

CHOICE INSURANCE



TAXI OFFICE POLICY

INTRODUCTION

Certification and extent of policy coverage

This is to certify that in accordance with the authorisation granted under Contract to Choice Insurance Agency by Ascot Syndicate 1414 at Lloyd's, hereafter referred to as Insurers, and in consideration of the premium specified having been paid, Insurers agree to the extent and in the manner detailed, to indemnify the Insured against loss or Damage sustained or legal liability for accidents happening, which occur during the Period of Insurance and arising from the Business, as detailed in the Policy Schedule, after such loss, damage or liability has been proved.

Provided always that:

- Insurers liability shall not exceed the limits of liability expressed in the attaching Schedule or such other limits of liability as may be substituted by endorsement and agreed by or on their behalf;
- this Policy insures only in respect the sections specified in the Policy Schedule.
- this Policy is subject to all the provisions, conditions, warranties and exclusions which are contained within the body of the wording or that may be endorsed or added thereto, all of which are to be considered as incorporated and shall be read together

Important Information

This property insurance has been arranged by Choice Insurance Agency Limited and is underwritten by Ascot Syndicate 1414 at Lloyd's. Syndicate 1414 at Lloyd's is managed by Ascot Underwriting Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority.

You should read the terms and conditions detailed in this policy including how to make a claim. Please read them carefully so that you know what cover is provided and what you should do if you need to make a claim.

The insurer shall not be bound to accept renewal of any insurance and may at any time cancel any insurance document in accordance with the section 'Cancelling Your Cover'.

This policy and the schedule are important documents. Please keep them in a safe place where you can find them should you need to refer to them in the future.

Should you need to discuss any aspect of the cover then please call the agent with whom you effected this insurance.

In deciding to accept this insurance and in setting the terms and premiums we have relied on the information you have given. You must take all reasonable care to provide complete and accurate answers to the questions we ask you when you take out, make changes to and renew your policy

When we are notified of a change we will tell you whether this affects your policy, for example whether we are able to accept the change and if so whether the change will result in revised terms and/or a revised premium being applied to your policy

If we are not able to accept the change and it becomes necessary to cancel this insurance we will do so as described within the cancellation conditions contained within the policy.

You and we are free to choose the laws applicable to this policy. As we are based in England, we propose to apply the laws of England and Wales and by purchasing this policy you have agreed to this.

This insurance relates only to those sections of the policy which are shown on the schedule as being included.

This Policy has been issued and signed on behalf of Insurers by

Choice Insurance Agency, Suite 3, 4a Southchurch Road, Southend-on-Sea, Essex, SS1 2NE

Authorised signatory



Managing Director
Choice Insurance Agency Ltd
Acting on behalf of Ascot Syndicate 1414 at Lloyd's

CUSTOMER INFORMATION

Who is the Insurer?

This Policy is underwritten by:

Ascot Syndicate 1414 at Lloyd's

Syndicate 1414 at Lloyd's is managed by Ascot Underwriting Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. Registered in England and Wales No. 04098461. Registered Office: 20 Fenchurch Street, London, United Kingdom EC3M 3BY..

Financial Services Compensation Scheme (FSCS)

The Insurer is covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS if in the unlikely event that We are unable to meet Our obligations under this Policy. If You were entitled to compensation under the FSCS, the level of compensation payable would depend on the nature of the insurance granted under this Policy.

Further information about the FSCS is available from:

Contact details:

Financial Services Compensation Scheme
PO Box 300
Mitcheldean
GL17 1DY

Email: enquiries@fscs.org.uk

Tel: For UK callers: 0800 678 1100 (free phone)

Tel: For callers from abroad: +44 (0) 20 7741 4100

Web: www.fscs.org.uk

What to do if You have a Complaint:

We are dedicated to providing a high quality service and We want to ensure that We maintain this at all times. However, in the event that You wish to make a formal complaint You should contact Us using one of the following options:

- In writing (letter or email) to the address shown below; or
- By telephone to the telephone number shown below.

Contact details:

Choice Insurance Agency Limited Compliance Officer
Suite 3, 4a Southchurch Road,
Southend-on-Sea, Essex, SS1 2NE

Email: Complaints@ChoiceInsuranceAgency.Com

Telephone: 01702 411200

We will review Your complaint and will investigate the circumstances regarding Your complaint and write to You within fourteen (14) calendar days with a response.

If You are not satisfied with the response, or have not received a response from Us within fourteen (14) calendar days, You are entitled to refer the matter to Lloyd's. Lloyd's will then conduct a full investigation of Your complaint and provide You with a written final response. If You wish to ask Lloyd's to investigate Your complaint You may do so by contacting:

Contact details – Lloyd's:

Complaints Lloyd's
Fidentia House Walter Burke Way
Chatham Maritime Chatham
Kent
ME4 4RN

Email: complaints@lloyds.com
Tel: +44 (0) 20 7327 5693
Fax: +44 (0) 20 7327 5225
Web: www.lloyds.com/complaints

Details of Lloyd's complaints procedures are set out in a leaflet "HOW WE WILL HANDLE YOUR COMPLAINT" available at www.lloyds.com/complaints and are also available from the above address.

If You remain dissatisfied after Lloyd's has considered Your complaint You may have the right to refer Your complaint to the Financial Ombudsman Service.

Contact details – Financial Ombudsmen Service:

Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR

Email: complaint.info@financial-ombudsman.org.uk
Tel: For UK callers: 0800 023 4567 (free phone),
or 0300 123 9123 (but charges apply)
Tel: For callers from abroad: +44 (0) 20 7964 0500 (charges apply)
Web: www.financial-ombudsman.org.uk

Please remember that You will have to refer Your complaint to the Financial Ombudsman Service within 6 months of receiving Lloyd's final response.

Making a complaint will not affect Your legal rights. If You appoint someone to act on Your behalf or if You ask someone else to act on Your behalf You should provide Us with written authority to allow Us to deal with them. We will not pay their costs.

Data Privacy Notice

Choice Insurance Agency is the trading name of Choice Insurance Agency Ltd. We are the data controller of any personal information you provide to us or personal information that has been provided to us by a third party. We collect and process information about you in order to arrange insurance policies and to process claims. Your information is also used for business purposes such as fraud prevention and detection and financial management. This may involve sharing your information with third parties such as insurers, brokers, insurance intermediaries such as Managing General Agents, reinsurers, claims handlers, loss adjusters, credit reference agencies, service providers, professional advisors, our regulators, police and government agencies or fraud prevention agencies.

We may record telephone calls to help us monitor and improve the service we provide. For further information on how your information is used and your rights in relation to your information please see <http://www.choiceinsuranceagency.co.uk/privacy-policy>. If you are providing personal data of another individual to us, you must tell them you are providing their information to us and show them a copy of this notice.

Your Right to Cancel

You have the right to cancel the insurance Policy within 14 days of receiving the Policy documentation 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 deemed that You will have received the Policy document upon the day following the date it was posted to the Insured by first class post.

If the 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 the Insurers 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 and providing there has not been a claim Insurers will refund a proportionate part of Your premium.

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

The Law that Governs this Policy and Jurisdiction

The parties to this contract are free to choose the law applicable to the contract. Unless specifically agreed to the contrary this insurance Policy shall be subject to English Law.

The indemnity provided by this Policy shall apply only to judgements against the Insured in the Courts of Law of England and Wales, Scotland, Northern Ireland, the Isle of Man and the Channel Islands and not to judgements obtained elsewhere nor to Judgements or orders obtained in the said courts for enforcement of foreign judgements whether by way of reciprocal agreements or otherwise.

The premium for this Policy has been calculated accordingly and no consideration has been paid in respect of sums payable under any other law or the jurisdiction of any other courts.

The Law that Governs the interpretation of this Policy

All disputes concerning the interpretation of this Policy are understood and agreed by both the Insured and the Insurers to be subject to English Law. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within England 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.

This Policy should be read carefully and if it is incorrect return it immediately to your insurance advisor for alteration.

This Policy should be kept in a safe place – you may need to refer to it if you have to make a claim. It is recommended that you to retain details of your Employers Liability policy/certificates for at least 40 years.

GENERAL DEFINITIONS AND INTERPRETATIONS

Any word or phrase specified hereunder to which a meaning is given has the same meaning wherever it appears in this Policy or any Schedule Endorsement or notice attached or issued by the Insurers unless specifically amended by any documentation issued by the Insurers

Accidental Damage

Physical damage caused suddenly and unexpectedly by an outside force

Bodily Injury

includes death or disease.

Business

means business described in the Policy Schedule including

- (1) the ownership (including maintenance) of buildings specifically insured by this Policy
- (2) the provision and management of canteen social sports and welfare facilities for your Employees
- (3) first aid fire and ambulance services
- (4) private work carried out with your consent for you or any of your directors partners or other senior officials of your Business by any of your Employees within the Geographical Limits

Costs and Expenses

means

- (1) all costs and expenses recoverable by any claimant from you
- (2) the costs and expenses incurred with the written consent of the Insurers for
 - (a) representation at any Coroner's Inquest or Inquiry in respect of any death
 - (b) the defence of proceedings in any court brought against you in respect of breach or alleged breach of statutory duty resulting in Injury
- (3) all other costs and expenses of litigation incurred with the written consent of the Insurers relating to an occurrence which may give rise to indemnity

Damage

means loss destruction or damage

Deductible

means amount shown in the Schedule to any Section of this Policy being the amount of each and every claim which is not covered and for which you are considered to be your own insurer

Employee

means

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

whilst engaged in working for the Insured in connection with the Business

Endorsement

means any additional terms relating to the insurance provided by this Policy which are

- (1) not within the Policy but attached to any Schedule issued by the Insurers or
- (2) within the Policy and stated in the Policy Schedule as applying to this Policy

Excess

The amount payable by you in the event of a claim as stated in the Certificate of Insurance.

Geographical Limits

means United Kingdom the Channel Islands and the Isle of Man

Injury, applicable to all sections other than Section 13 – Personal Accident which has a separate definition

means death bodily injury illness disease or shock.

