ANTHONY JONES
INSURANCE BROKERS

ZURICH

Freight Liability

Policy document
Arranged by Anthony Jones (UK) Ltd

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A warm welcome to Zurich

Thank **you** for taking out **your** Freight Liability insurance policy with **us** and welcome to Zurich Insurance plc.

Zurich Insurance plc is a member of a group of companies of which the ultimate parent company is Zurich Insurance Group Ltd, a company registered in Switzerland (Zurich). Zurich has a global network of subsidiaries and offices in North America and Europe as well as in Asia Pacific, Latin America and other markets. Founded in 1872, the Group is headquartered in Zurich, Switzerland. It employs approximately 60,000 people serving customers in more than 170 countries.

At Zurich **we** have **your** future in mind and look forward to working closely with **you**.

www.zurich.co.uk

Your Freight Liability policy

This policy is a contract between **you** and **us**.

This policy and any schedule and endorsement should be read as if they are one document.

We will insure **you** during any period of insurance for which **we** have accepted your premium. **Our** liability will in no case exceed the amount of any sum insured or limit of indemnity stated in this policy, the schedule or any endorsement to this policy.

Any reference to the singular will include the plural and vice versa.

Any reference to any statute or statutory instrument will include any amendments thereto or re-enactment thereof.

Any heading in this policy is for ease of reference only and does not affect its interpretation.

Law applicable to this contract

In the UK the law allows both **you** and **us** to choose the law applicable to this contract. This contract will be subject to the relevant law of England and Wales, Scotland, Northern Ireland, the Isle of Man or the Channel Islands depending upon **your** address stated in the **schedule**. If there is any dispute as to which law applies it will be English law.

The parties agree to submit to the exclusive jurisdiction of the English courts.

This is a legal document and should be kept in a safe place.

Please read this policy and any schedule and endorsement carefully and if they do not meet **your** needs contact **us** or **your** insurance intermediary.

How we will use personal information

We hold personal information in accordance with the Data Protection Act 1998. The information supplied to **us** by **you** may be held on computer and passed to other insurers and reinsurers for underwriting and claims purposes. **You** should show this to anyone whose personal information may be processed to administer this policy including handling any claims.

We use a variety of security technologies and procedures to help protect personal information from inappropriate use, and **we** will continue to revise procedures and implement additional security features as new technology becomes available.

We may use personal information for underwriting and claims purposes, statistical analysis, management information, market research, audits on the handling of claims, systems integrity testing, and risk management. **We** will only share personal information as described in this notice or where **we** are required or allowed to do so by law.

We may record or monitor telephone calls for security and regulatory purposes.

Policy administration

In order to administer **your** insurance policy and any claims made against this policy **we** may share personal information provided to **us** with other companies within the Zurich Insurance Group and with business partners including companies inside and outside the European Economic Area. If **we** do transfer personal information including where **we** propose a change of underwriter **we** make sure that it is appropriately protected.

We may conduct searches about anyone whose personal information may be processed to administer this policy (including handling any claims) using publicly available sources. Examples are the edited electoral roll, county court judgments/Scottish decrees, bankruptcy registers and other public databases. This helps **us** assess applications for insurance, provide renewal quotations and check the accuracy of information. These searches may be recorded by credit reference agencies but they will not affect any credit standing.

Claims history

When **you** tell **us** about an incident or claim **we** may pass information relating to it to any relevant claims related database.

We and other insurers may search relevant claims related databases when **you** apply for insurance, in the event of any incident or claim or at time of renewal to validate **your** claims history or that of any other person or property likely to be involved in the policy or claim.

This helps to check information provided and prevent fraudulent claims.

Fraud prevention and detection

In order to prevent and detect fraud **we** may at any time:

a) share information about **you** with other organisations including the police

b) conduct searches using publicly available databases

c) undertake credit searches

d) check and share **your** details with fraud prevention and detection agencies.

If false or inaccurate information is provided and fraud is identified details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. **We** and other organisations may also access and use this information to prevent fraud and money laundering for example when:

a) checking details on applications for credit and credit related or other facilities

b) managing credit and credit related accounts or facilities

c) recovering debt and tracing beneficiaries

d) checking details on proposals and claims for all types of insurance

e) checking details of job applicants and employees.

Please contact **us** if **you** want to receive details of the relevant fraud prevention agencies. **We** and other organisations may access and use from other countries the information recorded by fraud prevention agencies.

Data protection rights

Individuals have certain rights under the Data Protection Act 1998, including the right to ask for a copy of the information **we** hold about them. **We** may make a small charge for this. Individuals also have the right to ask **us** to correct their information if it is inaccurate.

