

HSBC Insurance Brokers

# Business Combined

*Policy document*

HSBC Insurance 

*Underwritten by Allianz Insurance plc*

## Your Insurer

Allianz Insurance plc is one of the largest Insurers in the UK. Our long and consistent track record gives you the peace of mind that you can trust us to be there when you need us.

Our friendly, efficient and professional people are committed to provide you with a high quality service.

In the event of having a claim, you will be in good hands. Our professional teams of claims handlers will deal with your loss promptly and seek flexible solutions to get your business back to full strength as soon as possible.

Allianz Insurance plc is authorised and regulated by the Financial Services Authority, registration number 121849. This can be checked by visiting the FSA website at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234.

## Your Insurance Adviser

HSBC Insurance Brokers is a leading global specialist insurance and reinsurance broker.

HSBC Insurance Brokers have arranged a high quality package solution of bespoke insurance products and services designed to meet your business and individual needs, which is competitively underwritten by Allianz Insurance plc.

For further information please ring HSBC Insurance Brokers on 0845 604 2417.

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Please note this *Policy* has several *Sections*.

Check the *Schedule* to see which *Sections* are in force.

# Introduction

Your Business Combined Policy is made up of several parts which must be read together as they form your contract. Please take time to read all parts of the Policy to make sure they meet your needs and that you understand the terms, exclusions and conditions. If you wish to change anything or if there is anything you do not understand, please let HSBC Insurance Brokers know – adjustments are easily made and we will be pleased to help.

The parts of the Policy are:

- the Statement of Fact
- this Introduction; the Insuring Clause; the Policy Definitions; the Policy Conditions and Policy Exclusions, all of which apply to all Sections of the Policy
- the Sections of cover available, including the Section Conditions and Special Conditions which apply to the Section
- the Schedule, which confirms the Sections of cover that are insured and which includes any additional clauses applied to the Policy
- the security requirements.

Any Section stated to be 'not insured' in the Schedule shall be inoperative.

Any word or expression in the Policy which has a specific meaning has the same meaning wherever it appears in the Policy.

Allianz Insurance plc contributes to the Financial Services Compensation Scheme (FSCS).

You may be entitled to compensation from the FSCS if we are unable to meet our liabilities. For compulsory insurance you may be entitled to compensation up to 100% of the claim. For all other types of insurance you may be entitled to compensation of up to £2,000 for the first part of the claim and 90% of the remainder of the claim. Further information about compensation scheme arrangements is available from the FSCS.

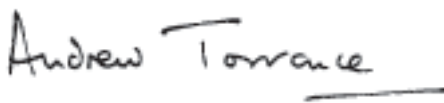
We strive to provide a first-class service. However, if you are in any way dissatisfied, please use the Caring for Customers section of this Policy to contact us.

# Insuring Clause

The Statement of Fact and any information supplied by or on behalf of the Insured forms the basis of this contract between the Insured and the Insurer.

In consideration of payment of the premium the Insurer will indemnify or otherwise compensate the Insured against loss, destruction, damage, injury or liability (as described in and subject to the terms, conditions, limits and exclusions of this Policy or any Section of it) occurring or arising in connection with the Business during the Period of Insurance or any subsequent period for which the Insurer agrees to accept a renewal premium.

For Allianz Insurance plc.

A handwritten signature in black ink that reads "Andrew Torrance". The signature is written in a cursive style with a horizontal line underneath the name.

**Andrew Torrance**  
**Chief Executive**

Allianz Insurance plc. Registered in England number 84638  
Registered office. 57 Ladymead, Guildford, Surrey, GU1 1DB, United Kingdom.

Allianz Insurance plc is a member of the Association of British Insurers and the Financial Ombudsman Service.  
Allianz Insurance plc is authorised and regulated by the Financial Services Authority. Our registration number is 121849.  
This can be checked by visiting the FSA website at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234

# Policy Definitions

The following definitions apply to this Policy (unless amended by Section Definitions) and are denoted by a capital first letter throughout this Policy.

## Building(s)

Buildings belonging to the Insured or for which they are responsible at the Premises being, unless more specifically described, built mainly of brick, stone, concrete or other non-combustible materials, including

- tenants' improvements, landlord's fixtures and fittings, walls, gates and fences
- and in so far as they are not otherwise insured and for which the Insured is responsible
  - fixed glass and sanitaryware
  - small outside buildings, annexes, gangways, conveniences and other small structures
  - extensions communicating with the buildings
  - roads, car parks, yards, paved areas, pavements and footpaths
  - security cameras and lights
  - fixed fuel oil tanks and fixed diesel tanks, piping, ducting, cables, wires and associated control gears and accessories and extending to the public mains

## Business

Business description stated in the Schedule

## Contents

Machinery, plant and all other contents belonging to the Insured or held by the Insured in trust and for which the Insured are responsible (other than landlord's fixtures and fittings, Stock and other Property specifically described in the Schedule) whilst in or on the Buildings, including

- alterations and decorations
- fixed glass and sanitaryware
- contents in the open yards
- Money, for an amount not exceeding £1,000 in total
- deeds, documents, manuscripts and business books, but only for the cost of the materials and clerical labour expended in reproducing such records
- computer systems records, but only for the cost of the materials and of clerical labour and computer time expended in reproducing such records, for an amount not exceeding £25,000 in total
- patterns, models, moulds, plans or designs and in so far as they are not otherwise insured
- employees', directors' and visitors' personal effects of every description (other than motor vehicles), for an amount not exceeding £500 for any one person.

## Damage/Damaged

Loss or destruction of or damage

## Excess

First part of each and every claim, for which the Insured is responsible, specified in the Schedule

## Insured

Insured named and shown in the Schedule

## Insurer

Allianz Insurance plc

## **Money**

Cash, bank and currency notes, credit cards, telephone cards, cheques, crossed bankers drafts, postal orders, luncheon vouchers, current postage stamps, trading stamps, National Insurance stamps, Holiday with Pay stamps, National Savings stamps, National Savings certificates, Premium Bonds, credit sales vouchers or receipts, VAT purchase invoices, unexpired units in franking machines, gift tokens and consumer redemption vouchers belonging to the Insured or for which the Insured are responsible.

## **Period of Insurance**

Period from the effective date to the renewal date as shown in the Schedule

## **Policy**

Document as described in the Introduction

## **Premises**

Address as stated in the Schedule

## **Property/Property Insured**

Buildings, Contents, Stock and other items shown and/or described in the Schedule.

The Insurer agrees to accept the heading under which any Property or other item has been entered in the books of the Insured.