Insured/you/your

means person (s) and/or company(ies) named in the Policy Schedule

Insurers

means in respect of each Section insured by this Policy the insurer(s) stated in the Schedule applicable to said Section

Money

means

- (1) current currency
- (2) crossed and uncrossed (where applicable)
 - (a) bankers drafts
 - (b) national giro drafts and payment orders
 - (c) postal and money orders
 - (d) dividend warrants
 - (e) cheques (other than pre-signed blank cheques)
- (3) travellers cheques
- (4) national savings stamps and certificates
- (5) bus and rail travel cards and passes
- (6) telephone cards
- (7) current postage stamps and unused postal franking machine units
- (8) luncheon vouchers
- (9) gift tokens
- (10) trading stamps
- (11) national insurance stamps and stamped or impressed national insurance cards
- (12) holiday with pay stamps
- (13) premium bonds
- (14) VAT purchase invoices
- (15) credit card cheque card and debit card sales vouchers
- (16) savings stamps
- (17) consumer redemption vouchers

Period of Insurance

means period of insurance stated in the Policy Schedule and any subsequent period for which premium payment is made by you and is accepted by the Insurers

Policy

means policy wording together with all Schedules Endorsements and notices attached or issued by the Insurers

Pollution

means

- (1) pollution or contamination by naturally occurring or man-made substances forces or organisms or any combination of them whether permanent or transitory and however occurring and
- (2) all loss destruction damage or Injury directly or indirectly caused by such pollution or contamination

Premises

means address of premises stated in the Schedule to each Section insured by this Policy but where no premises are so stated the address of premises shall be as stated in the Policy Schedule

Products

means any commodity or article (including containers labelling instructions or advice provided in connection therewith) manufactured sold supplied repaired serviced tested financed constructed installed or processed by or on behalf of the Insured from or within the Geographical Limits in connection with the Business

Schedule

means most current Schedule issued to you by the Insurers

Standard Construction

Built of brick, stone or concrete and roofed with slates, tiles, asphalt, metal or concrete

Valuables

means deeds bonds bills of exchange promissory notes stamp collections jewellery watches furs and fur skins precious stones and articles comprising of them

GENERAL EXCLUSIONS TO THIS POLICY

(1) GENERAL

The following Exclusions apply to all Sections of your Policy except Section 8 – Employers' Liability

(a).Radioactive Contamination and Explosive Nuclear Assemblies Exclusion

This Policy does not cover

- (a) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
- (b) any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from
 - (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

(b) Pressure Waves

pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

(c) Pollution

as defined in the General Definitions and Interpretations other than Pollution resulting in Damage to property insured by this Policy or interruption of or interference with the Business not otherwise excluded caused by any of the following perils

Fire Explosion Aircraft Earthquake Riot Malicious Damage Storm or Flood Escape of Water Impact Sprinkler Leakage Theft or Subsidence all as defined in Section 1- Buildings and Contents of this Policy

(2) WAR AND CIVIL WAR EXCLUSION

Notwithstanding anything to the contrary contained herein this Policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

(3) TERRORISM EXCLUSION

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

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

(4) DATE RECOGNITION FAILURE

This Policy does not cover

- (1) Damage
- (2) interruption of or interference with the Business
- (3) legal liability other than Employers' Liability
- (4) Costs and Expenses other than in connection with Employers' Liability
- (5) Legal Expenses

directly or indirectly caused by or consisting of or arising from the failure of any computer data processing equipment or media micro chip integrated circuit or similar device or any computer software whether the property of the Insured or not

- (a) correctly to recognise any date as its true calendar date
- (b) correctly to capture save retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- (c) correctly to capture save retain or process any data as a result of the operation of any command which causes the loss of data or the inability correctly to capture save retain or process such data

Provided that (1) and (2) shall not apply to

- (i) subsequent Damage or
 - (ii) subsequent interruption of or interference with the Business
- not otherwise excluded which results from any of the following perils

Fire Explosion Aircraft Earthquake Riot Malicious Damage Storm or Flood Escape of Water Impact Sprinkler Leakage Theft or Subsidence all as defined in Section 1- Buildings and Contents of this Policy

(5) CYBER EXCLUSION

This Policy does not cover legal liability arising from:

- A) any computer virus, malicious code or other malware which causes the malfunction of or prevents access by You or any external party to any computer system used in connection with Your Business;
- B) the onward transmission of any computer virus or other malware to any external party who uses Your website or has authorised connection to Your computer system;
- C) the denial of access or use by You or any authorised party to Your computer system;
- D) the content of Your website, email, intranet or extranet, including alterations or additions made by a hacker or any unauthorised external party;
- E) the failure of electronic, electromechanical data processing or electronically controlled equipment or electronic data, to correctly recognise any given date, or to process data, or to operate properly due to failure to recognise any given date due to inherent defect or computer virus, malicious code or other malware;
- F) actual or alleged infringement of any intellectual property rights, including any copyright, trademark, passing off or linking to or framing of another page;
- G) defamation, libel, slander or malicious falsehood;
- H) any breach, violation or infringement of any right to privacy, consumer data protection law, or other legal protection for personal data;
- I) the unauthorised collection or misuse of any data concerning any customer or potential customer which is either confidential or subject to statutory restrictions on its use and which You obtained through the internet or extranet or website and hold in Your possession.

GENERAL CONDITIONS TO THIS POLICY

The following Conditions apply to all Sections of your Policy and you must comply with them or your Policy may not be in force

If you need to notify Insurers of a claim or of any circumstances or incident which may cause a claim under the policy, you should contact your professional intermediary or alternatively:

(1) PROCEDURE FOR NOTIFYING CLAIMS

Should You need to report or make a claim to Us, please contact Our specialist claims handler Woodgate and Clark Limited, whose details are below. You may if You wish also advise Your insurance adviser or Our Binding Underwriter to do this on Your behalf.

Woodgate and Clark Limited
42 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4AJ

Claims Telephone: +44 (0) 1732 520273
Out of office Telephone: +44 (0) 1732 520270
Email: newclaim@woodgate-clark.co.uk

It will be helpful when reporting a claim if You are able to advise the Policy number and brief details of the claim.

What to do in the event of a claim

You should take all reasonably practicable steps to mitigate or reduce further Damage or Bodily Injury. No prior approval is required.

If possible provide evidence in the form of photos of damage, injury and documentation including quotes, invoices or receipts.

You should not admit liability even if asked to do so by a third party.

You shall give Us or Our representative all necessary assistance.

Complete and return any claim form sent to You, as soon as possible.

(2) FRAUD

If the Insured makes a fraudulent claim under this Policy the Insurers shall not be liable to pay the Insured any sums in respect of the fraudulent claim. The Insurers may recover from the Insured any sums that the Insurers have already paid to the Insured in respect of the fraudulent claim. The Insurers may by notice to the Insured treat this Policy as terminated with effect from the date of the Insured's fraudulent act

(3) SUBROGATION

In the event of any claim under this Policy you shall at the Insurers' request and expense take and permit to be taken all necessary steps for enforcing rights against any other party in your name before or after any payment is made by the Insurers

(4) THE INSURERS' RIGHTS

If any event happens which may give rise to a claim under this Policy the Insurers will be entitled to

- (a) enter the building where Damage has occurred and to take and keep possession of damaged property insured herein and to deal with the salvage in a reasonable manner and this Condition shall be proof of your consent for such purpose - no property may be abandoned to the Insurers
- (b) exercise sole conduct and control over the defence or settlement of any claim made upon you or any other person covered by this Policy by any other party

- (c) prosecute in your name or the name of any other person covered by this Policy but for the Insurers' benefit any claim for damages or indemnity

(5) OTHER INSURANCE

If at the time of any Injury or Damage there be any other insurance

- (a) covering the whole or part of such Injury or Damage whether effected by the Insured or not then the Insurers shall not be liable to pay or contribute more than their rateable proportion of the total payment made for such Injury or Damage
- (b) on any of the property insured herein either alone or together with any other property which shall be subject to any condition of average or is limited in respect of the value of any article or the total amount is divided in respect of said property then this Policy may at the option of the Insurers be held to contain the same condition of average limit of value and division of amount pro rata
- (c) which more specifically insures property insured herein this Policy will not apply except in respect of any amount over and above that recoverable under such more specific insurance

This Condition does not apply to any personal accident benefit provided under this Policy in respect of death or injury to any insured person

(6) EFFECT OF CLAIMS ON SUMS INSURED

Except where otherwise provided for under any Section of this Policy

- (a) the Sums Insured in this Policy will be reduced until expiry of the Period of Insurance by the amount of any loss destruction damage interruption or interference with your Business
- (b) if any Sum Insured is subject to an Underinsurance Condition and further claims arise before expiry of the Period of Insurance the application of such Underinsurance Condition may have the effect of increasing the proportion of the loss which you will have to bear
- (c) on request and if not otherwise provided for under any Section of this Policy following a claim the Insurers will consider reinstating the original Sums Insured subject to any additional premium revised terms and further precautions that may be necessary

(7) RECOVERY OF LOST OR STOLEN PROPERTY

If any lost or stolen property which is the subject of a claim under this Policy is recovered you must inform the Insurers as soon as reasonably possible by recorded delivery letter

If the property is recovered before the payment of the claim for loss of that property you must reclaim such property and the Insurers will then indemnify you under the terms of this Policy for any damage sustained to such property

If the property is recovered after payment of the claim for loss of that property the property will then belong to the Insurers but you will have the option of retaining the property and refunding to the Insurers any claim payment the Insurers have made for the property subject to any appropriate adjustment for damage to the property

(8) ARBITRATION

If the Insurers accept liability for a claim under this Policy but there is a dispute in respect of the amount to be paid the dispute will be referred to an arbitrator appointed in accordance with the relevant law in force at the time

In these circumstances the arbitrator's award must be made before there is any right of action against the Insurers

(9) CONDITIONS PRECEDENT AND WARRANTIES

It is a condition precedent to Our liability that You comply with all terms, conditions and exclusions of this Policy, insofar as they relate to anything to be done or complied with by You.

Where:

- (i) There has been a failure to comply with a term (express or implied) of this Policy, other than a term which defines the risk as a whole;

And

- (ii) Compliance with such term would tend to reduce the risk of loss of a particular thing and/or loss at a particular location and/or at a particular time, the Insurer cannot rely on the breach of such terms to exclude, limit or discharge its liability if You can show that the failure to comply with such terms

could not have increase the risk of the loss which actually occurred in the circumstances in which it occurred.