If **you** want to know more about how **we** use personal information or have any data protection questions, please contact the Data Protection Officer, Zurich Insurance plc, 3000 Parkway, Whiteley, Fareham, Hants, PO15 7JZ

Section 1 – Definitions

Certain words in this policy have special meanings. These meanings are given below and apply wherever the words appear in bold.

BAR
Standard trading conditions of the British Association of Removers.

BIFA
The British International Freight Association standard trading conditions.

British Isles
Great Britain, Northern Ireland, the Isle of Man, the Channel Islands and the Republic of Ireland.

CMR
The Convention on the Contract for the International Carriage of Goods by Road as enacted into English law by the Carriage of Goods by Road Act 1965.

Container
Any container, tanktainer, demountable body, flat or similar unit (including ancillary equipment while attaching to such unit) not **your** property.

Contract conditions
The contract conditions which might be private terms, conventions or **full responsibility** contracts, shown in the contracts table or elsewhere within **your** current policy schedule.

Costs and expenses
a) Claimants' costs and expenses which **you** become legally liable to pay

b) costs incurred with **our** written consent in defending any claim.

Employee
Any natural person who is:

a) under a contract of service or apprenticeship with **you**

b) a labour master or labour only subcontractor or persons supplied by any of them

c) self-employed

d) under a work experience or similar scheme

e) hired or borrowed by **you** from another employer

and working for **you** in connection with **your** business while under **your** direct control or supervision.

Europe Category A
Andorra, Austria, Belgium, **British Isles**, Denmark, France, Germany, Gibraltar, Italy, Liechtenstein, Luxembourg, Malta, Monaco, the Netherlands, Norway, Portugal, San Marino, Spain, Sweden and Switzerland.

Europe Category B
Europe Category A and Albania, Bosnia Herzegovina, Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Finland, Greece, Hungary, Latvia, Lithuania, Macedonia, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia, and Turkey (west of the Bosporus).

Excess
The amount stated in this policy, the schedule or any endorsement to this policy for which **you** are responsible and which will be deducted from any payment under this policy as ascertained after the application of all other terms and conditions of this policy.

Excluded goods
a) Living creatures

b) money, securities for money, negotiable instruments, saving stamps, unused postage stamps and anything of a similar nature

c) fine arts, bullion, precious metal or stones or articles made of or containing precious metal or stones

d) dangerous drugs

e) microchips, microprocessors, central processing units, system boards, memory boards, memory,

f) sound or video cards or hi-tech components of a similar nature designed to be used in or in connection with computers or other electronic devices but not when they are fitted in such a device mobile phones and other portable communication devices

g) alcoholic spirits

h) cigarettes and tobacco products

unless specifically covered by the policy wording.

FIATA
The International Federation of Freight Forwarders Association standard trading conditions.

FTA
The Freight Transport Association standard trading conditions.

Full responsibility
Any contract for carriage of **goods** where **you**:

a) do not use contract conditions and do not restrict **your** liability for loss or damage to common law

b) use contract conditions but do not to wish to restrict **your** liability for loss or damage by application of their terms.

Goods
Goods or merchandise not **your** property but for which **you** are legally responsible in accordance with the conditions of contract carriage or trading under which **you** operate as stated in the schedule.

Nuclear installation
Any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument being an installation designed or adapted for:

a) the production or use of atomic energy

b) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiation

c) the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter being matter which has been produced or irradiated in the production or use of nuclear fuel.

Nuclear reactor
Any plant including any machinery, equipment or appliance whether affixed to land or not designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

Occurrence
Any one occurrence or all occurrences of a series consequent on or directly attributable to one original cause.

Other conditions
Liability under any conditions of contract approved by **us** in writing prior to use.

RHA or RHA storage conditions
The Road Haulage Association Ltd Conditions of Carriage or Storage.

Safely parked
A **vehicle** which is:

i) garaged in a fully enclosed locked building or be under constant supervision; or

ii) in a securely locked or guarded compound surrounded by secure walls or fences

Territorial limits
As stated in the schedule.

UKWA
The United Kingdom Warehouse Keeper's Association Conditions of Contract.

Unattended
Where neither **you** or **your** driver or **employee** including agency drivers and independent contractors under **your** direction or control are in the **vehicle** or in a position to keep the **vehicle** or **goods** under surveillance and at the same time have a reasonable prospect of preventing any unauthorised interference with the **vehicle** or **goods**.

The **vehicle** shall be deemed to be attended while **you** or **your** driver, agent or representative is asleep in the **vehicle**.

Vehicle
Road vehicles or trailers owned or operated by **you**.

We, Us, Our or Ours
Zurich Insurance plc.

