



CHOICE INSURANCE AGENCY

PROPERTY OWNERS INSURANCE POLICY WORDING

PROPERTY OWNERS INSURANCE

This is to certify that in accordance with the authorisation granted under a Contract (the number of which is specified in the **Schedule**) to the **Coverholder** specified in the **Schedule** by the **Insurer(s)** listed herein, and in consideration of the premium specified having been paid, the **Insurer** agrees to provide insurance to the extent and in the manner specified herein or endorsed hereon.

Provided always that:

- (1) the liability of the **Insurer** shall not exceed the Limits of Liability or **Sums Insured** expressed in the Policy **Schedule** or contained herein or such other Limits of Liability or **Sums Insured** as may be substituted by **Endorsement** and agreed by or on their behalf.
- (2) this Policy provides cover only in respect such **Sections** of the Policy **Schedule** as are specified as being covered or have a Limit of Liability or **Sum Insured** shown against them.
- (3) this Policy is subject to all the provisions, conditions, warranties and exclusions contained within the body of the wording or endorsed or added thereto, all of which are to be considered as incorporated and shall be read together as one document.

This Policy has been issued and signed for and on behalf of the **Insurer** by



Mark Williams
Managing Director, Choice Insurance Agency
Authorised signatory

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CUSTOMER INFORMATION STATEMENTS

This Policy is an important document that **You** should read and store carefully. It sets out what is and is not covered under the Policy **You** have purchased and explains key contractual obligations that apply to **You** and to **Us**.

This Policy has been issued by the Coverholder as an agent of the **Insurer**.

This document, the **Schedule** and any **Endorsements** supplied to **You** form **Your** Policy. Please read the **Schedule** carefully and if it is incorrect return it immediately to **Your** insurance broker for alteration.

It is essential that:

- **You** check that each of the insured **Sections** and the **Schedule** are correct.
- **You** comply with **Your** duties under each **Section** and under the insurance as a whole.
- This Policy should be kept in a safe place as **You** may need to refer to it if **You** have to make a claim. It is recommended that **You** retain details of **Your** Employers' Liability Policy/certificates for at least 40 years.

You have a duty at inception and renewal of this Policy and a continuing duty throughout the **Period of Insurance** to disclose and to make a fair presentation of all facts that are material to **Us** including those relating to any claim. If **You** have any doubt as to whether or not a fact is material **You** should disclose it to **Us**.

You must pay to **Us** all premiums due to **Us** together with all taxes due on the premiums.

In all communications the Policy number specified in the **Schedule** should be quoted.

We also explain the steps that need to be taken at renewal or should **You** or **We** cancel the insurance and **Your** obligation to notify **Us** of changes during the lifetime of the Policy.

Identity of Insurer(s)

Builders Direct SA, 253 rue de Beggen, L-1221 Luxembourg (referred to herein as the **Insurer**).

Builders Direct S.A. is authorised by the Commissariat aux Assurances in Luxembourg and subject to limited regulation by the Financial Conduct Authority. Details about the extent of **Our** regulation by the Financial Conduct Authority are available from **Us** on request.

The Coverholder

The **Coverholder** shall mean the **Coverholder** specified in the **Schedule** (referred to herein as the **Coverholder**).

The **Coverholder** is authorised and regulated by the Financial Conduct Authority (the "FCA") – their FCA firm reference number is specified in the **Schedule**.

Several Liability

This notice contains important information. **You** should read it carefully.

The liability of an insurer under this Policy is several and not joint with other insurers party to this Policy. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this Policy.

The proportion of liability under this Policy underwritten by an insurer (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 in this Policy.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. 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 member's proportion. A member is not jointly liable for any

other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this Policy. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

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

What to do if You have a complaint

We aim to provide the highest quality of service to **Our** customers at all times but **We** recognise that complaints may arise as part of the normal course of business. Understanding and acting on the cause of complaints can provide **Us** with an opportunity to improve the service **We** provide.

If **You** feel that **We** have failed to provide **You** with the best service please let **Us** know immediately. **We** take all customer complaints seriously and **We** are committed to resolving **Your** complaint quickly, openly and fairly.

HOW TO COMPLAIN

If **You** are dissatisfied with any aspect of the handling of **Your** insurance, **We** would ask **You** in the first instance to contact the insurance agent or intermediary from whom **You** purchased **Your** policy. If **You** remain unhappy and feel the matter has not been resolved to **Your** satisfaction, **You** may refer a complaint to the Complaints Manager, Choice Insurance Agency Limited, Suite 3, 4a Southchurch Road, Southend-on-Sea, Essex, SS1 2NE or via email at Complaints@ChoiceInsuranceAgency.com. If **You** still remain unhappy and feel the matter has not been resolved to **Your** satisfaction **You** may refer a complaint to MGAM Limited by email: complaints@mgamutual.com

How They Will Handle Your Complaint

Step 1: They will try to resolve **Your** complaint immediately:

They will look into **Your** complaint and will aim to resolve **Your** concern immediately.

Step 2: Within 5 working days of receiving your complaint:

If they are unable to resolve the matter immediately, they will send **You** an acknowledgement letter within 5 working days. The letter will provide the contact details of the person who will be supporting **You** throughout **Your** complaint.

Step 3: Within 8 weeks of receiving your complaint:

They will endeavour to provide **You** with a final response explaining the outcome of their investigation and the next steps, or a letter confirming when they anticipate they will have concluded their investigation.

Step 4: Refer **Your** complaint to the Financial Ombudsman Service (FOS):

If after making a complaint **You** remain unhappy and feel the matter has not been resolved to **Your** satisfaction, **You** may be able to refer **Your** complaint to the FOS Service. **You** can contact them in one of the following ways:

- By telephone: 0300 123 9 123
- By email at: complaint.info@financial-ombudsman.org.uk
- In writing at: Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London, E14 9SR

Not all complainants may refer complaints to the FOS, but, for **Our** part **We** will treat all complainants equally and fairly.

The FOS may not be able to consider a complaint if **You**:

- have not provided **Us** with the opportunity to resolve it
- are a business with 10 or more employees and a group annual turnover of more than €2 million
- are a charity with an annual turnover of more than £1 million
- are a trustee of a trust that has net asset value of more than £1 million

Following this complaint procedure does not affect **Your** rights to take legal action.

Compensation Scheme

Builders Direct S.A. is covered by the Financial Services Compensation Scheme (FSCS).

You may be entitled to compensation from the FSCS if **We** are unable to meet **Our** liabilities. For compulsory insurance **You** may be entitled to compensation up to 100% of the claim.

For all other types of insurance **You** may be entitled to compensation of up to £2,000 for the first part of the claim and 90% of the remainder of the claim.

Further information about compensation scheme arrangements is available from the FSCS or **You** can visit their website at www.fscs.org.uk

Financial Services Compensation Scheme 10th Floor Beaufort House 15 St Botolph Street London EC3A 7QU T: 0207 741 4100 or 0800 678 1100

Your Policy and the information disclosed by You

In deciding to accept this Policy and in setting the terms and premium, **We** have relied on the information **You** have given **Us**. **You** must take care when answering any questions **We** ask by ensuring that all information provided is accurate and complete.

If **We** establish that **You** deliberately or recklessly provided **Us** with false or misleading information **We** will treat **Your** Policy as if it never existed and decline all claims. **We** may not return premium already paid by **You** in this situation.

If **We** establish that **You** provided **Us** with false, incomplete or misleading information, it can adversely affect **Your** Policy and any claim.

For example:

- (a) where **We** could have accepted the risk and offered **You** a Policy but **We** would have charged a higher premium, **We** may only pay a percentage of any claim that **You** make under the Policy. **We** would do this by considering the premium **We** actually charged as a percentage of the higher premium **We** would have charged and then paying **You** the same percentage of any claim.

So, as an example: if the premium **We** actually charged was £250 and the higher premium **We** would have charged was £1,000, then the premium **We** actually charged represents 25% of the higher premium **We** would have charged and **We** shall only pay 25% of any claim.

- (b) **We** may treat this Policy as if it had never existed and refuse to pay all claims and return the premium, subject to a deduction for any commission paid to **Your** insurance broker. **We** will only do this if the false, incomplete or misleading information means that **We** provided **You** with insurance cover when **We** would not otherwise have offered it at all had the risk been fairly presented.
- (c) if **We** would have written the risk on different terms had it been fairly presented, **We** may amend the Policy to include these terms. **We** may apply these amended terms as if they were already in place before a claim is made.
- (d) **We** may cancel **Your** Policy in accordance with its cancellation provisions.

We will write to **You** if **We**:

- (i) intend to treat **Your** Policy as if it never existed; or
- (ii) amend the terms of **Your** Policy; or
- (iii) reduce **Your** claim in accordance with the above.

If **You** become aware that information **You** have given **Us** is inaccurate or incomplete or if the information changes, **You** must inform **Us** without delay.

You must notify **Us** as soon as is reasonably possible if the type of tenancy changes from the type declared to **Us** at the inception or last renewal date of this Policy or if the **Premises** becomes professionally managed.

Observance of Policy Terms and Suspension of Cover

Every condition stated as a condition that applies to this Policy (whether to one or more Sections or the Policy as a whole) shall apply and continue to be in force during the whole currency of this Policy.

We will have no liability under this Policy in respect of any loss occurring or attributable to something happening during a period of non-compliance with a condition and cover will be suspended for the period from the date of the breach until the breach has been remedied unless **You** can prove that the breach of the condition could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

Your right to cancel

In the first year of this Insurance **You** have the right to cancel the insurance Policy within 14 days of receiving the Policy documentation or from the inception date of the Policy (whichever date is the later) and receive a full refund of any premium paid, provided that there have been no claims either paid, reported or outstanding. For the purposes of this cancellation clause, it will be considered that **You** will have received the Policy document upon the day following the date it was posted to **You** by first class post or was supplied to **You** electronically or **You** were supplied with the means by which **You** could access the Policy electronically.

If **You** do cancel this insurance within the initial 14 day period, then no cover will have been in place from the date of inception, as specified in the **Schedule**, and no liability whatsoever shall attach to **Us** in respect of the Policy.

If **You** do not exercise **Your** right of cancellation within the initial 14 day period, this insurance Policy will automatically come into force from the inception date specified in the **Schedule**. **You** will remain liable to pay the full annual premium. Following the expiry of the initial 14 day period, this insurance Policy may be cancelled at any time at **Your** written request. **We** reserve the right not to allow a return of premium.

To exercise **Your** right to cancel, contact the broker who arranged this cover for **You**

The law that governs the interpretation of this Policy

All disputes concerning the interpretation of this Policy are understood and agreed by both **You** and **Us** to be subject to English Law. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within England or Wales and to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such court.

Claims notification

All claims under this insurance are to be notified to our appointed claims team using one of the following methods and quoting the policy number:

Write to: Caytons Law, 85 Gracechurch Street, London, EC3V 0AA
Telephone: 0207 398 7600
E-mail: mgamclaims@caytonslaw.com

Privacy Notice by Choice Insurance Agency (the intermediary acting on behalf of the Insurer)

The parties identified in **Your** Policy and the **Schedule** to the Policy, may hold and process personal data supplied by **You** where it is necessary to underwrite, administer, and fulfil obligations under the Policy including with regard to claims. Each of the parties are data controllers and/or processors with respect to the personal data they hold. We, and the parties, will always act in accordance with relevant data protection legislation and the rights of data subjects under such legislation. Where **You** provide **Us** with personal data **You** are confirming to **Us** that **You** are entitled to do so and have lawfully obtained the data.

Personal data will not be passed to any other third party except where **Your** consent has been given or where permitted by law. The parties will ensure that personal data is kept secure, is used only for the purpose for which it was supplied by **You**, and is retained only for as long as necessary.

If any person whose personal data was supplied pursuant to this policy would like further information please go to <http://www.choiceinsuranceagency.co.uk/privacy-policy>



We will respond to any such enquiry as promptly and fairly as possible providing contact details for any other party that may hold the personal data enabling the data subject to make further enquiries of those parties.

DEFINITIONS

These definitions apply to **Your** entire Policy (including the **Schedule**) wherever these words or phrases appear starting with an upper case letter and printed in bold except where otherwise stated. Words in the masculine gender shall include the feminine.

Each **Section** or Extension may include definitions unique to that **Section** or Extension.

Perils Definitions

- 1) **Fire** (whether resulting from **Explosion** or otherwise) but excluding **Damage** caused by:
 - (a) **Explosion** occasioned by fire.
 - (b) **Earthquake** or **Subterranean Fire**.
 - (c) **Damage** to **Property** occasioned by its own spontaneous fermentation or heating or its undergoing any process involving the application of heat.
- 2) **Lightning**.
- 3) **Explosion** but excluding **Damage**:
 - (a) caused by or consisting of the bursting of a boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to **You** or under **Your** control.
 - (b) in respect of and originating in any vessel, machinery or apparatus or its contents belonging to **You** or under **Your** control which requires to be examined to comply with any statutory regulations unless such vessel, machinery or apparatus shall be the subject of a certificate or other contract providing the required inspection service.
- 4) **Aircraft** or other aerial devices or articles dropped therefrom.
- 5) **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 excluding **Damage**:
 - (a) arising from cessation of work or from confiscation or destruction or requisition by order of the Government or any public authority.
 - (b) by **Fire** caused by Strikers, Locked-out Workers or persons taking part in labour disturbances or Malicious Persons
- 6) **Malicious Persons** not acting on behalf of or in connection with any political organisation excluding **Damage**:
 - (a) by **Theft** or **Attempted Theft**.
 - (b) in respect of any **Unoccupied Building**.
- 7) **Earthquake**.
- 8) **Subterranean Fire**.
- 9) **Storm** excluding **Damage**:
 - (a) by **Lightning**
 - (b) by frost or **Subsidence, Ground Heave or Landslip**.
 - (c) to fences gates and moveable **Property** in the open unless the **Building** is also **Damaged** at the same time.
 - (d) to open sided or fronted **Buildings** or to the **Property** contained therein by **Flood**.
- 10) **Flood** excluding **Damage**:
 - (a) by **Lightning**.