(10) MISREPRESENTATION, MISDESCRIPTION AND NON-DISCLOSURE

If You knew You did not provide a fair presentation of the risk or if You did not care whether You made a fair presentation of the risk We may avoid this Policy and retain all premiums and You shall reimburse Us in respect of all payments already made by Us In all other cases if You did not provide a fair presentation of the risk Our rights are set out below

1. if We would not have entered into this Policy if You had made a fair presentation of the risk We may avoid this Policy and return all premiums to You and You shall reimburse us in respect of all payments already made by Us
2. if We would have entered into this Policy but on different terms other than as to premium this Policy will be treated as if it had been entered into on those different terms
3. in addition if We would have entered into this Policy but would have charged a higher premium We may reduce proportionately the amount to be paid on any claim by reference to the calculation below in which "X" represents the percentage of the full value of the claim that We shall be required to pay

X = premium charged divided by the premium that would have been charged if You made a fair presentation of the risk all multiplied by 100

(11) PRECAUTIONS

You must

- (a) take all reasonable precautions to safeguard any property insured by this Policy against Damage and to prevent Injury or loss or destruction of or damage to other property
- (b) exercise reasonable care in the selection and supervision of your Employees
- (c) take all reasonable steps to comply with all statutory and other obligations and regulations imposed by any authority
- (d) maintain the Premises and all other property insured in a sound condition
- (e) take all reasonable steps to minimise Bodily Injury

(12) WORKMEN AND ALTERATION TO THE PREMISES OR BUSINESS

Workmen and tradesmen are allowed in or about the Premises for maintenance purposes and for undertaking minor repairs and alterations without affecting this insurance but the Insurers have insured you on the basis of information supplied and cover under this Policy will cease if

- (a) there are changes to the Premises or the building in which it is located or to your Business which may increase the risk of loss destruction damage liability accident or Injury
- (b) there are changes in the occupancy or use of the Premises
- (c) your interest in the Premises or your Business ceases
- (d) your Business is wound up or carried on by a liquidator or receiver or permanently discontinued

unless you have notified the Insurers within a reasonable time and the Insurers have agreed to such changes in writing

(13) PREMIUM ADJUSTMENT

If any part of the premium is calculated on estimates you shall keep an accurate record containing all relevant particulars and shall at any time allow the Insurers to inspect such record

You shall within one month after the expiry of each Period of Insurance supply particulars and information as the Insurers may require and the premium for such period shall be adjusted subject to any minimum premium

(14) INSTALMENTS

If the premium for this Policy is payable by instalments it is a condition precedent to the Insurers' liability that each instalment shall be paid when due otherwise all benefit under this Policy shall be forfeited from the date when such instalment was due

(14) **CANCELLATION**

The Insurers may cancel this Policy by sending seven days' notice by recorded delivery letter to you at your last known address and making a proportionate return of premium for any unexpired Period of Insurance for which you have paid

Where a claim has been made during the current Period of Insurance the full annual premium will still be payable despite cancellation of cover and Insurers reserve the right to deduct this from any claim payment

(15) **TAX**

In addition to the premium you will pay to the Insurers any tax due on the premium which the Insurers are required to collect will be incorporated in accordance with current legislation

(16) **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

A person or company who was not 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 Condition does not affect any right or remedy of a third party which exists or is available other than by virtue of this Act.

(17) **SEVERAL LIABILITY**

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. 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 contract.

The proportion of liability under this contract 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 contract.

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 contract. 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 clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

SECTION 1 - CONTENTS

This Section applies only if stated as INSURED in the Policy Schedule

INSURING CLAUSE

If any Property suffers Damage

- (1) by any Peril shown in the Schedule applicable to this Section
- (2) during the Period of Insurance

the Insurers will pay to you an amount calculated in accordance with the Basis of Payment or at their option will reinstate or replace your Property or any part of it which is lost destroyed or damaged

DEFINITIONS TO THE CONTENTS SECTION

NB For the purpose of determining where necessary the definition within which any property is insured the Insurers agree to accept the designation under which such property has been entered in your books

Property

means Item(s) of property described in the Schedule applicable to this Section including those defined below

Perils

means perils shown in the Schedule applicable to this Section

Specific Perils

means Perils defined below and stated in the Schedule applicable to this Section except Accidental Loss

PROPERTY DEFINITIONS

Contents

means machinery plant fixtures fittings utensils and all other contents relating to your Business at the Premises stated in the Schedule applicable to this Section whether belonging to you or held in your care and for which you are responsible and includes at the same address

- (1) tenants' improvements alterations and decorations
- (2) contents in outbuildings extensions annexes and gangways
- (3) contents in open yards to the extent that cover by this Section provides
- (4) Computers
- (5) Electronic Office Equipment
- (6) Money for an amount not exceeding £500
- (7) documents manuscripts and business books but only for the value of the materials as stationery and the cost of clerical labour expended in writing up
excluding
 - (a) any expense in connection with producing information to be recorded in them
 - (b) the value to you of the information contained in them
- (8) computer systems records
 - (a) only for the value of the materials and the cost of clerical labour and computer time expended in reproducing such records
 - (b) limited to £5,000 during any one Period of Insurance
excluding
 - (i) any expense in connection with producing information to be recorded in them
 - (ii) the value to you of the information contained in them
- (9) patterns models moulds plans and designs
- (10) in so far as they are not insured elsewhere your Employees' directors' visitors' and guests' pedal cycles and personal effects (except motor vehicles) for an amount not exceeding £250 for any one pedal cycle and £500 for all other personal effects of any one Employee director visitor or guest

Contents excludes

- (1) landlords' fixtures and fittings
- (2) Stock
- (3) any property excluded by Exclusion (15) or under the definition of Theft to this Section

Stock

means stock and materials in trade whether belonging to you or held in your care and for which you are responsible in connection with your Business at the Premises
excluding property otherwise insured by this Section

Computers

means all computer equipment used for the storage and communication of electronically processed data

Electronic Office Equipment

means all photocopiers fax machines portable telephones video recorders and video cameras and associated equipment all belonging to the Insured or held by the Insured in trust for which the Insured is responsible

PERILS DEFINITIONS

Fire

means

- (1) fire
excluding loss or destruction of or damage to property caused by
 - (a) explosion resulting from fire
 - (b) earthquake
 - (c) any property's
 - (i) own spontaneous fermentation or heating or
 - (ii) undergoing any heating process or any process involving the application of heat
- (2) lightning
- (3) explosion
 - (a) of boilers
 - (b) of gasused for domestic purposes only
excluding Damage caused by earthquake

Explosion

means for the purposes of this Section explosion
excluding Damage by

- (1) fire resulting from explosion
- (2) explosion
 - (a) of boilers
 - (b) of gasused for domestic purposes only

Aircraft

means aircraft or other aerial devices or articles dropped from them
excluding Damage by fire

Earthquake

means earthquake

Riot

means 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

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

Malicious Damage

means Damage caused by malicious persons
excluding Damage

- (1) arising from cessation of work
- (2) by fire

- (3) by theft
- (4) caused by persons acting on behalf of or in connection with any political organisation

Storm or Flood

means storm or flood

excluding Damage by lightning frost subsidence ground heave or landslip

Escape of Water

means escape of water from any tank apparatus or pipe

excluding Damage by water from any automatic sprinkler installation

Impact

means impact by any road vehicle or animal

Sprinkler Leakage

means accidental escape of water from any automatic sprinkler installation at the Premises

excluding Damage caused by

- (1) freezing while the Premises are (in so far as they are in your ownership or tenancy) empty or not in use
- (2) explosion earthquake or heat caused by fire

Subsidence

means subsidence or ground heave of any part of the site on which the Premises stands or landslip

excluding Damage

- (1) to yards car-parks roads pavements walls gates or fences unless also affecting buildings insured by this Section
- (2) caused by or consisting of
 - (a) settlement or movement of made-up ground
 - (b) coastal or river erosion
 - (c) defective design or workmanship or the use of defective materials
 - (d) fire explosion earthquake or the escape of water from any tank apparatus or pipe
- (3) which originated prior to the inception of this cover
- (4) resulting from
 - (a) demolition construction structural alterations or repair of any property at the Premises
 - (b) groundworks or excavation at the Premises

Theft

means theft of Property (including loss or destruction of or damage to Buildings or Contents caused in the course of theft or attempted theft) while the Property is within any building (or part thereof) occupied by You at the Premises

excluding

- (1) theft which does not involve
 - (a) entry to or exit from the building or attempt thereof by forcible and violent means
 - (b) hold-up accompanied by violence or threat of violence at the Premises
- (2) Damage caused by any person lawfully on the Premises
- (3) loss or destruction of or damage to
 - (a) property in any open space or in any outbuilding not communicating with the main building at the Premises
 - (b) Money manuscripts plans patterns models moulds designs coin or token-operated gaming amusement or vending machines or the contents of any of them or documents of title unless specifically stated as insured in the Schedule applicable to this Section
 - (c) any cash register when the Premises are closed for business unless the drawer has been left open

Accidental Loss

means accidental loss destruction or damage

excluding Damage

- (1) by any Peril Defined herein other than Accidental Loss
- (2) which would not be insured as a consequence of any of the exclusions to the Defined Perils herein

BASIS OF PAYMENT

Insurers' liability under this Section will not exceed

- (1) the Sum Insured for each Item
 - (2) in total the Total Sum Insured
- in the Schedule applicable to this Section

UNDERINSURANCE CONDITION

If at the time of Damage the value of the Property or the total value of all Property for which one Sum Insured is stated in the Schedule applicable to this Section exceeds that Sum Insured you will be your own insurer for the difference and will bear a rateable share of the loss accordingly

EXCLUSIONS TO THE CONTENTS SECTION

This Section does not cover

- (1) **Deductible**
the amount stated as the Deductible for each Peril shown in the Schedule applicable to this Section
- (2) **Inbuilt defect wear tear and defective workmanship**
Damage to property caused by or consisting of
 - (a) inbuilt or latent defect gradual deterioration wear and tear its own faulty or defective design or materials
 - (b) faulty or defective workmanship operational error or omission on your part or that of any of your Employeesbut subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy is covered under this Section
- (3) **Frost**
Damage caused by or consisting of frost
but subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy is covered under this Section
- (4) **Corrosion or change in temperature**
Damage caused by or consisting of
 - (a) corrosion rust wet or dry rot shrinkage evaporation contamination loss of weight dampness dryness marring scratching denting vermin or insects
 - (b) change in temperature colour flavour texture or finishbut the following is covered under this Section
 - (i) such Damage not excluded elsewhere in this Section or Policy which itself results from any Specific Peril or from any other accidental cause
 - (ii) subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy
- (5) **Joint leakage or breakdown**
Damage consisting of
 - (a) joint leakage or failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam or feed piping connected to them
 - (b) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which breakdown or derangement originatesbut the following is covered under this Section
 - (i) such Damage not excluded elsewhere in this Section or Policy which itself results from any Specific Peril
 - (ii) subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy
- (6) **Subsidence ground heave or landslip**
Damage caused by or consisting of subsidence ground heave or landslip unless resulting from Fire Explosion Earthquake or Escape of Water except in so far as Subsidence may be insured by this Section