You, Your, Yours or Yourselves
The person, people (either acting in partnership or on behalf of an unincorporated organisation) or the company stated in the schedule as the Insured.

Section 2 – The Cover

We will indemnify **you** in respect of all sums which **you** may become legally liable to pay in accordance with the **contract conditions** during the period of insurance:

a) as road carrier or bailee in respect of accidental physical loss or damage to **goods**:

   i) under the contract terms stated in the schedule. Limit of indemnity as stated in the schedule

   ii) where liability is determined under common law due to a court of law setting aside the contract conditions that **goods** were carried under. Limit of indemnity £500,000 any one **occurrence**

b) in respect of accidental physical loss or damage to cargo carrying and handling equipment not leased, hired or borrowed by **you**. Limit of indemnity £75,000 any one **occurrence**

c) for **your** customers' financial loss other than death or injury to any person arising from:

   i) physical loss or damage to **goods**

   ii) accidental delay other than failure to meet an agreed delivery date or time

   iii) accidental mis-delivery.

   provided always that **your** contract for the carriage of **goods** either excludes liability for such financial loss or limits liability for financial loss to twice the carriage charges for the consignment. Limit of indemnity twice the carriage charges for the consignment or £250,000 whichever is the lesser

occurring within the **territorial limits**.

In addition to any limit of indemnity **we** will pay **costs and expenses**.

2.1 Cabotage

Where **you** act as haulage operator, **we** will indemnify **you** for **your** liability under the mandatory national laws of any country within the **territorial limits** (other than the **British Isles**) where the property is collected, carried and delivered solely within the borders of that country provided that **we** will not pay more than £50,000 any one **occurrence**.

2.2 Debris Removal and Transhipment and Recovery Charges

This section includes reasonable charges necessarily incurred by **you** under **contract conditions** in:

a) removing and disposing of debris

b) transhipment and recovery charges.

We will not pay more than £25,000 any one **occurrence**.

The amount payable under this clause shall be in addition to any limit of indemnity stated in the schedule.

2.3 Driver's Personal Effects

We will indemnify the driver of any **vehicle** owned or operated by **you** for loss or damage to clothing and personal effects excluding money, credit cards, debit cards, charge cards, stamps, documents and securities incurred while such driver is engaged in business on **your** behalf.

An **excess** of £100 will apply to each and every loss.

We will not pay more than £500 any one driver any one **occurrence**.

The amount payable under this clause shall be in addition to any limit of indemnity stated in the schedule.

2.4 Driver Repatriation

If **you** decide at **your** own expense to repatriate the driver(s) of any conveyance owned or operated by **you** to any address in the United Kingdom following insured loss or damage to **goods** outside of the United Kingdom within the **territorial limits**, **we** will fund such repatriation subject to an aggregate limit of £2,000 during any one period of insurance.

2.5 Incorrectly Received Goods

We will indemnify **you** for liability for loss of or damage to incorrectly received goods provided that incorrectly received goods in **your** care, custody or control have been mistakenly identified by **you** or any **employee** as goods received pursuant to a contract of carriage or storage. Excluding any claim in respect of indirect or consequential loss including for the purposes of this policy pure financial loss, penalties, damages for delay, loss of profit, loss of market or similar.

This extension is subject to a limit of £50,000 for each and every loss or in the aggregate during any one period of insurance.

2.6 Lien

We will indemnify **you** for loss or damage to **goods** in respect of which **you** are properly exercising a lien, during the period of insurance, provided that such damage occurs whilst the **goods** are in **your** custody and care, within the **territorial limits** under **contract conditions** shown on the policy schedule.

We will not pay more than £100,000 for each and every loss.

Excluding liability other than for loss or damage to **goods** caused by or arising out of the exercise by **you** of a lien whether contractual or otherwise.

2.7 Own Goods

This section includes cover for loss or damage and **your** liability for contribution to general average and salvage charges incurred in respect of **your** property in connection with **your** business including but not limited to sheets, ropes, dunnage, securing chains and toggles while in transit except motor vehicles, trailers or containers. **We** will not pay more than £10,000 for each and every loss.

We will not pay for:

1) wear and tear, gradual deterioration, scratching, bruising, denting, oxidation, rust or discolouration

2) mechanical or electrical breakdown or derangement

The amount payable under this clause shall be in addition to any limit of indemnity stated in the schedule.

The basis of settlement shall be replacement as new for items less than one year old or market value at time of loss.

2.8 Subcontractors

This section includes cover for **your** legal liability in respect of **goods** in the custody or control of **your** subcontractors or successive subcontractors.