- (b) by frost or **Subsidence, Ground Heave or Landslip**.
- (c) to fences gates and moveable **Property** in the open unless the **Building** is also **Damaged** at the same time.
- (c) by **Storm**.
- (d) by **Escape of Water**.

11) Escape of Water from any tank apparatus or pipe excluding **Damage**:

- (a) in respect of any **Unoccupied Buildings**.
- (b) by water discharged or leaking from any automatic sprinkler installation.

12) Impact by any Vehicle or Animal.

13) Accidental Escape of Water from any automatic sprinkler installation in the **Premises** not caused by:

- (a) freezing whilst the **Buildings** belonging to **You** or for which **You** are responsible are **Unoccupied**.
- (b) **Explosion, Earthquake, Subterranean Fire** or heat caused by **Fire**.

14) Subsidence, Ground Heave or Landslip excluding **Damage**:

- (a) arising from the settlement or movement of made-up ground or by coastal or river erosion.
- (b) occurring as a result of the construction, demolition, alteration or structural repair of any **Property** at the **Premises**.
- (c) arising from the settling, shrinkage or expansion of foundations, walls, floors, ceilings or roof, settlement or bedding down of new structures or extensions.
- (d) occurring prior to the inception date of the insurance under this Policy.
- (e) caused by subsidence, ground heave of any part of the site on which the **Buildings** stand or landslip resulting from groundworks or excavation at the **Premises**.
- (f) caused by subsidence, ground heave of any part of the site on which the **Buildings** insured stand or landslip to the yards, car parks, roads, pavements, walls, gates and fences unless the **Buildings** are affected at the same time.

15) Theft or Attempted Theft:

- (a) involving forcible and violent entry to or exit from **Buildings**.
- (b) following assault or violence or threat of assault or violence to **You** or any partner, director or **Employee** or members of their families or any other person lawfully on the **Premises**.
- (c) to the **Premises** for which **You** are responsible as a result of (a) above.

but **We** do exclude **Damage**:

- (i) caused by **You** or any partner, director or **Employee** of **Yours** or any other person to whom **Property** has been entrusted excepting collusion by any **Employee** where such **Damage** involves forcible and violent entry to or exit from **Buildings**
- (ii) in respect of:
 - (A) coin and similarly operated gaming and/or amusement machines or their contents
 - (B) money
 - (C) livestock, growing crops or trees, furs, jewellery, gold, silver or other precious metals or precious stones or curiosities, works of art or rare books
 - (D) to **Property** in gardens, yards, open spaces or in open sided or fronted **Buildings** or in **Buildings** not on permanent foundations

unless **We** state otherwise.

16) Escape of Fuel Oil from any fixed heating installation, tank, apparatus or pipe excluding **Damage** in respect of any **Unoccupied Building**.

17) Accidental Physical Damage excluding:

(a) **Damage** caused by:

- (i) Perils 1 to 16 (inclusive) above and the causes excluded therein.
- (ii) inherent vice, latent defect, gradual deterioration, gradually operating cause, wear and tear, faulty or defective design or materials.
- (iii) faulty or defective workmanship, operational error or omission on **Your** part or on the part of any **Employee**.
- (iv) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects.
- (v) change in temperature, colour, flavour, texture or finish.
- (vi) 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.
- (vii) 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 **Damage** to surrounding **Property** not forming part of the same machine apparatus or equipment.
- (viii) electrical or magnetic disturbance or erasure of electronic recordings.
- (ix) acts of fraud or dishonesty.
- (x) unexplained disappearance, unexplained shortage, inventory shortage, misfiling or misplacing of information.
- (xi) **You** voluntarily parting with title or possession of any **Property** or rights to **Property**.
- (xii) confiscation, requisition, seizure or destruction by order of the government or any public authority.
- (xiii) cessation of work
- (xiv) the solidification of molten material unless such **Damage** is directly caused by any other **Specified Peril** not otherwise excluded.

(b) **Damage** to:

- (i) **Buildings** or structures caused by their own collapse or cracking unless resulting from any other **Specified Peril** not otherwise excluded.
- (ii) **Property** or structures in course of construction or erection and materials or supplies in connection with all such **Property** in course of construction or erection.
- (iii) **Property** in the open or in Transit.
- (iv) vehicles other than forklift trucks and vehicle accessories thereon licensed or intended to be licensed for road use, caravans, trailers, railway locomotives, rolling stock, watercraft or **Aircraft**.
- (v) livestock, growing crops or trees.
- (vi) jewellery, precious stones, precious metals, bullion, furs, curiosities, rare books or works of art.

(c) **Damage** resulting from **Property** undergoing:

- (i) any process of production.
- (ii) any process of packaging, treatment, testing, commissioning, cleaning, servicing, repair or any other similar process but this will not exclude **Damage** to surrounding **Property**:
 - (l) not forming part of the same machine.



- (II) not forming part of the same process of production or the same process of packaging, treatment, testing, commissioning, cleaning, servicing, repair or any other similar process.

Other Definitions

- 1) **Annual Gross Rent Receivable** means:
the **Gross Rent Receivable** during the 12 months immediately before the **Incident** or for a **New Business** the proportionate equivalent for a period of 12 months of the **Gross Rent Receivable** realised during the period between the date **You** commenced **Your Business** and the date of the **Incident**.
- 2) **Asbestos** means:
asbestos fibres or particles or any derivatives of asbestos including any product or material containing asbestos, asbestos fibres or particles or any derivatives of asbestos.
- 3) **Bodily Injury** means:
physical or mental injury including death, illness, disease, mental anguish or shock but not defamation.
- 4) **Building(s)** means:
buildings belonging to **You** or for which **You** are responsible in the event of **Damage** at the **Premises** that is, unless otherwise stated in the **Schedule**, built mainly of brick, stone, concrete or other non-combustible materials and includes, unless more specifically insured:
 - (a) landlord's fixtures and fittings
 - (b) equipment fixed to the exterior of the buildings
 - (c) glass
 - (d) outside buildings, extensions, gangways, annexes, purpose built static refrigerated units, conveniences, external hoists and staircases
 - (e) walls, gates, fences, yards, driveways, car parks, forecourts, roads and footpaths
 - (f) conveyors trunk lines, wires, service pipes and other equipment on the **Premises**, security lighting, security cameras and other security or **Fire** protection devices, affixed signs, television, radio, satellite receiving aerials, communications aerials, masts affixed to the building, fixed poles, fixed pylons, fittings and sub-stations attaching to and belonging to the **Premises**
- 5) **Business** means:
Your business as stated in the **Schedule**.
- 6) **Business Interruption** means
interruption of or interference with **Your Business** carried on at the **Premises** in consequence of an **Incident**.
- 7) **Computer and Electronic Office Equipment** means:
all computers, computer installations and systems, microchips, integrated circuits microprocessors, embedded systems, hardware and any electronic equipment, data processing equipment, information, repository, telecommunication equipment and equipment capable of processing **Data** and/or similar devices whether physically or remotely connected thereto.
- 8) **Contractual Liability** means:
liability attaching to **You** by virtue of a contract but which would not have attached in the absence of such contract.
- 9) **Conveyance** means:
any water and/or air and/or road and/or rail conveyances of every description.
- 10) **Customers Accounts** means:
all the credit accounts of **Your Business**.

- 11) Damage** means:
physical loss or destruction or damage.
- 12) Data** means:
information represented or stored electronically including but not limited to code or series of instructions, operating systems, software programs and firmware.
- 13) Electronic Data** means:
facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programs, software and other coded instructions for the processing and manipulation of **Data** or the direction and manipulation of such equipment.
- 14) Employee(s)** means:
- (a) any person under a contract of service or apprenticeship with **You**
 - (b) any labour master or labour only subcontractor or person supplied or employed by them
 - (c) any self-employed person
 - (d) any person hired to or borrowed by **You**
 - (e) any person engaged under a work experience, youth training or similar scheme
 - (f) any voluntary helper
 - (g) any outworker or homeworker
- under **Your** control and supervision while working for **You** in connection with **Your Business**.
This definition shall not include any bona fide sub-contractor.
- 15) Endorsement(s)** means:
the document(s) detailing modifications made to the cover provided under this Policy and/or the **Section(s)** thereof.
- 16) Gross Rent Receivable** means:
the money paid or payable to **You** for tenancies and other charges and for services rendered in the course of **Your Business** at the **Premises**.
- 17) Incident** means:
an occurrence of **Damage** to **Property** used by **Your Business** carried on at the **Premises**.
- 18) Indemnity Period** means:
the period commencing from the date of the **Incident** and ending no later than the **Maximum Indemnity Period** stated in the **Schedule** during which the results of the **Business** are affected in consequence of the **Damage**.
- 19) Insured/You/Your** means:
the person or corporate body or organisation detailed in the **Schedule**.
- 20) Insurer/Our/Us/We** means:
insurers whose identity is stated in the Customer Information Statements herein.
- 21) Landlord's Contents** means:
Fixtures and fittings (not forming a permanent part of the structure), furniture, furnishings, utensils and domestic appliances belonging to **You** or for which **You** are responsible in connection with the **Business** excluding:
- (a) moveable **Property** in the open or in outbuildings.

- (b) **Computers and Electronic Office Equipment** and portable computer equipment.
- (c) jewellery, watches, furs, precious metals, precious stones or articles made from them.
- (d) curios, works of art, antiques, sculptures or rare books.
- (e) **Personal Possessions** and pedal cycles.
- (f) money or documents or records of any kind.
- (g) **Stock**.
- (h) Property more specifically insured.

22) Maximum Indemnity Period means:

the number of months stated against each item detailed in the **Schedule** unless stated otherwise by **Endorsement**.

23) Microchip means:

a unit of packaged computer circuitry manufactured in small scale and made for program logic including computer memory purposes and expressly including integrated circuits and microcontrollers.

24) New Business means:

for the purpose of any basis of claims settlement, an **Incident** occurring before **You** have completed **Your** first 12 months **Business** trading at the **Premises**.

25) Offshore Activity means:

any work on or visit to an **Offshore Installation** from the time of embarkation onto a **Conveyance** at the point of final departure to such **Offshore Installation** until the time of disembarkation from a **Conveyance** onto land on return from such **Offshore Installation**

26) Offshore Installation means:

any offshore installation rig or platform whether fixed or mobile or any vessel or semi-submersible including any catwalk, landing ramp, bridge, walkway, accommodation or other connected structure which has been is or will be engaged in the processes of prospecting for or extraction, separation, storage, treatment or distribution of oil or gas.

27) Outstanding Debit Balances means:

the total amount recorded as owed by customers or clients as set out in **Your** accounts at the time of the **Incident** adjusted for:

- (a) bad debts
- (b) amounts debited or invoiced but not debited and credited (including credit notes and money not passed through **Your** books of accounts at the time of the **Incident**) to **Customers Accounts** in the period between the last statement date and the date of the **Incident**.
- (c) any abnormal condition of trade which had or could have had a material effect on **Your Business** so that the figures adjusted shall represent as nearly as practicable those which would have applied at the date of the **Incident** had the **Incident** not occurred.

28) Period of Insurance means:

the period stated in the **Schedule** or any subsequent period for which **We** agree to accept payment of premium.

29) Personal Possessions

Clothing, baggage, sports equipment and other items normally worn or carried about the person but not including portable electrical equipment, jewellery, pedal cycles, car keys, car alarm controls or vehicle accessories.

30) Pollution or Contamination means:

pollution or contamination of buildings or structures or of water or land or the atmosphere

and

all loss, **Damage to Property** or **Bodily Injury** directly or indirectly caused by or arising from such pollution or contamination.

31) Premises means:

the Risk Address Premises listed in the **Schedule** occupied by **You** or **Your** tenant(s) for the purposes of **Your Business** and includes the grounds within the boundaries for which **You** are responsible.

32) Principal means:

any person, employer, firm, company, ministry or authority for whom **You** carry out a contract for the performance of work.

33) Product Supplied means:

any product or thing (including containers, packaging or labelling) sold, supplied, erected, repaired, altered, treated, installed, processed, manufactured, tested, serviced, hired out, stored, transported or delivered by **You** in the course of **Your Business** from **Premises** within the **Territorial Limits**.

34) Property means:

material property.

35) Proposal means:

any completed proposal form and/or information provided by **You** or on **Your** behalf in connection with this Policy including all declarations and/or statements of fact and/or instructions.

36) Schedule means:

the document stating the operative **Section(s)** **You** have chosen, the **Period of Insurance**, details of **Your Business**, the Limit(s) of Liability or **Sum(s) Insured** and/or total **Sum Insured**.

