INSURANCE POLICY

Commercial Combined

Please read this document carefully.
Should you have any questions, please contact your insurance agent.

Policy Information

This Policy has been prepared in accordance with Your instructions. Please read it carefully to ensure that it meets Your requirements.

This Policy consists of

1. the introduction which explains the basis on which cover is provided;
2. the Schedule which shows details of the Policyholder Period of Insurance the Business being covered the Property or Events insured Limits of Liability and certain amounts You will be responsible for and details of which Sections are operative;
3. the Statement of Fact which is a record of the information that You provided to Your insurance agent about You and Your Business upon which Your insurance quotation is based;
4. Policy Definitions and Conditions;
5. the Sections of the Policy which give details of the cover;
6. General Exceptions to cover applying to the whole Policy;
7. Any Endorsements or Warranties which might apply to the Policy or individual Sections and which incorporate cover amendments extensions limitations and the like.

Immediate notice should be given to Us of any changes which may affect the insurance provided by this Policy.

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

Our Promise to You

Our goal is to provide excellent customer service to all Our customers but we recognise that sometimes things may go wrong. We take complaints seriously and aim to resolve all of Our customers problems promptly.

If this cover does not meet with Your requirements please return all of Your documents and any Employers Liability Certificate(s) to Your insurance agent who has arranged the cover within 14 days of receipt. We will return any premium paid in full.

If You wish to terminate the cover at any other time please contact Your insurance agent who arranged it and any return premium will be at the discretion of Arista Insurance.

Making a Claim

To report or make a claim follow the instructions provided in the General Conditions – Claims Procedure

To make a legal expenses claim

For Policyholders who have elected either Essential Business Legal Expenses or Absolute Business Legal Expenses Section please contact ARAG in the event that you need to make a claim including if you are considering carrying out a redundancy

Claims telephone number: 0117 917 1698 or report on line at **www.arag.co.uk/newclaims**
Under no circumstances should you instruct your own lawyer or accountant as ARAG will not pay the costs incurred and it could invalidate your cover.

To make a management liability claim

For policyholders who have elected the Management Liability Section to register a claim You should email Hiscox Claims using **hicliability.claims@hiscox.com** or phone them on 01206 773783 They provide Our claims service and are authorised to handle and settle claims on Our behalf

All other claims

To register a claim under any other Section You should contact **Arista claims on 0344 770 5150.**

If You have a need to seek additional assistance please contact Your insurance agent

Help and Assistance

As an Arista Insurance customer you have access to a website and helplines as described below. Most of these helplines are available 24 hours a day 365 days a year and are available to you at no additional charge under your Business Legal Expenses cover.

Legal and Tax Helpline 0344 472 2924

Through this number Arista Insurance Policyholders have 24 hour access to legal advice on numerous topics including tax, employment issues and health and safety issues. The advice covers business-related legal matters within EU law and tax matters within the UK. Your query will be dealt with by a qualifiedspecialist experienced in handling legal and tax-related matters. Use of this service does not constitute reporting of a claim.

Staff Counselling Helpline 0333 000 2082

This helpline is accessible by Your staff providing professional confidential support. The counselling can be used for any aspect of their life and is not restricted to work-related matters.

Crisis Communication Helpline 0344 571 7964

Where you need help to respond to negative publicity or media attention you can access professional public relations support and crisis communication support. You are insured against the cost of crisis communication services under Insured event 11 of your Business Legal Expenses cover when you use this helpline.

Redundancy Approval Helpline 0117 917 1698

(under Essential Business Legal Expenses cover)

In relation to the Essential Business Legal Expenses cover We can arrange for specialist advice if you are planning redundancies. This will assist you to implement a fair selection process and ensure that the redundancy notices are correctly served. This service is available between 9am and 5pm on weekdays (except bank holidays) subject to a charge.

Employment Practices Healthcheck

(under Absolute Business Legal Expenses cover)

At the start of your policy, we can arrange a review of your business' employment practices to identify any possible failings. Once completed, a detailed report will be produced, showing, if necessary, areas needing improvement. For maximum convenience and cost-effectiveness to your business, the work is usually carried out either online or on the telephone. This will ensure your organisation complies with best practice now and in the future. In the event the review is completed We suggest you implement any recommendations that are essential to make your HR practices legally compliant to benefit from full cover under your policy. If you would like us to arrange this please contact employmenthealthcheck@arag.co.uk

Business Legal Services www.araglegal.co.uk

By choosing Arista Insurance, you also have free access to business support via www.araglegal.co.uk. The Business Legal Services website provides the essential tools and services to prepare vital paperwork; for example, your Health & Safety Policy, up to date employment legal procedures, advice on management and recovery of debts.

Register today at www.araglegal.co.uk and enter the voucher code shown on your policy schedule to access the law guide and download legal documents to help with commercial legal matters. For a fee you can have your documents reviewed by a solicitor to ensure they meet your specific requirements.

How to Complain

If You have any enquiry or complaint arising from Your Policy please contact Your insurance agent who arranged the Policy for You or the local Arista Insurance office quoting the Policy number in all cases

If You are not satisfied with the way in which a complaint has been dealt with please write to
The Chief Executive
Arista Insurance Limited
40 Mitre Street, London EC3A 5BZ

After this action if You are still not satisfied with the way a complaint has been dealt with You should do the following

If Your Underwriter is at Lloyd's You may ask the Policyholder and Market Assistance department at Lloyd's to review Your case (this would not affect Your rights to take legal action if necessary) The address is
Policyholder and Market Assistance,
Market Services,
Lloyd's
Fidentia House
Chatham Maritime
Kent ME4 4RN

Telephone: 020 7327 5693
Fax: 020 7327 5225
Email: complaints@lloyds.com
www.lloyds.com/complaints

Having followed this procedure for Lloyd's Underwriters or if Your Underwriter is not at Lloyd's Your complaint may also be referred to the Financial Ombudsman Service (FOS) The address is
Financial Ombudsman Service
Exchange Tower
London E14 9SR
www.financial-ombudsman.org.uk

Telephone: 0800 023 4567/ 0300 123 9 123
Fax: 020 7964 1001
Email: complaint.info@financial-ombudsman.org.uk
The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services

Financial Services Compensation Scheme
The Underwriters are members of the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we are unable to meet our liabilities under this insurance. This depends on the type of business and the circumstances of the claim. Such claims are protected for 90% without any upper limit. For compulsory classes of insurance the claim will be met in full. Further information about the compensation scheme arrangements is available from FSCS. Information can be obtained on request, or by visiting the FSCS website at www.fscs.org.uk

Important Information

The Employers Liability (Compulsory Insurance) Regulations 1998 lay down certain obligations for employers and in particular You should be aware of the following

Display of Certificates

We will provide You with a Certificate of Employers Liability Insurance and this will state clearly the companies covered by it You must display either an original copy or make available a copy of the Certificate of Employers Liability Insurance in an electronic format at each Business Premises where Your Employees can see it easily

Retention of Certificates

The Employers' Liability (Compulsory Insurance Amendment) Regulations 2008 remove the requirement for You to retain copies of Certificates of Employers Liability Insurance that have expired for at least 40 years However it is still good business practice to retain the certificates because certain claims eg disease could be made many years after the disease is caused and if Your insurer can not be identified You could be liable for any payments

Data Protection

We may use the details You have given to provide You with a quotation deal with Your Policy to search credit reference agencies who may keep a record of the search to support the development of Our business by including Your details in customer surveys and for market research and compliance business reviews

We share Your details with those companies who are underwriting Your Policy with approved organisations for fraud prevention purposes and with companies where We are legally obliged to do so

We may also share Your details with third parties so that we may tell You of products and services which we think may interest You by telephone email or post If You do not want to know about these products or services please write to Arista Insurance Limited 40 Mitre Street, London EC3A 5BZ

Under the Data Protection Act We can only discuss the details given with You If You would like anyone else to act on Your behalf please let Us know Your details will not be kept longer than is necessary

Under the terms of the Data Protection Act 1998 You are entitled to a copy of all information Arista Insurance holds about You

Your personal details may be transferred to countries outside the EEA They will at all times be held securely and handled with the utmost care in accordance with all principles of UK law

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The Contract of Insurance and the Underwriters

This Policy is underwritten by certain Underwriters at Lloyd's and other insurance companies (hereinafter called the 'Underwriters') and is administered by Arista Insurance Limited in accordance with the authority granted under binding authority agreement(s)

In consideration of payment of the premium the liability of an Underwriter under this contract is several and not joint with other insurers party to this contract to indemnify You within the limits terms conditions and exceptions of this Policy against the events set out in the sections operative and occurring in connection with the Business during the Period of Insurance and any subsequent period for which You pay and the Underwriter agrees to accept a premium

An Underwriter is not jointly liable for the proportion of liability underwritten by any other Underwriter Nor is an Underwriter otherwise responsible for any liability of any other Underwriter that may underwrite this contract

The proportion of liability under this contract underwritten by an Underwriter (or in the case of a Lloyd's syndicate the total of the proportions underwritten by all the members of the syndicate taken together) is shown below

Where the Underwriter is a Lloyd's syndicate each member of the syndicate (rather than the syndicate itself) is an Underwriter Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together) The liability of each member of the syndicate is several and not joint with other members A member is liable only for that members proportion A member is not jointly liable for any other members proportion Nor is any member responsible for any liability of any other Underwriter that may underwrite this contract The business address of each member is Lloyd's, One Lime street, London EC3M 7HA The identity of each member of a Lloyds syndicate and their respective proportion may be obtained by writing to Market Services at the above address

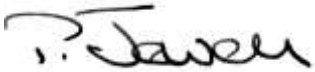
Although reference is made at various points in this clause to "this contract" in the singular where circumstances so require this should be read as a reference to contracts in the plural

Each Underwriter is only liable in respect of the cover or engineering inspection service provided under the Section(s) of this Policy shown against them below and not any other section

Absolute Business Legal Expenses and Essential Business Legal Expenses Section	Brit Syndicate 2987 at Lloyd's managed by Brit Syndicates Limited (FCA Register number 204930) authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and administered by ARAG plc (FCA Register No 452369) authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority
Engineering – Machinery Damage Section	HSB Engineering Insurance Limited (FCA Register No 202738) authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority
Engineering Inspection	HSB Engineering Insurance Services Limited is accredited by UKAS as a type A Inspection Authority in accordance with the recognised international standard ISO/IEC 17020
Computer Insurance	HSB Engineering Insurance Limited (FCA Register No 202738) authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority
Management Liability Portfolio	Hiscox Insurance Company Limited (FCA Register No 113849) authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority
All Other Sections	Lloyd's Syndicate 4444 which is managed by Canopius Managing Agents

Limited (FCA Register No 204847) authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

You have provided information to Us which includes but is not limited to the information detailed in the Statement of Fact You agree that all information provided to Us is true and is incorporated in and forms the basis of this Policy



Signed for and on behalf of the Underwriters
Paul Jewell - Chief Underwriting Officer
Arista Insurance is Registered in England and Wales No 5938669
Registered Office: Towergate House, Eclipse Park, Sittingbourne Road, Maidstone, Kent ME14 3EN

This Policy is a legal contract You must tell Us about any facts or changes which affect Your insurance which have occurred either since Your Policy started or since the last renewal date

If You are not sure whether certain facts are relevant please ask Your insurance agent or the local Arista Insurance branch If You do not tell Us of relevant changes Your Policy may not be valid or the Policy may not cover You fully

You should keep a written record (including copies of letters) of any information You give Us or Your insurance agent when You renew this Policy

Arista Insurance Limited (FRN 459593) an appointed representative of Towergate Underwriting Group Limited FCA Register Number 313250, authorised and regulated by the Financial Conduct Authority.

You can check this information on the Financial Conduct Authority register by visiting the FCA's website www.fca.org.uk/register or by contacting the Financial Conduct Authority on 0800 111 6768. Information relating to the Prudential Regulation Authority can be found at www.bankofengland.co.uk/pra

General Definitions

Each time We use one of the words or phrases listed below it will have the same meaning wherever it appears in Your Policy unless We state otherwise A defined word or phrase will start with a capital letter each time it appears in the Policy except for headings and titles

Each Section of the Policy contains definitions which apply to that particular Section and they must be read in conjunction with the following General Definitions

We/Us/Our
The Underwriters as set out in the section of the Policy headed The Contract of Insurance and the Underwriters

You/Your/Policyholder
The person(s) or company companies partnership(s) or unincorporated association(s) specified in the Schedule as the policyholder

Business
Activities as detailed in the Statement of Fact and specified in the Schedule

Policy
This Policy Schedule Statement of Fact Employers Liability Certificate and any endorsements or warranties attached or issued

Damage
Accidental loss destruction or damage

Employee
Any person working under Your control in connection with the Business who is

1. under a contract of service or apprenticeship with You
2. a person under a contract of service or apprenticeship with some other employer and who is hired to or borrowed by You
3. a labour master or person supplied by him
4. a person engaged by a labour only sub-contractor
5. a self-employed person working on a labour only basis under Your control or supervision
6. a driver or operator of hired-in plant
7. a trainee or person undergoing work experience
8. a voluntary helper
9. persons working under the Community Offenders Act 1978 the Community Offenders (Scotland) Act 1978 or similar legislation
10. at Your request outworkers or home workers employed under contracts to execute personally any work in connection with the Business

Excess
The first amount of each and every claim for which you shall be responsible as shown in the Schedule and where applicable as more particularly defined in the relevant sections of this Policy
You will repay any such amount paid by Us

Injury
Bodily injury including death illness or disease

Limit of Liability / Limit of Indemnity
The limit specified in the Schedule

Money
Current coin bank and currency notes postal and money orders bankers' drafts cheques and giro cheques crossed warrants bills of exchange and securities for money postage revenue national insurance and holiday with pay stamps national insurance and holiday with pay cards national savings certificates war bonds premium savings bonds and franking machine impressions credit company sales vouchers luncheon vouchers trading stamps and VAT invoices

Period of Insurance
The period specified in the Schedule for which We accept Your premium

Premises
The part of the premises at the address or addresses specified in the Statement of Fact and in the Schedule occupied by You for the purpose of the Business

Property
Material property

Schedule
The schedule for the time being in force showing the cover which applies

Statement of Fact
This is a record of the information that You provided to Your insurance agent upon which Your insurance quotation is based

Sum Insured
The sum insured specified in the Schedule

Vacant or Disused
The Premises or any part thereof that have become unoccupied untenanted or which have not been actively used for a period of more than 30 consecutive days

General Conditions

Each Section of the Policy contains conditions and must be read in conjuction with the following General Conditions which apply to all Sections unless otherwise stated

Arbitration

Any dispute arising out of or relating to this insurance including over its construction application or validity will be referred to a single arbitrator in accordance with the Arbitration Act then in force

Average

Where a Sum Insured is subject to average if at the time of the Damage the Sum Insured is less than the actual value of the property You will be considered as Your own insurer for the difference and bear a proportionate share of the loss

Cancellation

We may cancel the Policy by sending You 30 days written notice to Your last known address We will refund a proportionate part of the premium paid for the unexpired period

If the premium has not been paid or if there has been a default under an instalment or linked credit agreement this insurance will cease immediately and We will not refund any instalment paid

Choice of Law and Jurisdiction

In the absence of agreement to the contrary this Policy shall be governed by and construed in accordance with the laws of England and Wales Any dispute relating to limts terms conditions and exceptions or validity of this Policy shall be subject to the jurisdiction of the courts of England and Wales

Claims Procedure

If in relation to any claim You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must ensure that

1. You provide written notice to Us immediately You have knowledge of any event occurrence prosecution inquest or inquiry which may result in a claim regardless of Excess and pass to Us immediately on receipt every letter claim writ summons and process in connection with any claim
2. You notify the police immediately of Damage caused by malicious persons or thieves
3. You at Your expense provide Us with a written claim containing as much information as possible of the accident Damage or Injury including the amount of the claim within
   a. 30 days of Your becoming aware of the event or occurrence
   b. 7 days in the case of Damage caused by riot civil commotion strikers locked out workers persons taking part in labour disturbances or malicious persons

   or such further time that We may allow
4. You provide Us with all information and help We require in respect of the claim
5. You pass to Us unanswered immediately all communications from third parties in relation to any event which may result in a claim under this Policy
6. You will not admit or repudiate liability nor offer to settle compromise make payment which may result in a claim or pay any claim under this Policy without Our written agreement
7. You carry out or permit to be taken any action which may be reasonably practicable to prevent or minimise loss and/or interruption of the Business and to prevent further accident Damage or Injury
8. We will be entitled at any time and at Our discretion if Damage occurs which may lead to a claim to
   a. enter or take possession of the Premises
   b. take possession of or require to be delivered to Us Property Insured which We will deal with in a reasonable manner

   c. take over and conduct in Your name the defence or settlement of any claim or to prosecute any claim in Your name for Your benefit and have full discretion in the conduct of any proceedings and in the settlement of any claim without incurring liability or reducing Our rights
9. We will not pay for loss destruction or damage or provide cover under the Legal Liabilities Section if You or anyone acting on Your behalf
   a. do not comply with Our requirements
   b. hinder or obstruct Us

   You are not entitled to abandon Property to Us
10. We will not make any payment under this Policy unless You give Us all assistance which We may reasonably require to pursue recovery of amounts We may become liable to pay under this Policy in Your name but at Our expense

Change of Risk

We shall not indemnify You under this Policy if

1. there has been any material change to the risk after the commencement of this insurance whereby the risk of Damage or Injury is increased or
2. Your interest ceases (unless the cessation is brought about by will or operation of law)
3. the Business does any of the following
   a. making a composition or arrangement with creditors
   b. have a proposal for a voluntary arrangement for a composition of debts or scheme of arrangement approved in accordance with the Insolvency Act 1986
   c. have an application made under the Insolvency Act 1986 to the court for the appointment of an administrator
   d. have a winding up order made or (except for the purposes of amalgamation or reconstruction) a resolution for voluntary winding up passed or have a provisional liquidator receiver or receiver and manager of the business or undertaking duly appointed
   e. have an administrative receiver as defined in the Insolvency Act 1986 appointed or having possession taken by or on behalf of the holders of any debentures secured by floating charge or of any property comprised in or subject to the floating charge

   unless agreed by Us in writing

Contribution

Applicable to the Legal Liabilities Section and Legal Expenses Sections

1. If the insurance provided by these sections is also covered by another policy (or would but for the existence of these sections) We will only indemnify You in respect of any excess beyond the amount which would be payable under such other insurance had these sections not been effected

Applicable to all other Sections insured by this Policy

2. Where any Damage or liability covered by the Policy is also covered by another policy (or would be but for the existence of this Policy) We will only pay a rateable share of the loss
3. If the other insurance is subject to a condition of average and this Policy is not this Policy will be become subject to the same condition of average
4. If the Property covered by the other insurance is subject to a provision excluding proportional payment in whole or part the payment We make will be limited to the proportion of Damage as the Sum Insured bears to the value of the property

Contracts (Rights of Third Parties) Act 1999

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

Discharge of Liability

We may at any time pay

1. The Limit of Liability or the Limit of Indemnity or

2. The Sum Insured or
3. A smaller amount for which a claim can be settled after deduction of any sum already paid We will not make any further payments except for costs and expenses incurred prior to the payment of the claim

Fraud

If a claim made by You or anyone acting on Your behalf to obtain a benefit under this Policy is in any respect fraudulent or uses fraudulent means or devices or intentionally exaggerates or a false declaration or statement is made in support of a claim all benefit under this Policy shall be forfeited

Interest Clause

The interests of third parties in the Property which You are required to include on this Policy under the terms of any mortgage property lease or hiring leasing or hire purchase agreement are automatically noted subject to You advising Us as soon as is reasonably practicable

Non Disclosure Misrepresentation or Misdescription

This Policy shall be voidable if You or anyone acting for You fails to disclose misrepresents or misdescribes any material particular

Premium Payment

We will not make any payment under this Policy unless You have paid the premium

Reasonable Care

If in relation to any claim You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must ensure that You

1. take all reasonable care to prevent or minimise any circumstances or to cease any activity which may cause Damage accident or Injury
2. maintain the business premises machinery equipment and furnishings in a good state of repair
3. exercise care in the selection and supervision of Employees
4. comply with all relevant statutory requirements manufacturers recommendations and other regulations relating to the use inspection and safety of property and the safety of persons
5. make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require

Reinstatement

When we decide or are required to reinstate or replace any Property You will at Your expense provide

1. plans
2. documents
3. books
4. information

which we require

Sanction Limitation and Exclusion

We shall not be liable to pay any claim or provide any benefit under any insurance cover or extension to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Subrogation

Anyone making a claim under this Policy must at Our request and expense do everything We reasonably require to enforce a right or remedy or obtain relief or indemnity from other parties to which We will become entitled or subrogated because of payment for or making good accident Damage or Injury

We may require You to carry out such actions before or after We make any admission of or payment of a claim

Warranties

Every warranty to which this Policy or any Section or item specified in the Schedule is or may be made subject to shall from the time the warranty attaches apply and continue to be in force during the duration of the Period of Insurance

Provided that if this Policy or Section or item specified in the Schedule is renewed a claim in respect of Damage occurring following renewal date shall not be barred by reason of a warranty not having been complied with at any time before the date of renewal

General Exceptions

Each Section of the Policy contains exceptions and must be read in conjunction with the following General Policy Exceptions which apply to all Sections unless otherwise stated

This Policy does not cover

Nuclear Risks

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

1. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the the combustion of nuclear fuel
2. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

Subject to indemnity under the Employers Liability Sub-Section as far as concerns Injury caused to any of Your Employees if such Injury arises out of and in the course of employment or engagement of such person by You this General Exception shall only apply

a. in respect of liability of any Principal
b. liability assumed by You under agreement and which would not have attached in the absence of such agreement

War Government Action and Terrorism

1. Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
   a. War Government Action or Terrorism
   b. civil commotion in Northern Ireland
2. legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from War Government Action or Terrorism except to the extent stated in the Liability Provisions

For the purpose of this General Exception and its Liability Provisions

War shall mean 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 or military or usurped power

Government Action shall mean martial law confiscation nationalisation requisition or destruction of property by or under the order of any government or public or local authority or any action taken in controlling preventing suppressing or in any way relating to War

Terrorism shall mean any act(s) of any person(s) or organisation(s) involving

1. the causing occasioning or threatening of harm of whatever nature and by whatever means
2. putting the public or any section of the public in fear

in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) are wholly or partly of a political religious ideological or similar nature

In any action suit or other proceedings where We allege that by reason of this Exception as far as it relates to Terrorism any Damage or resulting loss or expense or consequential loss is not covered by this insurance the burden of proving that such Damage loss expense or consequential loss is covered shall be upon You

Liability Provisions

Subject otherwise to the terms definitions exceptions provisions and conditions of this Policy and its Legal Liabilities Section

1. We will indemnify You under the Employers' Liability Sub-Section provided that in respect of any one claim or series of claims arising out of any one original event Our liability in respect of all legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism shall not exceed £5,000,000
2. We will indemnify You under the Public Liability Sub-Section and Products Liability Sub-Section against legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism provided that Our liability for all damages (including interest thereon) shall not exceed
    a. in respect of or arising out of any one claim or series of claims arising out of one Event £2,000,000 or the amount of the Public Liability and Products Liability indemnity limit stated in the Schedule whichever is the lower but in respect of Products Supplied this limitation shall apply to all insured events occurring in any one Period of Insurance

Pollution and Contamination (This Exception does not apply to Legal Liabilities Section or Management Liability Portfolio Section)
Damage caused by or arising from pollution or contamination except (unless otherwise excluded) destruction of or damage to the Property insured caused by

1. pollution or contamination which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers malicious persons other than thieves earthquake storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes sprinkler leakage or impact by any road vehicle or animal
2. any of the Contingencies in (1) above which itself results from pollution or contamination

Date Recognition (This Exception does not apply to Employers Liability Sub-Section)
Damage accident or 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 other equipment or system for processing storing or receiving data or any computer software whether Your property or not and whether occurring before during or after the year 2000

1. correctly to recognise any date as its true calendar date
2. 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
3. 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 retain or to correctly process such data on or after any date

In respect of Property Damage Business Interruption Loss of Money Business Machines All Risks (Specified Items) Sections this General Exception shall not exclude subsequent Damage not otherwise excluded which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons other than thieves earthquake storm flood escape of water from any tank apparatus or pipe theft or impact by any vehicle or animal

Computer Virus and Hacking

1. Damage to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether Your Property or not where such Damage is caused by Virus or Similar Mechanism or Hacking
2. financial loss directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking

but this shall not exclude Damage or financial loss which is not otherwise excluded from this Policy and which results from Fire Lightning Explosion Earthquake Aircraft or other aerial devices or articles dropped from them Riot Civil Commotion Strikes Labour Disturbances Malicious Persons (including the acts of thieves but excluding the acts of Malicious Persons which do not involve physical force or violence) Storm Flood Escape of Water or Oil from any tank apparatus or pipe Impact by any vehicle or animal

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

Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data whether Your Property or not

Date Recognition Computer Equipment
the expected cost which would have been incurred in modifying any computer data processing equipment or media microchip integrated circuit or similar devise or other equipment or system for processing storing or receiving data or any computer software so as to be able correctly to recognise save retain manipulate interpret or process any date after December 31st 1999 where such computer or other property is unable to do so at the time of any Damage insured by this Policy

Sonic Bangs
loss destruction or damage or any consequential loss occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

Property Damage Section

Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in this Section they should also be read in conjunction with the General Definitions at the start of the Policy

Excess/Excesses shall mean
The amount or amounts shown in Your Policy or the Schedule which We will deduct from each and every claim at each separate location and will be deducted after the application of Average

You will repay any such amount paid by Us

Property Insured

Buildings shall mean

1. Structures at the Premises
2. Landlords fixtures and fittings in and on the structures
3. Internal and external fixed glass sanitary ware and signs
4. Central heating systems
5. Concrete paved or asphalt forecourts yards terraces drives and footpaths
6. Walls gates and fences

Electronic Business Machines shall mean

1. All computer equipment (including peripheral devices interconnecting wiring fixed disks telecommunications equipment computerised telephone systems electronic access equipment and electronic point of sale systems) used for the storage and communication of electronically processed data including
   a. portable computer equipment at the Premises
   b. facsimile or photocopying machines
   but shall not include within its meaning
   a. computer equipment controlling manufacturing processes
   b. computer equipment manufactured for sale or held as stock for sale
   unless specified in the Schedule
2. Data carrying materials
3. All current and backup computer software and programs held on hard disks or data carrying materials unless specifically described otherwise in the Schedule
4. Computer lock down plates security enclosures security cables and other similar devices

all belonging to You or held by You in trust for which You are responsible but excluding any property which is more specifically insured

Plant Machinery Trade Fixtures shall mean

1. Machinery plant fixtures fittings and other trade equipment
2. Electronic Business Machines for an amount not exceeding £5000 unless specified separately on the schedule
3. Money and stamps including National Insurance Stamps (excluding Damage by theft or any attempt thereat) for an amount not exceeding £2,000
4. Documents manuscripts and business books but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up and not for the value to You of the information contained
5. Computer systems records but only for the cost of the materials and clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value to You of the information contained therein up to an amount not exceeding £25,000

6. Patterns models moulds plans and designs for an amount not exceeding the cost of the labour and materials expended in reinstatement
7. Directors partners customers employees and visitors personal effects of every description (other than motor vehicles) for an amount not exceeding £500 any one person in so far as they are not otherwise insured but any cover granted under this Section for Damage by theft shall not apply to personal effects partly or wholly of precious metal jewellery watches furs contact lenses portable electronic entertainment equipment mobile telephones cameras money and securities of any description
8. Wines spirits cigarettes and tobacco held for entertainment purposes for an amount not exceeding £250 in total in respect of Damage by theft or attempt thereat (if insured)
9. To the extent that they are not otherwise insured motor vehicle chassis and their contents

all belonging to You or held by You in trust for which You are responsible but excluding any property which is more specifically insured

Stock in Trade shall mean
Stock and materials in trade work in progress and finished goods owned by You or held by You in trust for which You are responsible

Tenants Improvements shall mean
Structural fixtures and fittings and decorations of Yours as occupier of the Premises

Cover

We will indemnify You in respect of Damage to Property Insured occurring during the Period of Insurance at the Premises and caused by each of the following Contingencies as they appear in the Schedule subject to the Excess

The Sum Insured under each item other than for items solely applying to fees removal of debris rent private dwelling houses churches or buildings in course of erection is separately subject to Average

Limit of Liability
The maximum We will pay under this Section in any one Period of Insurance will not exceed

1. the Sum Insured on each item or
2. the total Sum Insured or
3. any other maximum amount payable or limit of liability specified in the Schedule

Standard Contingencies

Fire
But we will not indemnify You for Damage

1. caused by explosion resulting from fire
2. caused by earthquake or subterranean fire
3. to that portion of any item caused by its own self ignition leakage of electricity short circuiting or over running
4. caused by
   a. its own spontaneous fermentation or heating
   b. its undergoing any heating process or involving the application of heat

Lightning

Explosion
But we will not indemnify You for Damage

1. caused by the bursting of any boiler economiser or other vessel machine or apparatus belonging to You or under Your control in which internal pressure is due to steam only

2. to any vessel machine or apparatus or its contents resulting from the explosion thereof but this shall not exclude Damage caused by explosion of any boiler or gas appliance used for domestic purposes only

Aircraft and /or other aerial devices and/or articles dropped therefrom

Riot Civil Commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation

We will not indemnify You in respect of Damage

1. arising from the cessation of work
2. arising from confiscation or destruction or requisition by order of the Government or any public authority
3. by fire caused by strikers locked-out workers or persons taking part in labour disturbances or malicious persons

Malicious Persons not acting on behalf of or in connection with any political organisation but only where Standard Contingency Riot Civil Commotion is also insured by this Section

But we will not indemnify You in respect of Damage (other than by Fire or Explosion)

1. by theft
2. in respect of any Vacant or Disused Buildings

Earthquake and or Subterranean Fire

Theft or attempted theft involving

1. entry to or exit from the Buildings at the Premises by forcible and violent means excluding any loss from any structure which is incapable of being locked
2. violence or threat of violence to You or any director partner or Employee or their families

But we will not indemnify You for

a. theft from any garden yard or open space
b. Property Insured in any portion of the Premises which is Vacant or Disused
c. dishonest or fraudulent action by You Your partners directors or Employees or any person lawfully on the Premises
d. jewellery precious metals stones or articles composed from them money works of art curiosities rare books bullion or furs except where specifically mentioned in the Schedule as being insured

Storm and falling trees

But we will not indemnify You for Damage

1. attributable solely to change in the water table level
2. caused by
    a. subsidence ground heave or landslip
    b. inundation from the sea whether resulting from Storm Tempest or otherwise
    c. frost
    d. escape of water from the normal confines or any natural or artificial water course lake reservoir canal or dam
    e. felling lopping pruning of trees
3. to fences gates and moveable Property in the open or in open sided Buildings

Flood

We will not indemnify You in respect of Damage

1. caused by
    a. storm or tempest
    b. subsidence ground heave or landslip
    c. frost
    d. by escape of water from any tank apparatus or pipe
    e. felling lopping or pruning of trees

2. attributable solely to change in the water table level
3. to fences gates and moveable Property in the open or in open sided Buildings

Escape of Water from any tank apparatus pipe or escape of fuel from any fixed oil heating installation

We will not indemnify You for Damage

1. caused by water discharged or leaking from an automatic sprinkler installation
2. whilst the Premises are Vacant or Disused
3. gradual emission or seepage from any fixed oil heating installation