Provided always that:

a) the subcontractor accepts no less liability than **you**

b) **you** obtain written evidence that any subcontractor employed by **you** has insurance to cover the liabilities accepted.

These provisions shall not apply to any subcontractor when acting as a shipping line, airline, port, terminal or railway operator or when **you** act as principal under **BIFA** terms.

The burden of proving that the requirements of this clause have been complied with shall be upon **you**.

Any amounts paid under this section will form part of, and not be in addition to, the limit of indemnity stated in the schedule.

2.9 Temporary Storage

This section includes cover for temporary storage of **goods** in a building of substantial construction in the normal course of transit but excluding where such storage is undertaken:

a) for a fee

b) subject to a contract for storage and distribution.

Any amounts paid under this section will form part of, and not be in addition to, the limit of indemnity stated in the schedule.

2.10 Trailer Curtains

We will indemnify **you** for loss or damage to trailer curtains if accompanied by loss or damage to the **goods**.

We will not pay more than £1,000 any one **occurrence** and £2,000 in the aggregate in any period of insurance.

This cover will not be subject to any **excess**.

The per **occurrence** amount payable under this clause shall be in addition to any limit of indemnity stated in the schedule.

2.11 Unforeseen Delay

We will indemnify **you** for **your** financial loss which has occurred as a direct result of an unforeseen delay in the ordinary course of transit whilst any conveyance owned or solely operated by **you** is at a standstill due to:

a) the blocking of public roads, ports, border crossings caused directly by industrial action, strikes, demonstrations, riot, avalanche or civil commotion

b) the cancellation of ferry crossings due to adverse weather conditions

The amount payable to **you** will not exceed:

i) the financial loss suffered by **you**; or:

ii) £300 per 24 hours or pro-rata, per conveyance up to a maximum of 21 days whichever is the lesser.

We will not pay more than £15,000 per occurrence and £30,000 in the aggregate during any one period of insurance.

No indemnity is payable to **you** for the first 24 hours of any delay.

2.12 Unwitting CMR

We will indemnify **you** as road carrier or bailee in respect of accidental physical loss or damage to **goods** under **CMR** unwittingly incurred by **you** within the **territorial limits**.

We will not pay more than £500,000 for each and every loss.

Section 3 – Optional Extensions

Applicable only if stated in the schedule.

1. Errors and Omissions

We will indemnify **you** for claims which may be made against **you** during the period of insurance for breach of duty by reason of any negligent act, error or omission arising out of incorrect instructions or clerical errors committed or alleged to have been committed by **you**, **your** principals and **your employees** pursuant to a contract stated in the schedule.

We will not pay more than £250,000 per **occurrence** and in the aggregate in any period of insurance.

We will not pay for any claim:

a) involving a fraudulent, malicious or criminal act

b) if **you** act as principal for the charter of the entire or part of any aircraft or vessel

c) as a result of **your** insolvency, bankruptcy or cessation of trading

d) as a result of **your** inability to pay or collect amounts other than amounts which **you** have contractually agreed to pay or collect on behalf of **your** principals

e) for any consequential loss as a result of loss or damage to or accidental delay in delivery of **your** customer's **goods**

f) as a result of **your** failure to comply with instructions by H.M. Government or any EU Government for payment of duty or Value Added Tax.

g) for defamation, libel and slander

h) for any liability for damage to **goods** other than misdelivery

i) for loss caused by out of sequence delivery or stock/inventory rotation or management systems failure.

The **excess** stated in the schedule will apply to each and every loss.

2. Freight Forwarder's Liability

We will indemnify **you** against **your** legal liability as a freight forwarder under the **BIFA** or **other conditions** approved by **us** in writing for:

a) losses occurring during the period of insurance for loss or damage to:

   i) **goods**

   ii) **containers** and equipment. Limit of indemnity £75,000 any one **occurrence**

b) claims which may be made against **you** during the period of insurance due to negligence, error or omission arising out of incorrect instructions and committed or alleged to have been committed by **you** as a freight forwarder.

In the event of **BIFA** conditions or **other conditions** being overridden by statute or international convention or being set aside by a court this policy shall indemnify **you** to the full extent of **your** legal liability.

In addition to the limit of indemnity stated in the schedule **we** will pay **costs and expenses.**

We will not pay for any claim:

i) involving a fraudulent, malicious or criminal act

ii) as principal for the charter of the whole or part of any aircraft or vessel

iii) as a result of **your** insolvency, bankruptcy or cessation of trading

iv) as a result of **your** inability to pay or collect amounts other than amounts which **you** have contractually agreed to pay or collect on behalf of **your** principals

Limit of indemnity per loss and **excess** per loss as stated in the schedule.