- (7) **Change in the water table level**
Damage attributable to change in the water table level
- (8) **Settlement of new structures**
Damage caused by or consisting of normal settlement or bedding down of new structures
- (9) **Theft fraud or dishonesty**
Damage caused by or consisting of theft or attempted theft where any person in your employment or service or any member of your family are concerned as principal or accessory
- (10) **Collapse of buildings**
Damage to a building or structure caused by its own collapse or cracking unless resulting from a Specific Peril
- (11) **Property in the open**
Damage to moveable property in the open fences or gates caused by theft wind rain hail sleet snow flood or dust
- (12) **Processing**
Damage to any property (other than by Fire or Explosion) resulting from its undergoing any process of production packing treatment testing commissioning servicing cleaning dyeing or repair
- (13) **Empty Buildings**
Damage in respect of any Buildings which are empty or not in use caused
 (a) by freezing
 (b) by escape of water from any tank apparatus or pipe
 (c) by malicious persons (other than by Fire or Explosion)
 (d) in the course of Theft or attempted Theft
- (14) **Riot or civil commotion**
caused by riot or civil commotion except in so far as Riot is insured by this Section
- (15) **Excluded Property**
 (a) unless Damage is caused by a Specific Peril
 (i) valuables precious stones precious metals bullion curiosities works of art or rare books
 (ii) property in transit
 (iii) glass china earthenware marble or other fragile or brittle objects
 (iv) Money bonds credit cards or securities of any description
 (b) unless specifically stated as insured in the Schedule applicable to this Section
 (i) vehicles licensed for road use (and accessories on them) caravans trailers railway stock watercraft or aircraft
 (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) land roads pavements piers jetties bridges culverts or excavations
 (iv) livestock growing crops or trees
- (16) **Machinery requiring statutory inspection**
Damage caused by explosion of and originating in any vessel machinery or apparatus or its contents belonging to you or under your control which is required to be inspected to comply with any regulations or statutory provisions unless such vessel machinery or apparatus is the subject of a policy or other contract providing the required inspection service
- (17) **Steam pressure apparatus**
Damage 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

but subsequent Damage which itself results from a cause not excluded elsewhere in this Section or Policy is covered under this Section
- (18) **Self-ignition of electrical apparatus**
to any electrical apparatus or wiring caused by its own self-ignition

but this Exclusion shall only apply to that part of the electrical apparatus or wiring in which the self-ignition occurs

- (19) **Property insured by other insurance**
any property which at the time of Damage is insured by a more specific insurance

SPECIAL CONDITIONS TO THE CONTENTS SECTION

(1) **Reinstatement Basis of Payment**

This Condition applies only when Reinstatement Basis of Payment (R) is stated against any Item in the Schedule applicable to this Section

Subject to the undernoted provisions the basis upon which the amount payable in respect of any Item to which this Condition applies (other than motor vehicles and their accessories Employees' directors' visitors' and guests pedal cycles and personal effects) is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose reinstatement means

- (a) the rebuilding or replacement of property lost or destroyed which provided the liability of the Insurers is not increased may be carried out
- (i) in any manner suitable to your requirements
 - (ii) upon another site
- (b) the repair or restoration of property damaged

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

Provided that

- (i) The liability of the Insurers for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed
- (ii) If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property insured by any Item subject to this Condition exceeds its Sum Insured at the commencement of any Damage the liability of the Insurers shall not exceed that proportion of the amount of the Damage which the said Sum Insured shall bear to the sum representing the whole of such property at that time
- (iii) No payment beyond the amount which would have been payable in the absence of this Condition shall be made
- (A) unless reinstatement commences and proceeds without unreasonable delay
 - (B) until the cost of reinstatement shall have been actually incurred
 - (C) if the property insured by any Item at the time of its Damage shall be insured by any other insurance effected by or on your behalf which is not upon the same basis of reinstatement

(2) **Day One Value Basis**

This Condition applies only when Day One Value Basis (DOVB) is stated against any Item in the Schedule applicable to this Section

- (a) The Insured having stated in writing the Declared Value incorporated in each Item to which this Condition applies the premium has been calculated accordingly Declared Value means your assessment of the cost of reinstatement of the property insured by any Item arrived at in accordance with paragraph (a) of Special Condition (1) 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
 - (ii) professional fees
 - (iii) debris removal costs
- (b) At the inception of each Period of Insurance the Insured shall notify the Insurers of the Declared Value of the property insured by each of the said Item(s)

In the absence of such declaration the Declared Value for the previous Period of Insurance shall be increased by a percentage determined by the Insurers and the resultant figure shall be taken as the Declared Value for the ensuing Period of Insurance

- (c) Proviso (ii) of Special Condition (1) is amended to read
If at the time of Damage the Declared Value of the property insured by such Item be less than the cost of reinstatement (as defined above) at the inception of the Period of Insurance then the

Insurers liability for any Damage shall not exceed that proportion thereof which the Declared Value bears to the cost of reinstatement

(3) **Stock Declaration**

This Condition applies only when Stock Declaration Condition (SDC) is stated against any Item in the Schedule applicable to this Section

The insurance on Stock is subject to the following

- (a) The premium is provisional being 75% of the estimated premium and shall on the expiry of each Period of Insurance be adjusted as hereinafter provided
- (b) The value of the Stock on the last day of each calendar month shall be declared by you within 30 days thereafter and if a declaration be not so given you shall be deemed to have declared the Sum Insured as the value
- (c) On the expiry of each Period of Insurance the actual premium shall be calculated at the rate applicable on the total of the amounts declared divided by the number of declarations
If the actual premium be greater than the provisional premium you shall pay the difference
If it be less the difference shall be paid to you but such payment shall not exceed 1/3rd of the first or annual premiums respectively
- (d) In consideration of the Sum Insured not being reduced by the amount of any loss you shall pay the appropriate additional premium on the amount of the loss from the date thereof to the expiry of the Period of Insurance

(4) **Index Linking**

This Condition only applies when Index Linking (IL) is stated against any Item in the Schedule applicable to this Section

The Sum Insured (and the Declared Value where appropriate) on any Item will be increased by a percentage determined by the Insurers and such revised Sum Insured (and Declared Value) in the absence of advice from you to the contrary will be deemed to apply for the ensuing Period of Insurance

(5) **Rent**

Any insurance of Rent applies only if the Buildings or any part thereof is unfit for occupation in consequence of its Damage and then the amount payable shall not exceed such proportion of the Sum Insured on Rent as the period necessary for reinstatement bears to the term of Rent insured

(6) **Subrogation Waiver**

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

- (a) in the relation of holding company or subsidiary to you
 - (b) which is a subsidiary of a parent company of which you are yourself a subsidiary
- in each case within the meaning of the relevant companies' legislation current at the time of the Damage

(7) **Non-Invalidation**

The insurance by this Section will not be made invalid by any act omission or alteration which unknown to you or beyond your control increases the risk of Damage provided that you

- (a) notify the Insurers immediately you become aware of such act omission or alteration and
- (b) pay any additional premium that the Insurers may require

(8) **Automatic Reinstatement of Sum Insured**

In the absence of written notice by the Insured or the Insurers to the contrary within 30 days of the occurrence of any Damage the Sums Insured by this Section shall not be reduced by the amount of any loss and the Insured shall pay the appropriate premium for such automatic reinstatement of cover provided that

- (a) the Insured shall carry out any reasonable recommendations put forward by the Insurers to prevent further loss
- (b) in respect of Damage by Theft (if insured) the automatic reinstatement shall apply on the first occasion only in each Period of Insurance

IN ADDITION THE INSURERS WILL PROVIDE COVER UNDER THIS SECTION AS FOLLOWS

Professional Fees

The cover under this Section for Contents includes necessary architects' surveyors' consulting engineers' legal and other fees you incur in reinstating your Property following its Damage as insured by this Section but not for preparing any claim

Provided that the Insurers' liability for Damage and professional fees will not exceed in total the Sum Insured for each Item in the Schedule applicable to this Section

Debris Removal Costs

The insurance by each Item in the Schedule applicable to this Section includes necessary costs and expenses you incur with the Insurers' consent in

- (1) removing debris from
- (2) dismantling and/or demolishing
- (3) shoring up or propping

Provided that the Insurers' liability for Damage and debris removal costs will not exceed in total during any one Period of Insurance the Sum Insured stated for each Item in the Schedule applicable to this Section

Underground Services

- (1) Accidental loss or destruction of or damage not otherwise excluded to underground water gas oil drain or sewer pipes and underground electricity or telephone cables which extend from the Premises to the public mains and which you are responsible to repair or reinstate
- (2) Costs and expenses incurred in clearing and cleaning drains gutters sewers drain inspection covers and similar underground service areas for which you are responsible in consequence of any peril insured by this Section

Provided that the liability of the Insurers hereunder shall not exceed £10,000 in any one Period of Insurance

Local Authorities

The cover under this Section for Contents extends to include additional costs of rebuilding or reinstatement of lost destroyed or damaged Property which you incur solely to comply with Building Regulations or local authority or other statutory requirements

excluding

- (1) any such costs where the Item is not subject to the Reinstatement Basis of Payment (Special Condition (1))
- (2) the cost incurred in complying with any of the aforesaid Regulations or Bye-Laws
 - (a) in respect of Damage occurring before this cover was granted
 - (b) in respect of Damage not insured by this Section
 - (c) under which notice was served upon you before the date of Damage
 - (d) in respect of undamaged Property or undamaged portions of Property forming any part of the Property sustaining Damage except for undamaged foundations (unless foundations are specifically excluded from cover by Endorsement to this Policy)
- (3) the additional cost exceeding that which would have been required to make good property which sustained Damage to a condition equal to its condition when new had it not been necessary to comply with any one of the above Regulations or Bye-Laws
- (4) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the Property or by its owner in order to comply with any of the above Regulations or Bye-Laws

Provided that

- (a) 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 date of the Damage or within such further time as the Insurers may allow (during the said 12 months) and may be carried out upon another site (if Regulations or Bye-Laws so require) subject to the Insurers' liability not being increased by this additional cover
- (b) if apart from this additional cover the Insurers' liability for Property is reduced by the application of any terms and conditions of this Policy then the Insurers' liability in respect of any such costs will be reduced in like proportion
- (c) the total amount payable for Property will not exceed the Sum Insured for it stated in the Schedule applicable to this Section

Temporary Removal

Property whilst temporarily removed for cleaning renovation repair or similar purposes to premises you do not occupy and whilst in transit to and from such premises excluding