Impact by any animal or road vehicle or by goods falling therefrom or collapse or breakage of television or radio receiving aerials or satellite dishes

We will not indemnify You

1. in respect of the Excess stated in the Schedule if the vehicle or animal is owned by or under the control of
   a. You or any member of Your family
   b. any of Your Employees
2. in respect of Damage to goods being carried

Sprinkler Leakage

Accidental escape of water from any automatic sprinkler installation fitted in the Premises

But we will not indemnify You in respect of Damage caused by

1. freezing whilst the Premises insofar as they are in Your ownership or tenancy is Vacant or Disused
2. explosion earthquake subterranean fire or heat caused by fire
3. repairs alterations or extensions to the buildings and/or sprinkler installations

Additional Contingencies

Accidental Damage

But we will not indemnify You for

1. Damage caused by or specifically excluded from any of the Standard Contingencies in this Section
2. Damage caused by or consisting of
   a. inherent vice latent defect gradual deterioration change in water table level frost wear and tear faulty or defective design or materials
   b. faulty or defective workmanship operational error or omission by You Your partners directors or Employees or contracted consultants

   but this shall not exclude subsequent Damage which results from a cause not otherwise excluded
3. Damage caused by or consisting of
   a. corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
   b. change in temperature colour flavour texture or finish the action of light or atmosphere
   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. mechanical or electrical breakdown derangement or overloading in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates

   but this shall not exclude
      i. such Damage not otherwise excluded which itself results from a Standard Contingency or any other accidental cause
      ii. any subsequent Damage which itself results from a cause not otherwise excluded
4. Damage caused by or consisting of
   a. settling shrinkage or expansion of foundations walls floors ceilings or roof settlement or bedding down of new structures or extensions subsidence ground heave or landslip

   b. unexplained disappearance unexplained shortage inventory shortage misfiling or misplacing of information
   c. electrical or magnetic disturbance or erasure of electronic recordings
   d. You voluntarily parting with the title or possession of any Property or rights to Property
   e. cessation of work
   f. the solidification of molten material unless such Damage is directly caused by any other Standard Contingency that is insured by this Section
5. Damage to a Building or structure caused by its own collapse or cracking however We will indemnify You in respect of such Damage if it results from a Standard Contingency and is not otherwise excluded
6. Damage to
   a. moveable property in the open by wind rain hail sleet snow flood or dust
   b. Property Insured in transit by air or sea or inland waterway or road
7. Damage in respect of
   a. Buildings or structures in course of construction or erection and materials or supplies in connection with all such construction or erection
   b. vehicles licensed or intended to be licensed for road use including accessories thereon attached or unattached caravans trailers watercraft or aircraft
   c. livestock growing crops or trees
   d. jewellery precious stones or precious metals or articles composed of them bullion furs curiosities rare books or works of art
   e. Money credit cards or securities of any description
   f. fixed glass and sanitary ware other than as defined in Buildings

   unless specifically stated in the Schedule and the Damage is not otherwise excluded
8. Damage to Property resulting from its undergoing
   a. any process of production
   b. any process of packaging treatment testing commissioning cleaning servicing repair or any other similar process

   However We will indemnify You in respect of such Damage if it is caused by fire or explosion and is not otherwise excluded

Subsidence ground heave or landslip

But we will not indemnify You for Damage

1. to forecourts yards terraces drives footpaths walls gates fences security lighting cameras fuel tanks piping ducting cables and wires unless a building insured by this section is damaged by the same cause at the same time
2. arising from the settlement or movement of made-up ground or by coastal or river erosion
3. occurring as a result of the construction demolition alteration or structural repair of any Buildings/structures at the Premises
4. arising from the normal settlement or bedding down of new structures
5. that has been provided for or would have been but for the existence of this insurance under any contract or a guarantee or by law
6. commencing prior to the issue of cover under this Policy

Section Exceptions

The following exceptions apply to this Section

We will not indemnify You for

1. delay loss of market loss of use or consequential loss of any kind unless cover is specified in the Schedule and the Damage is not otherwise excluded
2. any Property more specifically insured by or on behalf of You
3. Damage to working dynamos motors wires main or electrical apparatus through short circuiting overrunning or excessive pressure

Section Conditions

The following conditions apply to this Section and should be read in-conjunction with the General Conditions applying to the whole Policy

Automatic Reinstatement

We shall in the event of Damage under this Section automatically reinstate the Sum Insured unless there is written notice by Us to the contrary provided that

1. You undertake to pay the appropriate additional premium
2. You shall take immediate steps to carry out any alterations to the protections of the Premises which We may require

Basis of Claims Settlement

Unless stated otherwise in the Schedule the basis of settlement under this Section shall be

1. **Reinstatement** – the amount payable in respect of Buildings Electronic Business Machines Plant Machinery or Tenants Improvements shall be the cost of the reinstatement of the Damage
   For this purpose "reinstatement" means
   a. the rebuilding or replacement of Property Insured lost or destroyed which provided Our liability is not increased may be carried out
      i. in any manner suitable to Your requirements
      ii. upon another site
   b. the repair or restoration of Property Insured damaged

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

Provided that

1. Our liability for the repair or restoration of Property Insured damaged in part only shall not exceed the amount which would have been payable had such Property been wholly lost or destroyed
2. If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the Property covered by any item subject to this Basis of Claims Settlement exceeds its Sum Insured at the commencement of any Damage Our liability shall not exceed that proportion of the amount of the Damage which the Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such Property at that time
3. No payment beyond the amount which would have been payable in the absence of this Basis of Claims Settlement shall be made
   a. unless reinstatement commences and proceeds without unreasonable delay
   b. until the cost of reinstatement shall have been actually incurred
   c. if the Property Insured at the time of the Damage shall be insured by any other insurance effected by You or on Your behalf which is not upon the same basis of reinstatement
4. All the terms and Conditions of this Policy shall apply
   a. in respect of any claim payable under the provisions of this Basis of Claims Settlement except insofar as they are varied hereby
   b. where claims are payable as if this Basis of Claims Settlement had not been incorporated
5.
   a. When We decide or are required to reinstate or replace any Property Insured You will at Your own expense provide all such plans documents books and information as may be reasonably required
   b. We will not be obliged to reinstate Property Insured exactly but only in a satisfactory manner as circumstances allow

The maximum amount We will pay in respect of any one item is the Sum Insured

2. **Indemnity** – the amount payable in respect of Stock and or all other Property Insured shall be the value at the time of Damage or at Our option the cost of reinstatement or replacement of such Property Insured or any part of it

Provided that

If at the time of Damage the Sum Insured for the item is less than 85% of the value of the item insured then Our liability shall be limited to that proportion of the Damage which the Sum Insured bears to the value of the Property Insured

Change of Occupancy

You must tell Us immediately if

1. any Building becomes Vacant or Disused
2. any Building stated in the Schedule to be Vacant or Disused or any part of it becomes occupied

Construction Heating and Occupation of the Buildings

Unless otherwise stated in the Schedule the Buildings are occupied by You for the sole purpose of the Business and otherwise only as a private dwelling and are

1. mainly constructed of brick stone or concrete
2. roofed with slates tiles concrete metal or other non combustible materials
3. heated by
   a. low pressure hot water or steam
   b. oil fired space heaters fed from a fuel tank in the open
   c. overhead gas or electrical appliance
   d. gas or electric fires in offices only

Designation

For the purpose of determining where necessary the item heading under which any property is insured We agree to accept the designation under which such property has been entered in Your books or business records

Fire Alarms and Fire Doors

If in relation to any claim for Damage by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons if You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

You shall

1. carry out the testing and checking requirements in relation to the automatic fire alarm installation(s) referred to on any completion certificate and remedy promptly any defect disclosed and
2. carry out the maintenance procedures in relation to the automatic fire alarm installation(s) specified by the manufacturers of the equipment and
3. notify to Us immediately of any disconnection or failure of the automatic fire alarm installation likely to leave any area unprotected for more than 12 hours or more record details of all events such as alarm faults tests maintenance and disconnections and keep such details available for examination by Us or Our representatives
4. keep all fire break doors and shutters closed except during working hours and in efficient working order

Fire Extinguishment – Automatic Sprinkler Installations

This Condition will only apply if detailed in the Schedule

If in relation to any claim for Damage caused by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons if You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

When a discount has been allowed in consideration of an automatic sprinkler installation if You have failed to fulfil any of the following conditions the discount may be removed and an additional premium charged to You

You must

1. give Us advance notice in writing if any part of the system is to be altered repaired or rendered inoperative
2. tell Us immediately by telephone or facsimile in the event of any emergency and take precautions as advised by Us
3. allow Us to have access to the Premises at all times to inspect or witness the testing of the system

You must carry out the following tests checks or inspections at weekly intervals and promptly rectify any defects faults or shortcomings revealed by such tests checks and inspections and ensure that any such automatic sprinkler installation(s) are in full and proper operation at all times

1. a test of each installation alarm gong recording the time taken for the alarm to sound
2. an inspection to ensure that all of the following are fully opened and secured by means of a suitable strap and padlock
   a. installation main stop valves
   b. incoming water supply stop valves
   c. subsidiary stop valves
3. a test to establish the condition of
   a. the circuit between the alarm switch and the control unit
   b. the connection with the public fire station or alarm receiving centre or public fire brigade control

   Where the circuit is not continuously monitored these tests must be carried out each working day

   c. the batteries

   A maintenance contract and a half yearly inspection of this signalling system must be kept in force with approved engineers
4. a check of any alternate or dry installation valves for correct air pressure and settings including accelerator exhausters air compressors ancillary valves
5. a test of the automatic and where provision has been made the manual starting of the sprinkler water supply pump(s) ensuring that any diesel driven pump(s) is allowed to run for a period of not less than 30 minutes
6. a check of the electrically driven pump(s) to ensure that all
   a. isolators are correctly set
   b. circuit breakers are correctly set
   c. electrical supply phase indicators are illuminated
7. a check of all the diesel driven pump(s) engine oil level fuel tank content internal coolant circuits battery electrolyte level battery charger oil hoses water hoses oil coolers exhaust systems turbo chargers drive belt tensions and where replenishment or rectification is required this shall be carried out immediately on conclusion of the tests
8.
   a. a check of the
      i. air pressure tank water level
      ii. air pressure
   b. a test of the air and water charging equipment
9. a check of the water storage tank(s) water level the automatic refilling mechanism that incoming supply valves are correctly set that incoming supply valves are functional and that any frost precautions are in operation

You must display prominently at each storage area covered by an automatic sprinkler installation a notice of the terms agreed with Us which specifies

1. the description of goods which may be stored
2. the type of storage
3. the maximum height of storage
4. the minimum permitted clearance between goods stored and the sprinkler deflectors

You must also comply with the terms of the notice and ensure compliance by Your partners directors or Employees

Fire Extinguishing Appliances

If in relation to any claim for Damage by fire explosion riot civil commotion strikers locked out workers or persons taking part in

labour disturbances malicious persons if You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

You must maintain all fire extinguishing appliances on the Premises in proper working order and under a contract of 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 You or beyond Your control

Intruder Alarm System

This Condition will only apply if it is specified in the Schedule

For the purpose of this Condition only the following definitions apply

Damage

loss or destruction of or damage to the Property caused by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons and theft

Intruder Alarm System

an electrical installation to detect and indicate the presence of entry or attempted entry or exit of an intruder into Protected Premises

Protected Premises

the Premises or those portions of the Premises protected by the Intruder Alarm System as required by Us

Responsible Person

You or any person authorised by You to be responsible for the security of the Premises

Keyholder

You or any person or key holding company authorised by You 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

If in relation to any claim for Damage by this condition if You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

1. the Premises are protected by an Intruder Alarm System and means of communication used to transmit signals from such Intruder Alarm System designed installed and maintained as agreed by Us
2. the Protected Premises must not be left without at least one Responsible Person in attendance
    a. unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation
    b. if the police have withdrawn their response to alarm calls unless We agree otherwise in writing
3. in the event of notification of any activation of the Intruder Alarm System or interruption of any of the means of communication used to transmit signals 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 We agree otherwise in writing
4. You shall advise Us as soon as possible and in any event not later than 10.00am on Our next working day
    a. 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
    b. of notice from a local authority or Magistrate imposing any requirement for abatement of nuisance
    c. 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 You must comply with any of Our subsequent requirements

5. You shall not conduct or authorise any alteration or substitution of
   a. any part of the Intruder Alarm System
   b. the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System
   c. the means of communication used to transmit signals from the Intruder Alarm System
   d. the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System
   e. the maintenance contract

   without Our written agreement
6. You and each Keyholder must maintain 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
7. 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 other such company as agreed by Us
8. You will appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company contracted to maintain the Intruder Alarm System and with the police if they so require

Requirements

If You have failed to implement the requirements set out in the Schedule within the timescales specified You will lose Your right to indemnity or payment for that claim

Minimum Standards of Protections - Security Level 1

If in relation to any claim for Fire Explosion Riot Civil Commotion strikers locked out workers or persons taking part in labour disturbances Malicious Persons Theft or attempted theft covered by this Section If You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

Unless agreed otherwise by Us in writing within 30 days of inception of this Policy the following protections shall be fitted to the under-mentioned doors windows and other openings (where these are under Your control) and put into
full and effective operation whenever the Premises are closed for business or left unattended

1. on timber final exit doors or other external timber doors and on internal doors giving access to any part of the Premises not occupied solely by You or to any adjoining premises (excluding sliding doors and fire exit doors)
   a. if single leaf a mortice deadlock which has five or more levers and/or conforms to BS3621 specification for thief resistant locks with matching steel box striking plate
   b. if double leaf
      i on the first closing leaf flush or barrel bolts the latter at least 200mm (8”) long or key operated locks or bolts fitted top and bottom in every case
      ii on the second closing leaf a mortice deadlock which has five or more levers and/or conforms to BS3621 specification for thief resistant locks with matching steel box striking plate or a substantial padlocking bar and high quality close shackle padlock with minimum of five levers or high security cylinder mechanism.
   c. if single or double leaf and also outward opening hinge bolts fitted top and bottom
2. on external aluminium or UPVC doors (excluding sliding and fire exit doors) cylinder operated mortice pivot bolt lock (similar to the Adams Rite MS1950 series locks) including anti-turn cylinder collar, and if double leaf flush bolts on the first closing leaf
3.
   a. on steel final exit doors and all sliding final exit doors a substantial padlocking bar and high quality close shackle padlock with minimum of five levers or mortice hook bolt lock which has five or more levers and/or conforms to BS3621 specification for thief resistant locks with matching steel box striking plate
   b. on all other steel doors and all other sliding doors (excluding sliding patio doors) substantial padlocking bar a good quality close shackle padlock with minimum of five levers or high security cylinder mechanism fitted externally or

substantial padlocking bar and high quality open shackle padlock with minimum of five levers or high security cylinder mechanism fitted internally

c. on sliding patio doors

i a manufacturer's patent key-operated locking system which engages boltwork into the doorframe either at the top and bottom of the opening section of each door or into the side frame in at least three points (in the latter case all hook or shoot bolts must be mushroom headed)

or

ii two key-operated patio door locks fitted internally one at the top and one at the bottom of each opening section

4. any door officially designated as Fire Exit by the Fire Authority must be secured only by devices agreed by the Fire Officer this may be by means of a suitable lock for use in emergency escape situations and it must not be possible for the lock to be operated by breaking or removing glazing either in the door itself or in a window immediately adjacent to the door and with hinge bolts fitted top and bottom of outwards opening doors
5. on opening basement and ground floor windows and fanlights and on other opening windows fanlights and skylights which are accessible from roofs balconies canopies fire escapes or downpipes
   a. key-operated window locks with the keys removed when in operation
   b. or solid steel bars not less than 16mm (5/8") diameter and not more than 125mm (5") apart securely fixed to the brickwork or masonry surrounding the window
   c. or lockable steel expanded metal window gates or weld mesh grilles
   d. or shutters that are used to cover the whole of the window opening
6. where installed

   all roller shutters where no other inner door is being protected including such roller shutters that contain wicket doors or equivalent a manufacturer's standard recommended locking device for that type of roller shutter

Security

If in respect of any claim for fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons theft or attempted theft covered by this Section if You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must ensure that

1. whenever the Premises are closed for business or left unattended all locks bolts and other security devices including any intruder alarm system(s) are put into full and effective operation
2. any keys for the Premises and/or intruder alarm system are removed from the Premises whenever the Premises are closed for business or are left unattended for any reason whatsover
3. You maintain the secrecy codes for the operation of the Intruder Alarm System to authorised persons and no details of same are left on the Premises

Stock Declaration

Where 'SDC' appears against the Sum Insured under Stock in Trade in the Schedule the following shall apply the premium for the item(s) is provisional and subject to adjustment as hereinafter provided

1. the separate value of the Property Insured under each such item shall be declared in writing by You to Us either monthly or quarterly as previously agreed and if You fail to give such a declaration then You shall be deemed to have declared the original Sum Insured by the item(s) on the declaration date
2. unless otherwise stated in the Schedule to the contrary the dates on which values are to be calculated shall be
   a. monthly declarations - the last day of each month or
   b. quarterly declarations – the last day of every 3 month period commencing from the beginning of the Period of Insurance

   the declared values to reach Us within 30 days of the declaration date
3. if You declare a value greater than the Sum Insured We will take the Sum Insured stated in the Schedule to be the value declared
4. at the end of each Period of Insurance We will calculate the actual premium by applying the rate to the average amount

declared

5. if the actual premium is more than the provisional premium paid You will pay the difference
6. if the actual premium is less than the provisional premium paid We will refund the difference but this will not exceed 33 1/3% of the first or annual premium respectively
7. the Sum Insured for each item will not be reduced by the amount of any claim however You must pay the additional premium required to reinstate the Sum Insured
8. every insurance on Stock in Trade must be similar in wording with this insurance

Section Extensions

All the following extensions shall apply subject to all other terms conditions limits exceptions of this Policy

Annexes

The Property Insured of

1. annexes conveniences and external hoists gangways and staircases
2. extensions communicating with any of the buildings within described
3. sub-stations

are insured under the respective items applying to the Property Insured to which such Property is attached or belongs

Architects Surveyors Legal and Other Professional Fees

The Sum Insured under each item of Building and Machinery in the Schedule includes an amount in respect of architects' surveyors' legal and other professional fees necessarily incurred in the reinstatement of the Property Insured consequent upon Damage thereto but not for preparing any claim it being understood that the amount payable for such fees shall not exceed those authorised under the scale of charges of the respective professional bodies at the time of such Damage and that the liability for such Damage and fees shall not exceed in the aggregate the Sum Insured by each such item

Capital Additions

We will indemnify You in respect of Damage to

1. alterations additions and or improvements to the buildings and /or machinery but no appreciation in value thereof
2. newly acquired and/or newly occupied premises provided they are not otherwise insured anywhere in Great Britain Northern Ireland the Isle of Man or the Channel Islands

Provided that

a. at any one Premises this extension shall not exceed 10 per cent of the Sum Insured under the relevant item or £250,000 in the aggregate whichever is the less
b. You shall advise Us
   i. every six months in respect of any such alterations additions and improvements
   ii. as soon as practicable of any newly acquired and or newly occupied premises

You will pay the appropriate additional premium required from inception of such additional cover and amounts declared shall be added by endorsement to the Sum Insured by the relative item whereupon these provisions shall be fully reinstated

Contract Sale Price

In the event that a contract for the sale of goods (not yet delivered) is cancelled following Damage to goods by reason of conditions attaching to the contract then We will pay the contract price for the goods which have suffered Damage

Any calculation for the purpose of Average will be on the basis of the contract price for all goods sold but not delivered whether suffering Damage of not

Day One Basis

Applicable only to those items showing a Declared Value (DV) as stated in the Schedule

1. You having stated in writing the Declared Value incorporated in each item to which this Extension applies the premium

has been calculated accordingly

For the purposes of this Extension Declared Value shall mean

Your assessment of the cost of reinstatement of Buildings Electronic Business Machines Plant Machinery and Tenants Improvements arrived at in accordance with paragraph (1) of the Basis of Claims Settlement Condition at the level of costs applying at the start of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with an allowance for

a. the additional cost of reinstatement to comply with
    i. European Union Legislation
    ii. Act of Parliament
    iii. Bye-Laws of any public authority
b. professional fees
c. debris removal costs

2. You must notify Us of the Declared Value at the start of each Period of Insurance

   If You fail to notify Us of the Declared Value at the start of any Period of Insurance We will use the last Declared Value notified to Us for the following Period of Insurance
3. Provisions (2) and (4) of the Basis of Claims Settlement Condition are restated as follows
4. If at the time of the Damage the Declared Value is less than the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (1) of this Condition at the start of the Period of Insurance Our liability for any Damage will be limited to that proportion which the Declared Value bears to the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (1) of this Condition
5. We will not pay under this Condition
   a. until You have incurred the cost of replacing or repairing the Property Insured
   b. if You or someone acting on Your behalf have insured the Property Insured under another policy which does not have the same basis of reinstatement
   c. if You do not comply with any of the provisions of this Condition

However the Sums Insured will be limited to the percentage of the Declared Values stated in the Schedule

Debris Removal

The Sum Insured for each item of Property Insured under this Section includes costs and expenses necessarily incurred by You with Our consent in

1. removing debris from
2. dismantling and or demolishing
3. shoring up or propping

the portion or portions of the Property Insured by the said items following Damage

in addition the sum insured in respect of Plant Machinery Trade Fixtures includes the costs and expenses necessarily incurred in the re-erection and fixing of said items following Damage

But we will not indemnify You in respect of costs and expenses

a. incurred in removing debris except from the Premises where Damage occurred and the area immediately adjacent thereto
b. arising from pollution or contamination of Property not insured by this Section

The maximum We will pay for costs and expenses in respect of Stock in Trade is £10,000

Drain Clearance

The Sum Insured for each item under Buildings and/or Plant Machinery extends to include costs and expenses necessarily incurred by You and for which We agree to for clearing and /or cleaning drains sewers and gutters for which You are responsible and liable following Damage as insured by this Section

European Union and Public Authorities Clause

Following Damage as insured by this Section to each item under Buildings and Plant Machinery We will pay the additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with any

1. European Union legislation or
2. building or other regulations under or framed in pursuance of any Act of Parliament or by-laws of any public authority (both of which are hereinafter referred to as " Regulations" in respect of the destroyed or damaged Property Insured)

This Extension does not apply to

a. the cost incurred in complying with the Regulations
   i. in respect of Damage occurring prior to the granting of this Section Extension
   ii. in respect of Damage not insured by this Section
   iii. under which notice has been served upon You prior to the happening of the Damage
   iv. for which there is an existing requirement which has to be implemented within a given period
   v. in respect of undamaged Property Insured or undamaged portions of Property Insured other than foundations (unless specifically excluded) of that portion of the Property Insured destroyed or damaged for any amount in excess of 15% of the total amount for which We would have been liable had the Property Insured at the Premises where Damage occurred had been wholly destroyed
b. the additional cost that would have been required to make good the Property Insured destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Regulations not arisen
c. the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the Property Insured or by the owner thereof by reason of compliance with Regulations

Provided that

1. the work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the Damage or within such further time as We may allow (during the said 12 months) and may be carried out upon another site (if the regulations so necessitate) subject to the Our liability under this Section Extension not being thereby increased
2. if Our liability under any item of this Section apart from this Section Extension shall be reduced by the application of any of the terms conditions and Exceptions of this Section then Our liability under this Section Extension in respect of any such item shall be reduced in like proportion
3. the total amount recoverable under any item of this Section under this Section Extension shall not exceed
   a. in respect of European Union Legislation
      i. 15% of the Sum Insured
      ii. where the Sum Insured by the item applies to Property Insured at more than one Premises 15% of the total amount for which We would have been liable had the Property Insured by the item at the Premises where Damage has occurred been wholly destroyed
   b. in respect of Regulations the Sum Insured

Fire Brigade Damage

We will indemnify You in respect of costs and expenses necessarily incurred in reinstating or repairing landscaped gardens and grounds following damage caused by fire brigade equipment or personnel in the course of combating fire

The maximum We will pay in respect of any one claim under this Extension is £10,000

Fire Extinguishing Expenses

We will indemnify You in respect of costs and expenses incurred in refilling recharging or replacing any

1. portable fire extinguishing appliances
2. local fire suppression system
3. fixed fire suppression system
4. sprinkler installation

5. sprinkler heads

As a result of Damage as insured by this Section

We will not indemnify You in respect of any costs and expenses recoverable from the maintenance company or fire service

If in relation to any claim for fire extinguishing expenses if You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim

You must maintain all such equipment in accordance with the manufacturer's instruction which is acceptable to Us

The maximum We will pay in respect of any one claim under this extension is £10,000

Index Linking

Each item of Property Insured is declared to be subject to Index Linking unless otherwise specified in the Schedule and it is adjusted at monthly intervals as follows

1. in respect of Buildings Landlords Fixtures and Fittings Tenants Improvements and internal decorations in accordance with the percentage change in the General Building Cost Information Service
2. in respect of Stock in Trade Gross Profit Gross Revenue Gross Rentals Oustanding Debit Balances in accordance with the percentage change in the Producer Price Index for Home Sales of Manufactured Products
3. in respect of all other Plant Machinery Trade Fixtures other than Stock in Trade in accordance with the Durable Goods Section of the Retail Prices Index

At each renewal the premium will be adjusted to apply to the Sum Insured which then pertains and We waive all rights to additional premium arising solely out of such index adjustments prior to renewal We reserve the right to use alternative suitable indices to those mentioned at any time without prior notice if either index becomes unavailable

Replacement Locks

We will indemnify You for the cost of replacing locks at the Premises if keys are lost from

1. the Premises
2. Your home
3. the home of any authorised Employee

following Theft or Attempted Theft

or

whilst in Your custody or that of an Employee following Theft or Attempted Theft

If the keys belong to a safe or strongroom they must be

a. removed from the Premises overnight
b. kept in a secure place away from the safe when You or an Employee occupies the Premises

The maximum We will pay in respect of any one claim is £2,500

Loss of Metered Water

We will pay for charges for which You are responsible if water is accidentally discharged from a metered water system providing service to the Premises

The maximum We will pay in respect of any one claim under this Extension is £10,000

Mortgagors Freeholders and Lessors

Mortgagors freeholders and lessors shall not be prejudiced by any increase in the risk of Damage resulting from any act of negligence of any mortgagee leaseholder lessee or occupier of any Buildings insured by this Section provided such increase in risk is without their prior knowledge or authority and We are notified immediately they become aware of such increase in risk

Non-invalidation

The insurance by this Section shall not be invalidated by any act or omission or by any alteration whereby the risk of Damage is increased unknown to or beyond Your control provided that immediately You become aware thereof You shall give notice to Us and pay an additional premium if required

Other Interests

The interest of parties supplying Property to You under a hiring leasing or similar agreement is noted in this insurance the nature and extent of any such interest to be disclosed in the event of Damage

Rent

The insurance on rent applies only if any of the Buildings or any part thereof are unfit for occupation in consequence of Damage thereto but the amount payable shall not exceed such proportion of the Sum Insured on Rent as the period necessary for reinstatement bears to the term of Rent insured

Subrogation Waiver

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

1. any Company standing in the relationship of Parent to Subsidiary (Subsidiary to Parent) to You as defined in the Companies Acts or Companies (NI) Order as appropriate current at the time of Damage
2. any Company which is a Subsidiary of a Parent Company of which You are a subsidiary in each case within the meaning of the Companies Acts or Companies (NI) Order as appropriate current at the time of Damage

Theft Damage to Buildings

We will indemnify You for the cost of repairing Damage by theft or any attempted theft to the buildings at the Premises (whether or not the buildings are insured hereunder) if You are responsible for the repairs and the Damage is not otherwise insured

Temporary Boarding Up

Any cover granted under this Section in respect of Damage to fixed glass includes the reasonable costs of any necessary boarding up or temporary glazing pending the replacement of broken glass and of removing and re-fixing window fittings and other obstacles to replacement

The maximum we will pay in respect of any one claim under this Extension is £5,000

Temporary Removal (General)

We will indemnify You in respect of Damage insured by this Section other than to Stock whilst temporarily removed from the Premises for cleaning renovation repair elsewhere and in transit thereto and therefrom in Great Britain Northern Ireland the Isle of Man or the Channel Islands

The maximum We will pay under this Extension is 10% of the Sum Insured for each item after the deduction of the value of any Building and Stock in Trade included within the item insured

But we will not indemnify You in respect of

1. motor vehicles and motor chassis licensed for normal road use when Damage occurs elsewhere than at the Premises
2. Property Insured elsewhere
3. Property Insured removed for more than 90 consecutive days unless We agree a longer period

Temporary Removal – Documents and Computer Systems Records

Where an item under this Section includes deeds and other documents (including stamps thereon) manuscripts plans and writings of every description and books (written and printed) and computer systems records We will indemnify You in respect of Damage insured by this Section to such item while temporarily removed to any premises not in Your occupation and whilst in transit thereto and therefrom all in Great Britain Northern Ireland the Isle of Man or the Channel Islands

The maximum We will pay under this Extension is 10% of the total value of the item

Transfer of Interest

If at the time of Damage You shall have contracted to sell Your interest in any Buildings and the purchase shall not have been but shall be thereafter completed the purchaser on completion of the purchase if and so far as the Building 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 Our or Your rights and liabilities under this Section up to the date of completion

Trace and Access

We will pay reasonable costs and expenses with Our consent in locating the source of any escape of water from any fixed domestic water services or heating installation or escape of fuel oil including subsequent repair to walls floors or ceilings

But we will not indemnify You

1. for the cost of repairs to any fixed domestic water services or heating installation
2. where Damage results solely from a change in the water table level

Our maximum liability shall under this Extension not exceed £10,000 in the aggregate during any one Period of Insurance

Underground Services

We will pay for Damage for which You are legally liable to underground pipes cables drains and their relevant inspection covers supplying services to and carrying waste from the Premises to the point of junction with public supply lines mains and sewers

The maximum We will pay under this Extension in respect of any claim is £10,000

Workmen

Workmen are allowed in or about any of the Premises for the purposes of carrying our minor alternations repairs decoration and or any maintenance without prejudice to this Policy

Business Interruption Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Damage
loss of or damage to the Property used by You at the Premises for the purpose of the Business

Indemnity Period
the period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence thereof

Turnover
the money paid or payable to You for goods sold and delivered and for services rendered in the course of the Business at the Premises

Maximum Indemnity Period
the period detailed in the Schedule

Maximum Limit
The Sum Insured as stated in the Schedule for Increased Cost of Working which will apply to each and every Premises as specified in the Schedule and in the aggregate in respect of any one event unless otherwise stated

Gross Profit shall mean the amount by which

1. the sum of the amount of the Turnover and the amounts of the closing stock and work in progress shall exceed
2. the sum of the amount of the opening stock and work in progress and the amount of the Uninsured Working Expenses

The amounts of the opening and closing stocks (including work in progress) shall be arrived at in accordance with Your usual accounting methods due provision being made for depreciation and any discounts allowed

Uninsured Working Expenses
Purchases (less discounts received)
Carriage packing and freight
Discounts allowed
Bad debts
or unless otherwise stated in the Schedule
the words used in this definition will have the meaning usually attached to them in Your books and accounts

Gross Rentals
the money paid or payable to You for tenancies and other charges and for services rendered in the course of the Business at the Premises

Gross Revenue
the money paid or payable to You for services rendered in the course of the Business less the amount of any Uninsured Working Expenses

Estimated Gross Profit
the amount declared by You to Us as representing not less than the Gross Profit which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple

thereof where the Maximum Indemnity Period exceeds twelve months)

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

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

Outstanding Debit Balances
The money owed to You by Your customers at the date of the Damage taking into account