3. Own Trailers

This extension includes loss or damage to any trailer owned or operated by **you** within the **territorial limits** provided always that detached trailers have an anti-hitching device fitted and set to operate.

Limit of indemnity per loss and **excess** per loss as stated in the schedule.

We will also pay for:

a) reasonable recovery and removal costs necessarily incurred by **you** following loss or damage to a trailer in order to minimise a loss covered under this policy.

   We will not pay more than £10,000 for each and every loss

b) general average and salvage charges

c) i) any finance payments due if the trailer is the subject of a finance agreement

   ii) **your** liability for lease or hire charges due to any party from whom the trailer is hired or leased

   iii) charges paid by **you** for hiring a replacement trailer of similar type and gross weight

   incurred prior to the repair or replacement of any insured trailer if **you** are unable to use it as a direct result of loss or damage covered under this extension provided always that **we** have admitted liability for such loss or damage. **We** will not pay more than £500 per week for a maximum of 10 weeks in respect of each and every loss.

We will not pay for:

1) wear and tear, gradual deterioration, scratching, bruising, denting, oxidation, rust or discolouration
2) mechanical or electrical breakdown or derangement
3) damage to tyres
4) loss or damage which is covered by any motor policy.

The basis of settlement shall be replacement as new for items less than one year old or market value at time of loss.

4. Temperature Controlled Goods

We will indemnify **you** against physical loss or damage to temperature controlled **goods** caused by any variation in temperature while contained in a refrigerated **vehicle** or trailer or other temperature controlled environment.

Provided always that **you**:

a) instruct **your employees** in the operation of refrigeration equipment before permitting them control of a loaded refrigerated **vehicle** or trailer

b) obtain written confirmation from the consignor of the temperature at which the **goods** are to be carried before **you** accept the load

c) ensure that the refrigeration machinery is operational prior to loading

d) maintain and service all owned and leased refrigeration equipment in accordance with the manufacturer's instructions

e) keep up to date the refrigeration service log books for owned and leased refrigeration equipment and make such documentation available to **us** in the event of a claim.

The burden of proving that the requirements of this clause have been complied with shall be upon **you**.

We will not pay more than the limit stated in the schedule in any period of insurance.

Limit of indemnity per loss and **excess** per loss as stated in the schedule.

Section 4 – Exclusions

This policy does not cover:

1. Confiscation, Damage or Requisition

loss, damage, liability or expense caused by, contributed to by or arising from confiscation, requisition or seizure by any government or public authority

2. Death or Injury

liability arising from death of, injury to or illness of any person

3. Excluded Goods

liability arising from loss of or damage to **excluded goods**

4. Excluded Causes

liability arising from loss of or damage caused by:

a) defective or inadequate packing, preparation or labelling

b) wear, tear or gradual deterioration

c) ordinary shortage in weight or volume

d) depreciation or deterioration arising from variation in temperature

e) electrical or mechanical derangement or breakdown of **goods**

f) inherent vice

g) unexplained shortage or discrepancies discovered during stock taking or inventory checks.

Exclusions d) and e) shall not apply where such loss is caused by fire, theft, attempted theft, collision or overturning of the carrying **vehicle**.

5. Excluded Liabilities

liability arising from any:

a) failure to meet any agreed collection, delivery or release time or date

b) failure to meet any agreed service standard, performance guarantee or similar

c) penalty clause or any liability incurred under article 26 of **CMR**

d) failure to collect any payment for cargo including any such liability incurred under article 21 of **CMR**

6. Misconduct

liability arising from reckless or wilful misconduct by **you** but not **your employee** drivers.

7. Nuclear and war risks, government or public authority order and sonic bangs

death, injury, disablement or loss or damage to any property or any loss or expense resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel

b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any **nuclear installation**, **nuclear reactor** or other nuclear assembly or nuclear component thereof

c) any weapon employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this exclusion d) will not apply to radioactive isotopes other than nuclear fuel when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other peaceful purposes

e) i) war, invasion, act of foreign enemy, hostilities whether war be declared or not, civil war, rebellion, revolution, insurrection, military or usurped power

ii) nationalisation, confiscation, requisition, seizure or destruction by any government or public authority

f) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

8. Pollution

liability arising from the emission, discharge, dispersal, release or escape of any pollutant into water, land or the atmosphere.

9. Removals

liability arising from household, office, factory or similar removals.

10. Temperature Controlled Goods

physical loss or damage to temperature controlled goods caused by any variation in temperature while contained in a refrigerated vehicle or trailer or other temperature controlled environment except where cover is provided under optional extension 4 – Temperature Controlled Goods.