## **Schedule**

Part of this Policy that details information forming the basis of this contract and that shows the Sections of this Policy operative

## **Section/Sections**

Parts of this Policy that detail the insurance cover provided by this Policy

## **Stock**

All stock and materials in trade belonging to the Insured or held by the Insured in trust and for which the Insured are responsible, whilst in the Buildings

## **Sum Insured**

Maximum amount the Insurer will pay for each item insured under any Section

## **Total Sum Insured**

Total amount payable by the Insurer under any Section

## **Unoccupied**

Any Building or part of any Building which is empty or not in use by the Insured or any tenant of the Insured for more than thirty (30) consecutive days

# Policy Conditions

*Applicable to the Policy unless stated to the contrary under the conditions in the Sections*

## 1 Conditions Precedent to Liability

Every condition stated as a condition precedent that applies to this Policy (whether a Policy, Section or special condition) shall apply from the time the condition attaches and continue to be in force during the whole currency of this Policy. Failure to comply with any such condition precedent shall be a bar to any claim.

## 2 Policy Voidable

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

## 3 Reasonable Precautions

The Insured shall take all reasonable care

- a* to prevent accidents and any injury or Damage
- b* to observe and comply with statutory or local authority laws, obligations and requirements
- c* in the selection and supervision of employees
- d* to maintain the Buildings, Contents and everything used in the Business in efficient and safe working order
- e* to make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require.

## 4 Claims – Action by the Insured

The Insured shall in the event of any injury, Damage or consequential loss as a result of which a claim is or may be made under this Policy or any Section of it, and again upon receipt by the Insured in writing of any notice of any claim or legal proceeding,

- a* notify the Insurer within thirty (30) days (within seven (7) days in the case of Damage or consequential loss by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons or theft) or such further time as the Insurer may allow
- b* notify the Insurer immediately upon being advised of any prosecution, inquest or enquiry connected with any injury, Damage or consequential loss which may form the subject of a claim under this Policy
- c* notify the police as soon as it becomes evident that any Damage has been caused by theft or malicious persons
- d* pass immediately, and unacknowledged, any letter of claim to the Insurer
- e* carry out and permit to be taken any action which may be reasonably practicable to prevent further Damage or consequential loss
- f* retain unaltered and unrepaired anything in any way connected with the injury, Damage or consequential loss for as long as the Insurer may reasonably require
- g* furnish with all reasonable despatch at the Insured's expense
  - i* such further particulars and information as the Insurer may reasonably require
  - ii* if required, a statutory declaration of the truth of the claim
  - iii* details of any other insurances covering the subject matter of the claim under this Policy and any matters connected with it
- h* make available at the Insured's expense any documents required by the Insurer with regard to any letter of claim
- i* not pay or offer or agree to pay any money or make any admission of liability without the previous consent of the Insurer
- j* allow the Insurer in the name of and on behalf of the Insured to take over and, during such periods as the Insurer thinks proper, to have the absolute conduct and control of all negotiations and proceedings which may arise in respect of any claim and the settlement thereof and co-operate fully with the Insurer for that purpose.

No claim under this Policy shall be payable unless the terms of this Policy Condition have been complied with and any payment on account of a claim already made shall be repaid to the Insurer.

## 5 Claims – The Rights of the Insurer

In respect of Damage for which a claim is made, the Insurer and any person authorised by the Insurer may without incurring any liability or diminishing any of the Insurer's rights in respect of the cover under this Policy, enter premises where such Damage has occurred, and take possession of or require to be delivered to the Insurer any Property Insured, and to deal with such Property for all reasonable purposes and in any reasonable manner.

No Property may be abandoned to the Insurer, whether taken possession of by the Insurer or not. The Insurer will not pay for any claim unless the terms of this Policy Condition have been complied with.

## 6 Cancellation

### *The Rights of the Insured*

The Insured has the right to cancel the cover within a period which begins fourteen (14) days from the commencement of cover or the receipt of Policy documentation, whichever is the later (this period is referred to as the "cooling off period"). The Insured should exercise this right by contacting HSBC Insurance Brokers Limited.

If the Insured does exercise their right to cancel during the "cooling off period", they will be entitled to a return of premium. Any return of premium will be calculated on a proportionate basis. There is no cancellation charge. However, if the proportional amount due is less than £25 no refund will be made. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

If the Insured does not exercise their right to cancel during the "cooling off period", the Policy premium becomes due, they may not be entitled to a refund of premium and the Policy may run for its full term.

If the "cooling off period" has expired, the Insured may cancel the Policy during the Period of Insurance by giving fourteen (14) days notice in writing to HSBC Insurance Brokers Limited. Provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance they will be entitled to a proportionate return of the premium paid. There is no cancellation charge. However, if the proportional amount due is less than £25 no refund will be made. The amount of any premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

In the event of cancellation the Insured must return to HSBC Insurance Brokers Limited the current Certificate(s) of Employers Liability Insurance.

### *The Rights of the Insurer*

The Insurer may cancel this Policy by giving the Insured fourteen (14) days notice in writing sent to their last known address. The Insured will be entitled to a proportionate return of the premium in respect of the unexpired Period of Insurance. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

If the premium for the Policy is paid by instalments, please refer to the instalment agreement for details of the cancellation procedure that will apply.

In the event of cancellation the Insured must return to HSBC Insurance Brokers Limited the current Certificate(s) of Employers Liability Insurance.

## 7 Fraud

If the Insured or anyone acting on behalf of the Insured makes any false or fraudulent claim or supports a claim by false or fraudulent document, device or statement, this Policy shall be void and the Insured will forfeit all rights under the Policy. In such circumstances, the Insurer retains the right to keep the premium and to recover any sums paid by way of benefit under the Policy.

## 8 Subrogation

Any claimant under this Policy shall, at the Insurer's request and expense, take or permit to be taken all necessary steps for enforcing rights against any other party in the name of the Insured, before or after the Insurer makes any payment.

The Insurer agrees to waive any such rights to which the Insurer might become entitled by subrogation against any company standing in relation of parent to subsidiary (or subsidiary to parent) to the Insured or against any company which is a subsidiary of a parent company of which the Insured are themselves a subsidiary, in each case within the meaning of the Companies Act or Companies (Northern Ireland) Order current at the time of the Damage.

## 9 Arbitration

If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted by the Insurer), such difference shall be referred to an arbitrator to be appointed by the Insured and the Insurer in accordance with statutory provisions.

Where any difference is referred to arbitration in accordance with this condition, the making of an award shall be a condition precedent to any right of action against the Insurer.

## 10 Law Applicable to Contract

Unless agreed otherwise:

- a** the language of the Policy and all communications relating to it will be English; and
- b** all aspects of the Policy including negotiation and performance are subject to English law and the decisions of English courts.

## 11 Rights of Parties

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

## 12 Non Invalidation

This Policy shall not be invalidated by

- a** any act or omission or by any alteration unknown to or beyond the control of the Insured by which the risk of damage is increased, provided that the Insured shall give notice to the Insurer (and pay an additional premium if required) immediately they become aware of such act, omission or alteration
- b** workmen on the Premises carrying out repairs, general maintenance work or minor structural or other alterations.