1. bad debts
2. debit and credit amounts owed and not passed through the books during the period between the last record and the date of the Damage
3. abnormal trading conditions affecting the Business
4. Your last record of amounts owed by customers

Rate of Gross Profit
the rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage

Annual Turnover
the Turnover during the twelve months immediately before the date of the Damage

Standard Turnover
the Turnover during the period in the twelve months immediately before the date of the occurrence which corresponds with the Indemnity Period

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

Standard Gross Revenue
the Gross Revenue during the period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period

Annual Gross Rentals
the Gross Rentals during the twelve months immediately before the date of the Damage

Standard Gross Rentals
the Gross Rentals during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period

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

Cover

In respect of each item in the Schedule We will indemnify You in respect of loss resulting from interruption of or interference with the Business carried on by You at the Premises in consequence of Damage occurring during the Period of Insurance caused by the operation of a Contingency covered under the Property Damage Section of the Policy unless otherwise stated in the Schedule

Provided that

1. payment shall have been made or liability admitted for the Damage under an insurance covering Your interest in the property
   or
2. payment would have been made or liability admitted for the Damage but for the operation of a provision in such insurance excluding liability for losses below a specified amount

Limit of Liability

Our liability under this Section shall not exceed

1. 133 1/3% of the Estimated Gross Profit or Estimated Gross Revenue or Estimated Gross Rentals shown in the Schedule
   and
2. 100% of the total Sum Insured shown in the Schedule for each other item stated in the Schedule

Basis of Settlement

The following terms of settlement apply only if the paragraph title appears in the Schedule as the Specification

Gross Profit/Estimated Gross Profit

The insurance under this item is limited to loss of Gross Profit due to (1) reduction in Turnover and (2) increase in cost of working and the amount payable as indemnity thereunder shall be

1. in respect of reduction in Turnover
   the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall fall short of the Standard Turnover in consequence of the Damage
2. in respect of increase in cost of working
   the additional expenditure (subject to the provisions of the Uninsured Working Expenses) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided

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

Provided that

if the sum insured by the item on Gross Profit be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced

Gross Revenue/Estimated Gross Revenue

The insurance under this item is limited to (1) loss of Gross Revenue and (2) increase in cost of working and the amount payable as indemnity thereunder shall be

1. in respect of loss of Gross Revenue
   the amount by which the Gross Revenue during the Indemnity Period shall fall short of the Standard Gross Revenue in consequence of the Damage
2. in respect of increase in cost of working
   the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the

reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Gross Revenue thereby avoided

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

If the sum insured by the item on Gross Revenue be less than the Annual Gross Revenue (or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced

Gross Rentals/Estimated Gross Rentals

The insurance under this item is limited to (1) loss of Gross Rentals and (2) increase in cost of working and the amount payable as indemnity thereunder shall be

1. in respect of the loss of Gross Rentals
   the amount by which the Gross Rentals during the Indemnity Period shall fall short of the Standard Gross Rentals in consequence of the Damage
2. in respect of increase of cost of working
   the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross Rentals which but for the expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Gross Rentals thereby avoided

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

If the sum insured by the item on Gross Rentals be less than the Annual Gross Rentals (or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced

Book Debts

If Your account books or other Business books or records whilst on Your Premises or temporarily removed to any premises in Great Britain Northern Ireland the Isle of Man or the Channel Islands or in transit between them sustain Damage as defined which results in Your inability to trace or establish the Outstanding Debit Balances We will pay You

1. the difference between the Outstanding Debit Balances and the total of the amounts received or traced in respect thereof
2. the additional expenditure incurred with Our consent in tracing and establishing customers' debit balances after the Damage
3. auditors' or accountants' charges reasonably incurred for producing and certifying details of a claim under this specification

provided that if the Sum Insured stated in the Schedule is less than the Outstanding Debit Balances the amount payable shall be proportionately reduced

We will not indemnify You as a result of

1. erasure or distortion of information on computer systems or other records
2. deliberate falsification of business records
3. mislaying or misfiling of tapes and records
4. the deliberate act of the public supply undertaking in restricting or withholding electricity supply
5. wear and tear and gradual deterioration vermin rust damp or mildew
6. dishonest or fraudulent acts by any of Your employees

Special Condition

You will record the total amount of Outstanding Debit Balances at least once every seven days and keep a copy

1. in a locked fire-resistant safe or cabinet at the Premises or

2. away from the Premises

The total amount payable in respect of any one claim shall not exceed the Sum Insured stated in the Schedule at the time of the Damage

Increased Cost of Working

We will pay Your additional expenditure which has been reasonably and necessarily incurred as a result of Damage to continue the Business during the Indemnity Period

The maximum amount We will pay will not exceed 50% of the Maximum Limit during the first three months of the Indemnity Period and then pro rata for the balance unless specified otherwise in the Schedule

Additional Increased Cost of Working

We will pay in respect of additional cost of working the additional expenditure incurred due to the Damage to maintain the Business during the Indemnity Period which exceeds the amount recoverable in respect of increase in the cost of working insured by the Specification of this Section

The maximum We will pay is the Sum Insured stated in the Schedule

Section Conditions

The following conditions apply to this Section and should be read in-conjunction with the General Conditions applying to the whole Policy

Accumulated Stocks

The following condition is only applicable to items on a Gross Profit/Estimated Gross Profit Basis of Settlement

In adjusting any loss account shall be taken and an equitable allowance made if any reduction in Turnover (where applicable) due to the Damage is postponed by reason of the Turnover being temporarily maintained from accumulated stocks of raw materials, work in progress or finished goods, at the Premises or elsewhere.

Alternative Trading

If during the Indemnity Period goods shall be sold accommodation provided or services shall be rendered elsewhere than at the Premises for the benefit of the Business either by You or by others on Your behalf the money paid or payable in respect of such sales accommodation or services shall be brought into account in arriving at the Turnover Gross Revenue Gross Profit or Gross Rentals during the Indemnity Period

Automatic Reinstatement

The Sums Insured stated in the Schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary

However You must pay the additional premium required to reinstate the Sum Insured

Current Cost Accounting

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

Premium Adjustment

The following provisions apply separately to each item on Estimated Gross Profit or Estimated Gross Revenue

1. Where the premium paid is not on a provisional basis it may be adjusted at the end of the Period of Insurance We will allow a pro rata return of premium not exceeding 25% of the premium paid if the premium calculated at the appropriate rate on the actual Gross Profit or actual Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance as reported by Your auditors is less than the premium paid

   If any Damage shall have occurred giving rise to a claim for loss of Gross Profit or Gross Revenue the above mentioned declaration shall be increased by Us for the purpose of premium adjustment by the amount by which the

Gross Profit or Gross Revenue was reduced during the financial year solely in consequence of the Damage

2. Where a provisional premium is paid at the commencement of each Period of Insurance You shall declare to Us within six months of the expiry of each period the actual Gross Profit or actual Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance as reported by Your auditors
   The premium will be calculated at the appropriate rate on the declaration and the premium paid will be adjusted as stated below provided that

   if any Damage shall have occurred giving rise to a claim for loss of Gross Profit or Gross Revenue the above mentioned declaration shall be increased by Us for the purpose of premium adjustment by the amount by which the Gross Profit or Gross Revenue was reduced during the financial year solely in consequence of the Damage
   a. in respect of Limit of Liability (1) in this Section if the premium calculated is
      i. less than the premium paid We will repay the difference to You
      ii. greater than the premium paid You shall pay the difference
   b. in respect of Limit of Liability (2) in this Section if the premium calculated is
      i. less than the premium paid We will repay the difference to You but not exceeding the difference between the premium paid and the premium payable on 50% of the Sum Insured
      ii. greater than the premium paid You shall pay the difference not exceeding the difference between the premium paid and the premium payable on the full Sum Insured

   In the event that no declaration is received within six months of the expiry of the Period of Insurance the Sum Insured will be deemed to be the declaration and the additional premium due will become payable

Excess

We will deduct the amount of the excess stated in the Schedule in respect of each and every claim as calculated after the application of all other terms of this Section

Departmental Clause

If you conduct the Business in departments and independent trading results are obtainable the Basis of Settlement of the Gross Profit Gross Revenue or Gross Rentals will apply separately to each department affected by the Damage

If the insurance is not on a declaration linked basis if the Sum Insured by such item is less than the total of all the sums produced by applying the Rate of Gross Profit Gross Revenue or Gross Rentals for each department of the Business (affected by the Damage or not) to its relative Annual Turnover (proportionately increased where the Maximum Indemnity Period exceeds 12 months) You will be Your own insurer for the difference and bear a rateable share of the loss

New Business

For the purposes of any claims arising from Damage occurring before the completion of the first years trading of the Business such loss will be ascertained by applying the Gross Profit or Gross Revenue or Gross Rentals earned during the period between the commencement of the Business and the date of the Damage to the amount by which the Gross Profit or Gross Revenue or Gross Rentals during the period of interruption or interference will have fallen short of the proportional equivalent for that period of the Gross Profit or Gross Revenue or Gross Rentals realised during the period between the commencement of the Business and the date of such Damage

Payments on Accounts

Claims payments on account may be made to You during the Indemnity Period if required

Professional Accountants

We will pay Your auditors and professional accountants reasonable charges for

1. producing information We require for investigating any claim and
2. confirming the information is in accordance with Your business books

The maximum We will pay for any claim including auditors and professional accountants charges is the Sum Insured

Subrogation Waiver Clause

In the event of a claim arising under this Section We agree to waive any rights remedies or relief to which We may be entitled by subrogation against

1. any company whose relationship to You is either a parent to subsidiary or subsidiary to parent
2. any company which is a subsidiary of a parent company of which You are Yourselves a subsidiary

as defined in or within the meaning of the relevant Companies Act or Companies (NI) Order current at the time of the Damage

Value Added Tax

To the extent that You are accountable to HM Customs and Excise for Value Added Tax all terms in this Section shall be exclusive of such tax

Section Extensions

The following extensions shall apply subject to all other terms conditions limits exceptions of this Policy where specified in the Schedule

We will indemnify You in respect of interruption of or interference with the Business in consequence of Damage during the Period of Insurance caused by the operation of a Contingency covered under the Property Damage Section of the Policy unless otherwise stated in the Schedule to

1. the under noted premises or situations

or

2. to the under noted property

Our liability under each extension for any one occurrence will not exceed

a. the amount

or

b. the percentage of the Sum Insured (or 133 1/3% of the Estimated Amount)

stated in the Schedule as the Limit

Specified Suppliers

to property at the premises of Your suppliers as named in the Schedule

Unspecified Suppliers

to property at the premises of any of Your suppliers within Great Britain Northern Ireland the Channel Islands or the Isle of Man but excluding the premises of any supply undertaking from which You obtain gas water electricity or telecommunications services

Supplier of Suppliers

to property at the premises of Your supplier suppliers within Great Britain Northern Ireland the Channel Islands or the Isle of Man but excluding the premises of any supply undertaking from which You obtain gas water electricity or telecommunications services

Specified Customers

to property at the premises of Your customers as stated in the Schedule

Unspecified Customers

to property at the premises of any of Your customers with Great Britain Northern Ireland the Channel Islands or the Isle of Man

Public Utilities – Electricity
to property at the premises of any generating station or sub-station of Your electricity supplier in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Public Utilities - Gas
to property at the premises of Your gas supplier and any natural gas producer directly linked to Your gas supplier in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Public Utilities - Water
to property at the premises of any water works or pumping station of Your water supplier in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Public Utilities - Telecommunications
to property at any land based premises of Your Telecommunications supplier in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Prevention of Access
to property in the vicinity of the Premises which hinders or prevents access to the Premises

Property Stored
to Your property whilst stored in any premises within Great Britain Northern Ireland the Channel Islands or the Isle of Man

We will not indemnify You in respect of property stored in any premises You partially or fully occupy

Patterns
to Your patterns models jigs moulds ties tools templates drawings and designs including those for which You are responsible while at any premises in Great Britain Northern Ireland the Channel Islands or the Isle of Man of any machine makers engineers founders or other metal workers

We will not indemnify You in respect of Damage at any premises You partially or fully occupy

Transit
To Your property while in transit by road rail or inland waterway all in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Motor Vehicles
to motor vehicles belonging to You anywhere in within Great Britain Northern Ireland the Channel Islands or the Isle of Man but not in any premises that You occupy

Contract Sites
to any situation within Great Britain Northern Ireland the Channel Islands or the Isle of Man where You are carrying out a contract

Exhibition Sites
to any situation within Great Britain Northern Ireland the Channel Islands or the Isle of Man where You are exhibiting goods

Additional Contingencies

The following Additional Contingencies only apply to this Section if they are stated in the Schedule

Action by the Police Authority

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of prevention of access to the Premises by the Police Authority due to a danger or disturbance in the vicinity of the Premises

However We will not indemnify You for any interruption or interference lasting less than 12 hours

The maximum We will pay under this Additional Contingency is £50,000 or 10% of the Sum Insured shown under the Specification in the Schedule whichever is the lower in respect of the total of all losses occurring during the Period of Insurance unless otherwise stated in the Schedule

The provisions of any Automatic Reinstatement Condition do not apply in respect of this Additional Contingency

Full Failure of Utilities – Electricity

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of accidental failure of Your supply of electricity at the terminal ends of Your suppliers feed to the Premises

We will not indemnify You in respect of accidental failure

1. caused by the deliberate act of any supply authority
2. caused by the exercise of any supply authority's power to withdraw or restrict supply or services
3. caused by industrial action
4. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man
5. lasting less than 4 consecutive hours

The maximum We will pay for any one claim will not exceed the limit stated in the Schedule

Full Failure of Utilities – Water

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of accidental failure of Your supply of water at the terminal ends of Your suppliers feed to the Premises

We will not indemnify You in respect of accidental failure

1. caused by the deliberate act of any supply authority
2. caused by the exercise of any supply authority's power to withdraw or restrict supply or services
3. caused by industrial action
4. caused by drought or other weather conditions unless equipment has been damaged
5. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man
6. lasting less than 4 consecutive hours

The maximum We will pay for any one claim will not exceed the limit stated in the Schedule

Full Failure of Utilities - Gas

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of accidental failure of Your supply of gas at the terminal ends of Your suppliers feed to the Premises

We will not indemnify You in respect of accidental failure

1. caused by the deliberate act of any supply authority
2. caused by the exercise of any supply authority's power to withdraw or restrict supply or services
3. caused by industrial action

4. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man
5. lasting less than 4 consecutive hours

The maximum We will pay for any one claim will not exceed the limit stated in the Schedule

Telecommunications

We will indemnify You in respect of loss resulting from interruption or interference with the Business as a result of accidental failure of the telecommunications services at the incoming line terminals or receivers at the Premises

We will not indemnify You in respect of accidental failure

1. caused by the deliberate act of any supply authority
2. caused by the exercise of any supply authority's power to withdraw or restrict supply or services
3. caused by industrial action
4. caused by atmospheric or weather conditions but this will not exclude accidental failure due to Damage caused by such conditions
5. caused by failure of any satellite
6. other than in Great Britain Northern Ireland the Channel Islands or the Isle of Man
7. lasting less than 24 consecutive hours

The maximum We will pay for any one claim will not exceed the limit stated in the Schedule

Glass Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

External Glass

All fixed plain sheet or plain plate glass in windows doors fanlights skylights that form the external fabric of the building owned by You or for which You are responsible

Internal Glass

All fixed plain sheet or plain plate glass in internal doors partitions furniture display and show cases counters or shelves owned by You or for which You are responsible

Special Glass

Fixed baths washbasins pedestals bidets shower trays sinks lavatory pans and cisterns shower trays and splash backs owned by You or for which You are responsible

Breakage

Accidental fracture extending through the entire thickness of the Internal Glass or External Glass or Special Glass

Cover

We will indemnify You in respect of Breakage of Internal Glass or External Glass or Special Glass as specified in the Schedule situated at the Premises occurring during the Period of Insurance

We will replace such glass or at Our option pay to You the costs of replacement

Limit of Liability

Our liability under this Section shall not exceed £5,000 or the limit stated in the Schedule or limit specified in any Extension to this Section

Section Extensions

The following Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

1. as a direct result of Breakage We will indemnify You for
   a. the reasonable cost of
      i. boarding up
      ii. repair or replacement of window frames framework security fittings and or alarm foil for an amount not exceeding £1,000 any one occurrence
   b. Damage to any lettering embossing beading silvering or ornamental work for an amount not exceeding £2,500 any one occurrence
   c. 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
2. We will indemnify You as a result of Damage to any sign provided such cover is indicated in the Schedule and a Sum Insured is placed thereon The maximum We will pay in respect of signs shall not exceed the Sum Insured

Section Exceptions

The following exceptions apply to this Section and should be read in conjunction with the General Exceptions

We will not indemnify You in respect of

1. Breakage and/or Damage caused by fire lightning explosion or storm
2. Breakage and/or Damage to glass in light fittings signs stock in trade or goods in trust vehicles vending machines greenhouses and conservatories unless specified in the Schedule
3. defects in the frames and framework
4. caused by or arising from faulty or defective workmanship on the part of You or any of Your Employees
5. scratching wear tear gradual deterioration mechanical or electrical breakdown of neon and illuminated signs and electrical light fitments
6. the Excess stated in the Schedule
7. repair alteration or other fittings to the Premises
8. Breakage and/or Damage occurring in any Vacant or Disused building
9. any consequential loss

Money and Personal Accident Assault Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Bodily Injury
Bodily Injury by violent and visible means

Business Hours
Your normal working hours and any other period which You Your Employee director or partner entrusted with Money are on the Premises in connection with the Business

Loss of Limb
Physical separation of one or more limbs at or above the wrist or ankle or permanent and total loss of use of one or more hands arms legs or feet

Non-Negotiable Money
Crossed cheques crossed giro cheques stamped national insurance cards crossed money orders crossed postal orders crossed bankers' drafts crossed warrants national savings certificates premium savings bonds unexpired units in franking machines credit card sales vouchers debit card sales vouchers VAT purchase invoices

Person Insured
You or any of Your partners directors or Employees and in respect of cover (b) Assault aged not less than 16 year old and not more than 75 years

Cover (a) Money

We will indemnify You in respect of loss of Money by any cause occurring at the Premises in transit or at the private residences of any Person Insured anywhere within Great Britain Northern Ireland the Isle of Man or the Channel Islands during the Period of Insurance

Limit of Liability
Our liability under this Section shall not exceed the limits stated in the Schedule or limit specified in any Extension to this Section

Section Extensions applicable to Cover (a) Money Only

The following Section Extensions shall apply to Cover (a) Money subject to all other terms conditions limits and exceptions of this Policy

We will indemnify You for loss or destruction of or damage to

1. any cases bags containers belts or waistcoats owned by You or for which You are responsible being used for carrying Money resulting from theft or attempted theft of Money up to a limit of £1,000 any one occurrence
2. clothing and personal effects belonging to You or any Person Insured resulting from theft or attempted theft of Money up to a limit of £500 any one person
3. Safes and Strong rooms resulting from theft or attempted theft of money up to a limit of £10,000 any one occurrence

We will indemnify You in respect of the cost of changing locks or lock mechanisms on doors windows safes and strong rooms at the Premises to maintain security following theft of keys from the Premises or from Your home or the home of any Person Insured up to a limit of £1,000 any one occurrence

Section Exceptions applicable to Cover (a) Money Only

We shall not indemnify You in respect of loss destruction or damage

1. arising from fraud or dishonesty of any director partner or Employee unless discovered and reported to the Police and Us in writing within 7 days after the event
2. resulting from use of any form of payment which proves to be counterfeit false invalid uncollectable irrecoverable for any reason
3. where a more specific insurance is in force except for any excess beyond the amount recoverable thereunder
4. due to errors or omissions
5. from unattended vehicles being any vehicle with no person in charge or keeping the vehicle under observation and able to observe or prevent any attempt by any person to interfere with the vehicle
6. outside Great Britain Northern Ireland the Channel Islands and the Isle of Man
7. resulting directly or indirectly from forgery fraudulent alteration or substitution fraudulent use of a computer or electronic transfer
8. from any gaming machine vending machine or automated teller machine or cash dispensing machine unless specifically stated in the Schedule

Section Conditions applicable to Cover (a) Money Only

The following conditions apply to Cover (a) Money and should be read in conjunction with the General Conditions applying to the whole Policy

Accompaniment Limits

The following are conditions precedent to Our liability to indemnify You in relation to any claim for Loss of Money in transit If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

Whenever Money (other than Non-Negotiable Money) is in transit it is to be accompanied by the following numbers of authorised persons between the ages of 18 and 65 unless varied in the Schedule

Amount of Money in transit at any one time	Accompaniment Requirement
Up to £3,000	1 person
Over £3,000 up to £6,000	2 persons
Over £6,000 up to £12,000	3 persons
Over £12,000	Approved security company

The maximum amount we will pay in respect of any item insured under this Section is the limit stated in the Schedule

Records and Key Security

We will not indemnify You unless

1. a complete record of all Money held by You is kept in a secure place other than in any safe or other receptacle containing Money
2. safe keys are removed from the Premises outside Business Hours
3. all security devices to protect the Premises are properly fitted and put into full operation outside Business Hours

Adjustment to Premium

The premium having been calculated in whole or in part on estimates provided by You and stated in Schedule

1. within one month after the expiry of each Period of Insurance You will provide Us with an accurate declaration so that the premium for that Period of Insurance can be calculated and the difference paid or allowed to You subject to any minimum premium We may require being retained by Us
2. should You fail to supply such a declaration as described in (1) above We will be entitled to charge an additional premium in respect of that Period of Insurance

Theft Protections

The following are conditions precedent to Our liability to indemnify You in relation to any claim for loss of Money at the Premises outside Business Hours If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

all fastenings and protections on the Premises at the commencement of this Policy and all additional fastening and protections which have been stipulated by Us shall be maintained in full and effective working order during the Period of Insurance and put into full and effective operation outside Business Hours

Additional Section Conditions

The following additional conditions apply to Cover (a) Money only if they are specified in the Schedule and should also be read in conjunction with the General Conditions applying to the whole Policy

Intruder Alarm System

For the purpose of this Condition only the following definitions apply

Intruder Alarm System
an electrical installation to detect and indicate the presence entry or attempted entry or exit of an intruder into Protected Premises

Protected Premises
the Premises or those portions of the Premises protected by the Intruder Alarm System as required by Us

Responsible Person
You or any person authorised by You to be responsible for the security of the Premises

Keyholder
You or any person or key holding company authorised by You 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

If in relation to any claim for loss or damage caused by theft or attempted theft involving entry to or exit from the Premises by forcible and violent means You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must ensure that whenever the Premises are unattended

1. the Premises are protected by an Intruder Alarm System and means of communication used to transmit signals from such Intruder Alarm System designed installed and maintained as agreed by Us
2. the Protected Premises must not be left without at least one Responsible Person in attendance
   a. unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation
   b. if the police have withdrawn their response to alarm calls

   unless We agree otherwise in writing
3. in the event of notification of any activation of the Intruder Alarm System or interruption of any of the means of communication used to transmit signals 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 We agree otherwise in writing

4. You shall advise Us as soon as possible and in any event not later than 10.00am on Our next working day
   a. 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
   b. of notice from a local authority or magistrate imposing any requirement for abatement of nuisance 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 You must comply with any of Our subsequent requirements
5. You shall not conduct or authorise any alteration or substitution of
   a. any part of the Intruder Alarm System
   b. the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System
   c. the means of communication used to transmit signals from the Intruder Alarm System
   d. the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System
   e. the maintenance contract

   without Our written agreement
6. You and each Keyholder must maintain 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
7. 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 other such company as agreed by Us
8. You will appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company contracted to maintain the Intruder Alarm System and with the police if they so require

Requirements

If in relation to any claim You have failed to implement the Requirements as required by Us within the timescales specified You will lose Your right to indemnity or payment for that claim

Contingent Security Company Cover

We will indemnify You in respect of loss of Money in the custody of any security company You have an agreement with if You are unable to recover the Money from the security company

If in relation to any claim in respect of loss of Money in the custody or control of any security company You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must

1. provide Us with a copy of the agreement between You and the security company
2. obtain Our written agreement before any changes are made to the agreement
3. comply with the terms of the agreement

Cover (b) Assault

We will pay compensation as detailed in the Schedule in respect of any Bodily Injury sustained by any Person Insured in the course of the Business caused solely and directly by violence occurring during theft or attempted theft of Money and which directly and independently of any other cause results in any of the Contingencies detailed below

Contingencies

1. death (which shall not be presumed by disappearance of the Person Insured) occuring within 24 months of Bodily Injury
2. disablement occuring within 24 months of Bodily Injury being
   a. total and permanent loss of all sight in one or both eyes or
   b. total Loss of Limb
3. permanent total disablement which after 24 months of Bodily Injury prevents the Person Insured from pursuing any occupation
4. total disablement which within 24 months of Bodily Injury prevents the Person Insured from pursuing their normal occupation
5. partial disablement which within 24 months of Bodily Injury prevents the Person Insured from pursuing a substantial and essential part of their normal occupation
6. Incurred medical expenses

Clauses

Amounts payable

1. We will pay
   a. weekly compensation at 4 weekly intervals
   b. compensation under Contingencies 4 and 5 for a maximum of 2 years from the date that the disablement started
2. weekly benefit being paid for the same Bodily Injury will end if We pay compensation under Contingencies 1-3
3. insurance will end for the Person Insured if We pay compensation under Contingencies 1–3
4. reimbursement up to a sum of £500 in respect of Contingency 6

Section Conditions applicable to (b) Assault

1. In the event of death We shall be entitled to have a post mortem at Our own expense
2. In the event of any Bodily Injury the Person Insured must immediately place himself/herself under the care of a qualified medical practioner and act upon such medical and/or surgical advice as is given as soon as reasonably practicable
3. In the event of any Bodily Injury the Person Insured must as often as may be required submit to medical examination at Our expense
4. The amount payable under Contingencies 4 and 5 shall be payable when the total amount has been agreed or at Your request at intervals of not less than four weeks (but not in advance) commencing four weeks after We have received written notice of any Bodily Injury

Section Exceptions applicable to (b) Assault

We will not be liable under Cover (b) Assault in respect of any death or disablement attributable to contributed to or accelerated by pregnancy or any pre-existing physical or mental condition

Goods in Transit Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Damage

Loss or destruction of or damage to the Property Insured

Property Insured

General merchandise connected with the Business belonging to You or for which You have accepted responsibility

Clothing and Personal Effects

Personal possessions of Your or Your drivers' worn or carried during transit excluding cash bank notes credit cards watches and jewellery

Excess

The amount or amounts shown in Your Policy or the Schedule which We will deduct from each and every claim at each separate location and will be deducted after the application of Average

Overnight

Means from 21.00 hours or whenever the Vehicle or trailer was last occupied (whichever is the earlier) to 06.00 hours or until the Vehicle is first used whichever is the later

Vehicle

Any motor vehicle and/or trailer and/or container which You own or operate in connection with the Business

Tools

Tools tool kits or test equipment which You own or are hired by You or used by You in connection with the Business and for which You are responsible

Cover

We will indemnify You in respect of Damage to Property Insured occurring during the Period of Insurance whilst being carried by the means of transit as detailed in the Schedule anywhere within or between Great Britain Northern Ireland the Isle of Man and the Channel Islands including whilst

1. loading and unloading
2. temporarily stored in or on a Vehicle during transit
3. conveyed on recognised "roll-on roll-off" vehicle ferries providing no unloading or reloading of the vehicle is involved

Limit of Liability

Our liability under this Section shall not exceed the limits stated in the Schedule or limit specified in any Extension to this Section

Section Extensions

The following Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

Additional Expenses

We will indemnify You for costs and expenses reasonably incurred by You with Our consent

1. in transferring the Property Insured to any other vehicle or trailer or delivering such property to its original destination or returning to its place of dispatch consequent upon collision or overturning of the conveying vehicle or trailer
2. the reloading of Property Insured to the conveying vehicle or trailer following accidental discharge
3. the removal of debris and site clearance following Damage to Property Insured up to a limit of £5,000 or the amount as stated in the Schedule

Clothing and Personal Effects

We will indemnify You for Damage to Clothing and Personal Effects caused by or following an accident to any Vehicle up to a limit of £500 any one claim or the limit as stated in the Schedule

Property on Approval with Customers

We will indemnify You against Damage to Property Insured whilst

1. in transit to or from Your customers premises on approval
2. on approval at the customers premises anywhere in Great Britain Northern Ireland the Channel Islands and the Isle of Man excluding Damage when in use

up to a limit of £10,000 in respect of any one claim

Property on Demonstration

We will indemnify You against Damage to Property Insured whilst

1. in transit to or from any premises for the purpose of demonstration
2. at the premises where the demonstration takes place within Great Britain Northern Ireland the Channel Islands the Isle of Man excluding Damage caused during the demonstration itself

up to a limit of £10,000 in respect of any one claim

Tarpaulins Sheets Ropes

We will indemnify You for Damage to sheets ropes chains tarpaulins toggles or packing materials owned by You or for which You are responsible while carried on any Vehicle

We will replace such tarpaulins as new if such tarpaulins were not more than one year old at the time of Damage

Tools

We will indemnify You for Damage to Tools

1. in or on any Vehicle
2. whilst temporarily stored on any Vehicle during transit

up to a limit of £500 any one claim or the amount as stated in the Schedule

Travellers Samples

We will indemnify You against Damage to travellers samples

1. in or on any Vehicle
2. whilst they are temporarily removed from any Vehicle and kept in any stockroom hotel or private dwelling house provided that they remain in the custody or control of You or Your Employee partner or director

up to a limit of £2,500 any one claim or the amount as stated in the Schedule

Section Exceptions

The following exceptions apply to this Section and should be read in conjunction with the General Exceptions

We will not provide an indemnity in respect of

1. Damage caused by
   a. defective or inadequate packing insulation or labelling delay inadequate documentation disappearance or unexplained or inventory shortage

   b. evaporation or ordinary leakage
   c. vermin insects wear tear inherent vice latent defect gradual deterioration
   d. pollution or contamination
   e. an existing or hidden defect
   f. indirect or consequential loss
   g. vibration denting scratching or bruising
   h. mechanical or electrical breakdown derangement defect or failure
2. Shortage in weight
3. Damage caused by deterioration or variation in temperature unless directly consequent upon fire theft or overturning or collision of the carrying vehicle
4. Damage arising from
   a. confiscation requisition or destruction by order of any government or any public authority
   b. riot civil commotion strikes lockouts or labour disturbances
5. Damage
   a. occurring outside Great Britain Northern Ireland the Channel Islands and the Isle of Man
   b. not connected with the Business
6. Damage to
   a. jewellery precious stones watches clocks gold and silver articles furs curios
   b. wines spirits perfumes and tobacco products
   c. audio visual equipment
   d. computer hardware and software
   e. rare books and works of art
   f. Money and bullion non ferrous metals
   g. living creatures
   h. explosives

   Unless such Property Insured is specifically stated in the Schedule as insured and the Damage is not otherwise excluded
7. Damage caused by theft or attempted theft of the Property Insured and/ or Tools and/or Clothing and Personal Effects from any unattended Vehicle being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle

   Unless You have ensured that
   a. all doors windows and other points of access have been locked where locks have been fitted and
   b. all manufacturers' security devices have been put into effect and
   c. the keys have been removed from any unattended Vehicle and
   d. unattached trailers have anti-hitching devices fitted and they are put into effect
8. Damage resulting from theft or attempted theft from any unattended Vehicle during the hours from 9pm until 6am unless such Vehicle is
   a. garaged in a securely locked building of substantial nature or
   b. a compound which has secure walls and/or fences and securely locked gates
9. property in transit for hire or reward
10. the Excess as stated in the Schedule
11. loss of market or indirect or consequential loss