- (1) property lost destroyed or damaged by theft whilst in transit
- (2) losses occurring outside the Geographical Limits
- (3) motor vehicles licensed for road use and not at the Premises
- (4) any Property comprising Stock

The amount payable for Property will not exceed the lesser of

- (a) the amount which would have been payable had the loss occurred in that part of the Premises from which the Property is temporarily removed or
- (b) 10% of the Sum Insured for the relevant Property

Temporary Removal of Documents

The cover under this Section for Contents extends to include deeds and other documents (and stamps affixed to them) manuscripts plans designs and business books (written and printed) for an amount not exceeding 10% of the Sum Insured for Contents stated in the Schedule applicable to this Section whilst temporarily removed to any premises you do not occupy and whilst in transit to and from such premises excluding

- (1) computer systems records
- (2) property lost destroyed or damaged by theft whilst in transit
- (3) losses occurring outside the Geographical Limits

Temporary Removal of Computer Systems Records

The cover under this Section for Contents extends to include computer systems records whilst temporarily removed to any premises you do not occupy and whilst in transit to and from such premises for an amount not exceeding £500 for any one claim excluding

- (1) property lost destroyed or damaged by theft whilst in transit
- (2) losses occurring outside the Geographical Limits

Capital Additions

The cover under this Section includes

- (1) any newly acquired Contents
- (2) alterations additions and improvements to Contents (but not for any appreciation in value) anywhere within the Geographical Limits

Provided that

- (a) at any one location this cover does not exceed 10% of the total of the Sums Insured on Contents shown in the Schedule applicable to this Section or £250,000 whichever is less
- (b) you undertake to give particulars when this cover is required as soon as practicable and in any event at intervals of not more than six months and undertake to pay such additional premium as the Insurers will require for insurance dating back to the date when the Insurers' liability began

Replacement of Locks

The cost of replacement of locks following theft of keys to the Premises

- (1) following a hold-up accompanied by violence or threat of violence whilst such keys are in your personal custody or that of any of your directors partners or authorised Employees
- (2) involving entry to or exit from the Premises by forcible and violent means
- (3) involving entry to or exit from your residence or that of any of your directors partners or authorised Employees by forcible and violent means

Provided that the Insurers liability for this cover will not exceed £2,500 during any one Period of Insurance

Emergency Services

Insurers will pay costs and expenses You incur to restore or repair grounds, landscaped gardens, pavements, road surfaces and any other property comprising the Premises damaged by the emergency services attending as a result of Damage to the Premises. Provided that the Insurers liability for this cover will not exceed £10,000 any one occurrence or series of events arising out of one occurrence.

Trace and Access

In the event of Damage resulting from escape of water or oil as insured by this insurance then Insurers will pay all costs necessarily and reasonably incurred in locating the source of such Damage and making good.

Provided that the Insurers liability for this cover will not exceed £10,000 any one occurrence or series of events arising out of one occurrence.

Additional Metered Water Charges

The insurance by this Section extends to include additional metered water charges incurred by You and for which You are responsible as a result of Damage to the water installation at the Premises.

Provided that:

- (1) The amount payable shall be ascertained by comparing the charge made by the water authority on their account for the period during which the loss of metered water occurred with the charges for the previous period adjusted for any relevant factors affecting Your normal consumption of water during the periods concerned
- (2) Damage in respect of any Building which is unoccupied is excluded
- (3) Insurers maximum liability under this extension shall not exceed £10,000 in the aggregate during any one Period of Insurance
- (4) You shall take all practical steps to remedy the Damage to the installation as soon as it is discovered

Extinguishment Expenses

Insurers will pay the reasonable costs You incur for refilling fire extinguishment appliances and replacing used sprinkler heads but excluding

- (1) costs other than as a direct result of Damage caused by an insured Peril
- (2) any amount in excess of £10,000

Exhibitions

The insurance by this Section extends to include Damage to Contents or Stock whilst at exhibitions within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, including whilst in direct transit between Your premises and the Exhibition site. Provided that the Insurer's liability will not exceed £10,000 in respect of any one exhibition.

Other Interests

Insurers will automatically cover the interests of any third parties You are required to include in this insurance in consequence of any mortgage, hiring, leasing or similar agreement. Provided that You shall advise Insurers of the name of any interested party and the nature and extent of their interest in the event of Damage

SECTION 2 - BUSINESS INTERRUPTION

This Section applies only if stated as INSURED in the Policy Schedule

INSURING CLAUSE

If any building or other property used by you at the Premises for the purpose of your Business

- (1) suffers Damage caused by any Peril shown in the Schedule applicable to this Section during the Period of Insurance and
- (2) in consequence your Business as carried on by you at the Premises suffers Business Interruption as defined below

the Insurers will indemnify you for

- (a) loss resulting in Business Interruption
- (b) reasonable charges payable by you to your professional accountants for producing any particulars or details or any other proof information or evidence that may be required by the Insurers under the terms of General Condition (1) of this Policy but not for preparing any claim

Provided that at the time of Damage giving rise to Business Interruption your interest in the property at the Premises is insured against such Damage and

- (i) payment has been made or liability admitted for it by the insurers of property or
- (ii) payment would have been made or liability admitted but for the operation of a deductible or other proviso excluding liability for losses below a specified amount

DEFINITIONS TO THE BUSINESS INTERRUPTION SECTION

NB For the purpose of these definitions any adjustment implemented in current cost accounting shall be disregarded

Business Interruption

means interruption of or interference with your Business as carried on by you at the Premises in consequence of Damage caused by any Peril shown in the Schedule applicable to this Section

Estimated Gross Profit

means amount declared by you to the Insurers as representing not less than the Gross Profit which it is anticipated will be earned by your Business during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds 12 months)

Estimated Gross Rentals

means amount declared by you to the Insurers as representing not less than the Gross Rentals which it is anticipated will be earned by your Business during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum Indemnity period exceeds 12 months)

Estimated Gross Revenue

means amount declared by you to the Insurers representing not less than the Gross Revenue which it is anticipated will be earned by your Business during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds 12 months)

Gross Profit

means amount by which

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

NB the amounts of the opening and closing stock and work in progress shall be arrived at in accordance with your normal accountancy methods due provision being made for depreciation

Gross Rentals

means money paid or payable to you for tenancies and other charges and for services rendered in the course of your Business at the Premises

Gross Revenue

means money paid or payable to you for work done and services rendered in the course of your Business at the Premises

Indemnity Period

means period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period (stated in the Schedule applicable to this Section) thereafter during which the results of the Business shall be affected in consequence thereof

Peril(s)

means any of the perils shown in the Schedule applicable to this Section and defined in the Buildings and Contents Section of this Policy

Turnover

means money paid or payable to you for goods sold and delivered and for work done and services rendered in the course of your Business at the Premises

Uninsured Working Expenses

means purchases less discounts received bad debts carriage packing and freight

NB the words and expressions used in this definition shall have the meaning usually attached to them in your books and accounts

Annual Gross Rentals

means Gross Rentals during the 12 months immediately before the date of the Damage

Annual Gross Revenue

means Gross Revenue during the 12 months immediately before the date of the Damage

Annual Gross Turnover

means Turnover during the 12 months immediately before the date of the Damage

Rate of Gross Profit

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

Standard Gross Rentals

means Gross Rentals during that period in the 12 months immediately before the date of the Damage which corresponds with the Indemnity Period

Standard Gross Revenue

means Gross Revenue during that period in the 12 months immediately before the date the Damage which corresponds with the Indemnity Period

Standard Turnover

means Turnover during that period in the 12 months immediately before the date of the Damage which corresponds with the Indemnity Period

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

BASIS OF PAYMENT

(1) Applicable to each Item on Gross Profit stated in the Schedule applicable to this Section

The insurance under each Item on Gross Profit is limited to loss of Gross Profit due to

- (a) reduction in Turnover and
- (b) Increase in Cost of Working

and the amount payable as indemnity thereunder shall be

- (i) in respect of reduction in Turnover the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall fall short of the Standard Turnover in consequence of the Damage
- (ii) in respect of Increase in Cost of Working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided

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

(2) Applicable to each Item on Gross Revenue stated in the Schedule applicable to this Section

The insurance under each Item on Gross Revenue is limited to

- (a) loss of Gross Revenue and
- (b) Increase in Cost of Working

and the amount payable as indemnity thereunder shall be

- (i) in respect of loss of Gross Revenue the amount by which the Gross Revenue during the Indemnity Period shall fall short of the Standard Gross Revenue in consequence of the Damage
- (ii) in respect of Increase in Cost of Working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of reduction in Gross Revenue thereby avoided

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

(3) Applicable to each Item on Gross Rentals stated in the Schedule applicable to this Section

The Insurance under each Item on Gross Rentals is limited to

- (a) loss of Gross Rentals and
- (b) Increase in Cost of Working

and the amount payable as indemnity thereunder shall be

- (i) in respect of loss of Gross Rentals the amount by which the Gross Rentals during the Indemnity Period shall fall short of the Standard Gross Rentals in consequence of the Damage
- (ii) in respect of Increase in Cost of Working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross Rentals which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Gross Rentals thereby avoided

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

(4) Applicable to each Item on Increased Cost of Working stated in the Schedule applicable to this Section

The insurance under each Item on Increased Cost of Working is limited to Increase in Cost of Working and the amount payable as indemnity thereunder shall be the additional expenditure necessarily and reasonably incurred by the Insured in consequence of Damage in order to prevent or minimise interruption of or interference with your Business during the Indemnity Period provided that the Insurers shall not be liable for more the Sum Insured

(5) Applicable to each Item on Additional Increased Cost of Working stated in the Schedule applicable to this Section

The insurance under each Item on Additional Increased Cost of Working is limited to the additional expenditure incurred with Insurers written consent beyond that recoverable as Increase in Cost of Working provided for elsewhere in this Section. In so far as the Insurers give such consent, the amount payable as indemnity thereunder shall be for those additional costs necessarily and reasonably incurred during the Indemnity Period in consequence of the Damage in order to prevent or minimise the reduction in Turnover or Gross Revenue (as applicable) provided that the Insurers shall not be liable for more the Sum Insured

PROVISIONAL PREMIUM BASIS CONDITION

This Condition applies only if Provisional Premium Basis (PPB) is stated in each Item for either Gross Profit Gross Revenue or Gross Rentals