## 13 Discharge of Liability

The Insurer may absolve itself from any further liability in connection with any occurrence or all occurrences of a series consequent on or attributable to one source or original cause by the payment of the specified limit of liability in respect thereof (after deducting therefrom any sums already paid) or by the payment of any balance of any maximum limit of liability for any one Period of Insurance whichever is the less, together with the amount of any costs and expenses to the date of such payment.

## 14 Protections

The Insured must

- a** ensure that all security protections in force at the Premises at the inception of this Policy or subsequently as stipulated by or agreed by the Insurer shall be in full operation securing the Premises whenever the Premises are closed for business or Unoccupied
- b** remove all keys including duplicate keys relative to the security of the Business from the Premises except from any part of the Premises within which the Insured or an authorised keyholder resides when the Premises are closed for business or Unoccupied.

## 15 Fire Precautions

In respect of fire extinguishing appliances within the Premises the Insured must

- a* inspect the appliances in accordance with the manufacturer/installers instructions for the purpose of ascertaining that they are in all respects maintained in proper working order
- b* maintain during the currency of this Policy a maintenance contract providing for an annual inspection with an installer or supplier of approved equipment
- c* ensure that all fire break doors and shutters are kept closed except during working hours and are maintained in efficient working order

and to remedy promptly any defect whether disclosed by such inspection(s) or otherwise.

## 16 Alarm Condition

For the purposes of this condition the following definitions apply:

'Intruder Alarm Installation' shall include all the component parts of the alarm and include the devices used to transmit or receive signals

'Keyholder' shall mean the Insured or any person or keyholding company authorised by the Insured who

- 1* is available at all times to
  - i* accept notification of faults or alarm signals relating to the Intruder Alarm Installation
  - ii* attend and allow access to the Premises
- 2* has been fully trained in the operation of the Intruder Alarm Installation including but not limited to the setting/unsetting of the installation.

'Responsible Person' shall mean a person authorised by the Insured to be responsible for the security of the Premises

It is a condition precedent that where the Buildings or part of the Buildings are protected by an Intruder Alarm Installation

- a* such Intruder Alarm Installation
  - i* must not be altered or amended in any way unless such amendment or alteration has been approved in writing by the Insurer
  - ii* must be maintained under contract with the installers or as otherwise approved in writing by the Insurer
- b* all keys to the Intruder Alarm Installation must be removed from the Premises when the Premises are unattended
- c* the Insured must
  - i* maintain the secrecy of codes for the operation of the Intruder Alarm Installation and no details of such codes shall be left at the Premises when the Premises are unattended
  - ii* immediately notify the Insurer upon receipt of any communication giving notice that the level of response to the Intruder Alarm Installation has been or will be reduced
  - iii* appoint at least two (2) Keyholders and lodge written details (which must be kept up to date) with the alarm company and the alarm receiving centre
- d* in the event of notification of
  - i* any alarm fault
  - ii* activation of the Intruder Alarm Installation
  - iii* interruption of the means to transmit or receive signals to or from the Intruder Alarm Installation during any period that the Intruder Alarm Installation is seta Keyholder must attend the Premises as soon as possible
- e* the Premises must not be left without at least one Responsible Person in attendance without the agreement of the Insurer
  - i* unless the Intruder Alarm Installation is set in its entirety and with the means to transmit or receive signals (including the signalling path or paths) in full and effective operation
  - ii* where the police have withdrawn their response to an alarm activation

## 17 Unoccupied Buildings

It is a condition precedent in respect of any Unoccupied Buildings that

- a** mains services shall be switched off and the water system drained unless
  - i** electricity is needed to maintain any fire or intruder alarm system in operation
  - ii** mains services are needed to maintain any sprinkler system(s) in full working order. In these circumstances heating must be maintained at a minimum temperature of five (5) degrees Centigrade.
- b** the Buildings shall be inspected thoroughly both internally and externally at least weekly by the Insured or employees of the Insured and
  - i** a record maintained of such inspections
  - ii** all defects in security and maintenance are rectified immediately
- c** accumulations of combustible materials shall be removed during inspection
- d** the Buildings shall comply with the security level requirements stated on the Schedule and be secured against unlawful entry including the setting of all security locking and other security mechanisms in operation

The Insurer shall also have the right to vary the terms or cancel cover where appropriate.

## 18 Waste Condition

The Insured must ensure that

- a** all combustible trade refuse shall be removed from the Buildings at the end of each working day
- b** all waste or refuse outside the Buildings is stored in
  - i** non-combustible closed lidded containers or
  - ii** waste containers kept at least ten (10) metres from any building or other property and removed from the Premises when the containers are full.

## 19 Stillage Condition

Contents and Stock in any basement or cellar must be raised at least ten (10) centimetres above the floor.

## 20 No Smoking Condition

It is a condition precedent to liability for Damage by fire or explosion that the Insured will

- a** communicate to employees and visitors and rigorously enforce a no smoking policy to comply with current legislation at the Premises
- b** prominently display “No Smoking” signs throughout the Premises
- c** only allow smoking in clearly marked and specifically designated smoking areas which comply with current legislation
- d** in all designated smoking areas provide metal receptacles with metal lids for the safe disposal of waste smoking materials
- e** ensure that waste smoking materials, when being removed from the designated smoking areas, are kept separate from other combustible waste material and are stored in metal receptacles with metal lids whilst awaiting final removal from the Premises.

## 21 Change of Risk

This insurance shall cease to be in force if there is any alteration in the Business or at the Premises which increases the risk of injury or Damage, unless such alteration is agreed in writing by the Insurer.

## 22 Other Insurances

If at the time of any Damage there is any other insurance covering such incidents, the Insurer will only pay their rateable proportion of such loss.

## 23 Felt Roof Condition

It is a condition that where any Building has a felt roof where the mineral felt surface has not been replaced for ten years, then this roof must be inspected annually by a competent roofing contractor prior to the month of October each year and evidence of such inspection and any remedial work following such inspection should be kept and produced if requested by the Insurer.

## 24 Survey and Risk Improvement Condition

If this Policy has been issued or renewed subject to the Insurer completing a survey or surveys of the Premises or of any other location(s) as specified by the Insurer, then pending completion of such survey(s) Cover is provided by the Insurer on the terms, conditions, provisions, exclusions and limits as specified in the Policy and the Sections of the Policy.

In the event that a survey should show that a risk or any part of it is not satisfactory in the opinion of the Insurer, then the Insurer reserves the right to either alter the terms and conditions of Cover or to suspend or withdraw Cover from the date Cover was incepted or renewed or for any other period specified by the Insurer.

It is a condition precedent to liability of the Insurer that the Insured must comply with all survey risk improvements required by the Insurer within completion time scales specified by the Insurer.

In the event that a risk improvement is not completed or risk improvement procedures are not introduced within the completion time scales specified by the Insurer, then the Insurer reserves the right to either continue Cover subject to alteration of the terms and conditions of such Cover, or to suspend or withdraw Cover effective

- A. from the date Cover was incepted or renewed, or
- B. from the expiry of any time period specified by the Insurer for completion/introduction of the required survey risk improvements, or
- C. or any other period specified by the Insurer.