37) Section(s) means:

the parts of this Policy that detail the cover provided by each individual Section of this Policy.

38) Specified Peril means:

such perils as are defined in the Perils Definitions and are specified in the **Schedule** as being covered.

39) Standard Gross Rent Receivable means:

the **Gross Rent Receivable** during the period in the 12 months immediately before the **Incident** which corresponds with the **Indemnity Period** or for a **New Business** the proportionate equivalent for a period equal to the **Indemnity Period** of the **Gross Rent Receivable** realised during the period between the date **You** commenced **Your Business** and the date of the **Incident**.

40) Stock means:

Stock and materials in trade **Your Property** or for which **You** are responsible while in the **Buildings** or in the open yards at the **Premises** or as specified in the **Sections** hereof.

41) Sum Insured means:

Our limit of liability in respect of **Damage to Property** or **Business Interruption** arising therefrom as shown in the **Schedule** for the **Sections**.

42) System means:

computers, other computing and electronic equipment linked to a computer, hardware, software programs, **Data** processing equipment, **Microchip** and anything which relies on a **Microchip** for any part of its operation and includes for the avoidance of doubt any computer installation.

43) Territorial Limits means:

Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

44) Terrorism means:

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

45) Unoccupied means:

unoccupied and/or untenanted and not actively used for a period of more than 30 consecutive days.

46) Virus means:

programming code designed to achieve an unexpected, unauthorised and/or undesirable effect or operation when loaded onto a **System**, transmitted between **Systems** by transfer between computer **Systems** via networks, extranets, internet, electronic mail or attachments thereto or via floppy diskettes or CD-ROMs or otherwise and whether involving self-replication or not.

SECTION A – PROPERTY DAMAGE

Definitions

These definitions apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

In this **Section**:

- 1) **Property Insured** means:
the **Property** listed in the **Schedule** for this **Section**.

Insuring Clause

If the **Property Insured** is **Damaged** by a **Specified Peril** during the **Period of Insurance** **We** will cover **You** for such **Damage** and will, at **Our** option, replace or repair or pay for any item or any part thereof that has been so **Damaged** whether wholly or in part.

Limit of Liability

The most **We** will pay under this **Section** shall not exceed the **Sum Insured** for each item stated in the **Schedule** for this **Section** or the limit specified in any Extension to this **Section**.

Exclusions

We shall not cover **You** for:

- 1) delay, loss of market, loss of use or subsequent or inevitable loss and/or **Damage** of any kind unless specifically insured as an item under this **Section**.
- 2) **Damage** to any **Property** more specifically insured by **You** or on **Your** behalf.
- 3) **Pollution or Contamination** except (unless otherwise excluded) **Damage** to the **Property Insured** caused by:
 - (a) **Pollution or Contamination** which itself results from one or more of Perils 1 to 16 inclusive as defined.
 - (b) any of the perils listed in (a) above which itself results from **Pollution or Contamination**
- 4) **Damage** to working dynamos, motors, wires, main or electrical apparatus through short circuiting, overrunning or excessive pressure.
- 5) **Damage** to motor vehicles or their contents more specifically insured.
- 6) **Damage** caused by the accidental or deliberate introduction of a **Virus** or other instruction, information or code into any electronic equipment.
- 7) **Damage** which originated prior to the inception date of this Policy.
- 8) **Damage** in respect of electrical appliances or installations caused by self-ignition, short circuiting, overrunning or excessive pressure.
- 9) **Damage** attributable solely to change in the water table level.
- 10) any **Damage**, cost or expense directly or indirectly arising out of, resulting as a consequence of, or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to **Asbestos** or materials or products containing **Asbestos** whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.
- 11) the amount stated in the **Schedule** as being the Excess for this **Section** which we will deduct from each and every claim after the application of any applicable condition of Average (underinsurance).

Conditions

1) Automatic Reinstatement

In consideration of the cover hereby not being reduced by **Our** payment of a claim under this **Section**, **You** will pay such additional premium as **We** may require.

2) Automatic Sprinkler Installations

In consideration of **Our** allowing a discount and/or reduced rate for the presence of an automatic sprinkler installation(s) at the **Premises You** or **Your** tenant(s) will:

- (a) conduct a test every working day to determine the condition of the circuit between the alarm switch and the control unit unless:
 - (i) this function is continuously monitored.
 - (ii) a ring circuit or one break of wire(s) will not prevent an alarm signal being transmitted.
- (b) conduct a test at least once a week to determine the condition of:
 - (i) the connection with the public fire station, central fire alarm depot or public fire brigade control unless **You** have a written undertaking from the public fire brigade that they will carry out this test.
 - (ii) the relevant batteries provided that where the circuit is not continuously monitored a test must be made and recorded every working day.
- (c) have a contract with approved installing engineers providing for the maintenance of and half-yearly inspection of the installation(s) and obtain from them following each inspection certification that the said installation(s) are in satisfactory working order.
- (d) conduct a test every week to determine that the alarm bell is in working order and that the stop valves controlling the individual water supplies and the installation(s) are fully open.
- (e) conduct tests each week to determine that the pump(s) can be started both automatically and manually and that in respect of any diesel engine driven pump the battery electrolyte level and density are correct and record the completion of these tests.
- (f) conduct quarterly or half-yearly tests if required by **Us** to do so to determine that each water supply is in order and record the particulars of each test.
- (g) remedy promptly any defect disclosed by such tests or otherwise.
- (h) notify **Us** before any installation is rendered inoperative or immediately in the event of emergency.

We shall have access to the **Premises** at all reasonable times for the purpose of inspecting the sprinkler installation(s).

3) Basis of Settlement

In the event of the **Property Insured** (other than Materials in Trade, motor vehicles and motor chassis, directors', **Employees'** or visitors' personal effects, tools and cycles if insured hereby) being **Damaged** the basis upon which the amount payable under each of the Items of this **Section** is to be calculated shall be the reinstatement of the **Damaged Property**, subject to the following special provisions and subject also to the terms and conditions of this Insurance except in so far as the same may be varied hereby.

For the purposes of this condition "reinstatement" shall mean the carrying out of the following work, namely:

- (a) Where **Property** is destroyed, the rebuilding of the **Property**, if a building, or, in the case of other **Property**, its replacement by similar **Property**, in either case in a condition equal to but not better or more extensive than its condition when new.
- (b) Where **Property** is **Damaged**, the repair of the **Damage** and the restoration of the **Damaged** portion of the **Property** to a condition substantially the same as but not better or more extensive than its condition when new.

Special Provisions

- (i) The work of reinstatement (which may be carried out upon another site and in any manner suitable to **Your** requirements subject to **Our** liability not being thereby increased) must be commenced and carried out with reasonable despatch; otherwise no payment beyond the amount which would have been payable under the Insurance if this condition had not been incorporated therein shall be made.
- (ii) When any **Property Insured** under this condition is **Damaged** in part only, **Our** liability shall not exceed the sum representing the cost which **We** could have been called upon to pay for reinstatement if such **Property** had been wholly destroyed.
- (iii) No payment beyond the amount which would have been payable under this **Section** if this condition had not been incorporated therein shall be made until the cost of reinstatement shall have been actually incurred.
- (iv) Each Item under this condition is declared to be separately subject to the following Condition of Average, namely:
If at the time of reinstatement the sum representing 85 per cent of the cost which would have been incurred in the reinstatement if the whole of the **Property** covered by such Item had been destroyed exceeds the **Sum Insured** thereon at the breaking out of any **Fire** or at the commencement of any **Damage** to such **Property** by any other peril hereby insured against, then **You** shall be considered as being **Your** own insurer for the difference between the **Sum Insured** and the sum representing the cost of reinstatement of the whole of the **Property** and shall bear a rateable proportion of the loss accordingly.
- (v) No payment beyond the amount which would have been payable under this insurance if this condition had not been incorporated herein shall be made if at the time of any **Damage** to any **Property Insured** hereunder such **Property** shall be covered by any other insurance effected by **You** or on **Your** behalf which is not upon the identical basis of reinstatement set forth herein.
- (vi) Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under this insurance if this condition had not been incorporated herein **Our** and **Your** rights and liabilities in respect of the **Damage** shall be subject to the terms and conditions of this insurance, including any Condition of Average therein, as if this condition had not been incorporated therein.

In the event of Materials in Trade, motor vehicles and motor chassis, directors', **Employees'** or visitors' personal effects, tools and cycles, if insured hereby, being **Damaged** the amount payable will be the value of the item at the time of **Damage**. **We** shall be entitled at **Our** option to replace or repair or pay for any item or part thereof whether wholly or in part. Each item subject to this basis of settlement condition is declared to be separately subject to the following Condition of Average:

If at the time of **Damage** the **Sum Insured** for each item is less than 85 per cent 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**.

4) Claims notification

It is a condition of this insurance that **You** will:

- (a) give written notice to **Us** as soon as reasonably practicable of any circumstance which may give rise to a claim under this Policy with full particulars of such circumstance.
- (b) notify **Us** and the police immediately that it becomes evident any **Damage** has been caused by Peril 6 (**Malicious Persons**) and/or 15 (**Theft or Attempted Theft**) and take all practical steps to discover any guilty person and to trace and/or recover the **Property Insured**.
- (c) deliver to **Us** at **Your** own expense within 30 days after the occurrence of **Damage** giving rise to a claim or 7 days in the event of **Damage** being caused by Peril 5 (**Riot, Civil Commotion, Strikers, Locked-out Workers**) and/or 6 (**Malicious Persons**) or such further time as **We** may allow:
 - (i) full information in writing of the **Property** lost destroyed or **Damaged** and of the amount of **Damage**.
 - (ii) details of any other insurances on any **Property** hereby insured.
 - (iii) all such proofs and information relating to the claim as may be reasonably required.
 - (iv) if requested provide a statutory declaration of the truth in respect of the claim submitted and any other

relevant details.

- (d) provide all additional information **We** may require within the time stipulated by **Us**.
- (e) carry out and permit to be taken any action which may be reasonably practicable to prevent further **Damage**.

All claims should be notified to **Us** using one of the methods described in the Customer Information Statements section near the beginning of this Policy.

5) Day One (Non-Adjustable) (Applicable to Items marked D on the **Schedule** for this **Section**)

- (a) **You** have stated in writing the Declared Value for each item of the **Property Insured** to which this Condition applies (the said Declared Value being shown in brackets under the **Sum Insured**), the premium has been calculated accordingly.

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

- (i) the additional cost of reinstatement to comply with Public Authority requirements (as defined in the European Union & Public Authorities extension).
- (ii) professional fees (as defined in the Professional Fees extension).
- (iii) debris removal costs (as provided for in the Debris Removal extension).

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

- (c) Notwithstanding any general indication or **Endorsement** to the contrary the following wordings apply to Special Provisions (iv) and (vi) of the Basis of Settlement Condition:

- (iv) Each Item insured under this condition is declared to be separately subject to the following Condition of Average, namely:

If at the time of loss the Declared Value of the **Property** covered by such item be less than the cost of reinstatement (as defined in paragraph (a) of the Day One Condition) at the inception of the **Period of Insurance** then **Our** liability for any loss hereby insured shall be limited to that proportion thereof which the Declared Value bears to such cost of reinstatement.

- (vi) Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under this insurance if this condition had not been incorporated herein **Your** and **Our** rights and liabilities in respect of the **Damage** shall be subject to the terms and conditions of this insurance including any Condition of Average therein, as if this condition had not been incorporated herein except that the Sums Insured shall be limited to 130% of the Declared Values.

6) Designation

We agree for the purpose of determining an item heading for any **Property Insured** to accept the designation of such **Property** stated in **Your** accounts.

7) Fire Alarms

You hereby undertake that **You** or **Your** tenant(s) will:

- (a) carry out and record the testing and checking requirements referred to on the completion certificate and remedy promptly any defect disclosed.
- (b) carry out and record the maintenance procedures specified by the manufacturers of the equipment.
- (c) notify **Us** immediately of any disconnection or failure of the automatic fire alarm installation likely to leave any area of the **Premises** unprotected for 12 hours or more.

(d) record details of all events such as alarm faults, tests, maintenance and disconnections and keep such details available for examination by **Our** representatives.

8) Fire Break Doors and Shutters

All fire break doors and shutters are to be kept closed except during working hours and are to be maintained in efficient working order.

9) Fire Extinguishment Appliances

You or **Your** tenant(s) are to inspect the Fire extinguishment appliances regularly and promptly remedy any defect disclosed by any such inspection or by any other means.

10) Intruder Alarm Installation

Where the **Premises** are protected by an Intruder Alarm Installation:

(a) such installation is not to be altered or amended in any way unless **We** have agreed to such amendment or alteration in writing.

(b) such installation is to be maintained under contract with the installers or as otherwise approved by **Us**.

(c) **You** shall immediately notify **Us** upon receipt of any communication giving notice that the level of response to the Intruder Alarm Installation has been or will be reduced delayed or withdrawn.

(d) the **Premises** will not be left Unattended without **Our** agreement:

(i) unless the Intruder Alarm Installation is set in its entirety with the means of communication used to transmit signals in full operation.

(ii) where the level of response is reduced to no police attendance or keyholder response only.

(e) **You** shall appoint at least 2 keyholders and lodge written details (which must be kept up to date) of such persons with the:

(i) alarm company

(ii) alarm receiving centre

and

(iii) police and/or the local authority if they so require.