11. Terrorism

loss, damage, consequential loss, cost or expense directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with:

a) in respect of any occurrence in England including the Channel Tunnel up to the frontier with the Republic of France as set out by the Treaty of Canterbury 1986, Wales, Scotland, Northern Ireland, the Isle of Man and Channel Islands but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987, the Territorial Sea Act 1987 (Isle of Man) Order 1991, the Territorial Sea Act 1987 (Jersey) Order 1997 and Territorial Sea Act 1987 (Jersey) (Amendment) Order 2002: acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

b) in respect of any occurrence elsewhere than as described in a) above:

any act or preparation in respect of action or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group whether acting alone or on behalf of or in connection with any organisation or government de jure or de facto and which:

i) involves violence against one or more persons

ii) involves damage to property

iii) endangers life other than that of the person committing the action

iv) creates a risk to health or safety of the public or a section of the public

v) is designed to interfere with or to disrupt an electronic system

c) any action in controlling, preventing, suppressing, retaliating against or responding to any act or preparation in respect of action or threat of action described in a) or b) above.

In any action or suit or other proceedings where **we** allege that by reason of this exclusion cover is not provided under this policy the burden of proving that cover is provided under this policy will be upon **you**.

Section 5 – Provisions

1. Contracts (Rights of Third Parties) Act 1999 Exclusion Clause

For the purposes of the Contracts (Rights of Third Parties) Act 1999 this policy is not enforceable by any third party.

2. Non-incorporation of Contracts Clause

If **you** accidentally fail to advise a customer or client of the **contract conditions** prior to undertaking work for them, **we** will still indemnify **you** up to the limit of the applicable conditions set out in the schedule to this policy and if more than one such set of conditions might have applied then under the set which **we** deem at **our** discretion the most applicable, providing **you** can show that **you** normally take reasonable steps to ensure the incorporation of the **contract conditions** into agreements with **your** customers and clients.

You must not by agreement accept:

a) any special declaration of value

b) any declaration of special interest in delivery or agreed delivery dates

c) any liability in excess of the contract conditions.

Subject to a £500,000 limit any one loss.

3. Sanction Limitation and Exclusion

We shall not be deemed to provide cover and **we** shall not be liable to pay any claim or provide any benefit hereunder 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.

Section 6 – Conditions

1. Arbitration

If **we** admit liability for a claim but there is a dispute as to the amount to be paid the dispute will be referred to an arbitrator. The arbitrator will be appointed jointly by **you** and **us** in accordance with the law at the time. **You** may not take any legal action against **us** over the dispute before the arbitrator has reached a decision. **We** will give **you** a refund in proportion to the time left until **your** current period of insurance is due to run out.

2. Cancellation

We may cancel this policy or any part or portion thereof by giving 30 days notice in writing by special delivery mail to **you** at **your** last known address.

3. Change in Circumstances

You must notify **us** as soon as possible during the period of insurance if there is any change in circumstances or to the material facts previously disclosed by **you** to **us** or stated as material facts by **us** to **you** which increases the risk of accident, injury, loss, damage or liability.

Upon notification of any such change **we** will be entitled to vary the premium and terms for the rest of the period of insurance. If the changes make the risk unacceptable to **us** then **we** are under no obligation to agree to make them and may no longer be able to provide **you** with cover.

If **you** do not notify **us** of any such change **we** may exercise one or more of the options described in clauses c) i), ii) and iii) of condition 6 – Fair Presentation of the Risk but only with effect from the date of the change in circumstances or material facts.

This policy will come to an end immediately if **your** organisation ceases to exist or if **you** die where **you** are an individual except that **your** executors or personal administrators will be entitled to benefit from any cover until **your** estate has been administered.

4. Claims Procedures

a) Your Responsibilities

It is agreed that:

i) on the happening of any circumstance which could give rise to a claim or on receiving verbal or written notice of any claim **you** will:

1) as soon as reasonably possible give notice to us; and

2) preserve any damaged or defective **goods** for examination by **our** representatives unless **we** have authorised **you** to dispose of such property; and

3) as soon as reasonably possible notify the police in respect of any loss or damage caused by theft, attempted theft or malicious persons; and

4) as soon as reasonably possible forward every letter, writ, summons, claim form or other legal document to us; and

5) at **your** own expense and within 7 days of damage caused by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances or malicious persons supply full details of the claim in writing to us together with any evidence and information that may be reasonably required by us for the purpose of investigating or verifying the claim and if demanded a statutory declaration of the truth of the claim and any matters connected therewith

ii) no settlement, admission of liability, payment or promise of payment will be made to a third party without **our** written consent.

b) Our Rights

We will:

i) be entitled to take over the defence or settlement of any claim made against **you** or any person entitled to indemnity under this policy and **you** will give all assistance as may be reasonably required by **us**; and

ii) be entitled to take the benefit of any rights of **yours** against any other party before or after **you** have received indemnification under this policy and **you** will give all assistance as may be reasonably required by **us.**

5. Contractual Right of Renewal (Tacit)

If **you** pay the premium using **our** direct debit instalment scheme **we** will have the right which **we** may choose not to exercise to renew this policy each year and continue to collect premiums using this method. **We** may vary the terms and conditions of this policy including the premium at renewal. If **you** do not wish to renew this policy **you** or **your** insurance intermediary must notify **us** prior to the next renewal date.