If the terms or conditions of Cover are amended by the Insurer, then the Insured will have fourteen (14) days to accept or reject the revised basis of Cover. If the Insured elect to reject the revised basis of Cover, then the Insured may be entitled to a refund of premium (subject to an administration charge) provided that no claim has been made during the Period of Insurance.

If the Insurer exercises the right to suspend or withdraw Cover, then the Insured may be entitled to a refund of premium in respect of such period that Cover is suspended or for any period beyond the effective date from which Cover is withdrawn, provided that no claim has been made during the current Period of Insurance.

Except in so far as they are expressly varied by this condition, all the terms, conditions, provisions, exclusions and limits of the Policy and of the Sections of the Policy shall continue to apply until the Insurer advises otherwise.

To the extent that this condition conflicts with any other cancellation condition, this condition shall prevail.

# Policy Exclusions

## *Applicable unless stated to the contrary under Exclusions in the Sections*

This Policy does not cover

### **1 Territorial Limits**

Damage, injury or liability arising out of any occurrence outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, except where stated to the contrary.

### **2 War**

Damage, death, injury, disablement or liability or any consequential loss occasioned by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

### **3 Radioactive Contamination**

Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom, or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from

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

### **4 Sonic Bangs**

Damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

### **5 Northern Ireland**

Damage and any consequential loss in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion and (except in respect of Damage or any consequential loss by fire or explosion) strikers, locked-out workers, persons taking part in labour disturbances or malicious persons.

### **6 Pollution or Contamination**

Damage caused by or resulting from pollution or contamination except such Damage to the Property Insured or, if applicable, loss resulting from Damage to property used by the Insured at the Premises for the purpose of the Business caused by

- a** pollution or contamination which itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, bursting, overflowing, discharging or leaking of water tanks, water apparatus or water pipes, sprinkler leakage or impact by any road vehicle or animal, always provided that such peril is insured by this Policy
- b** any of the perils listed in 6a above which itself results from pollution or contamination.

### **7 Changes In Water Table Level**

Damage attributable solely to changes in the water table level.

## 8 *E-Risks*

**a** loss or destruction of or damage to any Computer Equipment (as defined below) consisting of or caused directly or indirectly by:

- i** programming or operator error whether by the Insured or any other person
- ii** Virus or Similar Mechanism (as defined below)
- iii** Hacking (as defined below)
- iv** malicious persons
- v** failure of external networks

unless, in respect of i, ii and iii above, such loss or destruction or damage results from a concurrent or subsequent cause not excluded by this or any other policy exclusion

**b** any financial loss or expense of whatsoever nature, including but not limited to business interruption, resulting directly or indirectly from the type of loss or destruction or damage described in paragraph a of this Exclusion unless, in respect of a i, ii or iii above, the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other policy exclusion

**c** loss or destruction of or damage to any property other than Computer Equipment where it arises directly or indirectly out of loss or destruction of or damage to any Computer Equipment of the type described in paragraph a of this Exclusion unless, in respect of loss or damage to other property arising from a i, ii or iii above, resulting from a concurrent or subsequent cause not excluded by this or any other policy exclusion

**d** loss or destruction of or damage either to Computer Equipment or any other property where it consists of or arises directly or indirectly out of:

- i** the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotions, or malicious persons
- ii** the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software due to any cause not included in d i above
- iii** any misinterpretation, use or misuse of information on computer systems or other records, programs or software

unless, in respect of d ii and iii above, such loss, destruction or damage results from a concurrent or subsequent cause not excluded by this or any other policy exclusion

**e** any financial loss or expense of whatsoever nature, including but not limited to business interruption, where it arises directly or indirectly from the type of loss or destruction or damage described in paragraphs c and d of this Exclusion unless, in respect of c, d ii and iii above, the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other policy exclusion.

For the purpose of this Exclusion:

**Computer Equipment** – means computer equipment, component, system or item which processes, stores, transmits or retrieves data, or any part thereof, whether the property of the Insured or not, whether tangible or intangible and including without limitation any information, programs or software.

**Virus or Similar Mechanism** – means any program code, programming instruction or other set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations (whether involving self replication or not), including but not limited to ‘Trojan Horses’, ‘Worms’ or ‘Logic Bombs’.

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

### **9 Computer Date Exclusion**

Damage or liability directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the Insured or not, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure

- a** correctly to recognise any date as its true calendar date
- b** to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- c** to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date

but the insurance will pay for any subsequent Damage which is not otherwise excluded and which itself results from Events 1 to 8 of Section 1 Property Damage.

### **10 Excess**

Any Excess.

### **11 Terrorism**

- a** in respect of England, Wales and Scotland but not the territorial seas adjacent thereto as defined in the Territorial Sea Act 1987:
  - loss or destruction or damage or consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with
  - i** any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such Act of Terrorism
  - ii** any action taken in controlling, preventing or suppressing any Act of Terrorism, or in any other way related to such Act of Terrorism

In respect of a above an Act of Terrorism (Terrorism) means:- Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of Her Majesty's government in the United Kingdom or any other government de jure or de facto.

- b** in respect of territories other than those stated in a above:
  - loss or destruction or damage or any consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with
  - i** any act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such act of Terrorism
  - ii** any action taken in controlling, preventing or suppressing any act of Terrorism, or in any way related to such act of Terrorism

In respect of b above an act of Terrorism (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 put the public or any section of the public in fear.

In any action suit or other proceedings where the Insurer alleges that by reason of this exclusion any loss or destruction or damage or any consequential loss is not covered (or is covered only up to a specified limit of liability), the burden of proving to the contrary shall be upon the Insured.

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

# Section 1 – Property Damage

## Definitions

### Premises

The Buildings at the address or addresses shown in the Schedule, including their grounds, all within the boundaries for which the Insured are responsible and being, unless more specifically described in the Schedule, occupied solely by the Insured for the purpose of the Business.

### Cover

*The Insurer will pay the Insured for Damage to Property Insured at the Premises caused by any of the Events operative under this Policy and not otherwise excluded occurring during the Period of Insurance.*

### Events

**1 Fire**, excluding Damage caused

- a** by explosion resulting from fire
- b** by earthquake or subterranean fire
- c** by its own spontaneous fermentation or heating, or its undergoing any heating process or any process involving the application of heat
- d** to any particular piece of electrical apparatus or fitting which has caused a fire due to self ignition, over running, excessive pressure, short circuiting, self heating or leakage of electricity

**Lightning**

**Explosion**

- a** of boilers
- b** of gas

used for domestic purposes only, but excluding any Damage caused by earthquake or subterranean fire.

