall be upon the *Insured*.

### **9 Radioactive Contamination, War, Sonic Boom and Confiscation (applicable to Sections 1 to 4, 6 and 11 to 13 only)**

Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to, by or arising from:

- a. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- b. the radioactive, toxic, explosive or other hazardous or contaminating properties of any explosive nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- c. any weapon of war or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- d. war, invasion, acts of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military or usurped power whether war be declared or not;
- e. pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds;
- f. confiscation, nationalisation, requisition, seizure or destruction by or under the order of any government or any public or local authority.

### **10 Pollution or Contamination (applicable to Sections 1 to 4 and 6 only)**

Loss or destruction of or damage or any consequential loss resulting from *Pollution or Contamination* but this shall not exclude *Damage* or any *Consequential Loss* insured under Section 2 caused by:

- a. *Pollution or Contamination* which itself results from a *Defined Peril*;
- b. a *Defined Peril* which itself results from *Pollution or Contamination*;

unless resulting from an Excepted Cause or otherwise excluded.

### **11 Terrorism**

- a. Loss, damage, injury, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of *Terrorism* regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

- b. Loss, damage, injury, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of *Terrorism*;
- c. Any loss whatsoever or any expenditure resulting from or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from:
  - i) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
  - ii) ionising radiation or contamination by radioactivity or from the combustion of any radioactive material;
  - iii) chemical and/or biological and/or radiological irritants, contaminants or pollutants;
- d. Loss, damage, injury, cost or expense directly or indirectly arising out of:
  - i) any business interruption losses resulting from customers or suppliers extensions or denial of access due to any act of *Terrorism*;
  - ii) loss, damage, cost or expenses directly or indirectly arising out of any service interruption due to any act of *Terrorism*.

If the *Insurers* allege that by reason of this Exclusion any loss, damage, injury, cost or expense is not covered by this Insurance, the burden of proving the contrary shall be upon the *Insured*.

In the event any portion of this Exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect.

**12 Water Table (applicable to Sections 1 to 4 and 6 only)**

*Damage or Consequential Loss* attributable solely to change in water table level.

## Further Information

### **Brit Advisory Service**

*Your* Policy provides *You* with automatic free access to the *Brit Advisory Service*. This Service is a legal and taxation telephone advisory service available to *Your* business 24 hours a day, 365 days a year.

To contact the *Brit Advisory Service*, please phone the number stated on *Your Policy Schedule* quoting the reference "Brit UK". *You* should also have *Your* Policy number available on request.

### **Complaints Procedure**

*We* are dedicated to providing *You* with a high quality service and *We* want to ensure that *We* maintain this at all times. If *You* feel *We* have not offered *You* a first class service please write and tell *Us* and *We* will do *Our* best to resolve the problem.

In the first instance please contact;

The Managing Director, Affinity Division  
Thistle Insurance Services Limited  
Southgate House  
Southgate Street  
Gloucester GL1 1UB

Tel: 03332 401750  
Fax: 01452 229376

In the event you remain dissatisfied, please contact;

Complaints Team  
Brit Insurance Limited  
55 Bishops Gate  
London EC2N 3AS

Tel: 020 7098 6509  
Fax: 020 7984 8473

Email: [complaints.team@britinsurance.com](mailto:complaints.team@britinsurance.com)

In the event *You* wish to pursue matters further *You* may be able to refer the matter to The Financial Ombudsman Service. The Financial Ombudsman Service can normally deal with complaints from private individuals and small organisations; further information is available from:

The Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London E14 9SR

Helpline: 0845 080 1800  
Switchboard: 020 7964 1000

Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

### **Financial Services Compensation Scheme**

*We* are covered by the Financial Services Compensation Scheme (FSCS). *You* may be entitled to compensation from the scheme if *We* cannot meet *Our* obligations. This depends on the type of business and the circumstances of the claim. Further information about compensation scheme arrangements is available from the FSCS.

Financial Services Compensation Scheme  
7th Floor Lloyds Chambers  
Portsocken Street  
London E1 8BN

Telephone: 020 7892 7300  
Fax: 020 7892 7301  
E-mail: [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)