(f) in the event of notification of any activation of the Intruder Alarm Installation or interruption of the means of communication during any period that the Intruder Alarm Installation is set, a keyholder shall attend the **Premises** as soon as possible in order to confirm the security of the **Buildings** and reset the Intruder Alarm Installation in its entirety.

If the Intruder Alarm Installation cannot be reset in its entirety or all means of communication used to transmit signals are not in full operation a keyholder must remain at the **Premises** unless **We** agree otherwise.

11) Non-Invalidation

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

12) Seventy Two Hour Clause

In the event of **Damage** caused by:

(a) Peril 7 (**Earthquake**) or a series of **Earthquakes**, or

(b) Peril 9 (**Storm**) or a series of **Storms**, or

(c) Peril 10 (**Flood**) or a series of **Floods**

occurring within a 72-hour consecutive period they will be regarded as one occurrence of **Damage** provided that:

- (i) no one individual **Earthquake, Storm or Flood** which occurs outside a 72-hour consecutive period will be accepted in that one occurrence of **Damage**.
- (ii) **You** select the time when the 72-hour consecutive period commences.
- (iii) the 72-hour consecutive period will not operate beyond either expiry of the **Period of Insurance** or, if notice of cancellation has been issued as provided for herein, the effective date of such cancellation as specified in the said notice.

13) Subrogation Waiver

We agree to waive any rights, remedies and/or relief to which **We** may become entitled against any subsidiary or parent company of **Yours** or any fellow subsidiary where **You** are also a subsidiary as defined by current legislation.

14) Subsidence

It is a condition of this insurance in respect of any **Damage** by Peril 14 (**Subsidence, Ground Heave or Landslip**) that **You** will notify **Us** immediately of any demolition, groundwork, excavation or construction being carried out on any adjoining site.

In the event of such work being carried out **We** will have the right to vary the terms or cancel this Policy.

15) Unoccupied Premises

In respect of **Unoccupied Premises** it is a condition of this insurance that:

- (a) **You** must tell **Us** immediately **You** become aware:
 - (i) that the **Premises** is **Unoccupied**.
 - (ii) of any **Damage** to the **Unoccupied Premises** whether the **Damage** is insured or not.
- (b) the **Premises** must be inspected internally and externally at least once a week by **You** or on **Your** behalf and **You** maintain a written record of the inspection.
- (c) all refuse and waste materials must be removed from the interior of the **Premises** and no accumulation of refuse and waste is allowed in the adjoining yards or space owned by **You**.
- (d) **You** must secure the **Premises** and put all protective, locking devices and any alarm protection into effective operation.
- (e) the gas, water and electricity supplies must be turned off at the mains (except electricity needed to maintain any fire or intruder alarm systems).
- (f) during the period 1st October to 31st March all water systems must be drained or the heating system put into effective operation to maintain the internal temperature at a minimum of 10 degrees centigrade.
- (g) **You** must implement any additional protections that **We** may require within the time scale **We** specify.
- (h) all **Damage** to the **Premises** must be rectified immediately.
- (i) letterboxes must be sealed.
- (j) the final exit door of the **Buildings** at the **Premises** must be secured by an appropriate mortice deadlock which has five or more levers and conforms to British Standard (BS) 3621 or European Norm (EN) 1303 together with a matching metal box striking plate, installed in accordance with the manufacturers recommendations.

16) Workmen

Workmen are allowed in or about any of the **Premises** for the purpose of carrying out minor alterations, repairs, decorations and/or any maintenance without prejudice to this insurance.

Extensions

The terms, Conditions and Exclusions of this Policy and/or **Section** apply to these Extensions and where no limit or maximum liability is stated in the Extensions the **Section** limit of liability applies.

1) Additional Metered Supply Charges

This **Section** extends to cover additional metered charges incurred by **You** or for which **You** are responsible as a result of **Damage** at the **Premises**.

The most **We** will pay under this extension shall not exceed £25,000 in respect of any occurrence of **Damage** and **We** will not cover any claims where, following discovery of **Damage**, no remedial action is taken within 7 days of such discovery.

2) Capital Additions

This **Section** extends to cover:

- (a) alterations, additions and/or improvements to the **Property** but not any appreciation in value
- (b) newly acquired and/or newly occupied **Property** (provided **Your** interest is not otherwise insured) anywhere in the **Territorial Limits**

provided that:

- (i) at any one **Premises** the cover provided by this extension will not exceed 10 per cent of the **Sum Insured** under the respective item or £500,000 in the aggregate whichever is the less.
- (ii) **You** will advise **Us**:
 - (A) every 6 months in respect of any such alterations, additions and improvements.
 - (B) as soon as practicable of any newly acquired and/or newly occupied **Property**.

You will pay the appropriate additional premium required from inception of any additional insurance provided.

The additional **Sum Insured** declared will be added by **Endorsement** to the respective **Schedule Sum Insured** whereupon these provisions shall be fully reinstated.

3) Continuing Interest and Hire Charges

This **Section** extends to cover the continuing interest or hiring charges of **Property** for which **You** are responsible and are unable to recover under the terms of a lease or similar agreement following **Damage** to **Property** at the **Premises**.

The most **We** will pay under this extension shall not exceed £10,000 in the **Period of Insurance**.

4) Debris Removal

This **Section** extends to cover costs and expenses necessarily incurred by **You** with **Our** consent in:

- (a) removing debris from
- (b) dismantling and/or demolishing
- (c) shoring up or propping up

the portion or portions of the **Property Insured** by the items stated in the **Schedule** for this **Section** following **Damage**.

The most **We** will pay under this extension in respect of any item shall in no case exceed the **Sum Insured**.

This extension does not include any costs and expenses incurred in removing debris:

- (i) except from the **Premises** where **Damage** occurred and the area immediately adjacent thereto.
- (ii) arising from **Pollution or Contamination** of **Property** not insured by this **Section**.

5) European Union & Public Authorities

This **Section** extends to cover such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with:

- (a) European Union legislation
- (b) Building or other regulations under or framed in pursuance of any Act of Parliament or bye laws of any public authority which are hereinafter referred to as “the regulations”

in respect of the **Damaged Property Insured**.

This extension does not apply to:

- (i) the cost incurred in complying with the regulations:
 - (A) in respect of **Damage** occurring prior to the inception of cover under this **Section**.
 - (B) in respect of **Damage** not insured by this **Section**.
 - (C) where notice has been served upon **You** prior to the **Damage** occurring.
 - (D) for which there is an existing requirement which has to be implemented within a given period.
 - (E) in respect of undamaged **Property** or undamaged portions of **Property** other than foundations (unless specifically excluded) of that portion of the **Property** that has been **Damaged**.
- (ii) the additional cost that would have been required to make good the **Damaged Property** to a condition equal to its condition when new had the necessity to comply with the regulations not arisen.
- (iii) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the **Property** or by the owner thereof by reason of compliance with the regulations.

Provided that:

- (I) 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 within the said 12 months and may be carried out upon another site if the regulations so necessitate subject to **Our** liability under this extension not being thereby increased.
- (II) if **Our** liability under any item of this **Section** apart from this extension shall be reduced by the application of any of the terms Conditions and Exclusions of this **Section** then **Our** liability under this extension in respect of any such item shall be reduced in like proportion.
- (III) the total amount recoverable under any item of this **Section** and extension shall not exceed:
 - (A) in respect of European Union legislation:
 - (1) 15 per cent of the **Sum Insured**.
 - (2) where the **Sum Insured** by the Item applies to **Property** at more than one **Premises**, 15 per cent of the total amount for which **We** would have been liable had the **Property Insured** by the item at the **Premises** where **Damage** had occurred been totally destroyed.
 - (B) the **Sum Insured** in respect of building or other regulations under or framed in pursuance of any Act of Parliament and/or bye-laws of any public authority.

6) Extinguishment and Alarm Resetting Expenses

This **Section** extends to cover costs necessarily and reasonably incurred by **You** in refilling fire extinguishing appliances, replacing used sprinkler heads and resetting fire and/or intruder alarms as a result of **Damage** to the **Property Insured**.

7) Fire Extinguishment Expenses

Where they are not otherwise recoverable, this **Section** extends to cover extinguishment expenses reasonably incurred by **You** in order to minimise **Damage**.

The most **We** will pay under this extension shall not exceed £25,000 in respect of any occurrence of **Damage**.

8) Fly Tipping

This **Section** extends to cover the reasonable costs and expenses necessarily incurred by **You** with **Our** consent for the clearing and removing of any property illegally deposited in or around **Your Premises**.

The most **We** will pay under this extension shall not exceed £10,000 in any one **Period of Insurance** and **We** shall not pay the first £500 of each and every claim.

9) Further Investigation Costs

Where a **Building** has suffered **Damage** and in the opinion of a competent construction professional there is a reasonable possibility of other **Damage** to portions of the same **Building** which is not immediately apparent, this **Section** extends to cover the reasonable costs incurred by **You** with **Our** prior consent in establishing whether or not such **Loss or Damage** has occurred.

We will also pay the reasonable costs incurred by **You** in establishing whether or not other **Buildings** in the vicinity owned or leased by **You** or for which **You** are responsible have suffered **Damage** in the same **Incident** as that causing **Damage** to the **Building** but only if such other **Building** is subsequently found to have suffered such **Damage** for which **We** are liable.

The most **We** will pay under this extension shall not exceed £25,000 any one claim.

10) Glass

This **Section** extends to cover **Damage** for which **You** are responsible to fixed plain sheet and/or fixed plain plate glass in windows, doors, fanlights, skylights, partitions, furniture displays, show cases, counters, shelves, neon and/or illuminated signs, electric light fittings and fixed sanitary ware.

Following such **Damage We** will cover costs necessarily and reasonably incurred for:

- (a) repair or replacement of any lettering, embossing, beading, silvering or ornamental work - the most **We** will pay for such repair or replacement shall not exceed £1,000 for any one occurrence of **Damage**.
- (b) boarding up, repair and/or replacement of window frames, framework, security fittings and/or alarm foil - the most **We** will pay for such boarding up, repair and/or replacement shall not exceed £1,000 for any one occurrence of **Damage**.
- (c) **Damage** to Goods displayed provided such **Damage** was not a direct result of Peril (15) **Theft or Attempted Theft** - the most **We** will pay shall not exceed £1,000 for any one occurrence of **Damage**.

This extension does not include **Damage** caused by or arising from:

- (i) repairs, alterations or other fitting to the **Premises**.
- (ii) defects in frames and framework.
- (iii) any **Unoccupied Building**.
- (iv) faulty or defective workmanship by **You** or by any of **Your Employees**.
- (v) wear, tear, gradual deterioration, mechanical or electrical breakdown of neon and illuminated signs and electric light fittings.

11) Ground Rent

This **Section** extends to cover up to 2 years ground rent if **Your Premises** are rendered temporarily uninhabitable but only during the period necessary for reinstatement.

The most **We** will pay in respect of this extension shall not exceed 10% of the **Buildings Sum Insured** as specified in the **Schedule** for this **Section**.

12) Inadvertent Omission to Insure

This **Section** extends to cover **Damage** to any **Building** within the **Territorial limits** which **You** own or for which **You** are responsible to insure which **You** have inadvertently failed to insure under this **Policy** or any other policy with **Us** provided that:

- (a) immediately on becoming aware of any **Building** not insured **You** shall arrange insurance with **Us** with effect from inception of this **Policy** or the date upon which the insurance should have been arranged whichever is the later and pay the appropriate additional premium.
- (b) the most **We** will pay under this extension shall not exceed £250,000.
- (c) **You** shall carry out at not less than annual intervals a check of all properties owned or leased by **You** and for which **You** are responsible to ensure that effective insurance is in force for such properties.
- (d) this extension shall only be effective if **We** are the sole provider of **Buildings** insurance in respect of the properties owned by **You** or for which **You** are responsible in connection with **Your Business** and where **You** have an obligation to arrange such insurance.

13) Landscaping and Garden Restoration

This **Section** extends to cover the costs of restoration of gardens and ornamental features following **Damage** to a condition substantially the same as but not better or more extensive than that immediately before the **Damage** and excluding any loss caused by wind, rain, hail, sleet, snow, **Flood** or dust.

This **Section** also extends to cover the costs of restoration of gardens and ornamental features following **Damage** caused by the fire brigade or other emergency services attending the **Premises** for the purposes of reducing or preventing **Damage** to the **Property Insured**.

The most **We** will pay under this extension shall not exceed £25,000 in respect of any occurrence of **Damage**.

14) Loss Minimisation and Prevention Expenditure

This **Section** extends to cover costs and expenses necessarily incurred by **You** with **Our** consent in:

- (a) preventing or reducing imminent **Damage** which would have been insured under this **Section**.
- (b) reducing, mitigating or otherwise alleviating **Damage** insured under this **Section** during and after the occurrence of such **Damage** provided that:
 - (i) the impending **Damage** was not reasonably foreseeable earlier and would not be the natural outcome if such costs and expenses were not incurred.
 - (ii) the impending **Damage** did not arise from any defect in the **Property Insured**.
 - (iii) the **Damage** is not more specifically insured under this or any other policy, bond, indemnity, security or other legally binding contract.

The most **We** will pay under this extension shall not exceed £25,000 in respect of any one claim.