Section Conditions

The following conditions apply to this Section and should be read in conjunction with the General Conditions applying to the whole Policy

Automatic Reinstatement

The Limits of Liability stated in the Schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary

You must pay the additional premium required to reinstate the Limit of Liability

Average

Where a Sum Insured is subject to average if at the time of the Damage the Sum Insured is less than the total value of the Property Insured You will be considered as Your own insurer for the difference and bear a proportionate share of the loss

Basis of Claims Settlement

The amount payable shall be the value of the Property Insured at the time of its Damage or at Our option the reinstatement or replacement of such property or any part of it

Reasonable Care

If in relation to any claim under this Section for Damage to Property Insured You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

You must

1. take all reasonable measures to
    a. prevent Damage
    b. secure loads properly
    c. maintain any Vehicle in accordance with current law
    d. ensure any Vehicle is suitable for the purpose for which it is to be used
2. allow Us access to examine any Vehicle which You operate or premises from which You operate

Substitution of Vehicles

Where Vehicles are individually specified in the Schedule We will insure subject to the Limit of Liability and any other terms and conditions applicable to the original Vehicle the Property Insured whilst in or on any other vehicle

1. temporarily substituted for the specified Vehicle whilst the Vehicle is out of use for maintenance repair or official vehicle testing
2. permanently substituted for the specified Vehicle provided that You inform Us in writing within 21 days of the substitution

Section Endorsements

The following Endorsements only apply to this Section if specified in the Schedule

Alarm Clause – Specified Vehicles

We will not indemnify You in respect of Damage resulting from theft or attempted theft from any specified unattended Vehicle being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle unless the alarm system approved by Us is

1. put into operation and all alarm keys removed and
2. maintained in accordance with the terms and conditions of the installing company's agreement

Alarm Clause – Unspecified Vehicles

We will not indemnify You in respect of Damage resulting from theft or attempted theft from any unattended Vehicle owned or operated by You being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle unless the alarm system approved by Us is

1. put into operation and all alarm keys removed and
2. maintained in accordance with the terms and conditions of the installing company's agreement

Declarations

The insurance on the Property Insured is subject to the following

The first and annual premiums paid are provisional

1. You must declare to Us the actual value of the property in transit for the Period of Insurance within one month of the expiry of the Period of Insurance
2. At the end of each Period of Insurance We will calculate the actual premium by applying the rate to the average amount declared
3. If the actual premium is more than the provisional premium paid You will pay the difference
   If the actual premium is less than the provisional premium paid We will refund the difference Any refund due to You will not exceed 25% of the actual premium paid
4. Every insurance on the Property Insured must be similar in wording with this insurance

Legal Liabilities Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Asbestos

crocidolite amosite chrysotile fibrous actinolite fibrous anthophyllite or fibrous tremolite or any mixture containing any of those materials fibres or particles of Asbestos or any material containing Asbestos or Asbestos dust

Costs and Expenses

Costs and Expenses shall be deemed to mean

1. costs and expenses of claimants for which You are legally liable and which may be the subject of indemnity under this Section
2. other costs and expenses incurred with Our written consent in respect of any claim which may be the subject of indemnity under this Section
3. legal costs and expenses incurred with Our written consent for representation by You at
   a. any proceedings brought in any court arising out of any alleged breach of a statutory duty resulting in Injury
   b. any coroners inquest or inquiry in respect of any death

   which may be the subject of indemnity under this Section

Compensation

damages including interest

Event

Any accident or occurrence including continuous or repeated exposure to substantially the same general conditions which results during the Period of Insurance in Injury or Damage to Property All Events or series of Events consequent on one cause shall be regarded as one Event for the purposes of this Policy

Offshore

From the time of embarkation onto a conveyance at the point of final departure from land to any offshore rig or any offshore platform whilst on any offshore rig or offshore platform and until such time of disembarkation from a conveyance onto land upon return from any offshore rig or offshore platform

Product Supplied

Any product or thing including packaging containers instructions and labels sold supplied erected repaired altered treated installed tested serviced or delivered by or through You in the course of the Business within the Territorial Limits

Territorial Limits

1. anywhere within Great Britain Northern Ireland the Isle of Man or the Channel Islands other than Offshore
2. elsewhere in the world (other than the United States of America or Canada or Offshore) for temporary visits by non-manual employees in connection with the Business undertaken by You or any of Your directors or Employees normally resident in (1) above
3. elsewhere in the world in respect of any Product Supplied (other than those to Your knowledge sold supplied erected repaired altered treated or installed by You in or for delivery or use in the United States of America or Canada)

Employers Liability Sub-Section

Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation including Costs and Expenses in respect of Injury sustained by any Employee caused during the Period of Insurance within the Territorial Limits and arising out of employment by You in the course of the Business

Limit of Indemnity

Our liability for Compensation and Costs and Expenses payable under this Sub-Section in respect of any claim or series of claims against You as a result of or arising out of one Event shall not exceed the Limit of Indemnity

Right of Recovery

The indemnity provided under this Sub-Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain Northern Island the Channel Islands or the Isle of Man You must repay to Us all sums paid by Us that We would not have been liable to pay but for the provisions of such law

Extensions to this Sub-Section

The following Sub-Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

Injuries to Working Partners

In respect of Injury sustained by any working partner or proprietor We will deem such person under this Sub-Section to be an Employee provided that We will only be liable where

1. the Injury is sustained whilst such working partner or proprietor is working in connection with the Business
2. the Injury is caused by the negligence of another working partner proprietor or Employee whilst working in the Business
3. the injured working partner or proprietor has a valid right of action in negligence against the working partner proprietor or Employee responsible for such Injury

Unsatisfied Court Judgments

This Sub-Section extends to include the following

In the event of Injury sustained by any Employee caused during the Period of Insurance within the Territorial Limits and arising out of employment by You in the course of the Business which results in a judgment for Compensation being obtained by the Employee or the personal representatives of the Employee and which remains unsatisfied in whole or part six months after the date of such judgment We will at Your request pay to the Employee or the personal representatives of the Employee the amount of any such Compensation and any costs awarded to the Employee or the personal representatives of the Employee to the extent that they remain unsatisfied provided that

1. the judgment for Compensation is obtained
   a. in a court of law within Great Britain Northern Island the Channel Islands or the Isle of Man
   b. against a company partnership or individual other than You conducting a business at or from premises within the territories described in (a) above
2. there is no appeal outstanding
3. if any payment is made under the terms of this Extension the Employee or the personal representatives of the Employee must assign the judgment to Us

Exceptions to this Sub-Section

The following exceptions apply to this Sub-Section and should be read in conjunction with the Policy Exceptions

Vehicles

We will not provide indemnity in respect of any legal liability for which compulsory motor insurance or security is required in accordance with any road traffic legislation within the European Union

Public Liability Sub-Section

Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation and Costs and Expenses in respect of

1. Injury to any person
2. loss of or damage to Property
3. nuisance or trespass obstruction loss of amenities or interference with any right of way light air or water

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

Limit of Indemnity

Our liability for Compensation payable under this Sub-Section in respect of any claim or series of claims against You as a result of or arising out of one Event shall not exceed the Limit of Indemnity

Costs and Expenses payable under this Sub-Section will be paid in addition to the Limit of Indemnity except that in respect of any claim brought in the United States of America, any territory within its jurisdiction or the Dominion of Canada the Limit of Indemnity shall be the maximum amount payable including Costs and Expenses.

Extensions to this Sub-Section

The following Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

Contingent Motor Liability

Notwithstanding Exception (4) of this Sub-Section We will indemnify You in respect of legal liability arising out of the use in the course of the Business of any motor vehicle not belonging to or provided by You anywhere in Great Britain Northern Ireland the Channel Islands or the Isle of Man provided that this indemnity shall not apply

1. in respect of Damage to the vehicle or to any property conveyed therein
2. whilst the vehicle is being driven by You or any person with Your general consent who to Your knowledge or anyone on Your behalf does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
3. in respect of which You are entitled to indemnity under any other insurance
4. in respect of liability arising from circumstances in which it is compulsory for You to insure or provide security in respect of such vehicles as a requirement of relevant road traffic legislation

Damage to Leased or Rented Premises

Notwithstanding Exception (2) of this Sub-Section We will indemnify You in respect of legal liability for loss of or damage to premises (or fixtures or fittings thereof) hired or rented to You provided that this extension shall not apply to liability in respect of

1. legal liability arising under agreement unless legal liability would have attached to You in the absence of such agreement
2. the first £500 in respect of any claim caused otherwise than by fire or explosion

Data Protection Act 1998

We will indemnify You and at Your request any of Your directors or partners or Employees against all sums which You or any of Your directors or partners or Employees become(s) legally liable to pay as Compensation together with Costs and Expenses under Section 13 of the Data Protection Act 1998 caused in connection with the Business during the Period of Insurance provided that You are

1. a registered user in accordance with the terms of the Act
2. not in business as a computer bureau

The total amount payable including all Costs and Expenses under this Extension in the aggregate any one Period of Insurance is limited to £250,000

The indemnity provided by this Extension shall not apply to

a. legal liability caused by any deliberate act or omission by You the result of which could reasonably have been expected by You having regard to the nature and circumstances of such act or omission
b. legal liability caused by any act of fraud or dishonesty
c. the costs and expenses of rectifying rewriting or erasing data
d. legal liability arising from the recording processing or provision of data for reward or to determine the financial status of any person
e. the payment of fines or penalties
f. claims which arise out of circumstances notified to previous insurers or known to You at inception of this Policy
g. legal liability where indemnity is provided by any other insurance

Defective Premises Act

We will indemnify You in respect of legal liability in respect of accidental Injury or accidental loss of or damage to Property incurred by virtue of Section 3 of the Defective Premises Act 1972 or of Section 5 of the Defective Premises (Northern Ireland) Order 1975 provided that

1. such liability is not otherwise insured
2. We will not be liable in respect of
    a. damage to that part of such premises on which You or anyone on Your behalf has worked if such damage directly results from such work
    b. the cost of remedying any defect or alleged defect in the premises disposed of by You

Employees and Visitors Personal Belongings

Notwithstanding Exception (2) of this Sub-Section We will indemnify You in respect of legal liability for accidental damage to the vehicles and personal belongings of Your directors partners Employees and visitors which are in Your custody or control

We will not provide indemnity where this Property is

1. loaned leased hired or rented to You
2. stored for a fee or other consideration
3. in Your custody or control for the purposes of being worked upon

Obstructing Vehicles

Notwithstanding Exception (4) of this Sub-Section Where any vehicle is causing an obstruction and interfering with the performance of the Business We will indemnify You in respect of legal liability for accidental Injury or accidental loss of or damage to Property arising from the movement of such vehicle by the You or any Employee with Your general consent of the or the application of a wheel clamp to the vehicle provided that

1. if such obstructing vehicle is being moved on a road within the meaning of the Road Traffic Acts, such use will be restricted solely to the minimum movement of the vehicle required to obtain access to or exit from the Policyholder's Premises
2. if a wheel clamp is attached to a vehicle a bold warning notice to this effect will be attached to the windscreen of such vehicle.

This Indemnity will not apply in respect of liability arising from circumstances in which it is compulsory for You to insure or provide security in respect of such vehicles as a requirement of relevant road traffic legislation

Overseas Personal Liability

We will indemnify You and if You so request any of Your directors partners or Employees or spouse or civil partner of such person against legal liability incurred in a personal capacity whilst temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man but excluding the United States of America or Canada in connection with the Business

The indemnity will not apply to legal liability

1. arising out of the ownership or occupation of land or buildings
2. in respect of which any person referred to above is entitled to indemnity under any other insurance

Exceptions to this Sub-Section

The following exceptions apply to this Sub-Section and should be read in conjunction with the Policy Exceptions

We will not indemnify You against legal liability in respect of

1. Injury to any Employee
2. loss of or damage to Property belonging to You held in trust by You or in Your custody or control or which is leased let rented hired or lent to You
3. the costs of remedying any defect or alleged defect in land or premises sold or disposed of by You or for any reduction in value thereof
4. the ownership possession or use by You or on Your behalf of any mechanically propelled motor vehicles or mobile plant
   a. which is licenced for road use
   b. for which compulsory motor insurance or security is required
   c. which is more specifically insured

   Provided always that this exception will not apply in respect of
   i. liability arising during the act of loading or unloading any mechanically propelled motor vehicle or mobile plant or the bringing to or the taking away of a load from such vehicle
   ii. the authorised movement on Your Premises of any mechanically propelled motor vehicle or mobile plant
   iii. the use of any mechanically propelled motor vehicles or mobile plant soley as a tool of trade

   unless more specifically insured or unless compulsory motor insurance or security is required
5. the ownership possession or use by You or on Your behalf of any craft designed to travel through air or space hovercraft or waterborne vessels other than hand propelled watercraft
6. any advice treatment design formula or specification provided by You or on Your behalf for a fee or in circumstances where a fee would normally be charged
7. professional services rendered for which a fee is charged
8. the Excess shown in the Schedule in respect of each and every claim for Damage to Property
9. liability arising out of Product Supplied after they have ceased to be in Your custody or control other than
   a. food or drink sold or supplied for consumption by Your directors partners Employees or visitors
   b. the disposal of furniture and office equipment originally intended solely for use by You in connection with the Business and which is no longer required for that purpose
10. any liquidated damages fine or penalty
11. punitive exemplary aggravated or restitutionary damages or any additional damages resulting from the multiplication of compensatory damages

Products Liability Sub-Section

Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation and Costs and Expenses in respect of

1. Injury to any person
2. loss of or damage to Property

and occurring during the Period of Insurance within the Territorial Limits caused by any Product Supplied

Limit of Indemnity

Our liability for Compensation payable in respect of any claim or series of claims against You as a result of or arising out of one Event and in the aggregate in any one Period of Insurance shall not exceed the Limit of Indemnity

Costs and Expenses payable under this Sub-Section will be paid in addition to the Limit of Indemnity except that in respect of any claim brought in the United States of America, any territory within its jurisdiction or the Dominion of Canada the Limit of Indemnity shall be the maximum amount payable including Costs and Expenses

Extensions to this Sub-Section

The following Sub-Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

Consumer Protection Act Costs

We will indemnify You and at Your request any director partner or Employee in respect of legal costs and expenses incurred with Our written consent in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of Part II of The Consumer Protection Act 1987 provided that

1. the proceedings relate to an offence alleged to have been committed in the course of the Business and during the Period of Insurance
2. We will not indemnify You in respect of
   a. fines or penalties
   b. costs and expenses insured by any other policy
   c. proceedings consequent upon any deliberate management decision act or omission of management

The maximum amount We will pay shall not exceed the Limit of Indemnity

Exceptions to this Sub-Section

The following exceptions apply to this Sub-Section and should be read in conjunction with the General Exceptions

We will not indemnify You against legal liability in respect of

1. Injury to any Employee
2. loss of or damage to Property belonging to You held in trust by You or in Your custody or control or which is leased let rented hired or lent to You
3. any advice treatment design formula or specification provided by You or on Your behalf for a fee or in circumstance where a fee would normally be charged
4. the ownership possession or use by You or on Your behalf of any craft designed to travel through air or space hovercraft or waterborne vessels other than hand propelled watercraft
5. professional services rendered for which a separate fee is charged
6. loss of or damage to any Product Supplied or for the costs of recall removal repair alteration replacement or reinstatement of such Product Supplied or any part thereof caused by any defect therein
7. any Product Supplied which to Your knowledge is for use in or on any aircraft missile or for aviation or aerospace purposes or for the safety or navigation of marine craft of any sort

8. any liquidated damages fine or penalty
9. punitive exemplary aggravated or restitutionary damages or any additional damages resulting from the mulitplication of compensatory damages
10. any Product Supplied which is in Your custody or control

Extensions applicable to Legal Liabilities Section

The following Section Extensions shall apply subject to all other terms conditions limits and exceptions of this Policy

Additional Persons Insured

We will indemnify

1. in the event of the death of any person entitled to indemnity under this Section the deceased's legal representatives but only in respect of legal liability incurred by such deceased person
2. at Your request
   a. any of Your directors partners or Employees in respect of legal liability arising in connection with the Business provided that You would have been entitled to indemnity under this Section if the claim had been made against You
   b. any officer committee or member of Your canteen sports social or welfare organisations fire security first aid medical or ambulance services in their respective capabilities as such
   c. any of Your directors or senior officials in respect of private work undertaken by any Employee for that director or senior official

Provided that

1. such persons are not entitled to indemnity under any other policy covering such liability
2. each person will as though they were You observe fulfil and be subject to the terms of this Policy insofar as they can apply
3. We shall retain sole conduct and control of any claim
4. where We are required to indemnify more than one party Our total liability shall not exceed the relevant Limit of Indemnity

Compensation for Court Attendance

In the event of any director partner or Employee attending court as a witness at Our request in connection with any claim made against You we will provide compensation to You up to a maximum of £250 per day on which attendance is required

Contractual Liability and Indemnity to Principal

Notwithstanding the Liability under Contract or Agreement Exception to this Section We will indemnify You under the Employers Liability and Public Liability Sub-Sections in respect of Injury or loss of or damage to Property as follows

To the extent that any contract or agreement entered into by You with any Principal so requires We will indemnify You against liability assumed by You and the Principal in like manner to You in respect of the liability of the Principal where the liability arises out of the performance by You of such contract or agreement provided that

1. the conduct and control of claims is vested in Us
2. the Principal shall observe fulfil and be subject to the terms of this Policy so far as they apply
3. the indemnity shall not apply in respect of liquidated damages or any penalty clause
4. the indemnity granted under the Employers Liability Sub-Section shall only apply in respect of liability to any person who is an Employee of Yours
5. the indemnity shall not apply in respect of loss or damage against which You are required to effect insurance under the terms of the Joint Contracts Tribunal Standard of Building Contract 1963 Edition Clause 19 (2) (a) 1980 Edition Clause 21.2.1 or any subsequent amendements thereof or any form of contract requiring a similar indemnity
6. where indemnity is granted to any Principal We will treat each Principal and You as though a separate Policy had been issued to each of them provided that the total amount of indemnity payable to all parties shall not exceed the Limit of Indemnity of any Sub-Section of this Section

For the purpose of the extension Principal means the other party to a contract or agreement for whom You are undertaking work or service or providing a Product Supplied where such party is responsible for setting out the terms of the contract or agreement

Corporate Manslaughter and Corporate Homicide Act 2007

We will indemnify You in respect of legal costs and expenses with Our written consent and costs awarded against You arising in connection with any criminal proceedings (including an appeal against any conviction resulting from such proceedings) as a result of a charge or investigations in connection with an offence committed or alleged to have been committed under during the Period of Insurance and in the course of the Business under Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation in the Channel Islands or the Isle of Man provided that

1. the Company's liability under this Extension shall be limited to a maximum amount of £1,000,000 any one occurrence and in the aggregatein any one Period of Insurance
2. this Extension shall only apply to proceedings brought in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
3. the Company must consent to the appointment of any solicitor or counsel, acting on behalf of the Insured
4. the Insured shall immediately notify the Company of receipt of any summons or other process, served upon the Insured, which may give rise to proceedings arising from the cover under this Extension
5. before We consent to fund any appeal, advice must have been received from Counsel that there is a strong probability that the appeal will be successful. Any information in support of this assertion requested by the Us shall be supplied by You.

We will not indemnify You if

a You have committed any deliberate or intentional criminal act that gives rise to a charge of corporate manslaughter or corporate homicide

b For any fines or penalties of any kind

c Where the Insured can obtain indemnity for the costs of defending a criminal proceeding in relation to corporate manslaughter or corporate homicide from any other source or insurance or where but for the existence of this Extension the Insured would have obtained indemnity from any other source or insurance.

Cross Liabilities

If more than one insured is referred to in the Schedule We will treat each party as if a separate Policy had been issued to each provided that the total amount of indemnity payable to all parties in respect of Compensation together with Costs and Expenses does not exceed the Limit of Indemnity under any Sub-Section of this Section

Health and Safety at Work Costs

We will indemnify You and at Your request any director partner or Employee in respect of
legal costs and expenses with Our written consent and costs awarded against You or any director partner or Employee arising in connection with any criminal proceedings (including an appeal against any conviction resulting from such proceedings) as a result of an offence committed or alleged to have been committed during the Period of Insurance and in the course of the Business under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain Northern Ireland the Channel Islands or the Isle of Man provided that

1. the proceedings relate to the health safety or welfare of Employees
2. We will not indemnify You for
   a. fines or penalties
   b. costs and expenses insured by any other policy
   c. proceedings consequent upon a deliberate management decision act or omission of management

The maximum amount We will pay shall not exceed the Limit of Indemnity under any Sub-Section of this section

Exceptions applicable to Legal Liabilities Section

The following exceptions apply to this Section and should be read in conjunction with the General Exceptions

Asbestos

We will not provide indemnity in respect of

1. exposure to
2. inhalation of
3. fears of the consequences of exposure to or inhalation of
4. the costs incurred by anyone in repairing removing replacing recalling rectifying reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of

Asbestos Asbestos Dust or Asbestos Containing Materials

Except in respect of the Employers Liability Sub-Section to the extent that it is necessary to comply with the minimum requirements of the law within Great Britain Northern Ireland the Isle of Man or the Channel Islands relating to compulsory insurance of liability to Employees

Pollution or Contamination (applicable to Public Liability Sub-Section and Products Liability Sub-Section)

We will not indemnify You in respect of Pollution or Contamination

1. occurring in the United States of America or Canada or dependency or trust territory
2. occurring elsewhere unless caused by a sudden identifiable unintentional and unexpected incident which takes place in its entirety at specific moment in time and place during the Period of Insurance

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

Our liability for all Compensation together with Costs and Expenses payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance will not exceed in the aggregate the Limit of Indemnity shown in the Schedule in respect of any Sub-Section of this Section

For the purpose of this exclusion and limitation “Pollution or Contamination” shall be deemed to mean

a. all pollution or contamination of buildings or other structures or of water or land or the atmosphere

and

b. all loss or damage to Property or Injury directly or indirectly caused by such pollution or contamination

Liability under Contract or Agreement

We shall not indemnify You against liability which is assumed by You by agreement unless such liability would have attached in the absence of such agreement

Management Liability Portfolio

Directors and Officers' Liability Including Company Reimbursement Section

This Section is only operative if specified in the Schedule

Special Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in this Section they should also be read in conjunction with the General Definitions at the start of the Policy

Bail Costs

Costs incurred with Our prior written agreement to pay for a bond or other financial instrument to guarantee an Insured Person's bail or equivalent in any other jurisdiction

Claim

Any written demand or civil criminal regulatory or arbitration proceeding first made against an Insured Person during the Period of Insurance seeking monetary damages or other legal relief or penalty alleging a Wrongful Act

Any Extradition Proceeding made against an Insured Person during the Period of Insurance

Defence Costs

Costs incurred with Our prior written agreement to investigate settle or defend any Claim made against an Insured Person or to fund an appeal including any premium paid for an appeal bond or similar bond obtained in relation to it arising from any judgment decision or award in relation to any Claim

Employee (and not as stated in the General Definitions of this Policy)

1. Any person under a contract of service with You
2. Any independent person seconded to You
3. Any applicant or candidate for employment with You

Employment Claim

Any Claim by any Employee for any actual or alleged wrongful unfair or constructive dismissal discharge or termination of employment breach of written or implied contract employment related misrepresentation wrongful deprivation of a career opportunity failure to grant tenure negligent employee evaluation harassment unlawful discrimination failure to provide adequate employee procedures and policies retaliation defamation invasion of privacy arising solely as a result of the employment or non-employment by You of any current former or prospective Employee

Extradition Proceeding

Any proceeding commenced under the provisions of the United Kingdom Extradition Act 2003 or its equivalent in any other jurisdiction including any associated appeals

Health and Safety/Manslaughter Claim

Any Claim against any Insured Person alleging involuntary constructive or gross negligence manslaughter or any Claim under the provisions of the Health & Safety at Work etc. Act 1974 or its equivalent in any other jurisdiction

Insured Person

1. Any natural person who was is or during the Period of Insurance becomes a director partner member or officer of You

2. Any de facto director of You whilst acting in such capacity for You
3. Any shadow director as defined under Section 250 of the Companies Act 2006 or equivalent legislation in any other jurisdiction
4. Any Employee of You
5. The lawful spouse civil or unmarried partner of any person above solely because of their spousal civil or unmarried partner relationship following a Claim against that person
6. The estates heirs or legal representatives of any person above who has died or become incapacitated insolvent or bankrupt but only for a Claim against that person

Investigation

An official examination official enquiry or official investigation into Your business activities conducted by any Regulator Government Department or other body legally empowered

Investigation does not include routine regulatory supervision enquiry or compliance review any internal investigation or any investigation into the business activities of Your industry which is not solely related to Your or any Insured Person's conduct

Legal Representation Costs

Reasonable and necessary legal costs fees charges and expenses for which any Insured Person is legally liable incurred with Our prior written consent (not including remuneration of any Insured Person or other additional costs of Yours) for legal representation directly in relation to an investigation

Loss

In respect of a claim the amount any Insured Person becomes legally liable to pay for Defence Costs Legal Representation Costs awards of damages including punitive and exemplary damages where legally permissible awards of costs including claimants legal costs and expenses and settlements with Our prior written agreement

Loss does not include any civil regulatory or criminal fines or penalties taxes remuneration or employment related benefits punitive and exemplary damages in relation to an Employment Claim or the multiplied portion of any damages award unless awarded for defamation

Outside Entity

Any organisation other than You

1. that is tax exempt and not for profit or
2. in which You hold any issued share
   other than:
   a. any company registered outside of the United Kingdom of Great Britain and Northern Ireland the Channel Islands the Isle of Man or the Republic of Ireland or
   b. any company traded on any recognised stock exchange or
c. any bank investment company investment advisor or manager hedge or mutual fund private equity or venture capital company stock brokerage insurer or similar organisation

Pollutant

Any contaminant irritant or other substance including but not limited to asbestos lead smoke vapour water oil oil products dust fibres soot fumes acids alkalis chemicals waste (including materials that have been or are intended to be recycled reconditioned or reclaimed)

Pollution

Actual alleged or threatened discharge seepage treatment removal disposal dispersal emission release or escape of any Pollutant or any regulatory order direction or request to test for monitor remove contain treat detoxify or neutralise any Pollutant

Prior and pending litigation date

The date stated as the prior and pending litigation date in the Schedule

Securities

Any debt or equity interest in You

Subsidiary

Any entity in which You

1. own directly or through one or more of Your subsidiaries more than 50% of the share capital or a majority of the voting rights or have the right to appoint or remove a majority of the entity's board of directors or
2. control a majority of its voting rights under a written agreement with other shareholders or members

If an entity ceases to be a Subsidiary during the Period of Insurance cover will continue but only for a Claim against You or an Insured Person arising from a Wrongful Act committed before it ceased to be a Subsidiary

Wrongful Act

Any actual or alleged act error or omission committed or attempted by an Insured Person arising from the performance of the Insured Person's duties solely in their capacity as Your director officer or Employee including

1. breach of any duty including fiduciary or statutory duty
2. breach of trust
3. negligence negligent misstatement misleading statement or negligent misrepresentation
4. defamation
5. wrongful trading under section 214 of the Insolvency Act 1986 (or equivalent legislation)
6. breach of warranty of authority
7. any other act error or omission attempted or allegedly committed or attempted by an Insured Person solely because of their status as a director officer or Employee of You

You/Your

Also includes a Subsidiary and any Subsidiary created or acquired during the Period of Insurance provided that the newly created or acquired Subsidiary

1. is not domiciled in the United States of America
2. does not trade any of its Securities on any United States of America exchange

but only for a Claim against an Insured Person arising from a Wrongful Act committed after the date of creation or acquisition of such Subsidiary

If You require cover for any newly created or acquired Subsidiaries which do not fall within the above parameters We will consider providing cover subject to You providing all appropriate information We shall be entitled to amend the terms and conditions of this section during the Period of Insurance and may charge a reasonable additional premium

Cover

Claims against an Insured Person

We will pay on behalf of any Insured Person the Loss arising from a Claim against any Insured Person for any Wrongful Act within the Geographical Limits

Company Reimbursement

We will pay on Your behalf the Loss which You are legally obliged or permitted to pay on behalf of an Insured Person arising from a Claim against an Insured Person for a Wrongful Act within the Geographical Limits You must pay the relevant Excess shown in the Schedule

If You are permitted or obliged to provide such payment but fail to do so for any reason other than Your insolvency We will pay the amount of the Claim less the relevant Excess regardless of whether You advanced payment or indemnified an Insured Person for such Loss

Health and Safety/Manslaughter

We will pay on Your behalf Loss which you are legally obliged or permitted to pay on behalf of an Insured Person arising from a Health and Safety/Manslaughter Claim or equivalent legislation in any other jurisdiction against an Insured Person for a Wrongful Act within the Geographical Limits You must pay the relevant Excess shown in the Schedule

Extradition Proceedings

We will pay on Your behalf the loss arising from any Extradition Proceeding against any Insured Person during the Period of Insurance

Employment

We will pay on behalf of any Insured Person the Loss arising from an Employment Claim during the Period of Insurance brought by a current former or potential Employee of Yours

This cover does not apply if the Insured Person is covered under the Employment Practices Liability Section of this Policy

Outside Entity Cover

We will also indemnify the Insured Person against the sums that person has to pay as Loss for a Claim arising directly from any Wrongful Act the Insured Person commits in their capacity as a director or officer of an Outside Entity provided that the Insured Person acts in that capacity at Your specific written request and the Claim does not arise from a Wrongful Act committed after the Insured Person ceased to act in this capacity However We will only pay in excess of any indemnity provided by the Outside Entity to its directors or officers and any other insurance available to its directors and officers

Pension/Employee Benefit Schemes Claims

We will pay on behalf of any Insured Person the Loss in respect of a Claim arising from an Insured Person's operation or administration of any pension or employee benefit scheme or trust fund of Yours

Pollution Claims

We will pay on behalf of any Insured Person the Loss in respect of a Claim arising from Pollution

Representation Costs

1. We will pay on behalf of any Insured Person the Legal Representation Costs arising from an Investigation first notified as being required during the Period of Insurance
2. We will pay on Your behalf the Legal Representation Costs arising from an Investigation against an Insured Person which You are legally obliged or permitted to pay on behalf of the Insured Person first notified as being required during the Period of Insurance

Bail Costs

We will pay on behalf of any Insured Person Bail Costs arising from a Claim against an Insured Person for a Wrongful Act within the Geographical Limits.

The limit provided under this cover shall be 10% of the total limit shown on the Schedule or £250,000 whichever is the lesser This limit shall form part of the total aggregate limit for this Section shown in the Schedule

Additional Defence Costs

In the event that the limit of indemnity for this Section is exhausted We will pay for additional Defence Costs up to £250,000 in the aggregate provided that the Insured Person has previously not been the subject of a Claim for a Wrongful Act or series of Wrongful Acts that led to the exhaustion of the limit of indemnity for this Section.