**2 Explosion**, excluding Damage

- a** caused by or consisting of the bursting by steam pressure of a boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus belonging to the Insured or under the control of the Insured, in which internal pressure is due to steam only
- b** in respect of and originating in any vessel, machinery or apparatus or its contents, belonging to the Insured or under the control of the Insured, which requires to be examined to comply with any statutory regulations, unless there is in force a policy of insurance or other contract providing the required inspection service.

**3 Aircraft** or other aerial devices or articles dropped from them.

**4 Riot, Civil Commotion, Strikers, Locked Out Workers, Persons Taking Part in Labour Disturbances or Malicious Persons** excluding

- a** Damage arising from nationalisation, confiscation, requisition, seizure or destruction by the Government or any public authority
- b** Damage arising from cessation of work
- c** Damage
  - i** by theft or attempted theft
  - ii** in respect of any building which is Unoccupieddirectly caused by malicious persons not acting on behalf of or in connection with any political organisation, but the Insurer will pay for such Damage caused by fire or explosion

**5 Earthquake.**

**6 Subterranean Fire.**

**7 Storm, Tempest or Flood,** excluding

- a* Damage attributable solely to change in the water table level
- b* Damage by frost, subsidence, ground heave or landslip
- c* Damage in respect of fences, gates or moveable property in the open
- d* Damage to open-fronted or open-sided Buildings or to Property contained therein.

**8 Escape of Water from any Tank, Apparatus or Pipe,** excluding

- a* Damage by water discharged or leaking from any automatic sprinkler installation
- b* Damage in respect of any Building which is Unoccupied.

**9 Impact** by any road vehicle or animal

**10 Sprinkler Leakage**

Accidental escape of water from any automatic sprinkler installation in the Premises not caused by

- a* freezing whilst the Building in so far as it is in the Insured's ownership or tenancy is Unoccupied
- b* explosion, earthquake, subterranean fire or heat caused by fire

**11 Theft or Attempted Theft** involving forcible and violent entry to or exit from the Buildings or hold-up by violence or threat of violence to the Insured or any partner, director, employee of the Insured or members of their families or any other person who has a legal right to be on the Premises excluding Damage

- a* expedited or in any way brought about by the Insured or any partner, director or employee of the Insured or any other person who has a legal right to be on the Premises
- b* to Money, deeds, securities, jewellery, precious stones or precious metals, bullion, furs, curiosities, works of art or rare books unless such property is specifically described in the Schedule
- c* to Property in the open or in open sided or fronted buildings or in buildings not on permanent foundations unless such buildings are specifically described in the Schedule.

**12 Subsidence, Ground Heave or Landslip** of any part of the Premises on which the Property Insured stands excluding Damage caused by

- a* collapse, cracking, shrinkage, expansion or settlement of Buildings or any part thereof
- b* coastal or river erosion
- c* defective design or workmanship or the use of defective materials including inadequate construction of foundations
- d* settlement or movement of made up ground
- e* the normal settlement or bedding down of new structures
- f* Damage to solid floor slabs or resulting from their movement unless the foundations beneath the external walls of the Buildings are Damaged at the same time and from the same cause
- g* Damage to yards, car parks, roads, pavements, landlords fixtures and fittings, security lighting and cameras, walls, gates, fences, fixed fuel oil tanks and fixed diesel tanks, piping, ducting, cables, wires and associated control gears and accessories, paved areas or footpaths unless a Building insured by this Section is damaged by the same cause at the same time
- h* which originates prior to the inception of this cover
- i* demolition, construction, structural alteration or repair to any Buildings or groundworks or excavation at the same Premises
- j* Events 1, 2, 5, 6 or 8.

**Special Condition**

The Insured shall notify the Insurer immediately they become aware of any demolition, groundworks, excavation or construction being carried out on the same or any adjoining site. The Insurer shall then have the right to vary the terms or cancel cover in respect of subsidence, ground heave or landslip.

**13 Accidental Damage**, excluding

- a** Damage caused by or consisting of or arising from or attributable to
  - i** any of the Events
  - ii** any of the exclusions to the Eventsspecified in Events 1–12, whether Events 1–12 are insured or not
- b** Damage caused by or consisting of inherent vice, latent defect, gradual deterioration, wear and tear, frost, its own faulty or defective design or materials but this shall not exclude Damage which itself results from a cause not otherwise excluded
- c** Damage caused by or consisting of faulty or defective workmanship, operational error or omission by the Insured or any employee of the Insured but this shall not exclude
  - i** such Damage not otherwise excluded which itself results from an insured Event
  - ii** subsequent Damage which itself results from a cause not otherwise excluded
- d** Acts of fraud or dishonesty by any partner, director or employee of the Insured but this shall not exclude such Damage not otherwise excluded which itself results from Events 1–12
- e** Damage caused by or consisting of corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects, change in temperature, colour, flavour, texture or finish but this shall not exclude
  - i** such Damage not otherwise excluded which itself results from Events 1 to 12
  - ii** subsequent Damage which itself results from a cause not otherwise excluded
- f** Damage consisting of joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, super-heaters, pressure vessels or any range of steam and feed piping connected to them, mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates but this shall not exclude
  - i** such Damage not otherwise excluded which itself results from Events 1 to 12
  - ii** subsequent Damage which itself results from a cause not otherwise excluded
- g** Damage caused by disappearance, unexplained or inventory shortage or the misfiling or misplacing of information
- h** Damage caused by normal settlement or bedding down of new structures
- i** Damage to any Building or structure caused by its own collapse or cracking, but this shall not exclude such destruction or damage resulting from other Damage in so far as it is not otherwise excluded
- j** Damage in respect of fences, gates and moveable Property in the open caused by wind, rain, hail, sleet, snow or dust
- k** Damage to any Property resulting from its undergoing any process of production, packing, treatment, testing, commissioning, service or repair
- l** Damage in respect of
  - i** jewellery, precious stones or precious metals, bullion, furs, curiosities, works of art or rare books
  - ii** property in transit
  - iii** glass (other than fixed glass), sanitaryware (other than fixed sanitaryware), china, earthenware, marble or other fragile or brittle objects
  - iv** Money, bonds or securities of any descriptionbut this shall not exclude other Damage in so far as it is not otherwise excluded

- m* Damage to
  - i* vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
  - ii* property or structures in course of construction or erection and materials or supplies in connection with all such property or structures
  - iii* land, roads, pavements, piers, jetties, bridges, culverts or excavations
  - iv* livestock, growing crops or trees
 but this shall not exclude such Property specifically described in the Schedule
- n* caused by electrical or magnetic disturbance or erasure of electronic recordings of virus infected software

## Basis of Settlement

- 1* The Insurer will pay the Insured the value of the Property Insured at the time of its Damage, or at the Insurer's option will reinstate or replace such Property or any part of such Property.
- 2* The Insurer's liability under each item is limited to the Sum Insured

## Automatic Reinstatement

In the absence of written notice by the Insured or the Insurer to the contrary, in consideration of Sums Insured or limits of liability not being reduced by the amount of any claim from the date of the Damage, the Insured will pay the appropriate additional premium due for the period from the date of Damage to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft.