6. Fair Presentation of the Risk

a) At inception and renewal of this policy and also whenever changes are made to it at **your** request **you** must:

i) disclose to **us** all material facts in a clear and accessible manner; and

ii) not misrepresent any material facts.

b) If **you** do not comply with clause a) of this condition **we** may:

i) avoid this policy which means that **we** will treat it as if it had never existed and refuse all claims where any non-disclosure or misrepresentation by **you** is proven by **us** to be deliberate or reckless in which case **we** will not return the premium paid by **you**; and

ii) recover from **you** any amount **we** have already paid for any claims including costs or expenses **we** have incurred.

c) If **you** do not comply with clause a) of this condition and the non-disclosure or misrepresentation is not deliberate or reckless this policy may be affected in one or more of the following ways depending on what **we** would have done if **we** had known about the facts which **you** failed to disclose or misrepresented:

i) if **we** would not have provided **you** with any cover **we** will have the option to:

1) avoid the policy which means that **we** will treat it as if it had never existed and repay the premium paid; and

2) recover from **you** any amount **we** have already paid for any claims including costs or expenses **we** have incurred

ii) if **we** would have applied different terms to the cover **we** will have the option to treat this policy as if those different terms apply. **We** may recover any payments made by **us** on claims which have already been paid to the extent that such claims would not have been payable had such additional terms been applied

iii) if **we** would have charged **you** a higher premium for providing the cover **we** will charge **you** the additional premium which **you** must pay in full.

7. Fraudulent Claims

If **you** or anyone acting on **your** behalf:

a) makes a fraudulent or exaggerated claim under this policy; or

b) uses fraudulent means or devices including the submission of false or forged documents in support of a claim whether or not the claim is itself genuine; or

c) makes a false statement in support of a claim whether or not the claim is itself genuine; or

d) submits a claim under this policy for loss or damage which **you** or anyone acting on **your** behalf or in connivance with **you** deliberately caused; or

e) realises after submitting what **you** reasonably believed was a genuine claim under this policy and then fails to tell **us** that **you** have not suffered any loss or damage; or

f) suppresses information which **you** know would otherwise enable **us** to refuse to pay a claim under this policy

we will be entitled to refuse to pay the whole of the claim and recover any sums that **we** have already paid in respect of the claim.

We may also notify **you** that **we** will be treating this policy as having terminated with effect from the date of any of the acts or omissions set out in clauses a) to f) of this condition.

If **we** terminate this policy under this condition **you** will have no cover under this policy from the date of termination and not be entitled to any refund of premium.

8. Incorporation of Contract Conditions

You must take all reasonable steps to ensure that **your** trading conditions as identified on the schedule are incorporated into all contracts entered into by **you** with **your** customers or sub contractors.

9. Insurance Premium Tax

The Insurance Premium Tax (Taxable Insurance Contracts) Order 1994 (SI 1994/1698) – Schedule 7A Finance Act 1994 makes **us** responsible for Insurance Premium Tax which will be collected at the applicable rate on taxable gross premium paid by **you**. **We** will calculate the tax liability and **you** agree to pay all amounts due to **us**. Late notification by **us** of tax due as a result of de minimis rules being exceeded or any other reason will not reduce or negate **your** liability to pay the tax.

10. Observance

The due observance and fulfilment of the terms and conditions of this policy by **you** in so far as they relate to anything to be done or complied with by **you** will be a condition precedent to **our** liability to make any payment under this policy.

11. Other Insurances

If at the time of any **occurrence** giving rise to a claim there is any other insurance effected by **you** or on **your** behalf providing an indemnity in respect of such claim **our** liability will be limited to its rateable proportion. If any other insurance is subject to any provision whereby it is excluded from ranking concurrently with this policy in whole or in part or from contributing proportionally **our** liability under this policy will be limited to any excess beyond the amount which would be payable under such other insurance had this policy not been effected.