15) Other Interests

The interest in this insurance of parties having a financial interest in supplying **Property** to **You** under a hiring, leasing, mortgage and/or similar agreement is noted by this extension. **You** shall disclose to **Us** the nature and extent of any such interest in the event of **Damage**.

16) Professional Fees

This **Section** extends to include within the **Sum Insured** for each **Buildings** item an amount for architects, surveyors, legal and/or consulting engineers fees incurred with **Our** consent in the reinstatement and/or repair of **Property Insured** following **Damage** but **We** do not include any fees for preparation or presentation of any claim.

17) **Property** in the Open

The exclusion of **Damage** to **Property** in the open in the Definitions of **Storm, Flood, Theft or Attempted Theft** and **Accidental Physical Damage** is understood not to apply in respect of **Property** stored in a secure, enclosed compound on land used by **Your Business**.

The most **We** will pay under this extension shall not exceed £5,000 in respect of any one claim unless a higher amount is specified as the **Sum Insured** in respect of such **Property** in the **Schedule** for this **Section**.

18) Removal of Wasps' and Bees' and Hornets' Nests

This **Section** extends to include the costs necessarily and reasonably incurred by **You** with **Our** consent in removing bees', wasps' and hornets' nests from **Your Premises**.

The most **We** will pay under this extension shall not exceed £500 in respect of any one **Claim**.

19) Replacement Locks

If Peril 17 (**Accidental Physical Damage**) is covered hereunder and any of the keys of the **Premises** are stolen from **You** or from any of **Your** partners, Directors or **Employees** and not recovered within 7 days, this **Section** extends to cover the costs of replacement of the locks at the **Premises** to a standard equal to but not better than their original standard provided that **We** are notified of the loss within 7 days of it occurring.

The most **We** will pay under this extension shall not exceed £5,000 during any one **Period of Insurance**.

20) Sprinkler Upgrade Costs

This **Section** extends to include within the **Sum Insured** for each **Buildings** item, the additional costs of reinstatement incurred with **Our** consent to upgrade a sprinkler installation to comply with the current edition of the Sprinkler Rules of the Loss Prevention Council provided that the additional costs incurred are solely as a direct result of **Damage** covered by this **Section**.

21) Theft Damage to Buildings

If Peril 15 (**Theft or Attempted Theft**) is covered hereunder, this **Section** extends to cover **Damage** to the **Premises** for which **You** are responsible which does not involve forcible and violent entry to or exit from the **Building**.

The most **We** will pay under this extension shall not exceed £25,000 in the aggregate during any one **Period of Insurance**.

22) Trace and Access

This **Section** extends to cover costs necessarily and reasonably incurred with **Our** consent in locating the source of any **Escape of Water** from any fixed water services or heating installation and/or **Escape of Fuel Oil** including subsequent repair to walls, floors or ceilings provided that:

- (a) this extension shall not pay the cost of repairs to any fixed water services or heating installation.
- (b) The most **We** will pay under this extension shall not exceed £15,000 in respect of any occurrence of **Damage**.

23) Transfer of Interest

If at the time of **Damage** **You** have contracted to sell **Your** interest in any **Buildings** hereby insured and the purchase shall not have been but shall thereafter be completed, the purchaser on completion of the purchase, if and so far as the **Property** is not otherwise insured by or on behalf of the purchaser against such **Damage**, shall be entitled to the benefit of this **Section** so far as it relates to such **Damage** without prejudice to **Your** and **Our** rights and liabilities under this **Section** up to the date of completion.

24) Tree Felling and Lopping

This **Section** extends to cover the costs necessarily and reasonably incurred by **You** with **Our** consent for the felling, lopping and removing of trees belonging to **You** or for which **You** are responsible at the **Premises** which, as a consequence of **Damage** to the said trees by a **Specified Peril** other than Perils 15 (**Theft or Attempted Theft**) or 17 (**Accidental Physical Damage**):

- (a) pose an immediate threat to human life.
- (b) pose an immediate threat of **Damage** to **Buildings** insured.
- (c) have caused actual **Damage** to **Buildings** insured.

We will not pay for:

- (i) the legal or local authority costs involved in removing such trees.
- (ii) Costs incurred solely to comply with a Preservation Order.

The most **We** will pay under this extension shall not exceed £5,000 in the **Period of Insurance**.

25) Underground Services and Gutters

This **Section** extends to cover costs and expenses necessarily incurred following **Damage** in clearing or repairing:

- (a) drains (including inspection covers),
- (b) sewers
- (c) gutters
- (d) underground pipes and underground cables supplying services to **Your Premises**

that are on **Your Premises** and for which **You** are responsible.

SECTION B – BUSINESS INTERRUPTION

Definitions

These definitions apply to this **Section** wherever these words or phrases appear starting with an upper case letter and printed in bold except where stated otherwise.

In this **Section**:

1) Disease means:

any of the following diseases sustained by any person:

acute encephalitis, acute infectious hepatitis, acute meningitis, acute poliomyelitis, anthrax, botulism, brucellosis, cholera, diphtheria, enteric fever (typhoid or paratyphoid), food poisoning, haemolytic uraemic syndrome (HUS), infectious bloody diarrhoea, invasive group A streptococcal disease, legionellosis, leprosy, malaria, measles, meningococcal septicaemia, mumps, plague, rabies, rubella, SARS, scarlet fever, smallpox, tetanus, tuberculosis, typhus, viral haemorrhagic fever (VHF), whooping cough and yellow fever.

Insuring Clause

If any **Building** or other **Property** or any part thereof that **You** use at the **Premises** for the purposes of the **Business** is **Damaged** during the **Period of Insurance** by a **Specified Peril**, **We** will pay **You** the amount of **Your** loss resulting from **Business Interruption** as a consequence of the said **Damage** as provided for in the **Schedule** for this **Section**.

Provided that at the time of the happening of the **Damage** causing the **Business Interruption** there is in force an insurance covering **Your** interest in the **Property Insured** at the **Premises** against such **Damage** and that payment:

- 1) shall have been made or liability admitted or
- 2) would have been made or liability admitted but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.

Limit of Liability

The most **We** will pay under this **Section** shall not exceed the **Sum Insured** for each item stated in the **Schedule** for this **Section** or the limit specified in any Extension to this **Section**.

Exclusions

We shall not cover **You** for:

- 1) any loss resulting from **Business Interruption** as a consequence of **Damage** to any **Building** or other **Property** or any part thereof that **You** use at the **Premises** for the purposes of the **Business** by **Pollution or Contamination** except (unless otherwise excluded) **Damage** caused by:
 - (a) **Pollution or Contamination** which itself results from one or more of Perils 1 to 16 inclusive as defined.
 - (b) any of the perils listed in (a) above which itself results from **Pollution or Contamination**
- 2) any loss resulting from **Business Interruption** as a consequence of or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to **Asbestos** or materials or products containing **Asbestos** whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.
- 3) the amount stated in the **Schedule** as being the Excess for this **Section** which **We** will deduct from each and every claim after the application of any applicable condition of Average (underinsurance).

Conditions

1) Alternative Trading

If during the **Indemnity Period** accommodation shall be provided or services shall be rendered elsewhere than at the **Premises** for the benefit of **Your Business** either by **You** or by others on **Your** behalf the money paid or payable in respect of such accommodation or services shall be brought into account in arriving at the **Gross Rent Receivable** during the **Indemnity Period**.

2) Automatic Reinstatement

In the absence of written notice from **Us** or **You** to the contrary the **Sum Insured** by this **Section** shall not be reduced by the amount of an agreed claim settlement and in return **You** undertake to pay an additional premium on the amount of the agreed claim settlement from the date thereof.

3) Basis of Claims Settlement

For the purposes of this condition, the calculation of the claims settlements payable for the following terms will be subject to such adjustments as may be necessary to provide for the trend of **Your Business** and for variations in or other circumstances affecting **Your Business** either before or after the **Incident** or which would have affected **Your Business** had the **Incident** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Incident** would have been obtained during the relative period after the **Incident**:

Annual Gross Rent Receivable and Standard Gross Rent Receivable.

The following basis of claims settlement(s) apply when the headings specified are included in the **Schedule** for this **Section**.

Gross Rent Receivable

The insurance under this item is limited to:

- (a) loss of **Gross Rent Receivable**
- (b) Increased Cost of Working

and the amount payable thereunder shall be:

- (i) in respect of loss of **Gross Rent Receivable** - the amount by which the **Gross Rent Receivable** during the **Indemnity Period** shall fall short of the **Standard Gross Rent Receivable** in consequence of the **Incident**
- (ii) in respect of Increased Cost of Working - the additional expenditure necessarily and reasonably incurred (including the cost and legal fees connected with re-letting the **Premises**) for the sole purpose of avoiding or diminishing the loss of **Gross Rent Receivable** which but for the expenditure would have taken place during the **Indemnity Period** in consequence of the **Incident** but not exceeding the amount of the reduction in **Gross Rent Receivable** thereby avoided

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

If the **Sum Insured** by the item on **Gross Rent Receivable** be less than the **Annual Gross Rent Receivable** (or to a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds 12 months) the amount **We** will pay shall be proportionately reduced.

Alternative Residential Accommodation

The insurance under this item is limited to:

- (i) the costs **You** incur in providing similar short-term accommodation for **Your** tenant(s) who normally live in **Your Buildings** (that are occupied wholly or partially by **Your** tenant(s) for residential purposes) following **Damage** to such **Buildings** and, as a consequence of such **Damage**, the **Buildings** cannot be lived in or accessed.
- (ii) the costs of temporary storage of such tenant(s)' furniture.

Provided that:

- (a) there is in force an insurance covering **Your** interest in the **Buildings** against such **Damage** and that payment shall have been made or liability admitted for such **Damage**.
- (b) **We** will not pay for any such costs incurred more than 12 months after the date of the **Damage**.

4) Claims notification

It is a condition of this insurance that:

- (a) in the event of **Incident** in consequence of which a claim is or may be made under this **Section You** will:
 - (i) notify **Us** of such **Incident** as soon as is reasonably practicable.
 - (ii) deliver to **Us** at **Your** own expense within 7 days full details of any **Incident** caused by Peril 5 (**Riot Civil Commotion Strikers Locked-out Workers**) or Peril 6 (**Malicious Persons**).
 - (iii) with due diligence carry out and permit to be taken any action which may be reasonably practicable to minimise or check any interruption of or interference with the **Your Business** or to avoid or diminish the loss.
- (b) in the event of a claim being made under this **Section You** will at **Your** own expense:
 - (i) as soon as is reasonably practicable deliver to **Us** in writing particulars of **Your** claim together with details of all other insurances covering **Damage to Property** used by **You** at the **Premises** for the purpose of **Your Business** or any part of it or any resulting **Business Interruption**.
 - (ii) deliver to **Us** such books of account and other **Business** books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may be reasonably required by **Us** for the purpose of investigating or verifying the claim together with if requested a statutory declaration of the truth in respect of the claim and any relevant details.
- (c) any Payments on account of the claim already made will be repaid to **Us** if this Condition is not complied with.

All claims should be notified to **Us** using one of the methods described in the Customer Information Statements section near the beginning of this Policy.

5) Current Cost Accounting

For the purpose of the Definitions relating to this **Section** any adjustment implemented in current cost accounting shall be disregarded.

6) Payments on Account

Payments on account will with **Our** consent be made to **You** during the **Indemnity Period**.

7) Rent Free Period

If at the time of the **Damage** any **Premises** are subject to a rent free period under the terms of the lease then the **Maximum Indemnity Period** stated in the **Schedule** shall be adjusted by adding the unexpired portion of the rent free period to the number of months shown in the **Schedule** provided that **Our** liability does not exceed the **Sum Insured** or any Limit of Liability stated in the **Schedule** whichever is the lower.

8) **Unoccupied Premises**

We will not pay for loss of **Gross Rent Receivable** as a consequence of **Damage to Unoccupied Premises** unless **You** can show that, but for the **Damage**, **Gross Rent Receivable** would have been earned in respect of the said **Premises** and **You** can support a claim for loss of **Gross Rent Receivable** by submitting reasonable evidence of the amount of **Gross Rent Receivable** and the date from which it would have been earned.

In considering **Your** claim **We** will take in to account:

- (a) actual negotiations **You** have had with prospective tenants both before and after the **Damage**.
- (b) demand for similar accommodation in the locality of the **Premises**.
- (c) the general level of rents applying in the locality of the **Premises**.

If required, the advice of a professional valuer acceptable to both **You** and **Us** will be sought and the fees for such advice will be included in the cover provided under this condition.

9) Value Added Tax

To the extent that **You** are accountable to H.M. Revenue and Customs for Value Added Tax all terms in this **Section** shall be exclusive of such tax.

Extensions

The terms, Conditions and Exclusions of this Policy and/or **Section** apply to these Extensions and where no limit or maximum liability is stated in the Extensions the **Section** limit of liability applies.

1) Bomb Scare or Unlawful Occupation

This **Section** extends to cover interruption of or interference with **Your Business** caused by:

- (a) the suspected or actual presence of an incendiary or explosive device on or in the vicinity of the **Premises**
- (b) occupation of the **Premises** or other **Property** in the vicinity of the **Premises** by members of a terrorist or criminal organisation or other unlawful occupants

but this extension does not include any:

- (i) **Incident** where interruption or interference is of less than 48 hours duration.
- (ii) period other than the actual period of prevention or hindrance of access to the **Premises**.
- (iii) eviction costs.
- (iv) **Incident** in Northern Ireland.