This additional cover applies to the payment of Defence Costs only

Exceptions

The General Exceptions of this Policy do not apply to this Section

We will not make any payment for any Claim Loss or Investigation

1 - Deliberate or dishonest acts

Based upon attributable to or arising out of

a. a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation committed by any Insured Person
b. an act intended to secure or which does secure a personal profit or advantage to which any Insured Person was not legally entitled
c. an act intended to secure or which does secure a profit for any other company where an Insured Person is a director officer or employee of such company

This exception will only apply after a judgment or other final adjudication or an admission by an Insured Person that such act did occur We may request that an opinion be obtained from a mutually agreed Queens Counsel or equivalent in a different jurisdiction as to the prospects of a court finding that such act did occur This exception shall apply if Counsel is of the opinion that there are no reasonable prospects of the court finding that such act did not occur Such opinion will be binding on Us and the Insured Person The costs of such opinion shall be met by Us

2 - Prior Claims Investigations and circumstances

Based upon attributable to or arising out of any Claim Investigation or circumstance which You were aware of or that has been reported under any policy existing or expired prior to the start of the Period of Insurance

3 - Prior litigation

Based upon attributable to or arising out of any prior or pending litigation or proceedings including allegations deriving from the same or essentially the same facts involving an Insured Person You or an Outside Entity initiated prior to the date shown under the Prior and Pending Litigation Date in the Schedule

4 - Defined Benefit Pension Schemes

Based upon attributable to or arising out of an Insured Person's operation or administration of any defined benefit pension scheme or their breach of any legislation or regulation relating to these activities

5 - RICO/SEC/ERISA

Based upon attributable to or arising out of the following legislation in the United States of America

1. any breach of the Racketeer Influenced and Corrupt Organisations Act 18 USC Sections 1961 et seq any amendments to this Act or any rules or regulations made under it
2. any breach of the Securities Act of 1933 or the Securities Exchange Act of 1934 both as amended the rules or regulations of the Securities Exchange Commission under either or both Acts similar securities laws or regulations of any state or any laws of any state relating to any transaction arising out of involving or relating to the sale of securities
3. any breach of the Employment Retirement Income Security Act of 1974 as amended or any rules or regulations made under it or similar provisions of any federal state or local law

6 – Matters Insurable Elsewhere

a. For mental or emotional distress (except an Employment Claim) sickness disease bodily injury or death suffered by anyone or the loss damage or destruction of any tangible property including loss of use of such property
   This exception shall not apply to any Health and Safety/Manslaughter Claim.
b. Based upon attributable to or arising out of the use of any mechanically propelled vehicle for which compulsory insurance is required under any legislation
   This exception does not apply to Legal Representation Costs or Defence Costs directly relating to any criminal or regulatory proceedings.

7 - Claims brought by a related party in the United States of America

Based upon attributable to or arising out of any claim brought or maintained by You an Outside Entity or an Insured Person within or subject to the laws of the United States of America however this exception will not apply to

1. Defence Costs
2. any shareholder derivative proceedings in Your name without Your or any Insured Person's solicitation assistance or participation
3. any Claim brought by Your liquidator receiver or administrative receiver or similar body
4. any Employment Claim
5. any Claim made by a past Insured Person of You
6. any Claim seeking a contribution or indemnity if such claim is otherwise covered by this Section

8 - Breach of professional duty

Based upon attributable to or arising out of any Claim relating to a breach of or failure to provide professional duties or services

This exception will not apply to a Claim by any of Your shareholders including any shareholder derivative proceedings in Your name without Your or any Insured Person's voluntary solicitation assistance or participation arising from any actual or alleged failure to supervise the performance of any professional services

9 - Shareholders

Brought by or on behalf of anyone holding 15% or more of Your issued share capital

10 - Takeovers and mergers

Based upon attributable to or arising out of any Claim for a Wrongful Act committed by an Insured Person after You merge or consolidate with another company or any party acquires more than 50% of your issued share capital

In the event of a Subsidiary ceasing during the Period of Insurance to be a Subsidiary cover under this Section shall be amended to apply solely to Loss arising out of any Claim for a Wrongful Act committed by an Insured Person prior to the effective date of sale or dissolution

11 - Share offerings

Based upon attributable to or arising out of any Claim for a Wrongful Act committed by an Insured Person in relation to any actual public offering of Your share capital unless We have given Our prior written agreement and You have paid any additional premium and accepted any amendments We may require to the terms and conditions of this Section

12 – Financial Advantage

Based upon attributal to or arising out of the gaining of any financial advantage to which the Insured Person was not entitled including the repayment of any wrongfully received monies

Special Conditions

The General Definitions General Conditions and General Exceptions set out in this Policy all apply equally to each Insured Person and to You except General Condition – Premium Payment which applies only to You

General Condition Change of Risk General Condition Non Disclosure Misrepresentation or Misdescription and General Condition Fraud shall not apply to this Section Under this Section only We waive our right to rescind the Policy on the grounds of non-disclosure or misrepresentation or fraud

General Condition Cancellation will only apply to this Section at the end of the Period of Insurance or the anniverasy date whichever comes first

You agree to act on behalf of all the Insured Persons as regards paying the premium and giving or receiving notice of all matters relevant to this Section

Aggregate Limit

Where this Policy specifies an aggregate limit this means Our maximum payment for all relevant claims or losses covered under the Policy during the Period of Insurance

If the Period of Insurance is continuous the aggregate limit will apply to all relevant claims or losses covered under the Policy during the 12 months from the date the continuous cover starts Each aggregate limit will be reinstated to the level shown in the Schedule at each anniversay

Information provided by an Insured Person

All information which any Insured Person provided before We agreed to insure You will be considered as a separate application for each Insured Person and as such the knowledge of or any statement made by an Insured Person will not be imputed to any other Insured Person for the purposes of determining whether cover is available for any Claim against such other Insured Person

Extended notification period

If We or You refuse to renew this Section of the Policy for any reason other than non-payment of premium administration liquidation or insolvency You or any Insured Person may purchase an extended notification period of 12 months upon payment of 50% of the full annual premium If You do so the first paragraph of item 1 under Your Obligations in this Section will then be amended to

We will not make any payment under this Section unless You notify Us promptly of the following within the Period of Insurance or at the latest within 12 months after it expires

This extended notification period is only available if

1. We receive written notice of purchase from You or an Insured Person and the premium within 30 days following the end of the Period of Insurance and
2. this Section of the Policy is not replaced or succeeded by any other policy providing directors' and officers' liability cover and
3. at the end of the Period of Insurance You have not merged or consolidated with another company nor has any party acquired 50% or more of Your issued share capital

If We offer renewal terms conditions limits of liability or premium different from those of the expiring Policy this does not constitute a refusal to renew

The entire premium for this Section is considered fully earned at the beginning of the extended notification period We will not refund any premium if You or any Insured Person cancels the extended notification period before it ends

The limit of indemnity for the extended notification period will be part of and not in addition to the limit of indemnity shown in the Schedule

You or any Insured Person will not have the right to purchase an extended notification period if

1. You merge or consolidate with another company or any party acquires more than 50% of Your issued share capital or
2. if cover under this Section is continued solely as a result of the Former directors Special Condition or
3. if this Section or the Policy is cancelled

Multiple Insureds

The most We will pay is the relevant amount shown in the Schedule

If more than one insured is named in the Schedule the total We will pay will not exceed the amount We would be liable to pay to any one of You

You agree that the insured named in the Schedule or if there is more than one insured named in the Schedule the first of them is authorised to receive all notices and agree any amendments to the Policy

Takeovers and mergers extended notification period

In the event that You merge or consolidate with another company or any party acquires more than 50% of your issued share capital during the Period of Insurance You may on payment of an additional premium of 200% of the annual section premium request that this Section continue in force for a period of up to 72 months from the expiry date of the current Period of Insurance provided that such extension shall only apply to claims arising from any Wrongful Act committed or alleged prior to the date of such takeover or merger

The Extended notification period and Former directors Special Conditions shall not apply to any such extension

Management Buy-Out's

If during the Period of Insurance the existing management conduct a management buy-out We agree to provide cover to the same level and terms of this Section for the new company for a period of 30 Days from the buy-out date for any Wrongful Act committed by an individual Insured Person subsequent to the buy-out

This cover will only apply excess of any other insurance and indemnification available from any other source

Former directors

In the event that You do not renew or replace this Section of the Policy and only in respect of any Insured Person who ceases to be a director prior to the date of non-renewal for reasons other than disqualification or Your insolvency administration or liquidation from holding such a position this Section shall continue in force for a period of 120 months from the date of non renewal (the "Run-Off Period") provided that

1. this Section shall only apply to Claims arising from any Wrongful Act committed or alleged prior to the date of retirement of the Insured Person
2. the run-off period shall run concurrently with any extended notification period
3. no similar insurance is effected elsewhere
4. this Section or the Policy has not been cancelled

How much We will pay

The most We will pay for the total of all Claims and their Defence Costs and all Legal Representation Costs is the limit of indemnity shown in the Schedule irrespective of the number of Claims made

The amount We will pay for Claims and their Defence Costs includes any amount We pay on an Insured Person's behalf as a director of an Outside Entity and on Your behalf and for Claims against an Insured Person's spouse civil or unmarried partner Each Claim shall be treated as first made when We receive notice of the first Claim Legal Representation Costs shall be treated as first made when attendance of an Insured Person is first notified as being required at an Investigation

You must pay the relevant Excess shown in the Schedule

Paying out the limit of indemnity

At any stage of a Claim We can pay the Insured Person the applicable limit of indemnity or what remains after any earlier payment from that limit We will then have no further liability for any Claim or Loss

Your obligations

Notification

We will not make any payment under this Section

1. unless You notify Us promptly of the following within the Period of Insurance or at the latest within 14 days after it expires for any problem You become aware of within the seven days before expiry
   a. the Insured Person's first awareness of any Wrongful Act
   b. any claim or threatened claim against an Insured Person or the Insured Person's lawful spouse civil or unmarried partner
   c. any Investigation into You or an Insured Person
   d. the threat or commencement of any disqualification proceedings against any Insured Person
   e. the threat or commencement of proceedings against any Insured Person for pollution
2. if when dealing with a third party You or the Insured Person admit that You or the Insured Person are liable for what has happenned or make any offer deal or payment without Our prior written agreement You must also not reveal the amount of cover available under this insurance
3. to any Insured Person who prior to the Period of Insurance had knowledge of a material misstatement in or omission from the information provided to us upon which We agreed to insure You

Control of defence and payment of a claim

You and any Insured Person must give Us the information and co-operation which We may reasonably require and take all reasonable steps to defend any Claim You and the Insured Person should not do anything which may prejudice Our position

We have the right but not the obligation to take control of and conduct in Your name or the name of any Insured Person the investigation settlement or defence of any claim If We think it necessary We will appoint an adjuster solicitor or any other appropriate person to deal with the Claim.

We shall have the right to participate fully in the defence of any Claim including negotiation of any settlement We shall have the right to defend any Claim brought by You

Where there is a dispute between Us and You and/or any Insured Person over cover proposed settlement or continuing the defence of a Claim You or We may request the obtainment of an opinion from a mutually agreed Queens Counsel or equivalent in a different jurisdiction Such opinion shall be binding on Us and You and any Insured Person and will establish whether policy cover exists defence of said Claim will continue or settlement will be agreed The costs of such opinion shall be met by Us

We shall pay Defence Costs above any Excess and covered by this Section on an ongoing basis prior to the final resolution of any Claim You and/or any Insured Person must reimburse Us for any Defence Costs paid where it is determined there is no entitlement under this Section

If a Claim is made which is not wholly covered by this Section and/or is also made against You and any other person who is not You or an Insured Person We You and the Insured Person shall use our best endeavours to agree a fair allocation between Loss that is covered and Loss not covered by this Section

Management Liability Portfolio

Corporate Legal Liability

This Section is only operative if specified in the Schedule

Special Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in this Section they should also be read in conjunction with the General Definitions at the start of the Policy

Claim

1. Any written demand or civil or arbitration proceeding seeking monetary damages first made against You during the Period of Insurance alleging a Wrongful Act
2. Any criminal or regulatory proceeding first made against You during the Period of Insurance alleging a Wrongful Act

Defence Costs

Costs incurred with Our prior written agreement to investigate settle or defend any Claim made against You or to fund an appeal including any premium paid for an appeal bond or similar bond obtained in relation to it arising from any judgment decision or award in relation to any Claim

Employee (and not as stated in the General Definitions of this Policy)

1. Any person under a contract of service with You
2. Any independent person seconded to You
3. Any applicant or candidate for employment with You

Employment Claim

Any Claim by any Employee for any actual or alleged wrongful unfair or constructive dismissal discharge or termination of employment breach of written or implied contract employment related misrepresentation wrongful deprivation of a career opportunity failure to grant tenure negligent employee evaluation harassment unlawful discrimination failure to provide adequate employee procedures and policies retaliation defamation invasion of privacy or arising solely as a result of the employment or non-employment by You of any current former or prospective Employee

Health and Safety/Corporate Manslaughter Claim

Any Claim under the provisions of the Corporate Manslaughter and Homicide Act 2007 or the Health & Safety at Work etc Act 1974 or its equivalent in any other jurisdiction

Identity Crime

An agreement entered into by any third party representing themselves as You

Insured Person

1. Any natural person who was is or during the Period of Insurance becomes a director partner member or officer of You
2. Any de facto director of You whilst acting in such capacity for You
3. Any shadow director as defined under Section 250 of the Companies Act 2006 or equivalent legislation in any other jurisdiction
4. Any Employee of You
5. The lawful spouse civil or unmarried partner of any person above solely because of their spousal civil or unmarried partner relationship following a Claim against that person
6. The estates heirs or legal representatives of any person above who has died or become incapacitated insolvent or bankrupt but only for a Claim against that person

Investigation

An official examination official enquiry or official investigation first commenced during the Period of Insurance conducted by any regulator government department or other body legally empowered into Your business activities under the Health & Safety at Work etc Act 1974 or Corporate Manslaughter & Homicide Act 2007

It does not include routine regulatory supervision enquiry or compliance review any internal investigation or any investigation into the business activities of Your industry rather than Your conduct

Legal Representation Costs

Reasonable and necessary legal costs fees charges and expenses for which You are legally liable incurred with Our prior written consent (not including remuneration of any Insured Person or other additional costs of Yours) for legal representation directly in relation to an Investigation

Loss

In respect of a claim the amount You become legally liable to pay Defence Costs Legal Representation Costs awards of damages including punitive and exemplary damages where legally permissible awards of costs and settlements with Our prior written agreement

Loss does not include any civil regulatory or criminal fines or penalties taxes or the multiplied portion of any damages award

Pollutant

Any contaminant irritant or other substance including but not limited to asbestos lead smoke vapour water oil oil products dust fibres soot fumes acids alkalis chemicals waste (including materials that have been or are intended to be recycled reconditioned or reclaimed)

Pollution

Actual alleged or threatened discharge seepage treatment removal disposal dispersal emission release or escape of any Pollutant or any regulatory order direction or request to test for monitor remove contain treat detoxify or neutralise any Pollutant

Prior and Pending Litigation Date

The date stated as the prior and pending litigation date in the Schedule

Securities

Any debt or equity interest in You

Subsidiary

Any entity in which You:

1. own directly or through one or more of Your subsidiaries more than 50% of the share capital or a majority of the voting rights or have the right to appoint or remove a majority of the entity''s board of directors or
2. control a majority of its voting rights under a written agreement with other shareholders or members

If an entity ceases to be a Subsidiary during the Period of Insurance cover will continue but only for a Claim against You or an Insured Person arising from a Wrongful Act committed before it ceased to be a Subsidiary

Wrongful Act

Any actual or alleged act error or omission committed or attempted by You including any breach of any duty including fiduciary or statutory duty breach of trust negligence negligent misstatement misleading statement or negligent misrepresentation breach of warranty of authority

You/Your

Also includes a Subsidiary and any Subsidiary created or acquired during the Period of Insurance provided that the newly created or acquired Subsidiary

1. is not domiciled in the United States of America
2. does not trade any of its Securities on any United States of America exchange

but only for a Claim against You arising from a Wrongful Act committed after the date of creation or acquisition of such Subsidiary

If You require cover for any newly created or acquired Subsidiary which does not fall within the above parameters We will consider providing cover subject to You providing all appropriate information We shall be entitled to amend the policy terms and conditions during the Period of Insurance including but not limited to the charging of a reasonable additional premium

Cover

Claims by others

We will pay on Your behalf the Loss arising from a Claim for any Wrongful Act within the Geographical Limits

Breach of Data Protection

We will pay on Your behalf the Loss arising from a Claim arising from a breach of the Data Protection Act 1998 or its equivalent in any other jurisdiction and any successor or similar legislation

Health and Safety/Corporate Manslaughter Claims

We will pay on Your behalf Loss arising from a Health and Safety/Corporate Manslaughter Claim (or equivalent legislation in any other jurisdiction) for a Wrongful Act within the Geographical Limits

Identity Crime

We will pay on Your behalf the Loss from Identity Crime

Pension/Employee Benefit Schemes Claims

We will pay on Your behalf Loss in respect of a Claim arising from Your operation or administration of any pension or employee benefit scheme or trust fund.

Pollution claims

We will pay on Your behalf Loss in respect of a Claim arising from Pollution
The limit provided under this cover shall be £100,000 in the aggregate
This limit shall form part of the total aggregate limit for this Section shown in the Schedule

Shareholder pollution claims

We will pay on Your behalf Loss in respect of a Claim arising from Pollution brought by any shareholder either directly or derivatively

Representation costs

We will pay on Your behalf the Legal Representation Costs arising from an Investigation first made during the Period of Insurance

Taxation Claims

We will pay on Your behalf Loss in respect of a Claim arising from Your failure to comply with taxation regulations

Your own losses - Dishonesty of Employees

We will pay Your direct financial loss if during the Period of Insurance and in the performance of Your Business You discover a Loss from the dishonesty of an Employee where there was a clear intention to cause You financial loss or damage and to obtain a personal financial gain over and above salary bonus or commission

The limit provided under this cover shall be £100,000 in the aggregate

This limit shall form part of the total aggregate limit for this Section shown in the Schedule

Exceptions

The General Exceptions of this Policy do not apply to this Section

We will not make any payment for any Claim Loss or Investigation

1 - Deliberate or dishonest act

Based upon attributable to or arising out of

a. a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation
b. an act intended to secure or which does secure profit or advantage for which You are not legally entitled
c. an act intended to secure or which does secure a profit for any other company where an Insured Person is a director officer or employee of such company

This exception shall only apply after a judgment or other final adjudication or an admission that such act did occur

We may request the obtainment of an opinion from a mutually agreed Queens Counsel or equivalent in a different jurisdiction as to the prospects of a court finding that such act did occur This exception shall apply if counsel is of the opinion that there are no reasonable prospects of the court finding that such act did not occur Such opinion will be binding on Us and You The costs of such opinion shall be met by Us

2 - Prior claims Investigations and Circumstances

Based upon attributable to or arising out of any Claim Investigation or circumstance that has been reported under any policy existing or expired prior to the start of the Period of Insurance

3 - Prior litigation

Based upon attributable to or arising out of any prior or pending litigation or proceedings (including allegations deriving from the same or essentially the same facts) involving an Insured Person You or an Outside Entity initiated prior to the Prior and Pending Litigation Date as stated in the Schedule

4 - Defined benefit pension schemes

Based upon attributable to or arising out of Your operation or administration of any defined benefit pension scheme or their breach of any legislation or regulation relating to these activities

5 - Failure to fund pension and employee benefit schemes

Based upon attributable to or arising out of Your failure to fund any pension employee benefit scheme or trust fund

6 - Claims brought In the United States of America

Based upon attributable to or arising out of any Wrongful Act brought or maintained in the United States of America

7 - Matters insurable elsewhere

a. Based upon attributable to or arising out of any Employment Claim
b. Based upon attributable to or arising out of the use of any mechanically propelled vehicle for which compulsory insurance is required under any legislation

   This exclusion does not apply to Legal Representation Costs or Defence Costs directly relating to any criminal or regulatory proceedings

c. For mental or emotional distress sickness disease bodily injury or death suffered by anyone or the loss damage or destruction of any tangible property including loss of use of such property
This exception shall not apply to any Health and Safety / Corporate Manslaughter Claims

8 - Products

Based upon attributable to or arising out of the manufacture sale supply installation or maintenance of any product of Yours

9 - Breach of professional duty

Based upon attributable to or arising out any Claim relating to a breach of or failure to provide professional services

10 - **Infringement of patent and copyright**

Based upon attributable to or arising out of any Claim relating to the actual or alleged infringement of patent trade mark infringement of copyright intellectual property right registered design or any actual or alleged libel or slander

11 - Contractual liability

Based upon attributable to or arising out of any Claim in respect of a breach of contract whether actual or implied written or oral which is greater than the liability You would have at law without the contract

12 - Shareholders

Brought by or on behalf of any company owning 15% or more of Your issued share capital

13 - Takeovers and mergers

Based upon attributable to or arising out of any Claim for a Wrongful Act committed by an Insured Person after You merge or consolidate with another company or any party acquires more than 50% of Your issued share capital

In the event of a Subsidiary ceasing during the Period of Insurance to be a Subsidiary cover under this Section shall be amended to apply solely to arising out of any Claim for a Wrongful Act committed by an Insured Person prior to the effective date of sale or dissolution

14 - Share offerings

Based upon attributable to or arising out any Claim for a Wrongful Act committed by You in relation to any actual public offering of Your share capital unless We have given our prior written agreement and You have paid any additional premium and accepted and amendments to the terms and conditions of this Section as may be required

15 - Matters specific to your own losses

Based upon attributable to or arising out of

a. any accounting or arithmetical error or omission or unexplained shortage
b. any default or non-payment of any loan or other credit arrangement
c. Your or any Insured Person's expenses incurred in establishing the amount of any financial loss to You
d. any loss of interest loss of profit or any consequential loss

16 - Financial Advantage

Based upon attributable to or arising out of the gaining of any financial advantage to which You were not entitled including the repayment of any wrongfully received monies

Special Conditions

General Terms

The General Definitions General Conditions and General Claims Procedures set out in this Policy all apply equally to each Insured Person and to You except for General Condition Premium Payment which applies only to You

You agree to act on behalf of all the Insured Persons as regards paying the premium and giving or receiving notice of all matters relevant to this Section

Aggregate Limit
Where this Policy specifies an aggregate limit this means Our maximum payment for all relevant claims or losses covered under the Policy during the Period of Insurance

If the Period of Insurance is continuous the aggregate limit will apply to all relevant claims or losses covered under the Policy during the 12 months from the date the continuous cover starts Each aggregate limit will be reinstated to the level shown in the Schedule at each anniversay

Change in Circumstances (replaces Change of Risk in the General Conditions)
You must tell Us as soon as reasonably possible of any change in circumstances during the Period of Insurance which may materially affect this Policy (a material fact or circumstance is one which might affect Our decisions to provide insurance or the conditions of that insurance) We may then change the terms and conditions of this Policy

Extended notification period
If We or You refuse to renew this Section of the Policy for any reason other than non-payment of premium administration liquidation or insolvency You may purchase an extended notification period of 12 months upon payment of 50% of the full annual premium if You do so the first paragraph of Your obligations will then be amended to

We will not make any payment under this Section unless You notify Us promptly of the following within the Period of Insurance or at the latest within 12 months after it expires

This extended notification period is only available if

1. We receive Your written notice of purchase and Your premium within 30 days following the end of the Period of Insurance and
2. this Section of the Policy is not replaced or succeeded by any other policy providing corporate liability cover and
3. at the end of the Period of Insurance You have not merged or consolidated with another company nor has any party acquired 50% or more of Your issued share capital

If We offer renewal terms conditions limits of liability or premium different from those of the expiring Policy this does not constitute a refusal to renew

The entire premium for this Section is considered fully earned at the beginning of the extended notification period We will not refund any premium to You if You cancel the extended notification period before it ends

We will not make any payment for a Claim due to a Wrongful Act committed or alleged to have been committed after the end of the original Period of Insurance

The limit of indemnity for the extended notification period will be part of and not in addition to the limit of indemnity shown in the Schedule

You shall not have the right to purchase an extended notification period if

1. You merge or consolidate with another company or any party acquires more than 50% of Your issued share capital
2. this Section or the Policy is cancelled

Management buy-outs

If during the Period of Insurance the existing management conduct a management buy-out We agree to provide cover to the same level and terms of this Policy for the new company for a period of 30 days from the buy-out date for any Wrongful Act committed by any individual insured subsequent to the buy-out

This cover will only apply excess of any other insurance and indemnification available from any other source

Multiple Insureds

The most We will pay is the relevant amount shown in the Schedule

If more than one insured is named in the Schedule the total We will pay will not exceed the amount We would be liable to pay to any one of You

You agree that the insured named in the Schedule or if there is more than one insured named in the Schedule the first of them is authorised to receive all notices and agree any amendments to the Policy

How much will We pay

The most We will pay for the total of all Claims and their Defence Costs and all Legal Representation Costs is the limit of indemnity shown in the Schedule irrespective of the number of Claims made

The amount We will pay for Claims and their Defence Costs includes any amount We pay on an Insured Person's behalf as a director of an Outside Entity and on Your behalf and for Claims against an Insured Person's spouse,civil or unmarried partner

You must pay the relevant Excess shown in the Schedule

Each Claim shall be treated as first made when We receive notice of the first Claim Legal Representation Costs shall be treated as first made when attendance of an Insured Person is first notified as being required at an Investigation

Paying out the limit of indemnity

At any stage of a Claim We can pay You the applicable limit of indemnity or what remains after any earlier payment from that limit We will then have no further liability for any Claim or Loss

Your obligations

Notification

We will not make any payment under this Section:

1. unless You notify Us promptly of the following within the Period of Insurance or at the latest within 14 days after it expires for any problem You become aware of within the seven days before expiry
    a. Your first awareness of any Wrongful Act
    b. Any claim or threatened Claim against You
    c. Any Investigation into You
    d. The threat or commencement of proceedings against You for pollution
2. If when dealing with a third party You admit that You are liable for what has happened or make any offer deal or payment without Our prior written agreement You must also not reveal the amount of cover available under this insurance
3. If prior to the Period of Insurance You had knowledge of a material misstatement in or omission from the information provided to Us upon which We agreed to insure You

Control of defence and payment of a claim

You must give Us the information and co-operation which We may reasonably require and take all reasonable steps to defend any Claim You should not do anything which may prejudice Our position

We have the right but not the obligation to take control of and conduct in Your name or the name of any Insured Person the investigation settlement or defence of any Claim If We think it necessary We will appoint an adjuster solicitor or any other appropriate person to deal with the Claim

We shall have the right to participate fully in the defence of any Claim including negotiation of any settlement We shall have the right to defend any Claim brought by You

Where there is a dispute between Us and You and/or any Insured Person over cover proposed settlement or continuing the defence of a Claim You or We may request the obtainment of an opinion from a mutually agreed Queens Counsel or equivalent in a different jurisdiction Such opinion shall be binding on Us and You and any Insured Person and will establish whether policy cover exists defence of said Claim will continue or settlement will be agreed The costs of such opinion shall be met by Us

We shall pay Defence Costs above any Excess and covered by this Section on an ongoing basis prior to the final resolution of any Claim You must reimburse Us for any Defence Costs paid where it is determined there is no entitlement under this Section

If a Claim is made which is not wholly covered by this Section and/or is also made against You and any other person We and You shall use our best endeavours to agree a fair allocation between Loss that is covered and Loss not covered by this Section

Management Liability Portfolio

Employment Practices Liability

This Section is only operative if specified in the Schedule

Special Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in this Section they should also be read in conjunction with the General Definitions at the start of the Policy

Benefits

Any compensation awarded to an Employee other than basic remuneration including but not limited to health benefits amounts due in respect of employee benefit or pension scheme share or stock options incentives or deferred compensation

Claim

Any written demand or civil criminal regulatory or arbitration proceeding first made against You or an Insured Person during the Period of Insurance seeking monetary damages or other legal relief alleging an Employment Practice Wrongful Act

Defence Costs

Costs incurred with Our prior written agreement to investigate settle or defend any Claim made against You or an Insured Person or to fund an appeal including any premium paid for an appeal bond or similar bond obtained in relation to it arising from any judgment decision or award in relation to any Claim

Employee (and not as stated in the General Definitions of this Policy)

1. Any person under a contract of service with You
2. Any independent person seconded to You
3. Any applicant or candidate for employment with You

Employment Practice Wrongful Act

Any actual or alleged act error or omission committed or attempted by You or an Insured Person or by any third party where You are held vicariously liable relating to any actual or alleged wrongful unfair or constructive dismissal discharge or termination of employment breach of written or implied contract employment related misrepresentation wrongful deprivation of a career opportunity failure to grant tenure negligent employee evaluation harassment unlawful discrimination failure to provide employee procedures and policies retaliation defamation invasion of privacy arising solely as a result of the employment or non-employment by You of any current former or prospective employee

Insured Person

1. Any natural person who was is or during the Period of Insurance becomes a director member partner or officer of You
2. Any de facto director of You whilst acting in such capacity for You
3. Any shadow director as defined under Section 250 of the Companies Act 2006 or equivalent legislation in any other jurisdiction
4. Any Employee of You
5. The lawful spouse civil or unmarried partner of any person above solely because of their spousal civil or unmarried relationship following a Claim against that person
6. The estates heirs or legal representatives of any person above who has died or become incapacitated insolvent or bankrupt but only for a Claim against that person

Loss

In respect of a claim the amount You and/or any Insured Person becomes legally liable to pay for Defence Costs awards of damages including punitive and exemplary damages where legally permissible awards of costs and settlements with Our prior written agreement

Loss does not include any civil regulatory or criminal fines or penalties taxes remuneration or employment related benefits punitive and exemplary damages or the multiplied portion of any damages award unless awarded for defamation

Outside entity

Any organisation other than You

1. that is tax exempt and not for profit
2. in which You hold any issued share
   other than
   a. any company registered outside of the United Kingdom of Great Britain and Northern Ireland the Channel Islands the Isle of Man or the Republic of Ireland or
   b. any company traded on any recognised stock exchange or
   c. any bank investment company investment advisor or manager hedge or mutual fund private equity or venture capital company stock brokerage insurer or similar organisation

Prior and pending litigation date

The date stated as the prior and pending litigation date in the Schedule

Retaliation

Any Claim brought against an Employee relating to any actual or alleged action taken by such Employee exercising or attempting to exercise their rights under law

Subsidiary

Any entity in which You

1. own directly or through one or more of Your subsidiaries more than 50% of the share capital or a majority of the voting rights or have the right to appoint or remove a majority of the entity's board of directors; or
2. control a majority of its voting rights under a written agreement with other shareholders or members

If an entity ceases to be a Subsidiary during the Period of Insurance cover will continue but only for a Claim against You or an Insured Person arising from an Employment Practice Wrongful Act committed before it ceased to be a Subsidiary

You / Your

Also includes

1. any Subsidiary
2. any Subsidiary created or acquired during the Period of Insurance within the United Kingdom but only for a Claim against You or an Insured Person arising from an Employment Practice Wrongful Act committed after the date of acquisition.