## Basis of Settlement Adjustments

In calculating the most the Insurer will pay for any one claim, adjustments shall be made in accordance with the following clauses.

### 1 Reinstatement (Day One Basis)

- a* Subject to the Special Conditions set out below, the basis on which the amount payable for Buildings and Contents is to be calculated will be the reinstatement of the Property Damaged.

For this purpose "reinstatement" means

- i* the rebuilding or replacement of Property Damaged which, provided the Insurer's liability is not increased, may be carried out
  - 1* in any manner suitable to the requirements of the Insured
  - 2* on another site
- ii* the repair or restoration of Property Damaged

in either case to a condition equivalent to, or substantially the same as, but no better or more extensive than its condition when new.

- b* The Declared Value (shown in brackets below the Sum Insured on the Schedule), having been stated in writing by the Insured, has been used to calculate the premium.

"Declared Value" means the assessment by the Insured of the cost of reinstatement of Property Insured arrived at in accordance with paragraph 1a) of the Basis of Settlement Adjustments at the level of costs applying at inception of the Period of Insurance (ignoring inflationary factors which may subsequently operate), together with, to the extent that cover provides, due allowance for

- i* any additional cost of reinstatement to comply with Public Authorities regulations, bye-laws or stipulations
- ii* professional fees
- iii* removal of debris costs.

### ***Reinstatement (Day One Basis) Special Conditions***

- 1** At the inception of each Period of Insurance, the Insured shall notify the Insurer of the Declared Value of Property Insured. In the absence of such declaration the last amount declared by the Insured will be taken as the Declared Value for the new Period of Insurance, appropriately adjusted for Index Linking where applicable.

For the purposes of this Condition, Index Linking shall be calculated in the following manner. Sums Insured and/or Declared Values will be adjusted to take into account movements in the appropriate index and renewal premiums will be based on the adjusted Sums Insured and/or Declared Values.

For Buildings, the General Building Cost Index issued by the Building Cost Information Service of the Royal Institute of Chartered Surveyors (or some other suitable index the Insurer decides upon) will be used.

For Contents and other Property specifically described in the Schedule (other than Stock), the Retail Price Index (or some other suitable index the Insurer decides upon) will be used.

The above percentage changes will continue to be applied between the date of any Damage and the date when replacement or repair has been completed.
- 2** If at the time of Damage the Declared Value of the Property is less than the cost of reinstatement (as defined in paragraph 1ai of the Basis of Settlement Adjustments) at inception of the Period of Insurance, the amount payable by the Insurer will be proportionately reduced.
- 3** The Insurer's liability for the repair or restoration of Property damaged in part only, shall not exceed the amount which would have been payable if such Property had been wholly destroyed.
- 4** No payment beyond the amount the Insurer would have paid in the absence of this clause will be made
  - a** unless reinstatement commences and proceeds without unreasonable delay
  - b** until the cost of reinstatement has actually been incurred
  - c** where Property Insured at the time of Damage is covered by any other insurance effected by the Insured, or on behalf of the Insured, which is not on the same basis of reinstatement.
- 5** All the terms and conditions of this Section and the Policy shall apply
  - a** to any claim payable under the provisions of this clause, other than where they are expressly varied by the terms of this clause
  - b** where claims are payable as if this clause had not been incorporated, except that Sums Insured will be limited to Declared Values.

## **2 Average (Underinsurance)**

The Sums Insured by

- a** any items for Buildings or Contents subject to the Reinstatement (Day One Basis) clause are declared to be separately subject to Average as described in Special Condition 2 of such clause
- b** any other items of Property Insured (other than any Sum Insured applying solely to rent, fees, removal of debris or private dwellings) are declared to be separately subject to Average. This means if at the time of Damage the Sum Insured for any item is less than the value of the item covered by such Sum Insured, the amount payable by the Insurer will be proportionately reduced.

## **3 Contribution and Average**

If at the time of Damage any other insurance has been effected by or on behalf of the Insured covering any of the Property Damaged, the Insurer's liability under this Section shall be limited to the Insurer's rateable proportion of such Damage.

If such other insurance is subject to Average (Underinsurance), this Section if not already subject to Average shall be subject to Average in like manner.

If such other insurance is subject to any provision which excludes it from ranking concurrently with this Section, either in whole or in part, or from contributing rateably, the liability of the Insurer under this Section shall be limited to that proportion of the Damage which the Sum Insured for this Section bears to the value of the Property.

## 4 Public Authorities

Subject to the Public Authorities Special Conditions set out below, cover for Buildings and Contents includes an amount in respect of any additional cost of reinstatement which is incurred solely by reason of the necessity to comply with building or other regulations under or framed in pursuance of any Act of Parliament, with bye-laws of any public authority or to comply with the stipulations of European Union legislation, in consequence of Damage, excluding

- 1* the cost incurred in complying with such regulations, bye-laws or stipulations
  - a* in respect of Damage occurring prior to the granting of this cover
  - b* in respect of Damage not insured by this Section
  - c* under which notice has been served upon the Insured before the date of the Damage
  - d* in respect of undamaged Property or undamaged portions of Property, other than foundations (unless specifically excluded) of that portion of the Property Damaged
- 2* the additional cost that would have been required to make good the Property Damaged to a condition equal to its condition when new, had the necessity to comply with such regulations, bye-laws or stipulations not arisen
- 3* the amount of any charge or assessment arising out of capital appreciation, which may be payable in respect of the Property, by reason of compliance with any such regulations, bye-laws or stipulations.

### *Public Authorities Special Conditions*

- 1* The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve (12) months after the Damage, or within such further time as the Insurer may allow, and may be carried out upon another site (if such regulations, bye-laws or stipulations so necessitate), subject to there being no resulting increase in the liability of the Insurer.
- 2* If the liability of the Insurer is reduced by the application of any of the terms and conditions of this Section or the Policy (other than as a result of this clause), the liability of the Insurer under this clause will be reduced in proportion.
- 3* All the terms and conditions of this Section and the Policy shall apply to any claim payable under the provisions of this clause, other than where they are expressly varied by the terms of this clause.

## 5 Services

Cover includes telephone, gas, water and electric instruments, meters, piping, cabling and the like and their accessories, including similar property in adjoining yards or roadways or underground, all pertaining to Buildings or Contents insured by this Section, being the property of the Insured or for which the Insured are responsible.

## 6 Alterations and Additions

To the extent that they are not otherwise insured, Buildings and Contents items include

*a* alterations, additions and improvements (but not appreciation in value in excess of Sums Insured) to Buildings, machinery and plant

*b* any newly acquired or newly erected Buildings, machinery or plant

within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, for no more than 10% of the Sum Insured for each item covered, or £250,000 in total, whichever is the less, at any one Premises or at any one newly acquired address elsewhere than at the Premises, provided that the Insured shall give details of such alterations and additions to the Insurer within ninety (90) days of the commencement date of the Insured's responsibility, effect specific cover retrospective to such date and pay the appropriate additional premium.