- (1) The premium for this Item is provisional being 75% of the premium calculated for this Item at the commencement of the Period of Insurance
- (2) The balance of 25% of the premium calculated for this Item is payable within 6 months of the expiry of each Period of Insurance unless a declaration is received by the Insurers in accordance with (3) below
- (3) The premium will be adjusted on receipt by the Insurers of a declaration confirmed by your professional accountants of Gross Profit Gross Revenue or Gross Rentals earned during the financial year most nearly concurrent with the expired Period of Insurance
- (4) If any Damage has occurred giving rise to a claim under this Section for loss of Gross Profit Gross Revenue or Gross Rentals the declaration referred to in (3) above will be increased by the Insurers for the purpose of premium adjustment by the amount by which the Gross Profit Gross Revenue and Gross Rentals was reduced during the financial year solely in consequence of the Damage
- (5) If the declaration (adjusted as provided for in (3) above and proportionately increased where the Indemnity Period exceeds 12 months) is
 - (a) less than 75% of the Sum Insured stated for Gross Profit Gross Revenue or Gross Rentals in the Schedule applicable to this Section for the relative Period of Insurance the Insurers will allow a pro rata return of premium not exceeding 33.3% of the provisional premium
 - (b) more than 75% of the Sum Insured stated for Gross Profit Gross Revenue or Gross Rentals in the Schedule applicable to this Section for the relative Period of Insurance you will pay a pro-rata additional premium not exceeding 33.3% of the provisional premium
- (6) The Declaration Linked Basis Condition under this Section will not apply where the Provisional Premium Basis Condition applies

DECLARATION LINKED BASIS CONDITION

This Condition applies only if Estimated Gross Profit or Estimated Gross Revenue or Estimated Gross Rentals is stated in each Item for either Gross Profit Gross Revenue or Gross Rentals

- (1) The Basis of Payment will be as for Gross Profit Gross Revenue or Gross Rentals but the liability of the Insurers will in no case exceed 133.33% of the amount stated for Estimated Gross Profit Estimated Gross Revenue or Estimated Gross Rentals in the Schedule applicable to this Section
In the absence of written notice from the Insurers to the contrary the Insurers' liability under this Section will not be reduced by the amount of any loss and you will undertake to pay the appropriate additional premium for such automatic reinstatement of cover
- (2) The premium is provisional and is based on an Estimated Gross Profit Estimated Gross Revenue or Estimated Gross Rentals figure for the financial year most nearly concurrent with the Period of Insurance stated in this Policy
You must send to the Insurers not later than six months after the expiry of each Period of Insurance a declaration confirmed by your professional accountants of the Gross Profit Gross Revenue or Gross Rentals earned during the financial year most nearly concurrent with the expired Period of Insurance
- (3) If any Damage has occurred giving rise to a claim under this Section for loss of Gross Profit Gross Revenue or Gross Rentals the declaration of the Gross Profit Gross Revenue or Gross Rentals earned will be increased by the Insurers for the purpose of adjusting the premium by the amount by which the Gross Profit Gross Revenue or Gross Rentals was reduced during the financial year solely due to Damage giving rise to the claim
If the declaration (adjusted as provided above and proportionately increased where the Indemnity Period exceeds 12 months) is

- (a) less than the Estimated Gross Profit Estimated Gross Revenue or Estimated Gross Rentals for the related Period of Insurance the Insurers will allow a pro rata return of premium calculated under the terms of (2) above but not exceeding 50% of such Premium
- (b) more than the Estimated Gross Profit Estimated Gross Revenue or Estimated Gross Rentals for the Period of Insurance you will pay a pro rata addition to the premium calculated under the terms of (2) above
- (4) Before each renewal of this Policy you will send to the Insurers an Estimated Gross Profit Estimated Gross Revenue or Estimated Gross Rentals figure for the financial year most nearly concurrent with the Period of Insurance for which Premium is payable on renewal
- (5) The Provisional Premium Basis Condition under this Section will not apply where the Declaration Linked Basis Condition applies

UNDERINSURANCE CONDITION

If any Sum Insured in respect of Gross Profit Gross Revenue or Gross Rentals not being subject to the Declaration Linked Basis Condition as stated in the Schedule applicable to this Section is less than the Annual Gross Profit Annual Gross Revenue or Annual Gross Rental (or such multiple thereof that the Maximum Indemnity Period compares to 12 months if the Indemnity Period is longer) the amount payable for Gross Profit Gross Revenue or Gross Rentals will be proportionately reduced and you will be considered as your own insurer for the difference

EXCLUSIONS TO THE BUSINESS INTERRUPTION SECTION

This Section does not cover loss resulting from interruption of or interference with your Business

- (1) arising from deliberate falsification of any records used for your Business
- (2) due to any Damage excluded by Exclusions 2-14 to the Buildings & Contents Section of this Policy all of which are incorporated into and must be read as applying to this Section
- (3) due to any cost incurred in the cleaning repair replacement recall or checking of any property or in making any refund
- (4) arising directly or indirectly from
 - (a) erasure loss distortion or corruption of information on computer systems or other records programs or software caused deliberately by rioters strikers locked-out workers persons taking part in labour disturbances or civil commotions or malicious persons
 - (b) other erasure loss distortion or corruption of information on computer systems or other records programs or software unless resulting from a Peril shown in the Schedule applicable to this Section in so far as it is not otherwise excluded
 - (c) accidental breakdown of computer or data processing equipment
- (5) caused by or consisting of the bursting of any vessel machine or apparatus (not being a boiler or economiser on the Premises or a boiler used for domestic purposes only) in which internal pressure is due to steam only and belonging to you or under your control but this will not exclude subsequent loss which itself results from a cause not excluded elsewhere in this Section or Policy

SPECIAL CONDITIONS TO THE BUSINESS INTERRUPTION SECTION

- (1) If any standing charges of your Business are not insured by this Section (having been deducted in arriving at the Gross Profit) then in computing the amount recoverable hereunder as Increase in Cost of Working that proportion only of any additional expenditure shall be brought into account which the Gross Profit bears to the sum of the Gross Profit and the uninsured standing charges
- (2) If during the Indemnity Period goods shall be sold or services 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 sales or services shall be brought into account in arriving at the Turnover Gross Revenue or Gross Rentals during the Indemnity Period
- (3) You will be entitled to receive interim payments as agreed between you and the Insurers in advance of final settlement of any claim agreed under this Section
- (4) If your Business is conducted in departments and the independent trading results of each can be traced the cover provided by this Section will apply separately to each department of your Business affected in consequence of Damage by an insured Peril
- (5) To the extent that you are accountable to the tax authorities for Value Added Tax all terms relating to this Section will be exclusive of such tax

OPTIONAL EXTENSIONS TO THE BUSINESS INTERRUPTION SECTION

The following Extensions are optional and apply only if shown in the Schedule applicable to this Section. The liability of the Insurers in respect of each operative Optional Extension shall not exceed in respect of any one occurrence the Sum Insured for each item stated in the Schedule, or £50,000 where no Sum Insured is stated

(1) **Prevention of Access**

Interruption of or interference with your Business shall include loss resulting from accidental Damage to property in the vicinity of the Premises which shall prevent or hinder the use of the Premises or access thereto whether the property of the Insured at the Premises shall be damaged or not

(2) **Public Supply Undertaking**

Interruption of or interference with your Business shall include loss resulting from the failure of the supply (but excluding any failure which does not include interruption or interference of supply for at least twelve hours) of

- (a) electricity at the terminal ends of the supply authority's service feeders at the Premises
- (b) gas at the supply authority's meters at the Premises
- (c) water at the supply authority's main stop cock serving the Premises (other than by drought)

not occasioned by

- (i) the deliberate act of any supply authority nor by the exercise by any such authority of its power to withhold or restrict supply
- (ii) strikes or labour or trade disputes

(3) **Property Stored**

Interruption of or interference with your Business shall include loss resulting from accidental Damage to property of the Insured whilst stored anywhere in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, elsewhere than at any premises which You occupy.

(4) **Specified Suppliers or Customers**

Interruption of or interference with your Business shall include loss resulting from accidental Damage at the premises of any supplier or customer stated in the Schedule applicable to this Section provided that the term suppliers or customers means those companies organisations or individuals with whom at the time of the Damage you had contracts or trading relationships to receive or supply goods or services

(5) **Infectious Diseases and Other Closure**

Interruption of or interference with your Business carried on at the Premises shall include loss directly resulting from:

- (a) Notifiable Disease manifested by any person whilst at the Premises;
- (b) an outbreak of a Notifiable Disease within 25 miles of the Premises;
- (c) murder or suicide occurring at the Premises;
- (d) injury or illness sustained by any guest which arises from, or is traceable to, foreign or injurious matter in food or drink provided on the Premises;
- (e) closing of the whole or part of the Premises by the order or on the advice of a competent Public Authority as a result of:-
 - (i) defects in the drains or other sanitary arrangements in the Premises
 - (ii) the Premises becoming infested with vermin or pests.

Special Provisions

- (a) Notifiable Disease means illness sustained by any person resulting from any human infectious or human contagious disease an outbreak of which the competent local authority has stipulated shall be notified to them but excluding
 - (i) Acquired Immune Deficiency Syndrome (AIDS) or an AIDS-related condition
 - (ii) avian influenza or any mutant variation thereof
- (b) for the purpose of this clause, Indemnity Period means the period during which the results of the Business shall be affected in consequence of the Damage beginning:-
 - (i) in the case of (a), (b), (c) and (d), above, with the occurrence or discovery of the incident;

(ii) in the case of (e) above, with the date from which the restrictions on the Premises are applied and ending not later than the Maximum Indemnity Period thereafter.

- (6) **Patterns**
Interruption of or interference with your Business shall include loss resulting from accidental Damage to patterns, jigs, models, templates, moulds, dies, tools, plans, drawings and designs, Your property or held by You in trust or on commission for which You are responsible whilst at the premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, of any machine makers, engineers, foundries or other metal workers, and whilst in transit thereto and therefrom by road, rail or inland waterway but excluding any premises wholly or partly occupied by You.
- (7) **Transit**
Interruption of or interference with your Business shall include loss resulting from accidental Damage to Your Property whilst in transit by road, rail or inland waterway in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, but excluding Damage arising from impact to, or collision with, the conveying road or rail vehicle or waterborne craft.
- (8) **Motor Vehicles**
Interruption of or interference with your Business shall include loss resulting from accidental Damage to Your motor vehicles whilst in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, elsewhere than at any premises in Your occupation.
- (9) **Contract Sites**
Interruption of or interference with your Business shall include loss resulting from accidental Damage at any situation in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, not in Your occupation, where You are carrying out a contract.
- (10) **Exhibition Sites**
Interruption of or interference with your Business shall include loss resulting from accidental Damage at any situation in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, not in Your occupation, where You are exhibiting Your goods for sale.
- (11) **Unspecified Suppliers or Customers**
Interruption of or interference with your Business shall include loss resulting from accidental Damage at the premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man of any supplier or customer provided that the term suppliers or customers means those companies organisations or individuals with whom at the time of the Damage you had contracts or trading relationships to receive or supply goods or services but excluding the premises of any supply undertaking from which You obtain electricity, gas or water or telecommunication services.