If You require cover for any newly created or acquired Subsidiaries which do not fall within the above parameters We will consider providing cover subject to You providing all appropriate information We shall be entitled to amend the terms and conditions of this Section during the Period of Insurance and may charge a reasonable additional premium

Cover

Claims by Employees

We will pay on behalf of You or an Insured Person the Loss arising from a Claim by an Employee for an Employment Practice Wrongful Act

Claims by others

We will pay on behalf of you or an Insured Person the Loss arising from a Claim by anyone other than an Employee for an Employment Practice Wrongful Act

Outside entities

We will pay on behalf of You or an Insured Person the Loss arising from a Claim in respect of an Employment Practice Wrongful Act committed by an Insured Person in their capacity as an Employee or an Outside Entity provided that the Insured Person acts in that capacity at Your specific written request and the Claim does not arise from an Employment Practice Wrongful Act committed after the Insured Person ceased to act in this capacity However We will only pay in excess of any indemnity provided by the Outside Entity to its employees and any other insurance available to its employees

Exceptions

The General Exceptions of this Policy do not apply to this Section

A. We will not make any payment for any Claim or Loss

Specific activities

1. Based upon attributable to or arising out of
   a. membership or non-membership of any trade union or equivalent labour organisation or any involvement in trade union activities
   b. Your failure to act in accordance with any collective bargaining agreement

   The above shall not apply to any Claim for Retaliation
2. Based upon attributable to or arising out of any responsibility duty or obligation imposed by law in relation to health & safety unemployment social security retirement or disability benefits or any similar law whether statutory or common law

   The above shall not apply to Retaliation

Prior Claims and Circumstances

Based upon attributable to or arising out of any Claim or circumstance which You were aware of or that has been reported under any policy existing or expired prior to the start of the Period of Insurance

Claims in the United States of America

Based upon attributable to or arising out of any Employment Practice Wrongful Act brought or maintained in the United States of America

Prior litigation

Based upon attributable to or arising out of any prior or pending litigation or proceedings (including allegations deriving from the same or essentially the same facts) involving an Insured Person You or an Outside Entity initiated prior to the prior and pending litigation date shown in the Schedule

Deliberate or dishonest acts

based upon attributable to or arising out of

a. a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation committed by any Insured Person
b. an act intended to secure or which does secure a personal profit or advantage to which any Insured Person was not legally entitled
c. an act intended to secure or which does secure a profit for any other company where an Insured Person is a director officer or employee of such company

This exception will only apply after a judgment or other final adjudication or an admission by an Insured Person that such act did occur We may request the obtainment of an opinion from a mutually agreed Queens Counsel or equivalent in a difference

jurisdiction as to the prospects of a court finding that such act did occur This exception shall apply if Counsel is of the opinion that there are no reasonable prospects of the court finding that such act did not occur Such opinion will be binding on Us and the Insured Person The costs of such opinion shall be met by Us

Matters insurable elsewhere

For the death or any bodily or mental injury or emotional distress suffered by anyone or the loss damage or destruction of any tangible property other than emotional distress directly arising from any Employment Practice Wrongful Act

Based upon attributable to or arising out of the use of any mechanically propelled vehicle for which compulsory insurance is required under any legislation

Takeovers and acquisitions

Based upon attributable to or arising out of any Employment Practice Wrongful Act occurring after the date of

a. Your acquisition by or Your merger or consolidation with another entity so that You are not the surviving entity;
b. The acquisition at any time during the Period of Insurance of 50% more of Your share capital

Unless We have received prior written notice and We have agreed by written endorsement to provide cover and You have paid any additional premium

B. We will not make any payment other than Defence Costs

Specific activities

1. Based upon attributable to or arising out of Your failure to pay any amount You are contractually committed to pay to an Employee including but not limited to any payments for contractual or statutory notice periods or breach of any obligation pursuant to any minimum wage legislation or Benefits payable
2. Based upon attributable to or arising out of any amount relating to equal pay redundancy pay
3. Based upon attributable to or arising out of the loss of any right or benefit under any pension scheme private health insurance or other employee benefit scheme or the operation or administration of any pension or employee benefit scheme or trust fund or Your breach of any legislation or regulation related to these activities
4. Based upon attributable to or arising out of Your failure to pay taxes

Non-compensatory payments

1. Based upon attributable to or arising out of anyone else's liability which You are legally obliged to assume under any contract or agreement This does not apply to any Claim that would have resulted in the absence of such contract or agreement
2. Based upon attributable to or arising out any non-pecuniary or injunctive relief
3. Based upon attributable to or arising out of any amount in respect of the costs of complying or refusing to comply with a court or other order for the reinstatement of an Employee

Special Conditions

The General Definitions General Conditions and General Claims Procedures forming part of this Policy all apply equally to each Insured Person and to You except for General Condition Premium Payment which applies only to You.
General Condition Non Disclosure Misrepresentation or Misdescription and General Condition Fraud shall only apply to You

You agree to act on behalf of all the Insured Persons as regards paying the premium and giving or receiving notice of all matters relevant to this Section

Aggregate Limit

Where this Policy specifies an aggregate limit this means Our maximum payment for all relevant claims or losses covered under the Policy during the Period of Insurance

If the Period of Insurance is continuous the aggregate limit will apply to all relevant claims or losses covered under the Policy during the 12 months from the date the continuous cover starts Each aggregate limit will be reinstated to the level shown in the Schedule at each anniversay

Change in Circumstances (replaces General Condition Change of Risk)
You must tell Us as soon as reasonably possible of any change in circumstances during the Period of Insurance which may materially affect this Policy (a material fact or circumstance is one which might affect Our decisions to provide insurance or the conditions of that insurance) We may then change the terms and conditions of this Policy

Extended notification period
If We or You refuse to renew this Section of the Policy for any reason other than non-payment of premium or insolvency You may purchase an extended notification period of 12 months upon payment of 50% of the full annual premium If You do so the first paragraph of item 1 under Your obligations in this Section will then be amended to

We will not make any payment under this Section unless You notify Us promptly of the following within the Period of Insurance or at the latest within 12 months after it expires
:
This extended notification period is only available if

a. We receive Your written notice of purchase and Your premium within 30 days following the end of the Period of Insurance and
b. this Section of the Policy is not replaced or succeeded by any other policy providing employment practices liability cover and
c. at the end of the Period of Insurance You have not merged or consolidated with another company nor has any party acquired 50% or more of Your issued share capital

If We offer renewal terms conditions limits of liability or premium different from those of the expiring Policy this does not constitute a refusal to renew

The entire premium for this Section is considered fully earned at the beginning of the extended notification period. We will not refund any premium to You if You cancel the extended notification period before it ends

We will not make any payment for a Claim due to an Employment Practice Wrongful Act committed or alleged to have been committed after the end of the original Period of Insurance

The limit of indemnity for the extended notification period will be part of and not in addition to the limit of indemnity shown in the Schedule

You will not have the right to purchase an extended notification period if:

1. You merge or consolidate with another company or any party acquires more than 50% of Your issued share capital
2. this Section of the Policy is cancelled

Management buy-outs
If during the Period of Insurance Your existing management conduct a management buy-out We agree to provide cover to the same level and terms of this Policy for the new company for a period of 30 days from the buy-out date for any Employment Practice Wrongful Act committed by any individual Insured Person subsequent to the buy-out

This cover will only apply excess of any other insurance and indemnification available from any other source

Multiple Insureds
The most We will pay is the relevant amount shown in the Schedule

If more than one insured is named in the Schedule the total We will pay will not exceed the amount We would be liable to pay to any one of You

You agree that the insured named in the Schedule or if there is more than one insured named in the Schedule the first of them is authorised to receive all notices and agree any amendments to the Policy

How much will We pay

The most We will pay for the total of all Claims and their Defence Costs is the limit of indemnity shown in the Schedule irrespective of the number of Claims made

The amount We will pay for Claims and their Defence Costs includes any amount We pay on an Insured Person's behalf as a director of an Outside Entity and on Your behalf and for Claims against an Insured Person's spouse civil or unmarried partner

Each claim shall be treated as first made when We receive notice of the first claim

You must pay the relevant Excess shown in the Schedule The Excess shall not apply to any Claim made solely against an Insured Person

Paying out the limit of indemnity

At any stage of a Claim We can pay the Insured Person the applicable limit of indemnity or what remains after any earlier payment from that limit. We will then have no further liability for any Claim or Loss

Your obligations

Notification

We will not make any payment under this Section

1. unless You notify Us promptly of the following within the Period of Insurance or at the latest within 14 days after it expires for any problem You become aware of within the seven days before expiry
   a. You or an Insured Person's first awareness of any Employment Practice Wrongful Act
   b. any Claim or threatened Claim against You
2. if when dealing with an Employee or a third party You or the Insured Person admit that You or the Insured Person are liable for what has happened or make any offer deal or payment without Our prior written agreement You must also not reveal the amount of cover available under this insurance
3. if prior to the Period of Insurance You had knowledge of a material misstatement in or omission from the information provided to Us upon which We agreed to insure You

Control of defence and payment of a claim

You and any Insured Person must give Us the information and co-operation which We may reasonably require and take all reasonable steps to defend any Claim. You and the Insured Person should not do anything which may prejudice Our position.

We have the right but not the obligation to take control of and conduct in Your name or the name of any Insured Person the investigation settlement or defence of any Claim If We think it necessary We will appoint an adjuster solicitor or any other appropriate person to deal with the claim

We shall have the right to participate fully in the defence of any Claim including negotiation of any settlement We shall have the right to defend any Claim brought by You

Where there is a dispute between Us and You and/or any Insured Person over cover proposed settlement or continuing the defence of a Claim You or We may request the obtainment of an opinion from a mutually agreed Queens Counsel or equivalent

in a different jurisdiction Such opinion shall be binding on Us and You and any Insured Person and will establish whether policy cover exists defence of said claim will continue or settlement will be agreed The costs of such opinion shall be met by Us

We shall pay Defence Costs above any Excess and covered by this Section on an ongoing basis prior to the final resolution of any Claim You and/or any Insured Person must reimburse Us for any Defence Costs paid where it is determined there is no entitlement under this Section

If a Claim is made which is not wholly covered by this Section and/or is also made against You and any other person who is not You or an Insured Person We You and the Insured Person shall use our best endeavours to agree a fair allocation between Loss that is covered and Loss not covered by this Section

Absolute Business Legal Expenses Section

This Section is only operative if specified in the Schedule.

Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section and should also be read in conjunction with the General Definitions at the start of the Policy.

Appointed Advisor

The solicitor accountant or other advisor appointed by Us to act on behalf of the Person-Insured under the terms of the Section.

Collective Conditional Fee Agreement

A legally enforceable agreement entered into on a common basis between the Appointed Advisor and Us to pay their professional fees on the basis of 'no win no fee'.

Conditional Fee Agreement

A legally enforceable agreement between the Person-Insured and the Appointed Advisor for paying their professional fees on the basis of 'no win no fee'.

Employee

A worker who has or alleges they have entered into a contract of service with You provided they have been declared to Us and not as stated in the General Definitions of this Policy.

Legal Costs and Expenses

a. Reasonable legal costs and disbursements reasonably and proportionately incurred by the Appointed Advisor on the Standard Basis and agreed in advance by Us. The term 'standard basis' can be found within the Courts' Civil Procedure Rules Part 44.
b. In civil claims other side's costs, fees and disbursements where the Person-Insured has been ordered to pay them or pays them with Our agreement.
c. Reasonable accountancy fees reasonably incurred under Insured Event 4 by the Appointed Advisor and agreed by Us in advance.
d. Your employee's basic wages or salary under Insured Event 9 in the course of their employment with You while attending court or tribunal at the request of the Appointed Advisor or whilst on jury service where You do not pay for time lost and lost wages or salary cannot be claimed back from the court or tribunal.
e. The professional fees and expenses of an Appointed Advisor selected by Us to reduce the actual or anticipated adverse or negative publicity or media attention directed towards You under Insured Event 11.

Person- Insured

1. You or any of Your partners directors or Employees aged not less than 16 years nor more than 75 years.
2. The estates heirs legal representatives or assigns of any persons mentioned in 1. in the event of such person dying.
3. A person declared to Us who is contracted to perform work for You who is in all other respects insured by You on the same basis as Your other Employees and who performs work under Your supervision.

Reasonable Prospects of Success

1. Other than as set out in 2. and 3. below, a greater than 50% chance of the Person-Insured successfully pursuing or defending the claim and if the Person-Insured is seeking damages or compensation a greater than 50% chance of enforcing any judgment that might be obtained.
2. In criminal prosecution claims where the Person-Insured
   a. pleads guilty a greater than 50% chance of successfully reducing any sentence or fine; or
   b. pleads not guilty a greater than 50% chance of that plea being accepted by the court.

3. In all claims involving an appeal a greater than 50% chance of the Person-Insured being successful.

Small Claims Court

A court in England and Wales that hears a claim falling under the small claims track in the County Court as defined by Section 26.6 (1) of the Civil Procedure Rules 1999. A court in Scotland that uses the small claims procedure as set out by the Act of Sederunt (Small Claims) Rules 2002. A court in Northern Ireland where the sum in dispute is less than £3,000 or the equivalent jurisdiction in the United Kingdom where this Section of the Policy applies.

Territorial Limit

For Insured Events 6, 7 and 12 the United Kingdom Channel Islands Isle of Man Norway Switzerland and countries in the European Union. For all other Insured Events the United Kingdom Channel Islands and the Isle of Man.

Cover

For those Insured Events shown in the Schedule We will pay the Person-Insured's Legal Costs and Expenses (and Compensation Awards under Insured Event 2) up the limit of indemnity and aggregate limit specified in Your Policy Schedule for all claims related by time or originating cause including the cost of appeals subject to all of the following requirements being met.

1. You have paid the insurance premium.
2. The Person-Insured keeps to the terms of the Policy and cooperates fully with Us.
3. The Insured Event arises in connection with the Business shown in the Schedule and occurs within the Territorial Limit.
4. The claim
   a. always has Reasonable Prospects of Success (except in relation to Insured Event 1) and
   b. is reported to Us
      i. during the Period of Insurance and
      ii. immediately after the Person-Insured first becomes aware of circumstances which could give rise to a claim under this Section.
5. Unless there is a conflict of interest the Person-Insured always agrees to use the Appointed Advisor chosen by Us in any claim
   a. to be heard by the Small Claims Court or an Employment Tribunal and/or
   b. before proceedings have been or need to be issued.
6. Any dispute with be dealt with by a court tribunal Advisory Conciliation and Arbitration Service or a relevant regulatory or licensing body.
7. A claim is considered to be reported to Us when We have received the Person-Insured's fully completed claim form.

Insured Events Covered

1- Employment

A dispute between You and Your Employee ex-Employee or a prospective employee arising from a breach or an alleged breach of their

1. contract of service with You and/or
2. related legal rights

A claim can be made under this Section of the Policy provided that all internal procedures as set out in the

a. ACAS Code of Practice for Disciplinary and Grievance Procedures or
b. Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland

have been or ought to have been concluded.

What is not insured under Insured Event 1

Any claim relating to

1. the pursuit of an action by You other than an appeal.

2. redundancy alleged redundancy or unfair selection for redundancy occurring during the first 180 days of this Section of the Policy except where You have had equivalent cover in force up until the start of this Policy.
3. Legal Costs and Expenses for preparation and representation at an internal disciplinary hearing grievance or appeal.

2 - Employment Compensation Awards

Following a claim We have accepted under Insured Event 1 We will pay any

1. basic and compensatory award;
2. Employment Tribunal fees under Schedule 3 of the Employment Tribunals and the Employment Appeal Tribunal Fees Order 2013;

awarded against You by a tribunal or

3. damages awarded by a court;
4. an amount agreed by Us in settlement of a dispute

provided that compensation is agreed through mediation or conciliation or under a settlement approved by Us or awarded by a tribunal or court judgment after full argument unless given by default.

What is not insured under Insured Event 2

Compensation Awards and settlements relating to

1. the first £1,000 of every claim;
2. money due to an Employee under a contract or a statutory provision relating thereto;
3. trade union membership or non-membership industrial or labour arbitration collective bargaining agreements trade union recognition or matters concerning a European Works Council;
4. civil claims or statutory rights relating to trustees of occupational pension schemes.

3 – Employment Restrictive Covenants

1. A dispute with your Employee or ex-Employee which arises from their breach of a restrictive covenant where You are seeking financial remedy or damages
   Provided that the restrictive covenant
   a. is designed to protect Your legitimate Business interests and
   b. is evidenced in writing and signed by Your Employee or ex-Employee and
   c. extends no further than is reasonably necessary to protect the Business interests and
   d. does not contain restrictions in excess of 12 months.
2. A dispute with another party that alleges that You have breached their legal rights protected by a restrictive covenant.

4 -Tax Protection

1. A formally notified aspect or full enquiry into Your tax affairs or into the personal tax affairs of Your directors and/or partners.
2. A dispute about Your compliance with regulations relating to
   a. Value Added Tax or
   b. Pay As You Earn or
   c. Social Security or
   d. National Insurance Contributions or
   e. the Construction Industry Scheme or
   f. IR35
   following a compliance check by HM Revenue and Customs.
3. An enquiry into Your tax affairs or into the personal tax affairs of Your directors and/or partners arising from an alleged discovery by HM Revenue and Customs
   Provided that
   a. all returns are completed and have been submitted within the statutory timescales permitted;
   b. You keep proper records in accordance with statutory requirements;

c. in respect of any appealable matter You have requested an Internal Review from HM Revenue and Customs where available.

What is not insured under Insured Event 4

Any claim relating to

1. tax returns which result in HM Revenue and Customs imposing a penalty or claiming interest or which contain negligent misstatements;
2. an investigation by the Specialist Investigation Branch of HM Revenue and Customs;
3. where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to the Person-Insured's financial arrangements;
4. any enquiry that concerns assets monies or wealth outside of Great Britain and Northern Ireland;
5. Your failure to register for VAT.

5 - Property

A dispute relating to Property which You own or is Your responsibility

1. following an event which causes physical damage to Your Property;
2. following a public or private nuisance or trespass;
3. which You wish to recover or repossess from an Employee or ex-Employee.

What is not insured under Insured Event 5

Any claim relating to

a. a contract between You and a third party except for a claim under 5 - 3;
b. goods in transit or goods lent or hired out;
c. compulsory purchase demolition restrictions controls or permissions placed on land or property by any government local or public authority;
d. a dispute with any party other than the party who caused the damage nuisance or trespass.

6 – Legal Defence

1. A criminal investigation and/or enquiry by
   a. the police;
   b. a health and safety authority or
   c. other body with the power to prosecute

   where it is suspected that an offence may have been committed that could lead to the Person-Insured being prosecuted.
2. An offence or alleged offence which leads to the Person-Insured being prosecuted in a court of criminal jurisdiction.
3. A motor prosecution brought against Your directors and/or partners which does not relate to the Business.

What is not insured under Insured Event 6

Any claim relating to a parking offence.

7 – Compliance and Regulation

1. Receipt of a Statutory Notice served against You.
2. Notice of a formal investigation or disciplinary hearing by a professional or regulatory body.
3. A civil action alleging wrongful arrest arising from an allegation of theft.
4. A claim against You for compensation under Section 13 of the Data Protection Act 1998 including compensation awarded against You provided that You are registered with the Information Commissioner.

What is not insured under Insured Event 7

Any claim relating to

1. the pursuit of an action by You other than an appeal.

2. a routine inspection by a regulatory authority.
3. a Health and Safety Executive Fee for Intervention.

8 – Statutory Licence Appeals

An appeal against a decision by the relevant authority to alter suspend revoke or refuse to renew Your statutory licence or compulsory registration.

9 – Loss of Earning

The Person-Insured's absence from work to attend court tribunal arbitration disciplinary hearing or regulatory proceedings at the request of the Appointed Advisor or whilst on jury service which results in loss of earnings.

What is not insured under Insured Event 9

Any sum which can be recovered from the court or tribunal.

10 – Employees' Extra Protection

At Your request

1. where civil proceedings are issued against Your Employee
   a. for unlawful discrimination or
   b. in their capacity as a trustee of a pension fund set up for the benefit of Your Employees;
2. where Your Employee or a member of their family suffers physical bodily injury or death as a result of a sudden event;
3. a claim arising from personal identity theft targeted at Your directors and/or partners.

What is not insured under Insured Event 10.1 and 10.2

Any claim relating to

1. defending You;
2. a condition or illness or disease which develops gradually over time.

11 – Crisis Communication

Following an event which causes Your Business significant adverse publicity or reputational damage which is likely to have a widespread financial impact on Your Business We will

1. liaise with You and Your solicitor (whether the solicitor is an Appointed Advisor under this Section of this Policy or acts on your behalf under any other policy) to draft a media statement or press release and/or
2. arrange support and represent a Person-Insured at a press conference and/or
3. prepare communication for Your customers and/or a telephone or website script;

provided that You have sought and followed advice from Our Crisis Communication helpline.

What is not insured under Insured Event 11

Any claim relating to

1. Legal costs and expenses in excess of £10,000.
2. Matters that should be dealt with through Your normal complaints procedures.

<u>Optional Cover – included when detailed in the Schedule</u>

12 - Contract and Debt Recovery

A breach or alleged breach of an agreement or alleged agreement which has been entered into by You or on Your behalf relating to the purchase hire hire purchase lease servicing maintenance testing sale or provision of goods or services provided that if You are claiming for an undisputed debt You have exhausted Your normal credit control procedures.

What is not insured under Insured Event 12

Any claim relating to

1. An amount which is less than £200;

2. the letting leasing or licensing of land or buildings where You act as the landlord;
3. the sale or purchase of land or buildings;
4. loans mortgages endowments pensions or any other financial product;
5. computer hardware software internet services or systems which
   a. have been supplied by You or
   b. have been tailored to Your requirements;
6. a breach or alleged breach of professional duty by a Person-Insured;
7. the settlement payable under an insurance policy;
8. a dispute relating to an Employee or ex-Employee;
9. adjudication or arbitration.

Exceptions Under This Section

You are not insured for any claim arising from or relating to

1. Legal Costs and Expenses or Compensation Awards incurred without Our consent.
2. any actual or alleged act omission or dispute happening before or existing at the start of this Section of the Policy and which the Person-Insured knew or ought reasonably to have known could lead to a claim.
3. an allegation against the Person-Insured involving
   a. assault violence indecent or obscene materials dishonesty malicious falsehood or defamation (except in relation to Insured Event 11);
   b. the manufacture dealing in or use of alcohol illegal drugs illegal immigration;
   c. offences under Part 7 of the Proceeds of Crime Act 2002 (money laundering offences).
4. defending a claim in respect of damages for personal injury (other than injury to feelings in relation to Insured Event 1) or loss or damage to Property owned by the Person-Insured.
5. patents copyright passing-off trade or service marks registered designs and confidential information (except in relation to Insured Event 3).
6. a dispute with any subsidiary parent associated or sister company or between shareholders or partners.
7. franchise or agency agreements.
8. a judicial review.
9. a dispute with Us or the party who arranged this cover not dealt with under Arbitration Condition below.
10. the payment of fines penalties or compensation awarded against the Person-Insured (except as covered under Insured Event 2 or 7.4) or costs awarded against the Person-Insured by a court of criminal jurisdiction.

Conditions Which Apply to this Section

Failure to keep to any of these conditions without good reason may lead Us to cancel this Section, refuse a claim or withdraw from an ongoing claim. We also reserve the right to recover Legal Costs and Expenses from the Person-Insured should this occur.

The Person-Insured's responsibilities

A Person-Insured must

1. tell Us immediately of anything that may make it more costly or difficult for the Appointed Advisor to resolve the claim in Your favour;
2. co-operate fully with Us give the Appointed Advisor any instructions We require and keep them updated with progress of the claim and not hinder them;
3. take reasonable steps to claim back Legal Costs and Expenses and where recovered pay them back to Us;
4. keep Legal Costs and Expenses as low as possible;
5. allow Us at any time to take over and conduct in the Person-Insured's name any claim.

Freedom to Choose an Appointed Advisor

1. In certain circumstances as set out in 2. below the Person-Insured may choose an Appointed Advisor. In all other cases no such right exists and We shall choose the Appointed Advisor
2. If
   a. We agree to start proceedings or proceedings are issued against the Person-Insured or
   b. there is a conflict of interest

   the Person-Insured may choose a qualified Appointed Advisor except where the Person-Insured's claim is to be dealt with by the Employment Tribunal or Small Claims Court where We shall always choose the Appointed Advisor.
3. Where the Person-Insured wishes to exercise the right to choose the Person-Insured must write to Us with their preferred representative's contact details. Where the Person-Insured chooses to use their preferred representative We will not pay more than We agree to pay a solicitor from Our panel.
4. If the Person-Insured dismisses the Appointed Advisor without good reason or withdraws from the claim without Our written agreement or if the Appointed Advisor refuses with good reason to continue acting for the Person-Insured cover will end immediately.
5. In respect of a claim under Insured Event 12 You must enter into a Conditional Fee Agreement (unless the Appointed Advisor has entered into a Collective Conditional Fee Agreement) where legally permitted.

Consent

The Person-Insured must agree to Us having sight of the Appointed Advisors file relating to the Person-Insured's claim. The Person-Insured is considered to have provided consent to Us or Our appointed agent to have sight of their file for auditing and quality and cost control purposes.

Settlement

1. We can settle the claim by paying the reasonable value of the Person-Insured's claim.
2. The Person-Insured must not negotiate settle the claim or agree to pay Legal Costs and Expenses without Our written agreement.
3. If the Person-Insured refuses to settle the claim following advice to do so from the Appointed Advisor We reserve the right to refuse to pay further Legal Costs and Expenses.

Barristers Opinion

We may require the Person-Insured to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of the claim. If the opinion supports the Person-Insured then We will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by Us then We will pay for a final opinion which will be binding on the Person-Insured and Us. This does not affect Your right under Arbitration below.

Arbitration

If any dispute between the Person-Insured and Us arises from this Section of the Policy the Person-Insured can make a complaint to Us as described in the complaints Section of this Policy and We will try to resolve the matter. If We are unable to satisfy the Person-Insured's concerns and the matter can be dealt with by the Financial Ombudsman Service the Person-Insured can ask them to arbitrate over the complaint. If the dispute cannot be dealt with by the Financial Ombudsman Service it can be referred for independent arbitration by a qualified person agreed upon by both parties. The loser of the dispute shall be liable to pay the costs incurred. If We fail to agree on a suitable person to arbitrate the matter We will ask the President of the relevant law society to nominate. The arbitration shall be subject the Arbitration Acts and the arbitrator's decision shall be binding on all the parties.

Acts of Parliament, Statutory Instruments, Civil Procedure Rules and Jurisdiction

All legal instruments and rules referred to within this Section of the Policy shall include equivalent legislation in Scotland Northern Ireland the Isle of Man and the Channel Islands and any subsequent amendment or replacement legislation.
This Section will be governed by English Law.

Essential Business Legal Expenses Section

This Section is only operative if specified in the Schedule.

Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section and should also be read in conjunction with the General Definitions at the start of the Policy.

Appointed Advisor

The solicitor accountant or other advisor appointed by Us to act on behalf of the Person-Insured under the terms of the Section.

Collective Conditional Fee Agreement

A legally enforceable agreement entered into on a common basis between the Appointed Advisor and Us to pay their professional fees on the basis of 'no win no fee'.

Conditional Fee Agreement

A legally enforceable agreement between the Person-Insured and the Appointed Advisor for paying their professional fees on the basis of 'no win no fee'.

Employee

A worker who has or alleges they have entered into a contract of service with You provided they have been declared to Us and not as stated in the General Definitions of this Policy.

Legal Costs and Expenses

1. Reasonable legal costs and disbursements reasonably and proportionately incurred by the Appointed Advisor on the Standard Basis and agreed in advance by Us. The term 'standard basis' can be found within the Courts' Civil Procedure Rules Part 44.
2. In civil claims other side's costs, fees and disbursements where the Person-Insured has been ordered to pay them or pays them with Our agreement.
3. Reasonable accountancy fees reasonably incurred under Insured Event 4 by the Appointed Advisor and agreed by Us in advance.
4. Your employee's basic wages or salary under Insured Event 9 in the course of their employment with You while attending court or tribunal at the request of the Appointed Advisor or whilst on jury service where You do not pay for time lost and lost wages or salary cannot be claimed back from the court or tribunal.
5. The professional fees and expenses of an Appointed Advisor selected by Us to reduce the actual or anticipated adverse or negative publicity or media attention directed towards You under Insured Event 11.

Person- Insured

1. You or any of Your partners directors or Employees aged not less than 16 years nor more than 75 years.
2. The estates heirs legal representatives or assigns of any persons mentioned in 1. in the event of such person dying.
3. A person declared to Us who is contracted to perform work for You who is in all other respects insured by You on the same basis as Your other Employees and who performs work under Your supervision.

Reasonable Prospects of Success

1. Other than as set out in 2. and 3. below, a greater than 50% chance of the Person-Insured successfully pursuing or defending the claim and if the Person-Insured is seeking damages or compensation a greater than 50% chance of enforcing any judgment that might be obtained.
2. In criminal prosecution claims where the Person-Insured
   a. pleads guilty a greater than 50% chance of successfully reducing any sentence or fine or
   b. pleads not guilty a greater than 50% chance of that plea being accepted by the court.

3. In all claims involving an appeal a greater than 50% chance of the Person-Insured being successful.

Small Claims Court

A court in England and Wales that hears a claim falling under the small claims track in the County Court as defined by Section 26.6 (1) of the Civil Procedure Rules 1999. A court in Scotland that uses the small claims procedure as set out by the Act of Sederunt (Small Claims) Rules 2002. A court in Northern Ireland where the sum in dispute is less than £3,000 or the equivalent jurisdiction in the United Kingdom where this Section of the Policy applies.

Territorial Limit

For Insured Events 6, 7 and 12 the United Kingdom Channel Islands Isle of Man Norway Switzerland and countries in the European Union. For all other Insured Events the United Kingdom Channel Islands and the Isle of Man.

Cover

For those Insured Events shown in the Schedule We will pay the Person-Insured's Legal Costs and Expenses (and Compensation Awards under Insured Event 2) up the limit of indemnity and aggregate limit specified in Your Policy Schedule for all claims related by time or originating cause including the cost of appeals subject to all of the following requirements being met.

1. You have paid the insurance premium.
2. The Person-Insured keeps to the terms of the Policy and cooperates fully with Us.
3. The Insured Event arises in connection with the Business shown in the Schedule and occurs within the Territorial Limit.
4. The claim
   a. always has Reasonable Prospects of Success and
   b. is reported to Us
      i. during the Period of Insurance and
      ii. immediately after the Person-Insured first becomes aware of circumstances which could give rise to a claim under this Section.
5. Unless there is a conflict of interest the Person-Insured always agrees to use the Appointed Advisor chosen by Us in any claim
   a. to be heard by the Small Claims Court or an Employment Tribunal and/or
   b. before proceedings have been or need to be issued.
6. Any dispute with be dealt with by a court tribunal Advisory Conciliation and Arbitration Service or a relevant regulatory or licensing body.
7. A claim is considered to be reported to Us when We have received the Person-Insured's fully completed claim form.

Insured Events Covered

1- Employment

A dispute between You and Your Employee ex-Employee or a prospective employee arising from a breach or an alleged breach of their

1. contract of service with You and/or
2. related legal rights.

A claim can be made under this Section of the Policy provided that all internal procedures as set out in the

a. ACAS Code of Practice for Disciplinary and Grievance Procedures or
b. Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland

have been or ought to have been concluded.

What is not insured under Insured Event 1

Any claim relating to

1. the pursuit of an action by You other than an appeal;

2. redundancy alleged redundancy or unfair selection for redundancy occurring during the first 180 days of this Section of the Policy except where You have had equivalent cover in force up until the start of this Policy;
3. Legal Costs and Expenses for preparation and representation at an internal disciplinary hearing grievance or appeal.

2 - Employment Compensation Awards

Following a claim We have accepted under Insured Event 1 We will pay any

1. basic and compensatory award;
2. Employment Tribunal fees under Schedule 3 of the Employment Tribunals and the Employment Appeal Tribunal Fees Order 2013

awarded against You by a tribunal or

3. an amount agreed by Us in settlement of a dispute;

Provided that

a. Reasonable Prospects of Success exist for a wholly successful defence throughout and
b. compensation is agreed through mediation or conciliation or under a settlement approved by Us or awarded by a tribunal judgment after full argument unless given by default

What is not insured under Insured Event 2

Compensation Awards and settlements relating to

1. trade union membership or non-membership industrial or labour arbitration collective bargaining agreements trade union recognition or matters concerning a European Works Council;
2. money due to an Employee under a contract or a statutory provision relating thereto;
3. civil claims or statutory rights relating to trustees of occupational pension schemes.