## 7 Professional Fees

Sums insured and/or Declared Values for Buildings and Contents include an amount in respect of architects', surveyors', legal and consulting engineers' fees, other than where an item covering such fees is specifically described in the Schedule.

Cover applies only to those fees necessarily and reasonably incurred in consequence of Damage, in the reinstatement or repair of Property Insured.

## 8 Removal of Debris Costs

Sums insured and/or Declared Values for Buildings, Contents and Stock include an amount in respect of removal of debris costs, other than where an item covering such costs is specifically described in the Schedule.

Cover applies only to those costs necessarily and reasonably incurred in consequence of Damage, in

- a* removing debris
- b* dismantling and demolishing
- c* shoring up or propping
- d* clearing, cleaning and/or repairing drains, gutters, sewers and the like for which the Insured are responsible.

The Insurer will not pay for any costs or expenses

- a* incurred in removing debris other than from the site of such Property Damage and the area immediately adjacent to such site
- b* arising from pollution or contamination of Property not insured by this Section.

## 9 Temporary Removal

Property Insured (other than Stock) is covered whilst temporarily removed for cleaning, renovation, repair or similar purposes to any address elsewhere than at the Premises, including whilst in transit, within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

The Insurer will not pay for

- a* such property more specifically insured
- b* damage to vehicles licensed for road use, in so far as they are insured by this Section, occurring elsewhere than at the Premises from which such vehicles are removed
- c* more than 10% of the sum insured for each item covered, for Damage occurring elsewhere than at the Premises.

## 10 Temporary Removal – Documents

If deeds and other documents (including stamps on them), manuscripts, plans and writings of every description, books and other business records are included in the Property Insured, such items are covered whilst temporarily removed to any address elsewhere than at the Premises, including whilst in transit within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

The Insurer will not pay for

- a* such items more specifically insured
- b* more than 10% of the figure stated within the definition of contents for computer systems records
- c* more than 10% of the total value of such items.

## 11 Contract Price

In respect only of goods sold but not delivered, for which the Insured remain responsible under the terms of a contract of sale, where such contract of sale is cancelled following Damage by reason of its conditions, either wholly or to the extent of the Damage, cover will be based on the contract price.

For the purpose of this clause the value of all goods to which this basis of settlement could apply in the event of Damage will also be ascertained on this basis.

## 12 Customers' Goods

If the Insured have represented to customers that they will accept responsibility for Damage to the goods of customers or to goods for which such customers may be legally responsible, the Insurer agrees that all such goods in the Premises will be covered as Stock except in so far as they are more specifically insured.

## 13 Rent

Where an item covering rent is specifically described in the Schedule, cover applies only if a Building in respect of which rent is payable by or to the Insured, or any part of it, is unfit for occupation in consequence of Damage. The Insurer will not pay for more than the proportion of the Sum Insured on rent that the period necessary for reinstatement bears to the term of rent covered.

## 14 Dismantling and Re-erection Costs

Cover includes the cost of dismantling, re-erection, fitting and fixing of Contents following Damage.

## 15 Fixed Glass

Following Damage to fixed glass the Insurer will pay the cost of

- a* any necessary temporary boarding-up of broken glass pending full replacement
- b* replacing alarm foil, lettering, painting, embossing, silvering or other ornamental work on fixed glass
- c* Damage to Contents or Stock caused by broken fixed glass
- d* Damage to framework caused by broken fixed glass
- e* removing and re-fixing window fittings and other obstacles to replacing broken fixed glass.

The Insurer will not pay for Damage existing prior to inception of this Section.

## 16 Fire Extinguishers and Sprinklers

The Insurer will pay the reasonable costs incurred by the Insured in re-filling fire extinguishers and replacing sprinkler heads, solely in consequence of Damage by Events 1–3.

## 17 Metered Water

Cover includes additional metered water charges incurred by the Insured up to an amount of £10,000 any one Period of Insurance, in consequence of Damage, but the Insurer will not pay for such charges incurred in respect of any Building which is Unoccupied.

The basis on which the amount payable is to be calculated will be the amount of the water charges for the period during which Damage occurs, less the charge paid by the Insured for the corresponding period in the preceding year, adjusted for changes in the water suppliers' charges and for variations affecting the water consumption of the Insured during the intervening period.

## 18 Exhibitions

Property Insured is covered whilst at any exhibition within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, including whilst in transit to and from such exhibition.

The most the Insurer will pay in respect of any one exhibition is £10,000.

## 19 Trace and Access

In the event of Damage in consequence of escape of water or fuel oil from any tank, apparatus or pipe, the Insurer will pay costs necessarily and reasonably incurred by the Insured in locating the source of such Damage, and in the subsequent making good of Damage caused as a consequence of locating such source, up to an amount of £10,000 any one Period of Insurance.

## 20 Seventy Two Hours Clause

Damage occurring within 72 consecutive hours of and arising from Event 7 (Storm, tempest or flood) is deemed to be one claim.

The Insured have the right to select the moment from which the 72-hour period shall be deemed to have commenced within the terms of this Section, provided that such Damage occurred prior to expiry of the Period of Insurance.

## 21 Interested Parties

The Insurer agrees

- a* that without prejudice to rights and liabilities of the Insured or the Insurer, if at the time of Damage the Insured have contracted to sell their interest in any Building covered, and the purchase has not been but shall afterwards be completed, the purchasers on completion of the purchase shall be entitled to benefit under this Section until completion, except in so far as such Building is more specifically insured by or on behalf of the purchaser
- b* to note the interest of any party notifying their interest in any of the Property Insured in writing, the nature and extent of such interest to be disclosed in the event of Damage.

## 22 Landscaped Grounds

Cover includes costs incurred by the Insured in consequence of Damage to Property Insured at the Premises, up to an amount of £10,000 any one Period of Insurance, in restoring landscape grounds to their original appearance when first laid out and planted, but the Insurer will not pay for costs arising due to the failure of trees, shrubs, plants, turf and the like to germinate or become established.

## 23 Locks and Keys

The Insurer will pay the cost of replacing locks and keys necessary to keep the Premises secure if keys are stolen using force and violence up to an amount of £1,000 any one claim.

## 24 Seasonal Increase

The Sum Insured in respect of Stock shall be increased by 20% during:

- a* the months of November and December
- b* a period of 14 days preceding and succeeding any Bank Holiday other than a Bank Holiday occurring during November and December

## 25 Damage to the Premises

In the event that Buildings at the Premises are not covered by this Section of the Policy, the Insurer will pay costs for which the Insured are responsible, necessarily and reasonably incurred by the Insured to repair Damage to the Premises in consequence of theft or attempted theft (as insured by this Section).

The Insurer will also pay the cost of any temporary boarding-up or making good necessary to keep the Premises secure.