This extension only applies during the period beginning with the interruption of or interference with **Your Business** and ends not later than three months after that date during which time the subsequent results of **Your Business** are affected as a consequence of the interruption or interference.

The most **We** will pay under this extension shall not exceed £50,000 for any one such interruption of or interference with **Your Business**.

2) Denial of Access

This **Section** extends to cover interruption of or interference with **Your Business** occasioned by **Damage to Property** in the vicinity of the **Premises** which prevents or hinders **Your** tenant(s)' use of or access to the **Premises** whether the **Premises** or **Your Property** suffers **Damage** or not but excluding **Damage** of or to **Property** of any supply undertaking from which **You** obtain gas, electricity or water which prevents or hinders the supply of such services to the **Premises**.

The most **We** will pay under this extension shall not exceed £100,000 or 10% of the Declared Value for the **Building** to which access has been denied as specified in the **Schedule** to **Section A**, whichever sum is the greater, in respect of any occurrence of **Damage**.

3) Infectious Diseases

This **Section** extends to cover interruption of or interference with **Your Business** in consequence of closure of the **Premises** or part thereof on the order, advice or stipulation of any government or local authority as a result of:

- (a) any human infectious or human contagious **Disease** (excluding Acquired Immune Deficiency Syndrome [AIDS] or an AIDS-related condition) manifested by any person whilst at the **Premises** or within a 25 mile radius of the **Premises**.
- (b) murder or suicide occurring at the **Premises**.
- (c) injury or illness sustained by any visitor arising from or traceable to foreign or injurious matter in food or drink provided on the **Premises**.
- (d) defects in the drains or other sanitary arrangements at the **Premises** or the **Premises** becoming infested with vermin or pests.

For the purpose of this extension Indemnity Period means the period during which the results of **Your Business** are affected in consequence of the outbreak or occurrence described above beginning with the date when restrictions on the **Premises** are imposed and ending not later than the **Maximum Indemnity Period** thereafter.

The most **We** will pay under this extension shall not exceed £50,000 for any one such interruption of or interference with **Your Business**

4) Professional Accountants and Legal Fees

This **Section** extends to cover reasonable fees payable to **Your**:

- (a) professional accountants (if at the time they are regularly acting on **Your** behalf) to produce and/or report from **Your** books of account or other **Business** books and/or documents any particulars, details, other proofs, information and/or evidence **We** may require in investigating or verifying any claim
- (b) lawyer for determining contractual rights under any rent cesser clause or insurance break clause contained within a lease

but this extension does not cover any fees relating to the preparation of any claim.

The most **We** will pay under this extension shall not exceed £50,000 for any one claim.

5) Public Utilities

This **Section** extends to cover interruption of or interference with **Your Business** in consequence of **Damage to Property** at the premises of any public supply undertaking including the land based lines and cables carrying the supply to the terminal point of **Your Premises** in the **Territorial Limits** from which **You** obtain gas, electricity, water or telecommunications but excluding:

- (a) telecommunications where such failure is for a period of less than 24 hours.
- (b) electricity, gas or water where such failure is for a period of less than 4 hours.
- (c) any failure caused by:
 - (i) the deliberate act of any supply authority or by the exercise by any such supply authority of its power to withhold or restrict supply due to drought or any other reason.
 - (ii) strikes or any labour or trade dispute.
 - (iii) other atmospheric or weather conditions but this shall not exclude failure due to **Damage** to equipment caused by such conditions.
 - (iv) loss resulting from error or omission in the design, plan or specification of such land based lines and cables, operational error or omission, faulty workmanship or faulty materials employed in the original product and/or original installation of such **Property**.

The **Maximum Indemnity Period** under this extension shall be 3 months.

The most **We** will pay under this extension shall not exceed £50,000 for any one such interruption of or interference with **Your Business**

6) Book debts

If **Your** books of account or other **Business** books or documents are **Damaged** during the **Period of Insurance** by a **Specified Peril** while:

- (a) at the premises from which **You** operate **Your Business**
- (b) at the premises of any person acting on **Your** behalf to which such books of account or other **Business** books or documents are temporarily removed
- (c) in transit between the premises from which **You** operate **Your Business** and the premises of the person specified in (b) above by road rail or inland waterway

and in consequence thereof **You** are unable to trace or establish the **Outstanding Debit balances** in whole or in part **We** will pay **You** the amount of loss **You** sustain in respect of such **Outstanding Debit Balances**.

The insurance under this extension is limited to the loss **You** sustain in respect of **Outstanding Debit balances** directly due to the **Incident** and the amount payable in respect of any one claim shall not exceed:

(i) the difference between:

(A) the **Outstanding Debit balances** and

(B) the total of the amounts received or traced in respect thereof

and

(ii) the additional expenditure incurred with **Our** consent in tracing and establishing customers debit balances after the **Incident**.

The most **We** will pay under this extension shall not exceed £25,000 in respect of any occurrence of **Damage**.

We shall not cover **You** for:

- 1) any loss resulting from records being mislaid or misfiled.
- 2) any loss resulting from the deliberate falsification of records or by any bookkeeping accounting or other error or omission.
- 3) any loss resulting from dishonest or fraudulent acts by **Your Employees** or by any person acting on their behalf.

SECTION C - EMPLOYERS' LIABILITY

Insuring Clause

We will cover **You** for **Your** legal liability for **Bodily Injury** sustained by an **Employee** occurring during the **Period of Insurance** within the **Territorial Limits** and arising out of and in the course of employment by **You** in connection with **Your Business**.

Limit of Liability

Our limit of liability for damages and claimant's costs, fees and expenses payable in respect of any occurrence shall not exceed the amount stated in the **Schedule** as the Limit of Liability for this **Section** but, if the **Bodily Injury** arises from **Asbestos** or **Terrorism**, then **Our** limit of liability shall not exceed £5,000,000.

Exclusions

We shall not provide cover for liability:

- 1) in respect of which compulsory insurance or security is required to be arranged by **You** under the Road Traffic Act 1988 or the Road Traffic (Northern Ireland) Order 1981 or any subsequent legislation amending or replacing such Act or Order.
- 2) caused by or arising from any **Offshore Activity**.
- 3) for punitive, exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages.
- 4) arising from any judgement, award or settlement made within countries which operate under the laws of the United States of America or Canada (or from any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part).

Conditions

- 1) Claims notification

In the event of an occurrence which may give rise to a claim under this **Section**:

You will:

- (a) give written notice to **Us** as soon as reasonably practicable of any circumstance which may give rise to a claim under this Policy with full particulars of such circumstance. All claims should be notified to **Us** using one of the methods described in the Customer Information Statements section near the beginning of this Policy.
 - (b) provide all additional information **We** may require within the time stipulated by **Us**.
 - (c) forward unanswered to **Us** immediately they are received every claim form, summons or other originating process or any letter of claim or other written notification of claim and all documents relating thereto.
 - (d) give immediate notice in writing to **Us** of any impending prosecution, inquest or fatal accident inquiry.
 - (e) at all times and in addition to the obligations set out above forward such information to and cooperate with **Us** or **Our** appointed agents to allow **Us** to be able to comply with such relevant practice directions and pre-action protocols as may be in force.
 - (f) carry out and permit to be taken any action which may be reasonably practicable to prevent further **Bodily Injury**.
 - (g) give immediate notice in writing to **Us** if **You** become aware of any RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995) incident involving any person which may result in a claim hereunder.
- 2) Conduct and Control

It is a condition of this **Section** that no admission, offer, promise or payment shall be made or given by **You** or on **Your** behalf without **Our** written consent.

We shall be entitled if **We** so desire to take over and conduct in **Your** name the defence or settlement of any claim or to prosecute in **Your** name for **Our** benefit any claim for damages or otherwise.

We shall have full discretion in the conduct of any proceedings and in the settlement of any such claim against **You** and **You** shall give all such information and assistance as **We** may require.

3) Discharge of Liability

We may at any time at **Our** sole discretion pay to **You** the Limit of Liability for this **Section** (less any sum or sums already paid in respect or in lieu of damages and less other costs and expenses already paid or incurred prior to such payment) or any lesser sum for which the claim or claims against **You** can be settled and **We** shall not be under any further liability in respect of such claim or claims.

4) Employers' Liability Tracing Office

Where **We** provide cover under the Employers' Liability (Compulsory Insurance) Regulations 1998, **We** are required by regulation to maintain a database of all the companies and subsidiary companies covered by such insurance. **We** support and will add details of all company names to the Employers' Liability Tracing Office database.

Accordingly, it is a condition of this insurance that **You** undertake to supply full details (as required by the Employers' Liability Tracing Office) of **Your** company and all subsidiary companies to **Us** at inception of this Policy and promptly thereafter following acquisition or disposal of any subsidiary company.

5) Rights of Recovery

The cover provided under this **Section** is deemed to be in accordance with such provisions as any law relating to the compulsory insurance of liability to **Employees** within the **Territorial Limits** or **Offshore Installations** within the continental shelf around those countries may require but **You** shall repay to **Us** all sums paid by **Us** which **We** would not have been liable to pay but for the provisions of such law.

Extensions

The terms, General Conditions and General Exclusions of this Policy apply to these Extensions and where no limit or maximum liability is stated in the Extension the Limit of Liability for this **Section** applies.

1) Unsatisfied Court Judgments.

Where a judgment for damages has been obtained by any **Employee** or the legal personal representatives of any **Employee** in respect of **Bodily Injury** sustained by the **Employee** arising out of and in the course of employment by **You** in connection with **Your Business** and such judgment remains unsatisfied in whole or in part 6 months after the date of judgment then, at **Your** request, **We** will pay to the **Employee** or their legal personal representatives the amount of any such damages and any awarded costs to the extent that they remain unsatisfied provided that:

- (a) the judgment for damages has been obtained against a company, partnership or individual (but not against **You**) operating from or resident in premises within the **Territorial Limits** in any court situated in the **Territorial Limits**.
- (b) there is no appeal outstanding.
- (c) if any such payment is made by **Us**, the **Employee** or their legal personal representatives shall assign the judgment to **Us**.
- (d) this **Section** of **Your** Policy is operative at the time that such **Bodily Injury** is sustained and cover will only apply in respect of those damages that relate to **Bodily Injury** sustained during the **Period of Insurance**.
- (e) **Our** liability for damages, costs and expenses shall not exceed the amount stated in the **Schedule** as the Limit of Liability for this **Section**.

2) Work Overseas.

The cover provided under this **Section** shall extend to cover **You** for **Your** legal liability for **Bodily Injury** sustained by any **Employee** whilst undertaking work on a temporary basis within any country outside of the **Territorial Limits** provided that:



- (a) any such **Employee** is ordinarily resident within the **Territorial Limits**.
- (b) **We** shall not provide cover for any medical expenses or repatriation costs.
- (b) **We** shall not provide cover in respect of any amount payable under Workers' Compensation, Social Security or Health Insurance legislation.

SECTION D - PUBLIC LIABILITY

Insuring Clause

We will cover **You** for **Your** legal liability for accidental:

- 1) **Bodily Injury** to any person
- 2) **Damage to Property**
- 3) obstruction, trespass, nuisance or interference with any right of way, air, light or water or other easement
- 4) wrongful arrest, wrongful detention, false imprisonment or malicious prosecution

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

Limit of Liability

Our limit of liability for damages and claimant's costs, fees and expenses payable in respect of any occurrence shall not exceed the amount stated in the **Schedule** as the Limit of Liability for this **Section**.

Exclusions

We shall not provide cover for liability:

- 1) in respect of **Bodily Injury** to any **Employee** arising out of and in the course of employment by **You** in connection with **Your Business**.
- 2) caused by or arising from the ownership or possession or use by **You** or on **Your** behalf of any:
 - (a) aircraft or aerospace device or hovercraft.
 - (b) watercraft other than hand propelled watercraft or other watercraft not exceeding 8 metres in length.
 - (c) mechanically propelled vehicle:
 - (i) in circumstances for which compulsory insurance or security is required under any legislation governing the use of the vehicle.
 - (ii) where cover is provided by any other insurance.
- 3) arising from any **Product Supplied** after it has ceased to be in **Your** custody or under **Your** or any **Employee's** control other than food and drink for consumption on **Your Premises**.
- 4) for **Contractual Liability** unless the sole conduct and control of claims is vested in **Us** but **We** shall not in any event provide cover in respect of liquidated damages or liability under any penalty clause.
- 5) in respect of **Damage to Property**:
 - (a) belonging to **You**.
 - (b) in **Your** or any **Employee's** custody or control other than personal effects including vehicles and their contents of any visitor, director, partner and/or **Employee** of **Yours**.
 - (c) being that part of any **Property** on which **You** or any **Employee** or agent of **Yours** is or has been working where **Damage** arises out of such work.
- 6) in respect of **Pollution or Contamination** occurring:
 - (a) within the United States of America or Canada.
 - (b) elsewhere than within the United States of America or Canada unless caused by a sudden identifiable unintended and unexpected occurrence which takes place in its entirety at a specific time and place during the **Period of Insurance**.