3 – Employment Restrictive Covenants

1. A dispute with your Employee or ex-Employee which arises from their breach of a restrictive covenant where You are seeking financial remedy or damages

   Provided that the restrictive covenant

   a. is designed to protect Your legitimate Business interests and
   b. is evidenced in writing and signed by Your Employee or ex-Employee
   c. extends no further than is reasonably necessary to protect the Business interests and
   d. does not contain restrictions in excess of 12 months.
2. A dispute with another party that alleges that You have breached their legal rights protected by a restrictive covenant.

4 -Tax Protection

1. A formally notified aspect or full enquiry into Your tax affairs or into the personal tax affairs of Your directors and/or partners.
2. A dispute about Your compliance with regulations relating to

   a. Value Added Tax or
   b. Pay As You Earn or
   c. Social Security or
   d. National Insurance Contributions or
   e. the Construction Industry Scheme or
   f. IR35

   following a compliance check by HM Revenue and Customs.
3. An enquiry into Your tax affairs or into the personal tax affairs of Your directors and/or partners arising from an alleged discovery by HM Revenue and Customs

   Provided that

   a. all returns are completed and have been submitted within the statutory timescales permitted;
   b. You keep proper records in accordance with statutory requirements;

c. in respect of any appealable matter You have requested an Internal Review from HM Revenue and Customs where available.

What is not insured under Insured Event 4

Any claim relating to

1. tax returns which result in HM Revenue and Customs imposing a penalty or claiming interest or which contain negligent misstatements.
2. an investigation by the Specialist Investigation Branch of HM Revenue and Customs.
3. where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to the Person-Insured's financial arrangements.
4. any enquiry that concerns assets monies or wealth outside of Great Britain and Northern Ireland.
5. Your failure to register for VAT.

5 - Property

A dispute relating to Property which You own or is Your responsibility

1. following an event which causes physical damage to Your Property.
2. following a public or private nuisance or trespass.
3. which You wish to recover or repossess from an Employee or ex-Employee.

What is not insured under Insured Event 5

Any claim relating to

1. a contract between You and a third party except for a claim under 5. 3.
2. goods in transit or goods lent or hired out.
3. compulsory purchase demolition restrictions controls or permissions placed on land or property by any government local or public authority.
4. a dispute with any party other than the party who caused the damage nuisance or trespass.

6 – Legal Defence

1. A criminal investigation and/or enquiry by
   a. the police
   b. a health and safety authority or
   c. other body with the power to prosecute

   where it is suspected that an offence may have been committed that could lead to the Person-Insured being prosecuted.
2. An offence or alleged offence which leads to the Person-Insured being prosecuted in a court of criminal jurisdiction.
3. A motor prosecution brought against Your directors and/or partners which does not relate to the Business.

What is not insured under Insured Event 6

Any claim relating to a parking offence.

7 – Compliance and Regulation

1. Receipt of a Statutory Notice served against You.
2. Notice of a formal investigation or disciplinary hearing by a professional or regulatory body.
3. A civil action alleging wrongful arrest arising from an allegation of theft.
4. A claim against You for compensation under Section 13 of the Data Protection Act 1998 including compensation awarded against You provided that You are registered with the Information Commissioner.

What is not insured under Insured Event 7

Any claim relating to

1. the pursuit of an action by You other than an appeal.

2. a routine inspection by a regulatory authority.
3. a Health and Safety Executive Fee for Intervention.

8 – Statutory Licence Appeals

An appeal against a decision by the relevant authority to alter suspend revoke or refuse to renew Your statutory licence or compulsory registration.

9 – Loss of Earning

The Person-Insured's absence from work to attend court tribunal arbitration disciplinary hearing or regulatory proceedings at the request of the Appointed Advisor or whilst on jury service which results in loss of earnings.

What is not insured under Insured Event 9

Any sum which can be recovered from the court or tribunal.

10 – Employees' Extra Protection

At Your request

1. where civil proceedings are issued against Your Employee
   a. for unlawful discrimination or
   b. in their capacity as a trustee of a pension fund set up for the benefit of Your Employees.
2. where Your Employee or a member of their family suffers physical bodily injury or death as a result of a sudden event.
3. a claim arising from personal identity theft targeted at Your directors and/or partners.

What is not insured under Insured Event 10.1 and 10.2

Any claim relating to

1. defending You;
2. a condition or illness or disease which develops gradually over time.

11 – Crisis Communication

Following an event which causes Your Business significant adverse publicity or reputational damage which is likely to have a widespread financial impact on Your Business We will

1. liaise with You and Your solicitor (whether the solicitor is an Appointed Advisor under this Section of this Policy or acts on your behalf under any other policy) to draft a media statement or press release and/or
2. arrange support and represent a Person-Insured at a press conference and/or
3. prepare communication for Your customers and/or a telephone or website script

provided that You have sought and followed advice from Our Crisis Communication helpline.

What is not insured under Insured Event 11

Any claim relating to

1. Legal costs and expenses in excess of £10,000;
2. Matters that should be dealt with through Your normal complaints procedures.

<u>Optional Cover – included when detailed in the Schedule</u>

12 - Contract and Debt Recovery

A breach or alleged breach of an agreement or alleged agreement which has been entered into by You or on Your behalf relating to the purchase hire hire purchase lease servicing maintenance testing sale or provision of goods or services provided that if You are claiming for an undisputed debt You have exhausted Your normal credit control procedures.

What is not insured under Insured Event 12

Any claim relating to

1. an amount which is less than £200;

2. the letting leasing or licensing of land or buildings where You act as the landlord;
3. the sale or purchase of land or buildings;
4. loans mortgages endowments pensions or any other financial product;
5. computer hardware software internet services or systems which;
   a. have been supplied by You or
   b. have been tailored to Your requirements;
6. a breach or alleged breach of professional duty by a Person-Insured;
7. the settlement payable under an insurance policy;
8. a dispute relating to an Employee or ex-Employee;
9. adjudication or arbitration.

Exceptions Under This Section

You are not insured for any claim arising from or relating to

1. Legal Costs and Expenses or Compensation Awards incurred without Our consent;
2. any actual or alleged act omission or dispute happening before or existing at the start of this Section of the Policy and which the Person-Insured knew or ought reasonably to have known could lead to a claim ;
3. an allegation against the Person-Insured involving
   a. assault violence indecent or obscene materials dishonesty malicious falsehood or defamation (except in relation to Insured Event 11)
   b. the manufacture dealing in or use of alcohol illegal drugs illegal immigration
   c. offences under Part 7 of the Proceeds of Crime Act 2002 (money laundering offences);
4. defending a claim in respect of damages for personal injury (other than injury to feelings in relation to Insured Event 1)or loss or damage to Property owned by the Person-Insured;
5. patents copyright passing-off trade or service marks registered designs and confidential information (except in relation to Insured Event 3);
6. a dispute with any subsidiary parent associated or sister company or between shareholders or partners;
7. franchise or agency agreements;
8. a judicial review;
9. a dispute with Us or the party who arranged this cover not dealt with under Arbitration Condition below;
10. the payment of fines penalties or compensation awarded against the Person-Insured (except as covered under Insured Event 2 or 7.4) or costs awarded against the Person-Insured by a court of criminal jurisdiction.

Conditions Which Apply to this Section

Failure to keep to any of these conditions without good reason may lead Us to cancel this Section, refuse a claim or withdraw from an ongoing claim. We also reserves the right to recover Legal Costs and Expenses from the Person-Insured should this occur.

The Person-Insured's responsibilities

A Person-Insured must

1. tell Us immediately of anything that may make it more costly or difficult for the Appointed Advisor to resolve the claim in Your favour;
2. co-operate fully with Us give the Appointed Advisor any instructions We require and keep them updated with progress of the claim and not hinder them;
3. take reasonable steps to claim back Legal Costs and Expenses and where recovered pay them back to Us;
4. keep Legal Costs and Expenses as low as possible;
5. allow Us at any time to take over and conduct in the Person-Insured's name any claim.

Freedom to Choose an Appointed Advisor

1. In certain circumstances as set out in 2. below the Person-Insured may choose an Appointed Advisor In all other cases no such right exists and We shall choose the Appointed Advisor.
2. If
   a. We agree to start proceedings or proceedings are issued against the Person-Insured or
   b. there is a conflict of interest

   the Person-Insured may choose a qualified Appointed Advisor except where the Person-Insured's claim is to be dealt with by the Employment Tribunal or Small Claims Court where We shall always choose the Appointed Advisor.
3. Where the Person-Insured wishes to exercise the right to choose the Person-Insured must write to Us with their preferred representative's contact details. Where the Person-Insured chooses to use their preferred representative We will not pay more than We agree to pay a solicitor from Our panel.
4. If the Person-Insured dismisses the Appointed Advisor without good reason or withdraws from the claim without Our written agreement or if the Appointed Advisor refuses with good reason to continue acting for the Person-Insured cover will end immediately.
5. In respect of a claim under Insured Event 12 You must enter into a Conditional Fee Agreement (unless the Appointed Advisor has entered into a Collective Conditional Fee Agreement) where legally permitted.

Consent

The Person-Insured must agree to Us having sight of the Appointed Advisors file relating to the Person-Insured's claim. The Person-Insured is considered to have provided consent to Us or Our appointed agent to have sight of their file for auditing and quality and cost control purposes.

Settlement

1. We can settle the claim by paying the reasonable value of the Person-Insured's claim.
2. The Person-Insured must not negotiate settle the claim or agree to pay Legal Costs and Expenses without Our written agreement.
3. If the Person-Insured refuses to settle the claim following advice to do so from the Appointed Advisor We reserve the right to refuse to pay further Legal Costs and Expenses.

Barristers Opinion

We may require the Person-Insured to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of the claim. If the opinion supports the Person-Insured then We will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by Us then We will pay for a final opinion which will be binding on the Person-Insured and Us. This does not affect Your right under Arbitration below.

Arbitration

If any dispute between the Person-Insured and Us arises from this Section of the Policy the Person-Insured can make a complaint to Us as described in the complaints Section of this Policy and We will try to resolve the matter. If We are unable to satisfy the Person-Insured's concerns and the matter can be dealt with by the Financial Ombudsman Service the Person-Insured can ask them to arbitrate over the complaint. If the dispute cannot be dealt with by the Financial Ombudsman Service it can be referred for independent arbitration by a qualified person agreed upon by both parties. The loser of the dispute shall be liable to pay the costs incurred. If We fail to agree on a suitable person to arbitrate the matter We will ask the President of the relevant law society to nominate. The arbitration shall be subject the Arbitration Acts and the arbitrator's decision shall be binding on all the parties.

Acts of Parliament, Statutory Instruments, Civil Procedure Rules and Jurisdiction

All legal instruments and rules referred to within this Section of the Policy shall include equivalent legislation in Scotland Northern Ireland the Isle of Man and the Channel Islands and any subsequent amendment or replacement legislation.
This Section will be governed by English Law.

Business Machines All Risks (Specified Items) Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Defined Peril

Fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked out workers persons taking part in labour disturbances malicious persons earthquake subterranean fire storm tempest flood escape of water from any tank apparatus or pipe impact by any road vehicle or animal theft or attempted theft

Geographical Limits

A. the Premises
B. anywhere in Great Britain Northern Ireland the Channel Islands and the Isle of Man including the Premises
C. anywhere in Great Britain Northern Ireland the Channel Islands and the Isle of Man and the countries of the European Union
D. anywhere in the World

Responsible Person

You or any person authorised by You to be responsible for the security of the Premises

Cover

We will indemnify You in respect of Damage occurring during the Period of Insurance to Property described in the Schedule provided the Damage occurs within the Geographical Limits as detailed in the Schedule

The Sums Insured under each item is separately subject to Average

Limit of Liability

Our liability under this Section shall not exceed the Sum Insured shown against each item in the Schedule for the Period of Insurance as stated in the Schedule

Basis of Claims Settlement

The amount payable shall be an amount equal to the cost of repair reinstatement or replacement of the property when 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 subject to the monetary limit specified in the Schedule
Provided that repair reinstatement or replacement has been effected

Section Exceptions

We will not indemnify You for

1. consequential loss of any kind or description
2. Damage caused by
   a. inherent vice latent defect gradual deterioration wear and tear frost change in water table Your own faulty or defective design or materials
   b. faulty or defective workmanship operational error or omission on the part of You or any of Your Employees

   but this shall not exclude subsequent Damage which itself results from a cause not being an excepted cause under this Section or otherwise excluded
3. Damage caused by

a. corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
b. change in temperature or atmospheric or climatic conditions
c. mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates

but this shall not exclude

i. such Damage which itself results from a Defined Peril or from any other cause not being an excepted cause under this Section or otherwise excluded
ii. subsequent Damage which itself results from a cause not being an excepted cause under this Section or otherwise excluded

4. any loss from an unattended vehicle or trailer vehicle being any vehicle with no person in charge or keeping the vehicle under observation and able to observe or prevent any attempt by any person to interfere with the vehicle
5. Damage caused by
   a. acts of fraud or dishonesty by Your Employees
   b. unexplained disappearance unexplained or inventory shortage misfiling or misplacing of information
   c. any process of fitting testing servicing repair renovation or adjustment
6. the Excess stated in the Schedule

Section Conditions

Automatic Reinstatement

In the absence of written notice from Us to the contrary the Sum Insured by this Section shall not be reduced by the amount of loss and in return You undertake to pay the appropriate extra premium at a rate to be agreed on the amount of the loss from the date thereof

Average

Each Sum Insured as specified in the Schedule is subject to average and if at the time of the Damage the Sum Insured is less than the total value of the property You will be considered as Your own insurer for the difference and bear a proportionate share of the loss

Intruder Alarm System

This Condition will only apply if it is specified in the Schedule

For the purpose of this Condition only the following definitions apply

Damage

loss or destruction of or damage to the Property caused by fire explosion riot civil commotion strikers locked out workers or persons taking part in labour disturbances malicious persons and theft

Intruder Alarm System

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

Protected Premises

the Premises or those portions of the Premises protected by the Intruder Alarm System as required by Us

Responsible Person

You or any person authorised by You to be responsible for the security of the Premises

Keyholder

You or any person or key holding company authorised by You 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

The following are conditions precedent to Our liability to indemnify You in relation to any claim for Damage If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

1. the Premises are protected by an Intruder Alarm System and means of communication used to transmit signals from such an Intruder Alarm System designed installed and maintained as agreed by Us
2. the Protected Premises must not be left without at least one Responsible Person in attendance
   a. unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation
   b. if the police have withdrawn their response to alarm calls

   unless We agree otherwise
3. in the event of notification of any activation of the Intruder Alarm System or interruption of any of the 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 We agree otherwise in writing
4. You shall advise Us as soon as possible and in any event not later than 10.00am on Our next working day
   a. 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
   b. of notice from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
   c. 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 You must comply with any of Our subsequent requirements
5. No alteration or substitution of
   a. any part of the Intruder Alarm System
   b. the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System
   c. the means of communication used to transmit signals from the Intruder Alarm System
   d. the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System
   e. the maintenance contract

   shall be made without Our written agreement
6. You and each Keyholder must maintain 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
7. 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 other such company as agreed by Us
8. You will appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company contracted to maintain the Intruder Alarm System and with the police if they so require

Requirements

The following is a condition precedent to Our liability to indemnify You in relation to any claim

If You have failed to implement the requirements set out in the Schedule within the timescales specified You will lose Your right to indemnity or payment for that claim

Theft Protections

The following are conditions precedent to Our liability to indemnify You in relation to any claim for loss under this Section at the Premises outside Business Hours If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim

all fastenings and protections on the Premises at the commencement of this insurance and all additional fastening and protections which have been stipulated by Us shall be maintained during the currency of this insurance

Engineering - Machinery Damage Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Limit of Indemnity

Our liability in respect of any one loss or series of losses arising out of any one occurrence shall not exceed the amount specified in the Schedule as the Limit of Indemnity or Sum Insured

Insured Property

Wherever the term Insured Property is used in this Section it shall mean only that property insured by this Section and as described in the Schedule

Machinery

Machinery shall include all component parts of the permanent structure of any item described in the Schedule commencing in the case of a fixed unit at the point of anchorage and in the case of a travelling unit at the road or track wheels

Machinery shall not include within its meaning

1. superheaters economisers piping and ancillary electrical or mechanical plant attached to boilers or pressure vessels chimneys or appliances used for attaching the load to any lifting machine glass bulbs or valves or electronic apparatus
2. supporting structures lift enclosures (other than landing gates) rail tracks anchorage bolts or fixing appliances brickwork masonry or foundations
3. tools cutting edges moulds dies patterns non-metallic linings pulverising and crushing surfaces flexible pipes trailing cables driving belts or bands or parts requiring periodic renewal
4. parts not made of metal (other than ropes integral gearing bearings bushes batteries tyres slabs of switchboards and insulation of electrical conductors)

Unless specified otherwise in the Schedule

Breakdown

Breakdown shall mean

1. the actual breaking failure distortion or burning out of any part of the Machinery whilst in ordinary use arising from defects in the Machinery causing its sudden stoppage and necessitating repair or replacement before it can resume work
2. fracturing of any part of the Machinery by frost when such fracture renders the Machinery inoperative
3. the actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary

Explosion

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

Collapse

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

Pressure Plant

Machinery which stores fluids either below or above atmospheric pressure

Cover

We will indemnify You against loss of or damage to Machinery described in the Schedule from sudden and unforeseen cause whilst at the Premises specified in the Schedule

Additional Cover

In respect of each claim for loss or damage for which liability is accepted the Cover provided by this Section extends to include

Automatic Cover

Additional Machinery belonging to You from the time the installation is completed and the Machinery is ready to commence normal working at the Premises shown in the Schedule

Provided that

1. the Machinery belongs to a category shown in the Schedule and is of a type similar to that which You previously declared Your intention to insure
2. the Machinery shall be insured to the same extent as Machinery of a similar type
3. the Machinery is free from defects so far as You are aware and complies with any statutory obligations concerning its examination and certification
4. You shall inform Us in writing of such Machinery within twelve months of installation and shall pay the appropriate additional premium

Subject otherwise to the terms Conditions and Exceptions of this Policy

Temporary Removal

loss of or damage to the Machinery occurring within the European Union or European Free Trade Area whilst temporarily located at any other location or in transit for the purposes of repair service overhaul or maintenance

Debris Removal

In respect of each claim for loss or damage for which liability is accepted the cover provided by this Policy extends to include costs incurred in the removal of debris and protection of the Property following indemnifiable damage not exceeding £25,000 or 20% of the indemnifiable loss or damage whichever is the lower

Loss Avoidance Measures

Subject to the Limit(s) of Indemnity We will pay reasonable costs incurred in taking exceptional measures to prevent or mitigate impending loss or damage for which indemnity is provided by this Section

Provided that

1. loss or damage would reasonably be expected if such measures were not implemented
2. We are satisfied that loss or damage has been avoided or mitigated by means of the exceptional measures
3. the amount payable will be limited to the cost of loss or damage which would have otherwise occurred
4. the terms Conditions and Exceptions of this Section apply as if loss or damage had occurred

Expediting Costs

We will pay costs necessarily and reasonably incurred in making temporary repairs upon and / or expediting the repair reinstatement or replacement of the Property as a result of indemnifiable loss or damage provided that Our liability shall not exceed 50% of the cost of such loss or damage or £50,000 whichever is the lower

Repair Costs Investigation

With Our prior written agreement We will pay costs relating to repair investigations and tests following indemnifiable damage to Property by consulting engineers not exceeding £25,000 in any one Period of Insurance

We shall not be liable under this Additional Cover for fees incurred in preparing a claim under this Section

Optional Extensions and Limitations

Subject otherwise to the terms Conditions and Exceptions of this Section where any of the following symbols appear against any item of Machinery the Cover is amended accordingly

BDN - Breakdown Limitation Cover Clause

Liability for loss or damage shall be limited to damage to Machinery caused by Breakdown

EXP - Explosion/Collapse Limitation Cover Clause

Liability for loss or damage shall be limited to damage to Machinery caused by its Explosion or Collapse

ADL - Accidental Damage Limitation Cover Clause

We shall not be liable for loss of or damage to Machinery caused by or arising from Breakdown Explosion or Collapse

MDL - Material Damage Limitation Cover Clause

We shall not be liable for any loss of or damage to the Machinery

ISE - Inspection Service Exclusion Cover Clause

Notwithstanding Special Condition – Inspection of this Section neither HSB Engineering Insurance Limited nor HSB Engineering Insurance Services Limited undertake to make periodical inspections of the Machinery nor to report thereon

LGE - Lifted Goods Extension Cover Clause

We will subject to the Limit of Indemnity for this Extension indemnify You against accidental direct damage to property belonging to or in Your custody and control whilst being handled by the Machinery and arising out of its normal use

This Extension does not cover damage resulting from a fault in or fragility of the property being lifted or its container

FRA - Fragmentation Extension Cover Clause

We will subject to the Limit of Indemnity for this Extension indemnify You against accidental damage by impact to surrounding property belonging to or in Your custody and control for which You are responsible resulting from fragmentation of any part of the Machinery

This Extension does not cover damage

1. to the Machinery causing the damage or any Machinery directly driving or driven by the Machinery
2. to property being handled conveyed heated cooled or processed by or contained in the Machinery
3. caused by leakage or by lack of heat cooling light power or steam
4. caused by and occurring during testing of Machinery

OSP - Own Surrounding Property Extension Cover Clause

We will subject to the Limit of Indemnity for this Extension indemnify You against damage to property belonging to or in Your custody and control for which You are responsible

1. directly resulting from any damage to the Machinery insured under this Specification
2. caused by impact through the normal operation of lifting and handling Machinery though the Machinery itself may not be damaged

This Extension does not cover damage

a. to the Machinery causing the damage or any Machinery directly driving or driven by the Machinery
b. to property being handled conveyed heated cooled or processed by or contained in the Machinery
c. caused by leakage or by lack of heat cooling light power or steam

excepting that (b) and (c) above shall not apply to damage directly consequent upon and solely due to Explosion

SPECIAL CONDITIONS

Inspection

Where contracted to do so HSB Engineering Insurance Services Limited will periodically inspect the Machinery described in the Schedule and will report thereon

You must at Your expense have the Machinery properly prepared to enable HSB Engineering Insurance Services Limited to carry out inspections

In undertaking inspections HSB Engineering Insurance Services Limited shall be deemed to be acting as Our agent

HSB Engineering Insurance Services Limited shall not carry out or witness special tests of a non routine nature (including any ultrasonic radiographic tests or in the case of lifting and handling Machinery any proof load stability anchorage or similar tests) unless specifically agreed otherwise

Average

If any item of Property has an individual Sum Insured set against it and at the time of any loss or damage to the item its value exceeds that Sum Insured then You shall be considered Your own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly

Multiple Lifting Operations

For the insurance provided under this Section to be operative during any operation in which a load is shared between any items of Machinery classed as lifting plant or lifting equipment (whether insured under this Section or not) the lifting operation must be conducted in accordance with BS7121

Basis of Settlement

In respect of

1. Machinery less than three years old at the time of a claim
2. boilers and associated pipework or Pressure Plant

the basis upon which the amount payable for loss of or damage to the Machinery (excluding stock in trade or goods in process of manufacture) belonging to You or in Your custody or control or for which You are responsible is to be calculated shall be Reinstatement of the Machinery

Reinstatement shall mean

Where Machinery or other Property is destroyed or damaged to the extent that repair is uneconomic or impractical

1. if a building its re-building
2. if not a building its replacement by similar Machinery or property but in either case in a condition equal to but not better or more extensive than its condition when new

Where Property other than Machinery 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

Where Machinery is damaged the repair of the damaged item to a condition substantially the same as that immediately before the occurrence of the damage

Reinstatement shall include additional costs incurred to comply with European Union Legislation Building or other Regulations under or framed in pursuance of any Act of Parliament or with Bye-Laws of any Municipal or Local Authority where necessary

Provided that

1. Our liability shall not exceed the Limits of Indemnity stated in the Schedule for loss of or damage to the Machinery or other Property belonging to You
2. the work of Reinstatement must be commenced and carried out expeditiously and must be completed within twelve months of the destruction or damage or within any further time We may allow and may be carried out wholly or partially upon another site (if Legislation Act Regulations or Bye-laws require) provided that Our liability is not increased
3. where Property is partially damaged or destroyed the Our liability shall not exceed the sum which We would have been called upon to pay for Reinstatement in the event of total destruction
4. no payment beyond the amount which would have been payable had this Basis of Settlement not been incorporated shall be made until the cost of Reinstatement has been incurred
5. no payment beyond the amount which would have been payable had this Basis of Settlement not been incorporated shall be made if at the time of destruction or damage to the Machinery or other Property it is covered by any other insurance held by or on behalf of You which is not upon a Reinstatement basis
6. the amount recoverable shall not include
   a. the cost incurred in complying with any Legislation Acts Regulations or Bye-Laws
      i. in respect of destruction or damage occurring prior to the application of this Condition
      ii. under which notice had been served upon You prior to the happening of the destruction or damage
      iii. in respect of undamaged Machinery or other Property or undamaged portions of Machinery or Property
   b. 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 by reason of compliance with any Legislation Acts Regulations or Bye-Laws
7. where by reason of the above Provisions no payment will be made beyond the amount which would have been payable if this Basis of Settlement had not been incorporated Our rights and liability in respect of the destruction or damage shall be subject to the terms and Conditions of this insurance as if this Basis of Settlement had not been incorporated

Subject otherwise to the terms Conditions and Exceptions of this Policy

SPECIAL EXCLUSIONS

We shall not be liable for

Excluded Perils

1. Loss of or damage to Machinery caused by or from
   a. fire lightning explosion (other than Explosion as defined in this Section) earthquake flood storm tempest inundation escape of water from water containing apparatus leakage from sprinkler installations aircraft and other aerial devices or articles dropped therefrom
   b. theft or attempted theft

   but damage to any Machinery insured under this Section by its own Explosion as a result of any such cause is not excluded

This Exception shall not apply in respect of Machinery whilst in transit for the purposes of repair service overhaul or maintenance

2. Loss or damage caused directly by
   a. wear and tear gradual deterioration or rust
   b. gradually developing defects
   c. scratching or chipping of painted or polished surfaces
   d. erosion or corrosion

   but this shall not exclude resultant loss or damage not otherwise excluded
3. Loss or damage occurring at Your Premises caused by or arising from riot strike lock-out or civil commotion
4. Loss or damage caused by or arising out of

a. any intentional act or wilful omission of You (other than an act or omission the purpose of which is an exceptional measure to prevent injury loss or damage) which having regard to the nature and circumstances of the act or omission could reasonably be expected to cause contribute to or exacerbate any loss or damage

b.

   i. intentional overloading

   ii. testing or experiments involving the imposition of any abnormal conditions

Application of Tools

Loss or damage caused by or arising out of the direct application of any tool or process during the course of repair maintenance inspection modification or overhaul

Guarantees of Performance

Liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency

Airborne and Waterborne Craft

Loss of or damage to airborne or waterborne vessels craft platforms or rigs or any Insured Property situated thereon or being loaded onto or offloaded therefrom

Pollution or Contamination

Loss or Damage caused by or arising from pollution or contamination

This exception shall not apply to cost arising from pollution or contamination of Insured Property caused directly by an occurrence which is insured by this Section provided that Our liability shall be limited to a maximum of £50,000 in respect of pollution or contamination

Erection Risk

Loss of or damage to Machinery during installation erection dismantling re-siting transportation or removal other than re-siting transportation or removal under its own power whilst at its operating site

Consequential Loss

Loss of use or consequential loss or damage of any kind or description unless specifically provided for elsewhere within this Section

Excluded Parts

Loss of or damage to

1. safety or protective devices due to their functioning
2. tyres by cuts bursts punctures or the application of brakes unless arising from a malicious act
3. batteries other than loss or damage due to extraneous cause

Engineering Inspection Section

Inspection Service Contract

1. **Definitions**

The following words have been given the specific meaning set forth below and have the same meaning wherever they appear in the Contract whether singular or plural

1.1. Normal Working Hours

8:00 am to 6:00 pm Monday to Friday excluding public bank and local holidays

1.2. Competent Person

An Engineer Surveyor employed and authorised by Us to perform Inspection Service

1.3. Plant

The machinery appliances and equipment shown in The Schedule

1.4. Inspection Service

Thorough Examination of Plant in accordance with the requirements of such statutory regulations as apply to the Plant or Inspection of Plant in compliance with good established engineering practice

Unless otherwise agreed in writing this term shall not include approval or verification of the fitness for purpose of any design or design features of Plant performing or witnessing tests of a non-routine nature including but not limited to ultrasonic radiographic hydrostatic or other non-destructive examination or in the case of lifting and handling Plant any proof load stability anchorage or similar test

We shall

a. Periodically perform Thorough Examination/Inspection of Plant within Normal Working Hours
b. Provide a written report of the Thorough Examination/Inspection within a reasonable time

2. **Provision of Inspection Service**

2.1. We shall comply with Your safe systems of work provided such systems are notified to Us in advance of any visit

2.2. We may

2.2.1 refuse to carry out any Inspection Service if at its sole discretion to do so would pose a health safety or welfare risk

2.2.2 appoint sub-contractors to carry out all or any part of the Inspection Service

2.2.3 make a charge in addition to the fee shown in the Schedule if

2.1.3.1 You request and We agree to perform Inspection Service outside Normal Working Hours

2.1.3.2 You require additional copies of reports

2.1.3.3 You fail to prepare or make the Plant available at the date and time agreed

2.1.3.4 You require additional services or

2.1.3.5 You require the Competent Person to undertake training specific to the Your own health safety and welfare procedures

3. **Client Responsibilities**

3.1. You shall

3.1.1be responsible for the care custody and control of the Plant at all times

3.1.2 allow Us access to Your site or site of operation and Plant at such reasonable times as shall be agreed

3.1.3 provide Us with

3.1.3.1 A safe working environment on the site on which the Plant is located

3.1.3.2 A safe physical means by which to gain access to perform the Inspection Service

3.1.4 have the Plant properly prepared dismantled and reassembled as necessary in order to enable Us to carry out the appropriate Inspection Service

3.1.5 Cooperate with and upon request provide Us with information and data relating to the Plant as required in order to perform the Inspection Service

4 Fees

4.1 We shall charge fees for the provision of the Inspection Service and such fees shall be subject to Value Added Tax at the appropriate rate

4.2 You shall pay the fee shown in the Schedule at the beginning of the Contract and at subsequent renewals of the Contract

4.3 If You add or delete Premises during the Contract term the fee will be adjusted

5 Term and Termination

5.1 The term of this Contract is as shown in the Schedule

5.2 Either party may terminate this Contract by giving 30 days written notice to the other party if the other commits any breach of the Contract

6 Confidentiality

6.1 Unless otherwise agreed all reports and similar material prepared by Us in connection with Inspection Service shall be released only to You or Your designated representative

6.2 We may use data gathered in connection with Inspection Service for statistical purposes

7 Limitation of Liability and Indemnification

7.1 Neither We nor any of Our employees shall be liable directly or indirectly for any loss damage or injury to property or persons resulting from any accident or defect in any Plant nor shall We be liable directly or indirectly for loss damage or injury of any kind arising from or connected in any way with any Inspection Service or documentation of any Inspection Service or from the omission of any Inspection Service or documentation of any Inspection Service whether or not such Inspection Service documentation or omission was at Your request

7.2 Neither We nor any of Our employees makes any warranty express or implied concerning the activities described in this Contract