12. Own Vehicle Security

We will indemnify **you** for liability arising from theft or attempted theft of **goods** while on or contained in any **vehicle** owned by **you** or under **your** control when left **unattended** provided always that:

a) all doors are locked, windows and other means of access are securely closed and fastened, all locks and security devices are properly maintained and set to operate and the keys are removed from the **vehicle**; and

b) any alarm or immobiliser is activated; and

c) detached trailers have an anti-hitching device unless the trailer is **safely parked**; and

d) at any time prior to or after completion of the driver's working day or on non-working days such **vehicle** shall be **safely parked**

In circumstances where **you** fail to comply with these requirements **we** will only indemnify **you** to the extent of 90% of any claim after the application of any excess **you** bearing the remaining 10% in addition to the excess.

13. Payment by Instalments

Reference to the payment of premium includes payment by monthly instalments. If **you** pay by this method this policy remains an annual contract and the date of the payment and the amount of instalments are governed by the terms of the credit agreement. If an instalment is not received by the due date then subject to the Consumer Credit Act 1974 if applicable the credit agreement and this policy will be cancelled immediately.

14. Premium Adjustment

If any part of the premium is calculated on estimates supplied by **you** an accurate record will be kept by **you** containing all information relative thereto and **you** will allow **us** to inspect such record. **You** will within one month from the expiry of each period of insurance supply to **us** such particulars and information as **we** may require. The premium for such period will thereupon be adjusted and the difference paid by or allowed to **you** as the case may be subject always to the minimum premium stipulated.

15. Reasonable Care

You must take reasonable care to prevent or minimise any loss, damage or liability that may give rise to a claim under this policy.

16. Storage Conditions

It is a condition precedent to our liability for loss or damage caused by flooding or ingress of water to **goods** contained in the ground floor or any basement of the building that **goods** are placed on racks or stillages at least 15 centimetres above the floor.

It is a condition precedent to **our** liability in respect of loss or damage caused by theft or attempted theft from any building under **your** direct control when unattended that:

a) i) all external doors including those to common parts or other areas to be secured by locks which conform to BS 3621; Thief Resistant Locks or the equivalent

ii) all accessible opening windows including fanlights to be secured with key operated locking devices.

Any door or window designated a fire exit by a competent person is excluded from these requirements.

b) Any intruder alarm installed:

i) be maintained in an efficient working order

ii) has a maintenance contract and the maintenance contract company is immediately advised of any defect

iii) is in full operation at all times when the

building is unattended.

17. Vehicle Maintenance

You will at all times maintain any **vehicle** in an efficient and roadworthy condition.

Our complaints procedure

Our commitment to customer service

We value the opportunity to look into any concerns **you** may have with the service **we** have provided and **we** are committed to handling all complaints fairly, consistently and promptly.

Who to contact in the first instance

Many concerns can be resolved straight away therefore in the first instance please get in touch with **your** usual contact at Zurich or **your** broker or insurance intermediary as they will generally be able to provide **you** with an immediate response to **your** satisfaction.

Contact details will be provided on correspondence that **we** or **our** representatives have sent **you**.

If **we** cannot resolve **your** complaint straight away **we** will aim to resolve **your** concerns as soon as possible and **we** will keep **you** informed of progress while **our** enquiries are continuing.

The majority of complaints **we** receive are resolved within four weeks of receipt.

The Financial Ombudsman Service (ombudsman)

If **we** are unable to resolve **your** complaint to **your** satisfaction within eight weeks or if **you** remain dissatisfied following receipt of **our** final response letter **you** may be able to ask the ombudsman to formally review **your** case. **You** must contact the ombudsman within six months of **our** final response.

The ombudsman contact details are as follows:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

You can telephone for free on:

08000 234 567 for people phoning from a "fixed line" (for example a landline at home)

0300 123 9 123 for mobile-phone users who pay a monthly charge for calls to numbers starting 01 or 02

or e-mail: complaint.info@financial-ombudsman.org.uk

This is a free and impartial service and **you** are entitled to contact the ombudsman at any stage of **your** complaint.

The ombudsman can help with most complaints if **you** are:

- a consumer
- a business employing fewer than 10 persons that has an annual turnover or balance sheet that does not exceed €2 million
- a charity with an annual turnover of less than £1 million
- a trustee of a trust with a net asset value of less than £1 million.

If **you** are unsure whether the ombudsman will consider **your** complaint or for more information please contact the ombudsman directly, or visit www.financial-ombudsman.org.uk

The Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS) which means that **you** may be entitled to compensation if **we** are unable to meet **our** obligations to **you**. Further information is available on www.fscs.org.uk or by contacting the FSCS directly on 0800 678 1100.

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Anthony Jones (UK) Ltd

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