Provided that in respect of any liability for which cover is not excluded under exclusion (b) above:

- (i) all **Pollution or Contamination** which arises out of one occurrence shall be deemed to have occurred at the time such occurrence takes place.
 - (ii) **Our** liability for all damages, costs fees and expenses under this **Section** payable in respect of all **Pollution or Contamination** which is deemed to have occurred during any one **Period of Insurance** shall not exceed in the aggregate the amount stated in the **Schedule** as the Limit of Liability for this **Section**
- 7) caused by or arising from advice, design or specification **You** provided for a fee.
 - 8) (a) in respect of mental injury, mental anguish or shock or fear of suffering death, **Bodily Injury**, illness or disease arising out of the actual, alleged or suspected presence or release of **Asbestos** or exposure to or inhalation of **Asbestos**.
(b) for the costs of management (including those of any persons under any statutory duty to manage), removal, mitigation, remediation, repair, alteration, recall, rectification, replacement or reinstatement of any **Property** or part thereof arising out of the presence of **Asbestos**.
 - 9) for punitive exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages.
 - 10) arising from any judgement, award or settlement made within countries which operate under the laws of the United States of America or Canada (or from any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part.
 - 11) for the amount stated in the **Schedule** as being the Excess for this **Section** which shall apply in respect of each and every claim. Such amount shall be contributed by **You** or any party entitled to cover under this Policy before **We** assume any responsibility to make a payment for any claim hereunder. This exclusion will not apply to claims in respect of **Damage** to premises including their fixtures and fittings leased, rented or hired to **You**.
 - 12) out of the use of any oxy-acetylene or electric welding or power driven cutting or grinding equipment or other spark emitting equipment or any blow lamp or blow torch or other equipment producing a naked flame away from **Your** premises.

Conditions

1) Claims notification

In the event of an occurrence which may give rise to a claim under this **Section**:

You will:

- (a) give written notice to **Us** as soon as reasonably practicable of any circumstance which may give rise to a claim under this Policy with full particulars of such circumstance. All claims should be notified to **Us** using one of the methods described in the Customer Information Statements section near the beginning of this Policy.
- (b) provide all additional information **We** may require within the time stipulated by **Us**.
- (c) forward unanswered to **Us** immediately they are received every claim form, summons or other originating process or any letter of claim or other written notification of claim and all documents relating thereto.
- (d) give immediate notice in writing to **Us** of any impending prosecution, inquest or fatal accident inquiry.
- (e) at all times and in addition to the obligations set out above forward such information to and cooperate with **Us** or **Our** appointed agents to allow **Us** to be able to comply with such relevant practice directions and pre-action protocols as may be in force.
- (f) carry out and permit to be taken any action which may be reasonably practicable to prevent further **Bodily Injury** and **Damage to Property**.
- (g) give immediate notice in writing to **Us** if **You** become aware of any RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995) incident involving any person which may result in a claim hereunder.

2) Conduct and Control

It is a condition of this **Section** that no admission, offer, promise or payment shall be made or given by **You** or on **Your** behalf without **Our** written consent.

We shall be entitled if **We** so desire to take over and conduct in **Your** name the defence or settlement of any claim or to prosecute in **Your** name for **Our** benefit any claim for damages or otherwise.

We shall have full discretion in the conduct of any proceedings and in the settlement of any such claim against **You** and **You** shall give all such information and assistance as **We** may require.

3) Discharge of Liability

We may at any time at **Our** sole discretion pay to **You** the Limit of Liability for this **Section** (less any sum or sums already paid in respect or in lieu of damages) or any lesser sum for which the claim or claims against **You** can be settled and **We** shall not be under any further liability in respect of such claim or claims except for other costs and expenses for which **We** may be responsible incurred prior to such payment.

Extensions

The terms, General Conditions and General Exclusions of this Policy apply to these Extensions and where no limit or maximum liability is stated in the Extension the Limit of Liability for this **Section** applies.

1) Cross Liabilities

If the **Insured** comprises more than one party **We** will provide cover to each such **Insured** in the same manner and to the same extent as if a separate Policy had been issued to each of them provided that nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for this **Section** regardless of the number of persons claiming to be covered.

2) Defective Premises Act

The cover provided by this **Section** shall extend to apply in respect of liability arising under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with any premises previously owned or occupied by **You** for purposes pertaining to **Your Business** and which have since been disposed of by **You** provided that **We** shall not provide cover for liability:

- (a) for which cover is provided by any other insurance.
- (b) for the costs of remedying any defect or alleged defect in such Premises.

3) Leased or Rented Premises

Exclusion (5) (b) to this **Section** shall not apply to liability for **Damage** to premises including their fixtures and fittings leased or rented to **You** provided that **We** shall not provide cover for:

- (a) **Contractual Liability**.
- (b) the first £500 of each and every occurrence of **Damage** to premises caused other than by **Fire** or **Explosion**.

4) Motor Contingent Liability

Notwithstanding exclusion (2) (c) to this **Section** **We** will cover **You** (and no other person for the purpose of this extension) for **Your** legal liability for **Bodily Injury** or **Damage** to **Property** caused by or arising from any motor vehicle or trailer attached thereto which do not belong to or are provided by **You** being used in the course of **Your Business** provided that **We** shall not provide cover for liability:

- (a) in respect of **Damage** to any such vehicle or trailer or **Property** conveyed therein or thereon.
- (b) for which cover is provided by any other insurance.
- (c) caused or arising whilst such vehicle or trailer is:
 - (i) engaged in racing, pace-making, reliability trials or speed testing.

- (ii) being driven by **You**.
- (iii) being driven with **Your** general consent or the consent of **Your** representative by any person who to **Your** knowledge or the knowledge of such other representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence.
- (iv) used elsewhere other than within the **Territorial Limits**.

5) Motor Vehicles

Exclusion (2) (c) to this **Section** shall not apply to liability caused by or arising from:

- (a) the use of plant as a tool of trade at **Your Premises** or on any site at which **You** are working.
- (b) the loading or unloading of any vehicle or the bringing to or taking away of a load from any vehicle.
- (c) **Damage** to any building, bridge, weighbridge, road or to anything beneath caused by vibration or by the weight of any vehicle or its load provided that **We** shall not provide cover for liability:
 - (i) in respect of which compulsory insurance or security is required under any legislation governing the use of the vehicle.
 - (ii) for which cover is provided by any other insurance.

6) Overseas Personal Liability

We will cover **You** or at **Your** request:

- (a) any director, partner or **Employee of Your Business**
- (b) any spouse or child of **Yours** or of any of the persons stated in (a) above who are accompanying **You** or such persons for legal liability incurred by **You** or such persons in a personal capacity in a country outside of the **Territorial Limits** whilst on a temporary visit to such country in connection with **Your Business** provided that:
 - (i) any person entitled to cover under this extension shall as though they were **You** be subject to the terms, Conditions and Exclusions of this Policy insofar as they can apply.
 - (ii) nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for this **Section** regardless of the number of persons claiming to be covered.
- (iii) **We** shall not provide cover for:
 - (A) **Contractual Liability**.
 - (B) liability for which cover is provided by any other insurance.
 - (C) liability in respect of **Damage to Property** belonging to or in the custody of or under the control of any person entitled to cover under this extension.
 - (D) liability in respect of **Bodily Injury** to any person entitled to cover under this extension.
 - (E) liability caused by or arising from:
 - (I) the ownership or occupation of land or buildings.
 - (II) the carrying on of any business, profession trade or employment.
 - (III) the ownership, possession or use of animals other than horses or domestic dogs or cats.

7) Work Overseas

The cover provided under this **Section** shall extend to apply in respect of **Your** legal liability caused by or arising from:

- (a) work being undertaken on a temporary basis by **You** or **Your Employee(s)** within any country outside of the **Territorial Limits** which is a member of the European Union



(b) non-manual work being undertaken on a temporary basis by **You** or **Your Employee(s)** within any country outside of the **Territorial Limits** and not a member of the European Union
provided **You** or **Your Employee(s)** are ordinarily resident within the Territorial Limits.

EXTENSIONS TO SECTIONS C AND D

The terms, Conditions and Exclusions of this Policy apply to these Extensions and where no limit or maximum liability is stated in the Extensions the **Section** Limit of Liability applies

These extensions apply to the Employers' Liability and Public Liability **Sections** (where those **Sections** are specified in the **Schedule** as being included) to the extent specified below.

1) Additional Activities

We will provide cover in respect of **Your** legal liability caused by or arising from any of the activities stated below where these are undertaken as part of and are ancillary to **Your Business**:

- (a) the provision and management of catering or social or sports or educational or medical or dental or welfare organisations or nursery or crèche or child care facilities for the benefit of **Your Employees** and fire or security or first aid and ambulance services.
- (b) the ownership, repair, maintenance and decoration of **Your** premises.
- (c) private work carried out by any **Employee** with **Your** consent for any director or partner of **Yours**.
- (d) participation in exhibitions, trade fairs, conferences and the like.
- (e) sponsorship of events or organisations or entities or individuals.
- (f) repair, maintenance or servicing of **Your** own mechanically propelled vehicles.
- (g) provision of gifts and promotional material.

2) Consumer Protection Act 1987 and Consumer Rights Act 2015

We hereby agree to cover **You** under the Public Liability **Section** for:

- (a) costs and expenses incurred with **Our** written consent
- (b) costs and expenses awarded against **You**

in connection with a prosecution including (where Counsel advises such an appeal would have reasonable prospects of success) any appeal against a conviction resulting from a prosecution as a result of an alleged offence under Part II of the Consumer Protection Act 1987 and similar legislation under the Consumer Rights Act 2015 which occurs during the **Period of Insurance** and where the circumstances of the alleged offence may be the subject of cover under this Policy.

We shall not provide cover:

- (a) for any fines or penalties imposed on **You**.
- (b) for the amount stated in the **Schedule** as being the Excess.
- (c) where the prosecution results from a deliberate management decision, act or omission and which would knowingly or could reasonably have been expected by **You** to result in a liability or the committing of an offence under the Act.

Nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for the Public Liability **Section**.

3) Costs of Court Attendance

If any of the under mentioned persons attend court as a witness at **Our** request in connection with a claim in respect of which **You** are entitled to cover under this Policy **We** will reimburse **You** at the following rates per day for each day on which attendance is required:

- (a) any of **Your** directors or partners £500.

- (b) any **Employee** £250.

4) **Data Protection Act 1998**

We will cover **You** for claims arising under the Data Protection Act 1998 or any subsequent legislation amending revising or replacing such act in respect of:

- (a) compensation payable for damage or distress under section 13 of Part II of the Act including claimant's costs and expenses
- (b) defence costs in relation to any prosecution or investigation brought under section 21 of Part III of the Act in relation to a claim made by an **Employee**

provided that:

- (a) **You** have registered under the Act or commenced the process of registration and **Your** application has not been refused or withdrawn.
- (b) **We** shall not provide cover for:
 - (i) the payment of fines or penalties.
 - (ii) the amount stated in the **Schedule** as being the Excess for the applicable **Section**.
 - (iii) the cost of replacing, reinstating, rectifying or erasing any data.
 - (iv) liability arising as a result of the **Your** provision of the services of a computer bureau.
 - (v) liability arising from the recording or provision of data for reward or for determining the financial status of any person.
 - (vi) liability that arises as a result of a deliberate act or omission by **You** or by persons acting on **Your** behalf which will knowingly or could reasonably have been expected by **You** or those acting on **Your** behalf to result in a liability or the committing of an offence under the Act.
 - (vii) liability for which **You** are entitled to cover under any other insurance.

Nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for the **Section** under which the claim is made.

5) **Defence Costs and Expenses**

We shall provide cover in respect of all costs and fees and expenses incurred with **Our** prior written consent in the defence or settlement of any claim for which cover is provided by this insurance including legal expenses:

- (a) arising out of representation at any coroner's inquest or fatal accident enquiry
- (b) arising out of the defence of any proceedings in any court in respect of matters which may form the subject of cover under this insurance including the defence of any charge of manslaughter

provided that:

- (i) the proceedings relate to an offence alleged to have been committed during the **Period of Insurance** and in the course of the **Business**.
- (ii) **We** shall not be liable for any fines or penalties imposed as a consequence of any such prosecution.

Any consent given by **Us** in relation to incurring defence costs shall cease if opinion is obtained from instructed solicitors or counsel stating that any of the following apply:

- (I) there is no reasonable prospect of a defence to a prosecution relating to (a) or (b) above.
- (II) the defence of any such prosecution ceases to be relevant to the defence of any claim for damages for which cover is provided by this insurance.
- (III) the prosecution relates to a deliberate act or omission that is intended to cause **Bodily Injury**.

Depending upon which **Section** the claim for damages is being made, defence costs as provided for above:

- (A) are included within the amount stated in the **Schedule** as the Limit of Liability for the Employers' Liability **Section**.
- (B) will be payable in addition to the amounts stated in the **Schedule** as the Limit of Liability for the Public Liability **Section** and the Products Liability **Section**.

In respect of the Public Liability **Section**, if a payment exceeding the amount stated in the **Schedule** as the Limit of Liability has to be made by **You** to dispose of the claim **Our** liability to pay any defence costs in connection therewith shall be limited to such proportion of the defence costs as the Limit of Liability bears to the amount paid to dispose of the claim.