SECTION 3 - EMPLOYERS' LIABILITY

This Section applies only if stated as INSURED in the Policy Schedule

INSURING CLAUSE

In the event of Injury to any Employee caused during the Period of Insurance and arising out of and in the course of their employment by you in connection with your Business within the Geographical Limits the Insurers will indemnify you against all sums that you shall become legally liable to pay as compensation in respect of such Injury together with Costs & Expenses

DEFINITIONS TO THE EMPLOYERS' LIABILITY SECTION

Offshore

means from the time of embarkation by an Employee onto a conveyance at the point of final departure to either an offshore rig or offshore platform until disembarkation by an Employee from a conveyance onto land upon return from either an offshore rig or offshore platform

Europe

means for the purpose of this Section all countries within the continent of Europe other than Albania Bulgaria the Czech and Slovak Republics Hungary Poland Romania Turkey or any countries or territories formerly part of either the USSR or Yugoslavia

BASIS OF PAYMENT

The liability of the Insurers for compensation and Costs and Expenses will not exceed the Limit of Indemnity stated in the Schedule applicable to this Section for any one claim or series of claims arising from one source or original cause

The Insurers may at any time pay to you or anyone else entitled to indemnity under this Section

- (1) the amount stated as the Limit of Indemnity in the Schedule applicable to this Section after deducting any sum or sums already paid as compensation and any Costs and Expenses paid by the Insurers or
- (2) any lesser amount for which any claim or claims can be settled

and upon such payment the Insurers will relinquish conduct and control of and be under no further liability in connection with such claim or claims except for Costs and Expense incurred or which can be recovered in respect of action taken before the date of Insurers' payment under this Section

Any sum paid will be inclusive of all Costs and Expenses incurred and no further sums will be payable by the Insurers

EXCLUSIONS TO THE EMPLOYERS' LIABILITY SECTION

There will be no indemnity under this Section for

Work Offshore

- (1) you or anyone claiming indemnity under this Section in respect of liability arising Offshore

Indemnity for directors partners and Employees

- (2) liability of any of your directors partners or Employees for which you would not have been entitled to indemnity if the claim had been made against you

Fines or Penalties

- (3) the payment of fines or penalties

Mechanically propelled vehicles

- (4) Injury to any Employee whilst
 - (a) carried in or upon
 - (b) entering or getting on to or alighting from

any mechanically propelled vehicle in circumstances where any road traffic legislation requires insurance or security

Asbestos

- (5) liability arising out of or related to the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to asbestos or materials or products containing asbestos, except to the extent that an indemnity is deemed to be required in accordance with the provisions of any law relating to compulsory insurance of liability to employees, in which case a sub-Limit of Indemnity of £5,000,000 shall apply inclusive of all damages, costs and expenses payable in respect of any one claim arising out of any one event or all events of a series consequent on or attributable to one source or original cause. It is a condition precedent to the liability of the Insurers that the Insured do not manufacture mine process distribute test remediate remove store dispose sell or use asbestos or materials or products containing asbestos.

Hazardous Locations

- (6) any claim arising in connection with any manual work on or in
- (a) docks harbours or railways
 - (b) watercraft
 - (c) chemical or petro chemical works oil or gas refineries or storage facilities
 - (d) aircraft airports or airfields
 - (e) power stations
 - (f) nuclear power stations
 - (g) any installations where nuclear processing is undertaken
 - (h) towers steeples chimney shafts blast furnaces viaducts bridges tunnels flyovers dams motorways quarries mines or collieries

SPECIAL CONDITION TO THE EMPLOYERS' LIABILITY SECTION

The indemnity provided by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain Northern Ireland the Channel Islands or the Isle of Man but you shall repay to the Insurers all sums paid by the Insurers which the Insurers would not have been liable to pay but for the provisions of such law

IN ADDITION THE INSURERS WILL PROVIDE INDEMNITY UNDER THIS SECTION AS FOLLOWS

Indemnity to Others

- (1) If you so request
- (a) any of your directors partners or Employees in respect of liability for which you would have been entitled to indemnity under this Section if the claim for which indemnity is being sought had been made against you
 - (b) any officer or member of your social sports and welfare organisations or fire first aid or ambulance services while acting in their respective capacities as such
- (2) The legal personal representatives of any deceased person who was entitled to claim indemnity under this Section in respect of liability incurred by that person
- (3) Where any contract or agreement entered into by you so requires any principal in like manner to you in respect of the principal's liability arising from the contract or agreement but only so far as concerns liability to an Employee

Provided that they observe the terms of this Policy as far as they can apply

Contractual Liability

Subject to Exclusion (3) of this Section where any contract or agreement entered into by you so requires liability assumed by you by virtue of such contract or agreement but only in so far as concerns liability to an Employee

Cross Liabilities

If the Insured comprises more than one party the Insurers will provide indemnity to each in the same manner and to the same extent as if a separate Policy has been issued to each provided that the total amount payable in respect of any one claim or series of claims arising from some source or original cause shall not exceed the Limit of Liability stated in the Schedule applicable to this Section

Health and Safety at Work and Corporate Manslaughter Defence Costs

In the event of

- (1) any act omission or incident or alleged act omission or incident leading to criminal proceedings brought in respect of a breach of the Health and Safety at Work Act 1974 Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation in the United Kingdom or
- (2) an incident which results in an enquiry ordered under the Health and Safety Inquiries (Procedure) Regulations 1975

the Insurers will provide indemnity against Costs and Expenses incurred in representing you in such proceedings including appealing the results of such proceedings as long as the proceedings relate to an act omission or incident or alleged act omission or incident which has been committed during the Period of Insurance within the United Kingdom and in the course of your Business

Provided that

- (a) the Insurers total liability in respect of Costs and Expenses shall not exceed £1,000,000 in the aggregate during any one Period of Insurance
- (b) the Insurers will only indemnify you where Costs and Expenses arise as a result of any matter which is the subject of indemnity under this Policy
- (c) the Insurers will only be liable for Costs and Expenses incurred in respect of legal representation appointed by them
- (d) if there is any other insurance or indemnity in force covering the same Costs and Expenses the Insurers liability shall be limited to a proportionate amount of the total Costs and Expenses but subject always to the limit of indemnity of £1,000,000
- (e) this indemnity will not apply
 - (i) in respect of fines or penalties of any kind
 - (ii) to proceedings consequent upon any Injury deliberately caused by you
 - (iii) to persons other than you or any of your directors partners proprietors or Employees

Compensation for Court Attendance

In the event of the following persons attending court at the request of the Insurers in connection with a claim under this Section the Insurers will compensate you at the rate of each person's wages or salary or at the following rates whichever is the less for each day on which attendance is required

- | | | |
|-----|---|--------------|
| (1) | by you or any of your directors or partners | £250 per day |
| (2) | by any of your Employees | £100 per day |

Unsatisfied Court Judgements

In the event of a judgement for damages being obtained against someone other than you

- (1) under the jurisdiction of a court in England Scotland Wales Northern Ireland the Channel Islands or the Isle of Man by any Employee or their representative
- (2) in respect of Injury arising out of and in the course of your Employee's employment or engagement by you

which remains unsatisfied in whole or in part six months after the date of such judgement the Insurers will at your request pay to your Employee or representative the amount of any damages or awarded costs to the extent that they remain unsatisfied

Provided that

- (a) there is no appeal outstanding
- (b) the judgement relates to Injury which would otherwise be covered under this Section
- (c) any payment made by the Insurers will be only in respect of liability for which you would have been entitled to indemnity under this Section had judgement been made against you
- (d) the Insurers are entitled to take over and prosecute for their own benefit any claim made against any other person and you and your Employee or their representative must provide all information and assistance required by the Insurers

Geographical Limits

The Geographical Limits shall extend to include elsewhere in the world for visits made in connection with the Business by you or any of your directors partners or Employees in a non-manual capacity provided that such persons usually reside within the Geographical Limits

SECTION 4 - PUBLIC LIABILITY

This Section applies only if stated as INSURED in the Policy Schedule

INSURING CLAUSE

In the event of

- (1) accidental Injury to any person
- (2) accidental loss of or accidental damage to material property
- (3) accidental loss of amenities nuisance trespass or interference with any right of way light air or water occurring during the Period of Insurance and arising in connection with

- (a) your Business
- (b) the occupation of the Premises

within the Geographical Limits the Insurers will indemnify you in respect of your liability at law for compensation together with Costs and Expenses

BASIS OF PAYMENT

The liability of the Insurers will not exceed the Limit of Indemnity stated in the Schedule applicable to this Section for any one claim or series of claims arising from one source or original cause

In addition the Insurers will pay Costs and Expenses

EXCLUSIONS TO THE PUBLIC LIABILITY SECTION

This Section does not cover

Deductible

- (1) the amount stated in the Schedule applicable to this Section as the Deductible in respect of (2) of the Insuring Clause to this Section only

Fines liquidated damages or penalties

- (2) liability for fines liquidated damages or penalties of any kind or for punitive exemplary restitutionary or multiplied damages

Injury to Employees

- (3) liability to any Employee for Injury arising out of and in the course of their employment by you

Property in your custody or control

- (4) physical loss of or damage to
 - (a) property belonging to you or in your custody or under your control or that of any Employee (other than property belonging to your visitors directors partners or Employees)
 - (b) that part of any property on which you or any of your Employees or agents are or have been working where the physical loss or damage results from such work

Deliberate acts

- (5) liability caused by or arising from any deliberate act or omission by or on behalf of any person claiming indemnity under this Section and which could reasonably have been expected of such person having regard to the nature and circumstances of such act or omission

Contractual liability

- (6) liability which attaches itself solely by virtue of a contract or agreement but any liability which would have attached in the absence of such contract or agreement is covered under this Section

Advice and professional services

- (7) liability caused by or arising from
 - (a) any advice design or specification given by you or on your behalf for a fee
 - (b) professional services rendered by you or on your behalf

North American risks

- (8) liability caused by or arising from any operations domiciled or registered in the United States of America or Canada or any territory within their jurisdiction

Aircraft hovercraft and watercraft

- (9) liability caused by or arising from the ownership possession or use by you or on your behalf of any aircraft hovercraft or watercraft (other than watercraft eight metres in length or less)

Mechanically propelled vehicles

- (10) liability caused by or arising from the ownership possession or use by or on behalf of you of any mechanically propelled vehicle (or trailer attached to it) if being used in circumstances for which compulsory insurance or security is required under any legislation governing the use of the vehicle

Products

- (11) liability caused by or arising from or in respect of Products

Hazardous locations

- (12) any claim arising in connection with any manual work on or in
- (a) docks harbours or railways
 - (b) watercraft or offshore gas or oil installations
 - (c) chemical or petro chemical works oil or gas refineries or storage facilities
 - (d) aircraft airports or airfields
 - (e) power stations
 - (f) nuclear power stations
 - (g) any installations where nuclear processing is undertaken
 - (h) towers steeples chimney shafts blast furnaces viaducts bridges tunnels flyovers dams motorways quarries mines or collieries

Cyber Liability

- (13) liability arising directly or indirectly out of
- (a) loss of alteration of or damage to
or
 - (b) reduction in the functionality availability or operation of
any computer system or programme hardware data information repository microchip integrated circuit or similar device in computer equipment or non-computer equipment as a result of your E-activities
- For the purpose of this Exclusion E-activities means any use of electronic networks including the internet and private networks intranets extranets electronic mail worldwide web and similar medium carried out by you or by any person persons partnership firm or company acting for you or on your behalf

Asbestos

- (14) liability arising from the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to asbestos or materials or products containing asbestos whether or not there is another cause to loss which may have contributed concurrently or in consequence of a loss.