7.3 Notwithstanding anything else in this Contract to the contrary to the fullest extent permitted by law

7.3.1 We shall not be liable to You for any special incidental indirect consequential or exemplary damages including but not limited to loss of profits or revenue loss of use loss of opportunity loss of goodwill cost of substitute facilities goods or services cost of capital governmental and regulatory sanctions and claims of third parties for such damages

7.3.2 The total cumulative liability of Us to You whether in tort or in contract for all claims losses damages and expenses resulting in any way from this Contract shall not be greater than the total amount received by Us from You as compensation during the Contract term specified in the Schedule

7.3.3 Except in the case of death or personal injury caused by Our negligence or in other circumstances where liability may not be so limited under applicable law Our liability under or in connection with this Contract whether arising in contract tort negligence breach of statutory duty or otherwise shall not exceed the sum of £5,000,000 (five million pounds)

7.4 Upon completion of the Inspection Service or termination of this Contract the provisions relating to indemnity waivers limitations of remedies and limitations of liability including but not limited to those contained in this section shall remain in full force and effect

8 Force Majeure

8.1 We shall not be liable for any delay or the consequences of any delay if such delay is due to any cause beyond its reasonable control and shall be entitled to a reasonable extension of time for performance of the Contract

9 General

All matters relating to the validity performance or interpretation of this Contract shall be governed by the laws of England and Wales We and You hereby submit to the exclusive jurisdiction of the Courts of England and Wales

9.1 No term of this Contract is intended either expressly or by implication or other inference to purport to confer a benefit or right of action upon any third party No such third party (whether or not in existence at the date of this Contract) is

named or described herein The Contracts (Rights of Third Parties) Act 1999 is expressly excluded to the fullest extent permitted by law

9.2 The provision of Inspection Service under this Contract does not relieve the Client of any statutory obligation to have the Plant inspected

9.3 Inspection Service will only be subcontracted to suitably qualified subcontractors with the agreement of both Parties and We shall retain responsibility for the execution of such work

Computer Insurance Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the start of the Policy

Accident

1. Damage including Breakdown or derangement to Hardware insured under Hardware Sub-Section from any cause not excluded
2. Damage or corruption of data insured under Reinstatement of Data Sub-Section
3. Failure or fluctuation of the public supply of electricity to the Hardware at any Premises specified in the Schedule
4. Accidental failure of any data transmission network used in connection with the Hardware provided that
   a. any equipment used by You in connection with the data transmission network shall have been accepted by the transmission authority as properly installed and compatible with the network
   b. We shall not be liable for Damage resulting from accidental failure of any data transmission network where the length of time of such failure does not exceed 4 hours
   c. We shall not be liable for Damage resulting from such accidental failure due to atmospheric solar or lunar conditions causing temporary interference with any satellite
5. Denial of Access to or use of the Hardware by You due to
   a. damage from any cause not excluded to any Property at or adjacent to the Premises
   b. the exercise by any public or police authority of its powers for the sole purpose of safeguarding life or Property

   which shall prevent or hinder the use of the Hardware whether the Hardware or other Property at the Premises shall be damaged or not

Breakdown

The actual breaking failure distortion or burning out of any part of the Hardware whilst in ordinary use arising from defects in the Hardware causing its sudden stoppage and necessitating repair or replacement before it can resume work

Computer Equipment

1. All Computer Equipment (including peripheral devices interconnecting wiring fixed disks telecommunications equipment computerised telephone systems electronic access equipment and electronic point of sale systems) used for the storage and communication of electronically processed data

Computer Equipment shall not include within its meaning

a. Computer Equipment controlling manufacturing processes
b. Computer Equipment manufactured for sale or held as stock for sale
c. Portable Computer Equipment
d. facsimile or photocopying machines not used for the storage and communication of electronically processed data

unless specified in the Schedule

2. Ancillary equipment solely for use with the Hardware comprising air conditioning equipment generating equipment voltage regulating equipment temperature and humidity recording equipment electronic access equipment heat and smoke detection equipment gas flooding cylinders and pipework and computer room partitioning
3. Data Carrying Materials

4. All current and backup computer software and programs held on hard disks or Data Carrying Materials unless specifically described otherwise in the Schedule
5. Lock down plates security enclosures security cables and other similar devices

owned by or on deferred purchase leased hired or rented to You or whilst on trial with a view to purchase by You

Data Carrying Materials

Removable magnetic optical or electronic data storage media currently in use or used for backup purposes for programs or data

Data Carrying Materials does not include within its meaning any fixed disks or paper records

Denial of Service Attack

Any actions or instructions constructed or generated that damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems

Desktop Personal Computers

Desktop Personal Computers shall mean Computer Equipment to be used by individual users comprising the central processing unit monitor keyboard and mouse

Desktop Personal Computers shall not include printers scanners servers any computer acting as a network hub centralised data storage devices facsimile machines photocopying machines Portable Computer Equipment or any peripheral devices used by multiple users which are accessed via a computer network

Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes stores transmits retrieves or receives data whether it be Your Property or not

Hardware

Computer Equipment and Portable Computer Equipment insured under Hardware Sub-Section of this Section

Indemnity Period

The period beginning with the occurrence of an Accident and ending not later than the last day of the period specified in the Schedule as the Indemnity Period during which the results of Your operations shall be affected in consequence of the Accident

Insured Property

Wherever the term Insured Property is used in this Section it shall mean only that Property insured by this Section & described in the Schedule attaching to this Section.

Maintenance Agreement

An agreement with the manufacturers or other approved company in respect of the Hardware providing for

1. free repairs to or replacement of the Hardware following breakdown or stoppage from any internal cause other than by a breach of Your obligations under the agreement and
2. preventative maintenance or adjustment of mechanical moving parts

Mobile Telephones

Hand held devices with basic functionality for sending and receiving voice calls or sending and receiving SMS communications

Portable Computer Equipment

Part A

1. Laptops Palmtops and Notebooks
2. Personal Digital Assistants (PDAs)
3. Projectors printers and other peripheral devices which are designed to be carried and used in conjunction with other **Portable Computer Equipment**
4. Removable satellite navigation systems
5. Digital Cameras

Part B

Mobile Telephones and **Smartphones**

Smartphones

Mobile Telephones integrated with the common features of Portable Computer Equipment

Verified

Checked for accuracy and integrity to ensure a precise match with the source data and capable of restoration

Virus or Similar Mechanism

Any program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not

Cover

Hardware Sub-Section

We will indemnify You against Damage to the Hardware described in the Schedule(s) and defined within this Section in consequence of an Accident whilst at the Premises specified in the Schedule

Subject otherwise to the terms Conditions and Exceptions of this Policy

Reinstatement of Data Sub-Section

We will indemnify You against the cost of reinstating data lost or damaged in consequence of an Accident

Provided that

1. Our liability is limited solely to the cost of reinstating data
2. We shall not be liable for losses discovered later than six months after the loss was initiated
3. Our liability shall not exceed the Sum Insured specified in the Schedule against Reinstatement of Data Sub-Section
4. We shall not be liable for Damage to software insured under Hardware Sub-Section
5. We shall not be liable under this Cover for that which is more specifically insured under Increased Costs Of Working Sub-Section

Subject otherwise to the terms Conditions and Exceptions of this Policy

Increased Costs of Working Sub-Section

In the event that the Business at the Premises is interrupted or interfered with in consequence of an Accident occurring during the Period of Insurance We will pay You Your increased costs of working necessarily and reasonably incurred during the Indemnity Period in minimising or preventing the resulting interruption or interference with the computer operations of the Business excluding costs more specifically insured under Reinstatement of Data Sub-Section

Provided that Our total liability during the Indemnity Period shall not exceed the amount specified in the Schedule as the Sum Insured against Increased Costs Of Working Sub-Section

Subject otherwise to the terms Conditions and Exceptions of this Policy

Virus Hacking and Denial Of Service Attack Sub-Section

Notwithstanding General Exception Computer Virus and Hacking We will indemnify You against

1. Damage to Hardware insured under Hardware Sub-Section
2. costs incurred in Reinstatement Of Data insured under Reinstatement of Data Sub-Section
3. Increased Costs Of Working insured under Increased Cost of Working Sub-Section

resulting from

a. Virus or Similar Mechanism
b. Hacking
c. Denial of Service Attack

Provided the respective Cover(s) are operative

The maximum liability for losses arising from 1. 2. and 3. above shall be

a. the amount specified in the Schedule against Virus Hacking And Denial Of Service Attack Sub-Section
b. the aggregate of sums insured specified in Reinstatement of Data Sub-Section and Increased Costs Of Working Sub-Section in the Schedule

or

c. £100,000

Whichever is less in respect of any one loss or series of losses arising from any one occurrence

We shall not be liable for costs more specifically insured under Section Extension 2 Virus Seek and Destroy Costs

It is a Condition of cover that

1. the Insured Property is protected by a proprietary virus defence package which is
   a.registered to You
   b.updated at intervals no greater than every 7 days
2. the Insured Property is protected by a suitable Firewall which is regularly maintained and in full and effective operation at the time of a loss

Subject otherwise to the terms Conditions and Exceptions of the Policy

Section Extensions

All the following extensions shall apply to this Section subject to all other terms conditions and exceptions of this Policy

Waiver of Subrogation Rights

We waive rights of recovery or subrogation against

1. any parent company of the Policyholder
2. any subsidiary company of the Policyholder
3. any subsidiary company of a parent company of whom You are a subsidiary
4. any user of the Hardware explicitly authorised by You

Provided that

a. any users so included observe and fulfill the terms and Conditions of this Policy as if they were the Policyholder
b. You do not receive any form of indemnity or damages from such users

Virus Seek and Destroy Costs

Costs necessarily and reasonably incurred with the consent of Us in locating and removing a detected Virus or Similar Mechanism provided that the amount payable under this Extension shall not exceed £10,000

Debris Removal

In respect of each claim for Damage for which liability is accepted the cover provided by this Section extends to include costs incurred in the removal of debris and protection of the Insured Property following indemnifiable damage not exceeding £25,000 or 20% of the indemnifiable Damage whichever is the lower

Loss Avoidance Measures

Subject to the Limit(s) of Liability in respect of this Section We will pay reasonable costs incurred in taking exceptional measures to prevent or mitigate impending Damage for which indemnity is provided by this Section

Provided that

1. Damage would reasonably be expected if such measures were not implemented
2. We are satisfied that Damage has been avoided or mitigated by means of the exceptional measures
3. the amount payable will be limited to the cost of Damage which would have otherwise occurred
4. the terms Conditions and Exceptions of this Policy apply as if Damage had occurred

Automatic Reinstatement

Sums Insured or Limits of Liability will be reinstated from the date of occurrence of any claim subject to the payment of an additional premium

We will waive the additional premium if the cost of the claim does not exceed £25,000

Expediting Costs

We will pay costs necessarily and reasonably incurred in making temporary repairs upon and / or expediting the repair reinstatement or replacement of Insured Property as a result of indemnifiable Damage provided that our liability shall not exceed 50% of the cost of such Damage or £50,000 whichever is the lower

Repair Costs Investigation

With Our prior written agreement We will pay costs relating to repair investigations and tests following indemnifiable Damage to Insured Property by consulting engineers not exceeding £25,000 in any one Period of Insurance

We will not be liable under this Extension for fees incurred in preparing a claim under this Section

Extensions Of Cover Applicable To Hardware Sub-Section only

In addition to the cover provided under Hardware Sub-Section of this Section the following extensions will apply subject to all other terms conditions and exceptions of this Policy

Protective Devices

If the only Damage sustained by You as a result of theft or attempted theft is Damage to items defined under Computer Equipment Definition 5 no Excess shall apply to the claim

Automatic Cover

1. Newly acquired Hardware belonging to You or for which You are responsible at any existing Premises shown in the Schedule until the next renewal date at no additional charge provided that the respective item is shown as insured in the Schedule

Our maximum liability under this Extension shall not exceed the lesser of

a. £300,000 or
b. 25% of the Sum Insured stated against Computer Equipment in respect of newly acquired Computer Equipment or Portable Computer Equipment in respect of newly acquired Portable Computer Equipment at any one Premises

2. Computer Equipment at any Premises not advised to Us

Provided that

a. Our liability under this Extension does not exceed £150,000 at any one additional Premises
b. security and fire protections are equal to or better than those at existing Premises
c. an additional premium shall be charged pro rata from the date that such Premises should have been advised to Us

Waste Electrical and Electronic Equipment Directive

The additional costs incurred by You in complying with the Waste Electrical and Electronic Equipment Directive for the disposal of electronic equipment following insured Damage to Hardware provided that the amount payable under this Extension shall not exceed £25,000

This amount is in addition to the limit for debris removal

Temporary Removal

Computer Equipment whilst temporarily removed or in transit from the Premises specified in the Schedule to any other situation anywhere in the World (including whilst in transit by sea or air but only whilst in Your custody care and control)

Provided that Our liability under this Extension does not exceed £50,000 any one accident or series of accidents arising out of any one occurrence

This Extension does not apply to Portable Computer Equipment

Portable Computer Equipment

In respect of any Portable Computer Equipment specified in the Schedule the Cover provided shall operate whilst such equipment is at or in transit between any situations in the World (including whilst in transit by sea or air)

Provided that

1. Our liability under this Extension in respect of Portable Computer Equipment away from the Premises shall not exceed the lesser of
   a. the Sum Insured stated in the Schedule against Portable Computer Equipment
   or
   b. £5,000 any one loss or series of losses arising out of Theft or attempted Theft
   c. £25,000 in respect of any other loss
2. the Portable Computer Equipment shall at all times be carried as hand luggage when in transit other than by private motor vehicle

Data Carrying Materials

Data Carrying Materials as noted in Computer Equipment Definition part 3 are insured whilst situated or in transit anywhere in the World

Gas Flooding Systems

The cost of recharging the gas flooding system installed solely for the protection of the Hardware following accidental discharge

Provided that

1. We shall not be liable under this Extension for any loss as a result of gradual leakage discharge or drop in pressure
2. You shall maintain at Your own expense the gas flooding system in accordance with the suppliers and/or manufacturers recommendations
3. Our liability under this Extension shall not exceed £25,000 in any one Period of Insurance

Extensions of Cover applicable to Hardware Sub-Section and Reinstatement of Data only

In addition to the cover provided under Hardware Sub-Section and Reinstatement of Data of this Section the following extensions will apply subject to all other terms conditions and exceptions of this Policy

Incompatibility of Records

Where Reinstatement of Data Sub-Section is insured We will indemnify You in respect of

1. the cost of modifying the Hardware insured under Hardware Sub-Section

or

2. the cost of replacing the Data Carrying Materials together with Reinstatement of Data whichever is the lesser

as a result of an indemnifiable Damage to achieve equivalent compatibility with that existing immediately prior to the Damage due to undamaged Data Carrying Materials being incompatible with the replacement Hardware

Provided that

a. the replacement Hardware is the nearest equivalent to that lost or damaged
b. the amount payable under this Extension shall not exceed 50% of the aggregate of the Sums Insured under Hardware Sub-Section and Reinstatement of Data Sub-Section or £50,000 whichever is the lesser

Extensions of Cover Applicable to Reinstatement of Data Sub-Section

In addition to the cover provided under Reinstatement of Data Sub-Section the following extensions will apply subject to all other terms conditions and exceptions of this Policy

Research and Development Costs

Costs of re-writing data processing research or development projects to the stage reached immediately prior to the occurrence of an indemnifiable Accident but excludes any benefit to You which would have been obtained from the completion of the project had the Accident not occurred provided that Our liability under this Extension shall not exceed £25,000

Extensions of Cover Applicable to Increased Costs Of Working Sub-Section

In addition to the cover provided under Increased Costs Of Working Sub-Section the following extensions will apply subject to all other terms conditions and exceptions of this Policy

Auditors Fees

Reasonable fees payable by You to Your auditors for producing and certifying any particulars or details contained in their books of account or other Business books or documents or such other information as may be requested by Us

Additional Rental Charge

Additional lease or hire fees incurred following the replacement of an existing lease or hire agreement by a similar new agreement in consequence of Damage to the Hardware insured under Hardware Sub-Section

Provided that

1. You will be indemnified for the unexpired portion of the lease/hire contract only
2. payment shall cease at the expiry of the lease/hire contract in force at the time of Damage or twenty four months after the date of the Damage whichever is the sooner
3. additional fees payable under this Extension shall not exceed £25,000 in respect of any one Accident or series of Accidents arising out of any one occurrence

Section Conditions

The following Conditions apply to this Section and should be read in conjunction with the General Conditions applying to the whole Policy

Access

We or our representatives shall have the right of access to the Insured Property at reasonable times

Arbitration

If any difference arises as to the amount to be paid under this Section (liability having been accepted) the difference shall be referred to an arbitrator to be appointed by both parties in accordance with the statutory provisions applicable

The making of an award against Us shall be a condition precedent to any right of action against Us

Observance

The observance and fulfillment of the terms and Conditions of this Section or Endorsements shall be conditions precedent to liability

Conditions applicable to Hardware Sub-Section

The following Conditions apply to this Cover and should be read in conjunction with the General Conditions applying to the whole Policy

Declaration of Values

You shall prior to each renewal supply Us with declarations of the new replacement value of each of the categories of Hardware

Basis Of Settlement

In the event of a claim for which liability is accepted under this Section the basis upon which the amount payable is to be calculated shall be

1. Where any item of Hardware is lost or damaged to the extent that repair is uneconomic or impractical its replacement by new Hardware of equal performance and/or capacity or if such be impossible its replacement by Hardware having the nearest higher performance and/or capacity to the Hardware lost or damaged
2. Where the Hardware is damaged the repair of the damage and the restoration of the damaged portion of the Hardware to a working condition substantially the same as but not better or more extensive than its condition when new

Provided that

a. Our liability for Damage to Hardware shall not exceed the Sum Insured stated in the Schedule or additionally provided under the Automatic Cover Extension
b. The work of repair or replacement must be commenced and carried out with reasonable dispatch and in any case must be completed within six months after the destruction or damage or within any further period of time as We may allow
c. No payment beyond the amount which would have been payable if this Condition had not been incorporated shall be made until the cost of repair or replacement has been incurred
d. No payment beyond the amount which would have been payable if this Condition had not been incorporated shall be made if at the time of any destruction or damage to the Hardware it shall be covered by any other insurance held by You or on Your behalf which differs in basis of settlement from this insurance
e. Where by reason of the above provisions no payment is made beyond the amount which would have been payable if this Condition had not been incorporated the rights and liability of Us and You in respect of the destruction or damage shall be subject to the terms Conditions and Exceptions of this Policy as if this Condition had not been incorporated

Back Up Programs

Where legally permissible You shall maintain a regularly updated and Verified back-up copy of all insured software and programs

Unattended Vehicles

Whenever Hardware is being transported by vehicle and the vehicle is left unattended the Hardware shall be kept out of sight in a securely locked luggage compartment glove compartment or secure container and all windows or openings are to be closed and all doors locked

Additionally when Hardware is left in an unattended vehicle overnight the vehicle shall be kept in a secure or attended garage compound or yard

Unattended Premises

The Premises must not be left unattended unless

1. all locks bolts and other protective devices are in full operation
2. all keys are removed from the Premises or placed in a locked safe or strong room the keys to which are removed from the Premises
3. all Portable Computer Equipment including but not limited to laptop computers palmtop computers digital cameras and digital projectors insured under this Section are locked in cupboards drawers or other secure storage the keys for which must be stored in accordance with 2. above

Where We require the Premises to be protected by an Intruder Alarm System the Premises must not be left unattended unless the alarm system is tested and checked set in its entirety and where the equipment permits any central station to which the alarm is connected has acknowledged the setting signal

Conditions applicable to Reinstatement of Data Sub-Section Increased Costs Of Working Sub-Section and Virus Hacking And Denial Of Service Attack Sub-Section only

The following Conditions apply to Reinstatement of Data Sub-Section Increased Costs Of Working Sub-Section and Virus Hacking And Denial Of Service Attack Sub-Section and should be read in conjunction with the General Conditions applying to the whole Policy

Back Up Records

You shall maintain a minimum of 2 generations of Verified back-up computer records taken at intervals no less frequently than 48 hours one copy as a minimum being held off site and take all reasonable precautions to store and maintain records in accordance with the makers recommendations

Section Exceptions

The following Exceptions apply to this Section and should be read in conjunction with the General Exceptions

We shall not be liable for

1. Interruption or Damage to Hardware data programs or software due to theft or attempted theft unless such interruption or Damage is accompanied by visible signs of forcible and violent entry to or exit from the perimeter protections of the Premises in which the Hardware is situated (or transporting vehicle in the case of Portable Computer Equipment or Computer Equipment covered under the Temporary Removal Extension).
2. Loss of use deterioration of stock loss of revenue loss caused by interruption to the Business increased costs of working restoration of data or any other indirect loss or damage unless specifically provided for within this Policy
3. Interruption or Damage to Hardware data programs or software due to theft or attempted theft unless such Damage is accompanied by visible signs of forcible and violent entry to or exit from the perimeter protections of the Premises in which the Hardware is situated (or transporting vehicle in the case of Portable Computer Equipment or Computer Equipment covered under the Temporary Removal Extension)
4. One Excess shall be applied to any one loss across all Cover other than where the provisions of Exception Increased Excess – Non Maintained Hardware applicable to Increased Costs Of Working Sub-Section apply
5. Damage arising from corruption or Damage to bespoke software or individually tailored packages unless You have in force a software support agreement with the supplier or a third party maintainer approved by the supplier
6. Damage interruption or interference directly or indirectly due to correct operation of safety or protective devices
7. Damage interruption or interference directly or indirectly due to failure of any part requiring periodic renewal

8. Damage caused by or arising out of
    a. any intentional act or willful omission of the Policyholder (other than an act or omission the purpose of which is an exceptional measure to prevent Injury loss or damage) which having regard to the nature and circumstances of the act or omission could reasonably be expected to cause contribute to or exacerbate any Damage
    b. intentional overloading
    c. testing or experiments involving the imposition of any abnormal conditions
9. Damage caused directly by
    a. wear and tear gradual deterioration or rust
    b. gradually developing defects
    c. scratching or chipping of painted or polished surfaces
    d. erosion or corrosion

but this shall not exclude resultant Damage not otherwise excluded

10. Damage caused by or arising out of the direct application of any tool or process during the course of repair maintenance inspection modification or overhaul
11. Liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency

Exceptions applicable to Hardware Sub-Section only

The following Exceptions apply to Hardware Sub-Section and should be read in conjunction with the General Exceptions

We shall not be liable for

1. Damage recoverable under the Maintenance Agreement or any warranty or guarantee
2. Damage to Hardware whilst hired out or loaned out

Exceptions applicable to Increased Costs of Working Sub-Section only

The following Exceptions apply to Increased Costs of Working Sub-Section and should be read in conjunction with the General Exceptions

We shall not be liable for

1. Increased Costs Of Working incurred during the first 48 hours following the failure of any item of Hardware due to its Breakdown or derangement where a Maintenance Agreement is not in force on the item at the time of the failure
2. Loss consequent upon the total or partial failure of the supplies of electricity or any communications network caused by
    a. deliberate act of any supply authority unless performed for the sole purpose of safeguarding life or protecting a part of any supply authority's system
    b. scheme of rationing unless necessitated solely by physical damage to a part of the supply authority's system
    c. strike or lock-out total or partial withdrawal of labour or partial or complete cessation of work

Section Endorsements

Subject otherwise to the terms Conditions and Exceptions of this Policy the following Endorsements will only apply if specified in the Schedule

Residual Breakdown Limitation

We shall not be liable for loss or damage caused by or arising out of

1. fire lightning explosion earthquake flood inundation storm tempest escape of water from water containing apparatus l leakage from sprinkler installations aircraft and other aerial devices or articles dropped therefrom or malicious damage
2. theft or any attempt thereat
3. accidental damage
4. failure or fluctuation of power supply

Subject otherwise to the terms Conditions and Exceptions of this Policy

Residual Breakdown Cover

We shall not be liable for loss or damage caused by or arising out of Breakdown unless a Maintenance Agreement is in force at the time of the loss or Damage

Subject otherwise to the terms Conditions and Exceptions of this Policy

Loss of Licence Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in the Section they should also be read in conjunction with the General Definitions at the of the Policy

Loss of Licence shall mean temporary or permanent

1. forfeiture of a Licence
2. refusal to renew a Licence by the licensing authority

due to reasons beyond Your control

Licence

Licence granted under the Licensing Act 2003 or any subsequent legislation in respect of the Premises for the the sale by retail of alcohol

Cover

We will pay the reduction in the value during the Period of Insurance of Your interest in

1. the Premises or
2. the Business

following Loss of Licence

The most We will pay is the Limit of Liability stated in the Schedule in addition We will also pay for costs and expenses incurred with Our written consent where You appeal against the Loss of Licence

Exceptions

We will not pay You where

1. You are entitled to obtain payment of compensation under any legislation or Bye-law in respect of the refusal to renew the Licence
2. Where the Loss of Licence arises out of
   a. any town planning improvement or redevelopment
   b. a change in law
   c. compulsory purchase or surrender
   d. a reduction or redistribution of Licences

Conditions Precedent

The following conditions precedent apply to this Section

1. It is a condition precedent to Our liability that You shall notify Us in writing immediately and supply such additional information and give assistance as We may reasonably require if You become aware of any
   a. complaint against the Business and/or Premises
   b. proceedings against or conviction of the Licence holder manager tenant or occupier of the Business and/or Premises for any breach of any relevant licencing law or regulation or any other matter whatsover where the character or reputation of the person concerned is affected or called into question with respect to their honesty moral standing or sobriety
   c. change in the tenancy or management of the Business and/or Premises
   d. transfer or proposed transfer of the Licence
   e. alteration in the purpose for which the Premises is used
   f. objection to renewal or other circumstances which may endanger the Licence or its renewal

2. In the event of death bankruptcy or incapacity or desertion of the Premises or conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect to his honesty moral standing or sobriety) of the Licence holder tenant manager or occupier You will where practicable and at Our request procure a suitable person to replace him and one to whom the Licence will be transferred or a new Licence will be granted by way of renewal
3. In the event of the Licence being forfeited or refused renewal You must
   a. give notice in writing to Us within 48 hours of receiving knowledge of such event stating the grounds upon which the licence was forfeited or refused renewal
   b. give all assistance as We may require for the purpose of an appeal against such forfeiture or refusal to renew and allow Our solicitors and Us full discretion in the conduct of such proceedings
   c. apply if practicable and if required by Us for the grant of such new Licence for the same or alternative premises as may enable You to continue the Business in a similar or alternative form
   d. provide a statement of Your loss if any together with such documents statements and accounts as may be reasonably required by Us to verify the same and also if required by Us make a statutory declaration as to the truth accuracy and comprehensiveness thereof and give Us free access to the Premises and the books and accounts of the Business as may be necessary for ascertaining the value of any loss

Terrorism Section

Section Definitions

The following Definitions apply to this Section and shall keep the same meaning wherever they appear in this Section and they should also be read in conjunction with the General Definitions at the start of the Policy

Act of Terrorism

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

Denial of Service Attack

Any actions or instruction constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems

This includes but is not limited to the generation of excess traffic into the network addresses the exploitation system or network weaknesses and generation of excess or non genuine traffic between or amongst networks

Excess

The amount or amounts shown in the Schedule which We shall deduct from each and every claim to each separate location

You will repay any such amount paid by the Underwriters

Hacking

Unauthorised access to any computer or other equipment component system or item which processes stores or retrieves data whether the property of You or not

Head/Heads of Cover

Any of the following types of direct insurance cover

1. Buildings and completed structures
2. Any other Property Insured hereunder as provided in the Schedule
3. Business interruption
4. Book Debts

Phishing

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

Private Individual

Any person other than

1. a company association or partnership
2. a trustee or body of trustees where insurance is arranged under the terms of a trust
3. a person who owns Residential Property for the purpose of their business as a sole trader
4. a person who owns Residential Property of which in excess of more than 20 per cent of the property is commercially occupied

Note

a. where the Residental Property is occupied by a trustee or a sole trader as a private residence and where the property is not a block of flats each will be deemed to be a Private individual in repect of that same property and

b. where two or more persons have arranged insurance on Residential Property in their several names and/or the name of the policyholder includes the name of a bank or a buidling society or other financial institution for the purpose of noting their interest in the property insured they will be deemed to be a Private Individual in respect of that property

Residential Property

1. Private dwelling houses and flats
2. Household goods and personal effects

Treasury

The Lords Commissioners of Her Majesty's Treasury from time to time or any successor relevant authority

Virus or Similar Mechanism

Program code programing instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversly affect computer programs data files or operations whether involving self-replication or not

This includes but is not limited to trojan horses worms and logic bombs

Cover

We will indemnify You in respect of all losses arising under any Head of Cover resulting from loss or destruction of or damage to Property Insured under this Policy caused by an Act of Terrorism occurring during the Period of Insurance at the Premises but only in England Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Channel Islands or the Isle of Man

The maximum We will pay under this Section in any one Period if Insurance will not exceed the Limit of Liability or Sum Insured for each of the Heads of Cover specified in the relevant Section of this Policy where the Head of Cover is otherwise insured

Exceptions

The following exceptions apply to this Section

1. We will not indemnify You in respect of any losses arising under any Head of Cover 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 component system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information programs or software) and whether Your property or not where such Damage is caused by Virus or Similar Mechanism Hacking or Denial of Service Attack
   b. any alteration, modification, distortion, erasure, corruption of data processed by any such computer or other equipment or component or system or item whether the property of the Assured/Insured or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack
   c. riot civil commotion war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
2. We will not indemnify You in respect of losses arising under any Head of Cover as a result of loss or destruction of or damage to Residential Property insured in the name of a Private individual

Special Conditions

The following Special Conditions apply to the Section

1. The insurance provided by this Section is subject to all the definitions exceptions conditions clauses endorsements and conditions precedent of the Sections of this Policy where the Head of Cover is otherwise insured together with the Policy Definitions Exceptions Conditions Precedent and Policy Conditions except

a. any which provide for adjustments of premium
b. any aggregate limit on the amount borne by You as a result of the operation of an Excess
c. any provision for the automatic reinstatement of Sums Insured
d. any long term undertaking

and providing that if there is conflict between this Section and the rest of the Policy this Section shall prevail

2. We will not indemnify You under this Section unless and until
   a. the Treasury issues a certificate certifying that any loss was caused by an Act of Terrorism as defined in this Section

   or in the event of the Treasury refusing to issue such a certificate

   b. a tribunal formed by agreement between Us and Pool Reinsurance Company Limited decides that the cause of such loss was an Act of Terrorism as defined by this Section
3. We may cancel the cover provided by this Terrorism Section
   a. by sending You 30 days written notice to Your last known address We will refund a proportionate part of any premium paid for the unexpired period

      or

   b. immediately if the premium has not been paid or if there has been a default under an installment or linked credit agreement We will not refund any installment paid
4. In any action or suit or proceedings where We allege that any loss is not covered by this Section the burden of proving that such loss is covered shall be upon You

Conditions Precedent

It is a Condition Precedent to Our liability under this Section that

1. You must declare to Us all Property and/or premises owned by You or for which You are responsible including all such Property and/or premises of subsidiary companies unless it is the practise of any subsidiary company to effect its own insurance
2. You must purchase Terrorism insurance from a Pool Reinsurance Company Limited member company in respect of all such Property and/or premises

Arista Insurance Limited
Registered in England and Wales No. 5938669
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Arista Insurance Limited (FRN 459593) an appointed representative of Towergate Underwriting Group Limited
FCA Register Number 313250, authorised and regulated by the Financial Conduct Authority.

www.arista-insurance.com