6) Cover for Other Persons

We will also provide cover as if a separate Policy had been issued:

- (a) to **Your** legal personal representatives or the legal personal representatives of any other person entitled to cover under this Policy but only in respect of liability incurred by **You** or such other person
- (b) to any **Principal** but only to the extent required by the contract for work and which arises solely out of the work performed for the **Principal** by **You** or on **Your** behalf but not any **Principal** who is located within the United States of America or Canada.
- (c) to any owner of plant hired to **You** but only to the extent required by the conditions of the contract of hire and not to any such owner who is located within the United States of America or Canada
- (d) at **Your** request to:
 - (i) any officer or member of **Your** catering or social or sports or educational or medical or dental or welfare organisations or nursery or crèche or child care facilities for the benefit of **Your Employees** and fire or security or first aid and ambulance services in their respective capacity as such but not any medical or dental practitioner in respect of medical or dental services provided
 - (ii) any director or partner or **Employee** of **Yours** while acting in connection with **Your Business** in respect of liability for which **You** would be entitled to cover under this Policy if the claim for which cover is being sought had been made against **You**

provided that:

- (i) any persons specified above shall as though they were **You** be subject to the terms Conditions and Exclusions of this Policy in so far as they can apply.
- (ii) nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for the **Section** under which the claim is made regardless of the number of persons claiming to be covered.

7) Food Safety Act 1990 and The Food Safety and Hygiene (England) Regulations 2013

We hereby agree to cover **You** under the Public Liability **Section** for:

- (a) costs and expenses incurred with **Our** written consent.
- (b) costs and expenses awarded against **You**

in connection with a prosecution including (where Counsel advises such an appeal would have reasonable prospects of success) any appeal against a conviction resulting from a prosecution as a result of an alleged offence under Part II of the Food Safety Act 1990 and similar legislation under The Food Safety and Hygiene (England) Regulations 2013 which occurs during the **Period of Insurance** and where the circumstances of the alleged offence may be the subject of cover under this Policy.

We shall not provide cover:

- (a) for any fines or penalties imposed on **You**.
- (b) for the amount stated in the **Schedule** as being the Excess.

- (c) where the prosecution results from a deliberate management decision, act or omission and which would knowingly or could reasonably have been expected by **You** to result in a liability or the committing of an offence under the Act.

Nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for the Public Liability **Section**.

8) Health and Safety at Work etc Act 1974

We hereby agree to cover **You** for:

- (a) costs and expenses incurred with **Our** written consent.
- (b) costs and expenses awarded against **You** or a director or **Employee of Yours**

in connection with a prosecution including (where Counsel advises such an appeal would have reasonable prospects of success) any appeal against a conviction resulting from a prosecution as a result of an alleged offence occurring during the **Period of Insurance** under sections 2-8 of the Health and Safety at Work Act 1974 or the Construction (Design & Management) Regulations 2015 or equivalent safety legislation of Great Britain Northern Ireland the Channel Islands or the Isle of Man.

We shall not provide cover:

- (a) for any fines or penalties imposed on **You**.
- (b) for the amount stated in the **Schedule** as being the Excess for the applicable **Section**.
- (c) where the prosecution results from a deliberate management decision, act or omission and which would knowingly or could reasonably have been expected by **You** to result in a liability or the committing of an offence under the Act.

Nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for the **Section** under which the claim is made.

9) Manslaughter and Culpable Homicide

We hereby agree to cover **You** for:

- (a) costs and expenses incurred with **Our** written consent
- (b) costs and expenses awarded against **You** or a director or **Employee of Yours**

in connection with a prosecution including (where Counsel advises such an appeal would have reasonable prospects of success) any appeal against a conviction resulting from a prosecution as a result of an alleged offence occurring during the **Period of Insurance**:

- (a) of manslaughter or culpable homicide or
- (b) of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007 and where the circumstances of the alleged offence may be the subject of indemnity under this Policy

We shall not provide cover:

- (a) for any fines or penalties imposed on **You**.
- (b) for the amount stated in the **Schedule** as being the Excess for the applicable **Section**.
- (c) where the prosecution results from a deliberate management decision, act or omission and which would knowingly or could reasonably have been expected by **You** to result in a liability or the committing of an offence under the Act.

Nothing in this extension shall increase **Our** liability to pay any amount exceeding the amount stated in the **Schedule** as the Limit of Liability for the **Section** under which the claim is made.

GENERAL EXCLUSIONS

The following exclusions apply to all **Sections** of this Policy unless stated otherwise.

We shall not provide cover:

1) War and similar risks

in respect of any:

- (a) **Damage** to any **Property** whatsoever or any loss, cost or expense whatsoever resulting or arising therefrom or any consequential or inevitable loss
- (b) legal liability of whatsoever nature directly or indirectly caused by or contributed to by or

arising from any of the following regardless of any other cause or event contributing concurrently or in any sequence to the **Damage**, cost expense or liability:

- (i) war, invasion, act(s) of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, **Civil Commotion** assuming the proportions of or amounting to an uprising, military or usurped power or confiscation or nationalisation or requisition by or under the order of any government or public or local authority.
- (ii) any action taken in controlling, preventing, suppressing or in any way relating to (i) above.

This exclusion does not apply to the Employers' Liability **Section**.

2) Radioactive and Other Contamination

in respect of any **Damage** to any **Property** whatsoever or any loss, cost or expense whatsoever resulting or arising therefrom or any consequential or inevitable loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

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

In respect of the Employers' Liability **Section** this exclusion shall only apply in respect of the liability of any **Principal** or liability assumed under the terms of an agreement which would not have attached in the absence of such agreement.

3) Date Recognition

in respect of any:

- (a) **Damage** to any **Property** whatsoever or any loss, cost or expense whatsoever resulting or arising therefrom or any consequential or inevitable loss or
- (b) legal liability of whatsoever nature directly or indirectly caused by or contributed to by or consisting of or arising from the failure of any:
 - (i) computer data processing equipment or media **Microchip** integrated circuit or similar device or
 - (ii) other equipment or **System** for processing, storing or retrieving data or
 - (iii) computer software

whether **Your Property** or not to:

- (A) recognise correctly any date as its true calendar date
- (B) capture, save, retain or correctly manipulate, interpret or process any **Data**, information, command or instruction as a result of treating any date otherwise than as its true calendar date

(C) capture, save, retain or correctly process any **Data** as a result of the operation of any programmed command which causes the loss of **Data** or the inability to capture, save, retain or correctly process such **Data** on or after any date

but cover shall apply under all **Sections** except the Employers' Liability and Public Liability **Sections** in respect of subsequent **Damage to Property Insured** which itself results from a **Specified Peril** other than **Theft by Employee(s)** but only where such **Damage** would otherwise be the subject of cover thereunder.

This exclusion does not apply to the Employers' Liability **Section**.

4) **Loss of Electronic Data**

under this Policy in respect of any:

(a) **Damage** to any **Property** whatsoever or any loss, cost or expense whatsoever resulting or arising therefrom or any consequential or inevitable loss

(b) legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or consisting of or arising from any damage, destruction, distortion, erasure, corruption or alteration of **Electronic Data** arising from any cause whatsoever (including but not limited to **Virus**) or any loss of use, reduction in functionality, cost or expense of whatsoever nature relating thereto or resulting therefrom regardless of any other cause or event contributing concurrently or in any sequence to the damage, destruction, distortion, erasure, corruption, alteration, reduction, cost or expense.

Provided that this Policy exclusion shall not apply to the cover provided under the:

(i) Public Liability **Section** for **Your** legal liability in respect of accidental:

(A) **Bodily Injury** to any person.

(B) wrongful arrest, wrongful detention, false imprisonment or malicious prosecution.

(ii) Property Damage **Section** in respect of **Damage** to the **Property Insured** directly caused by **Fire, Lightning** or **Explosion** resulting from any of the matters described above but only where such **Damage** would otherwise be the subject of cover thereunder.

This exclusion does not apply to the Employers' Liability **Section**.

5) **Terrorism**

In respect of any:

(a) **Damage** to any **Property** whatsoever or any loss, cost or expense whatsoever resulting or arising therefrom or any consequential or inevitable loss

(b) legal liability of whatsoever nature

caused by resulting from or in connection with:

(i) any act of **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to this loss.

(ii) any action taken in controlling preventing suppressing or in any way relating to the act of **Terrorism**.

If **We** allege that by reason of this exclusion any **Damage** cost or expense is not covered by this **Policy** the burden of proving the contrary shall be upon **You**.

In the event that any part of this exclusion is found to be invalid or unenforceable the remainder shall remain in force and effect.

This exclusion does not apply to the Employers' Liability **Section**.

6) **Sanction Limitation and Exclusion**

and 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 the

United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union, United Kingdom or United States of America.

7) Bona-Fide Sub Contractors

for liability directly or indirectly arising from or in connection with duties undertaken by bona fide subcontractors working on **Your** behalf unless all of the following measures are adhered to:

- (a) **You** have established, maintain and record an administrative procedure for obtaining evidence that bona fide subcontractors effect Employers', Public and Products Liability insurance and that such insurance:
 - (i) provides an indemnity for all duties undertaken by the bona fide subcontractor.
 - (ii) contains a provision granting indemnity to any **Principal**.
 - (iii) contains Limits of Liability which are not less than those provided by this insurance.
- (b) **You** have established, maintain and record an administrative procedure for checking that the insurance of the bona fide subcontractor remains in force for the duration of the contract.

This exclusion does not apply to the Property Damage and Business Interruption **Sections**.

GENERAL CONDITIONS

The following Conditions apply to all **Sections** of this Policy unless stated otherwise.

1) Claims (Contribution)

In respect of the Employers' Liability and Public Liability **Sections**, if at the time of any occurrence to which those **Sections** apply there is or but for the existence of this insurance there would be any other insurance covering the same liability **We** shall not be liable under this insurance except in respect of any excess beyond the amount which would be payable under such other insurance had this Insurance not been effected.

In respect of the Property Damage **Section** if at the time of any **Damage to Property Insured** arising under this Policy there shall be any other insurance covering such **Damage** or any part thereof **We** shall not be liable for more than **Our** proportional share thereof.

2) Alteration of Risk

The cover under this Policy will cease if after the commencement of this insurance:

- (a) **Your** interest ceases except by death.
- (b) **Your Business** be wound up or carried on by a liquidator or administrator or receiver or permanently discontinued.

3) Fraud

If **You** make a fraudulent claim under this Policy **We** shall not be liable to pay **You** any sums in respect of the fraudulent claim. **We** may recover from **You** any sums that **We** have already paid to **You** in respect of the fraudulent claim. **We** may by notice to **You** treat this Policy as terminated with effect from the date of **Your** fraudulent act.

4) Cancellation

We may cancel this Policy at any time by providing **You** with 14 days notice of cancellation by recorded delivery letter to **Your** last known **Business** address.

If this Policy is cancelled as provided for above and during the current **Period of Insurance** there have been no:

- (a) claims made under this Policy for which **We** have made a payment
- (b) claims made under this Policy which are still under consideration
- (c) occurrences likely to give rise to a claim but yet to be reported to **Us**

You shall be entitled to the return of a proportionate part of the premium in respect of the unexpired **Period of Insurance** or if the premium has been based wholly or partly upon estimates the premium will be adjusted in accordance with the Premium Adjustment Condition.

If a claim has been submitted or there have been any occurrence(s) likely to give rise to a claim during the current **Period of Insurance** no refund of premium for the unexpired **Period of Insurance** will be given.

If this Policy is cancelled **You** must return to **Us** any current certificate of insurance that has been issued to **You** as a statutory requirement to provide evidence of cover.

5) Claims (Subrogation)

You and any claimant under this Policy shall at **Our** request and expense do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by **Us** for the purpose of enforcing any rights and remedies or of obtaining relief or recourse from other parties to which **We** shall be or would become entitled or subrogated upon **Our** making a payment under this **Policy** whether such acts and things shall be or become necessary or required before or after **We** make such payment.

6) Premium Adjustment

If the premium for any **Section** or any part thereof is based on estimates an accurate record containing all particulars relative thereto shall be kept by **You**.

At all times **You** will allow **Us** to inspect such record and shall supply such particulars as **We** may require within one month from the expiry of each **Period of Insurance** and the premium shall thereupon be adjusted by **Us** subject to any Minimum Premium as stated in the **Schedule** being retained by **Us**.

At **Our** request **You** shall supply an auditors certificate in support of such particulars.

If **You** fail to supply such particulars within the period stated by **Us** **We** shall be entitled to make a reasonable estimate of such particulars and adjust the premium accordingly.

7) Reasonable Precautions

You shall take all reasonable precautions:

- (a) to prevent any occurrence which may give rise to a claim under this Policy.
- (b) to maintain **Your Premises** and everything used in **Your Business** in proper repair.
- (c) in the selection and supervision of **Employees**.
- (d) to make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require.

8) Rights of Third Parties

A person or company who is 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.

9) Assignment

You shall not assign any of the rights or benefits under this Policy and/or any **Section** of this Policy without **Our** prior written consent.

We will not be bound to accept or be affected by any notice of trust charge, lien or purported assignment or other dealing with or relating to this Policy and/or any **Section** of this Policy.

10) Tenancy Agreement

It is a condition of this insurance that:

- (a) in the event of the **Premises** being let to a tenant during the **Period of Insurance** a legal tenancy agreement is in force for the duration of the tenancy.
- (b) no tenant is to sub-let the **Premises** without **Our** prior agreement.