SPECIAL CONDITIONS TO THE PUBLIC LIABILITY SECTION

(1) HEAT CONDITIONS

It is a condition precedent to all liability of the Insurers under this Section that in respect of any use away from the Premises of oxy-acetylene welding equipment or other plant the use of which involves the application of heat the following instructions in writing are given to all your supervisory staff with a specific requirement that the stated information be complied with on each occasion

- (a) the area in which work is to be carried out must be adequately cleared of moveable combustible materials to a distance not less than 20 feet from the work
- (b) if work is to be carried out in an area where combustible materials cannot be moved such combustible materials must be covered and protected by over-lapping sheets or screens of non-combustible material
- (c) if work is to be carried out overhead the area beneath must be similarly cleared and combustible materials removed
- (d) suitable two gallon capacity fire extinguisher must be kept available for immediate use
- (e) blow lamps and blow torches must be lit in as short a time as possible before and extinguished immediately after use
- (f) neither lighted blow lamps nor blow torches may be left unattended

- (g) a thorough examination must be made of the area in which work has been undertaken half an hour after each period of work has finished

IN ADDITION THE INSURERS WILL PROVIDE INDEMNITY UNDER THIS SECTION AS FOLLOWS

Indemnity to Others

- (1) If you so request
 - (a) any of your directors partners or Employees in respect of liability for which you would have been entitled to indemnity under this Section had the claim for which indemnity is being sought been made against you
 - (b) any officer or member of your social sports or welfare organisations or fire first aid or ambulance services while acting in their respective capacities as such
- (2) The legal personal representatives of any deceased person who was entitled to claim indemnity under this Section in respect of liability incurred by that person
- (3) Any principal in like manner to you where any contract or agreement entered into by you for the performance of work so requires in respect of the principal's liability arising from the performance of work by you

Cross Liabilities

If the Insured comprises more than one party the Insurers will provide indemnity to each in the same manner and to the same extent as if a separate Policy has been issued to each provided that the total amount payable in respect of any one claim or series of claims arising from one source or original cause shall not exceed the Limit of Liability stated in the Schedule applicable to this Section

Compensation for Court Attendance

In the event of the following persons attending court at the request of the Insurers in connection with a claim under this Section the Insurers will compensate you at a rate of each person's wages or salary or at the following rates whichever is the less for each day on which attendance is required

- (1) by you or any of your directors or partners £250 per day
- (2) by any of your Employees £100 per day

Health and Safety at Work and Corporate Manslaughter Defence Costs

In the event of

- (1) any act omission or incident or alleged act omission or incident leading to criminal proceedings brought in respect of a breach of the Health and Safety at Work Act 1974 Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation in the United Kingdom or
- (2) an incident which results in an enquiry ordered under the Health and Safety Inquiries (Procedure) Regulations 1975

the Insurers will provide indemnity against Costs and Expenses incurred in representing you in such proceedings including appealing the results of such proceedings as long as the proceedings relate to an act omission or incident or alleged act omission or incident which has been committed during the Period of Insurance within the United Kingdom and in the course of your Business

Provided that

- (a) the Insurers total liability in respect of Costs and Expenses shall not exceed £1,000,000 in the aggregate during any one Period of Insurance
- (b) the Insurers will only indemnify you where Costs and Expenses arise as a result of any matter which is the subject of indemnity under this Policy
- (c) the Insurers will only be liable for Costs and Expenses incurred in respect of legal representation appointed by them
- (d) if there is any other insurance or indemnity in force covering the same Costs and Expenses the Insurers liability shall be limited to a proportionate amount of the total Costs and Expenses but subject always to the limit of indemnity of £1,000,000
- (e) this indemnity will not apply
 - (i) in respect of fines or penalties of any kind
 - (ii) to proceedings consequent upon any Injury deliberately caused by you
 - (iii) to persons other than you or any of your directors partners proprietors or Employees

Consumer Protection Act 1987 and Food Safety Act 1990 Defence Costs

You and also at your request any of your directors partners or Employees for legal costs and expenses incurred

- (1) in defending any prosecution for breach of duty
- (2) with the Insurers' consent in an appeal against a conviction resulting from prosecution under Part II of the Consumer Protection Act 1987 or Food Safety Act 1990 committed or alleged to have been committed during the Period of Insurance where circumstances may otherwise give rise to a claim under this Section excluding legal costs and expenses in connection with any breach of duty arising from a deliberate or premeditated act event or omission which any person claiming indemnity under this Section knows or should have known would be likely to constitute an offence under the above Act

Defective Premises Act

Liability arising under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of the disposal of any premises which were occupied and/or owned by you in connection with your Business

excluding any liability for

- (1) the cost of making good replacement or reinstatement of any defect or workmanship giving rise to such liability
- (2) any physical loss of or damage to such premises

Leased and Rented Premises

Exclusion 4(a) of this Section does not apply to physical loss or damage to premises leased or rented to you in connection with your Business

Wrongful Arrest

Legal liability to pay compensation together with Costs and Expenses following any charge of wrongful arrest or malicious prosecution made against you during the Period of Insurance in respect of any allegation of theft or the improper conduct by any person (other than your Employees) at the Premises

Overseas Personal Liability

You and if you so request

- (1) any of your directors partners or Employees
- (2) your spouse or child or any spouse or child of your director partner or Employee accompanying you or accompanying such director partner or Employee

against liability at law for compensation together with Costs and Expenses for liability incurred in a personal capacity while you or any of your partners or Employees are visiting a country anywhere in the world in connection with your Business

excluding any liability

- (a) arising from any contract or agreement unless liability would have existed otherwise
- (b) arising out of the ownership or occupation of land or buildings
- (c) arising from the carrying on of any trade or profession
- (d) where indemnity is provided by any other insurance
- (e) arising from the ownership possession or use of wild animals firearms (other than sporting guns) mechanically-propelled vehicles aircraft or watercraft

Data Protection Act

The Company will within the terms of this Subsection indemnify the Insured against liability for damages in respect of Damage arising out of any claim under Article 82 of Regulation (EU) 2016/679 (the "General Data Protection Regulation" or the "GDPR") and equivalent provision under the Data Protection Act 2018 (all as amended, updated or re-enacted from time to time) not otherwise insured hereunder and first made against the Insured during the Period of Insurance provided that:

- 1) The Company's liability under this Extension for damages costs and expenses arising out of all claims made during any one Period of Insurance shall not exceed £1,000,000 or the amount stated as the Limit of Indemnity in the Schedule to this Subsection.
- 2) The Insured have registered in accordance with the terms of the said Act or have applied for such registration which has not been refused or withdrawn
- 3) The Company shall not provide indemnity
 - 3.1) for 10 per cent of each claim subject to a minimum of £500 and a maximum of £5,000
 - 3.2) against liability caused by or arising from a deliberate act by or omission of any person entitled to indemnity under this Extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission
 - 3.3) for the costs of replacing reinstating rectifying or erasing any personal data
 - 3.4) against liability caused by or arising from any incident or circumstances known to You at inception of this Extension which may give rise to a claim
 - 3.5) against liability caused by or arising from the recording processing or provision of data for reward or the determining of the financial status of a person
 - 3.6) against Contractual Liability
 - 3.7) against liability in respect of Bodily Injury to any person or Damage to Property

Contingent Liability for Employee's Vehicles

Exclusion (10) of this Section excludes mechanically propelled vehicles but the Insurers will indemnify you for liability caused by or in connection with any vehicle owned by an Employee which is being used in the course of your Business

excluding any liability

- (1) arising when such vehicle is being driven
 - (a) by you
 - (b) with your consent by anyone whom you know 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
- (2) for physical loss of or damage to any such vehicle
- (3) for any use outside the Geographical Limits

Vehicles used as a Tool of Trade

Exclusion (10) of this Section excludes mechanically propelled vehicles but the Insurers will indemnify you for your liability arising out of

- (1) the use in connection with your Business of any mechanically propelled vehicle (or trailer attached to it) as a tool of trade
- (2) the loading or unloading of or bringing of a load to or taking of a load from any vehicle machine or trailer

excluding liability for which compulsory insurance or security is required under any legislation governing the use of the vehicle or for which indemnity is available under any other insurance

Sudden and Unintended Pollution

Pollution is excluded by General Exclusion 1(c) of this Policy but this Section provides Pollution cover subject to all other provisions of this Policy for liability in respect of Injury or loss of or damage to property caused solely by Pollution

- (1) which results from a sudden identifiable unintended and unexpected incident and

(2) such incident occurs entirely at a specific and identified time and place while the Policy remains in force

Provided that

- (a) all Pollution which arises out of any one incident will be deemed to have happened at the time such incident takes place
- (b) the Insurers will not indemnify you against liability in respect of Pollution happening anywhere in the United States of America or Canada
- (c) the total liability of the Insurers for compensation will not exceed the Limit of Indemnity stated in the Schedule applicable to this Section for this additional cover and for any claim otherwise payable under this Section arising from the same source or original cause
- (d)

Geographical Limits

The Geographical Limits shall extend to include elsewhere in the world for visits made in connection with your Business in a non-manual capacity provided that such persons usually reside within the Geographical Limits