## Exclusions

*The Policy Exclusions apply to this Section and in addition the Insurer will not pay for*

- 1** Property which at the time of the happening of Damage is insured by or would but for the existence of this Section be insured by any marine policy or policies, but the Insurer will pay for any excess beyond the amount which would have been payable under such marine policy or policies had this Section not been effected.
- 2** any Property more specifically insured by or on behalf of the Insured.
- 3** Damage to paintings, prints and works of art with a value in excess of £10,000 any one item unless specifically described in the Schedule.
- 4** consequential loss or Damage of any kind or description
- 5** the Excess.

## Conditions

*The Policy Conditions apply to this Section and in addition the following:*

### 1 Alteration

Unless the Insurer agrees in writing, cover under this Section shall be avoided for any of the Property Insured in regard to which there is any alteration after the commencement of this Section

- a** by removal
- b** by Buildings or parts of Buildings described in the Schedule as occupied becoming Unoccupied, or as Unoccupied becoming occupied
- c** which increases the risk of Damage
- d** which results in the interest of the Insured ceasing other than by will or operation of law.

### 2 Reinstatement

If any Property is to be reinstated or replaced by the Insurer, the Insured shall at their own expense provide all plans, documents, books and information as may reasonably be required. The Insurer shall not be bound to reinstate exactly, but only as circumstances permit and in a reasonably sufficient manner.

# Section 2 – Business Interruption

## Definitions

### Annual Revenue

Revenue during the twelve (12) months immediately before the date of any Event.

### Annual Turnover

Turnover during the twelve (12) months immediately before the date of any Event.

### Business Interruption

Loss resulting from interruption of or interference with the Business carried on by the Insured at the Premises in consequence of an Event to Property.

### Event

Damage to Property used by the Insured at the Premises for the purpose of the Business.

### Gross Profit

The amount by which the sum of the amount of the Turnover and the amount of the closing stock and work in progress shall exceed the amount of the opening stock and work in progress and the amount of the Uninsured Working Expenses.

Note: The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with the normal accountancy methods of the Insured, due provision being made for depreciation.

### Gross Profit Sum Insured

115% of the Gross Profit amount provided by the Insured.

Note: The Gross Profit amount provided by the Insured is shown in brackets below the Gross Profit Sum Insured on the Schedule.

### Increase in Cost of Working

Additional expenditure (subject to the Uninsured Working Expenses clause) 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.

### Indemnity Period

Period beginning with the occurrence of any Event and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence of any Event.

### Maximum Indemnity Period

Maximum indemnity period shown in the Schedule.

### Premises

Buildings at the address or addresses shown in the Schedule, including their grounds, all within the boundaries for which the Insured are responsible and being, unless more specifically described in the Schedule, occupied solely by the Insured for the purpose of the Business.

### Rate of Gross Profit

Rate of gross profit earned on the Turnover during the financial year immediately before the date of any Event.

### Revenue

The money paid or payable to the Insured for services rendered in the course of the Business at the Premises.

## Revenue Sum Insured

115% of the Revenue amount provided by the Insured.

Note: The Revenue amount provided by the Insured is shown in brackets below the Revenue Sum Insured in the Schedule.

## Standard Revenue

Revenue during that period in the twelve (12) months immediately before the date of any Event which corresponds with the Indemnity Period.

## Standard Turnover

Turnover during that period in the twelve (12) months immediately before the date of any Event which corresponds with the Indemnity Period.

## Turnover

Money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the Business at the Premises.

## Uninsured Working Expenses

Purchases (less discounts received)

Carriage, packing and freight

Discounts allowed

Bad debts.

Note: The words and expressions used in this definition shall have the meaning usually attached to them in the books and accounts of the Insured.

## Cover

*The Insurer will pay the Insured for Business Interruption by any of the Events operative under this Policy and not otherwise excluded occurring during the Period of Insurance.*

## Events

### 1 Fire, excluding Business Interruption caused

*a* by explosion resulting from fire

*b* by earthquake or subterranean fire

*c* by its own spontaneous fermentation or heating or its undergoing any heating process or any process involving the application of heat

*d* to any particular piece of electrical apparatus or fitting which has caused a fire due to self ignition, over running, excessive pressure, short circuiting, self heating or leakage of electricity.

#### *Lightning*

#### *Explosion*

*a* of boilers used for domestic purposes only

*b* of any other boiler or economiser on the Premises

*c* of gas used for domestic purposes only

but excluding any Business Interruption caused by earthquake or subterranean fire.

### 2 *Explosion*, excluding Business Interruption caused by the bursting by steam pressure of any vessel, machine or apparatus (not being a boiler or economiser on the Premises) belonging to the Insured or under the control of the Insured, in which internal pressure is due to steam only.

### 3 *Aircraft* or other aerial devices or articles dropped from them.

### 4 *Riot, Civil Commotion, Strikers, Locked Out Workers, Persons taking part in Labour Disturbances or Malicious Persons*, excluding Business Interruption

- a* arising from nationalisation, confiscation, requisition, seizure or destruction by the Government or any public authority
  - b* arising from cessation of work
  - c* in respect of any building which is Unoccupied caused by malicious persons not acting on behalf of or in connection with any political organisation, but the Insurer will pay for such Business Interruption caused by fire or explosion
  - d* arising from deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programs or software.
- 5 Earthquake**
- 6 Subterranean Fire**
- 7 Storm, Tempest or Flood**, excluding Business Interruption
- a* attributable solely to change in the water table level
  - b* caused by frost, subsidence, ground heave or landslip
  - c* in respect of fences, gates or moveable property in the open
  - d* to open-fronted or open-sided Buildings or to Property contained therein.
- 8 Escape of Water from any Tank, Apparatus or Pipe**, excluding Business Interruption
- a* caused by water discharged or leaking from any automatic sprinkler installation
  - b* in respect of any Building which is Unoccupied.
- 9 Impact** by any road vehicle or animal.
- 10 Sprinkler Leakage**
- Accidental escape of water from any automatic sprinkler installation in the Premises, excluding Business Interruption caused by
- a* freezing whilst the Building in so far as it is in the Insured's ownership or tenancy is Unoccupied
  - b* explosion, earthquake, subterranean fire or heat caused by fire.
- 11 Theft or Attempted Theft** involving
- a* forcible and violent entry to or exit from the Buildings
  - b* hold-up by violence or threat of violence to the Insured or any partner, director, employee of the Insured or members of their families or any other person who has a legal right to be on the Premises
- but excluding Business Interruption arising directly from Theft or Attempted Theft
- i* expedited or in any way brought about by the Insured or any partner director or employee of the Insured or any person who has a legal right to be on the Premises
  - ii* of Money, deeds, securities, jewellery, precious stones or precious metals, bullion, furs, curiosities, works of art or rare books unless such property is specifically described in the Schedule
  - iii* to Property in the open or in open fronted buildings or in buildings not on permanent foundations
  - iv* whilst the Premises are closed for Business or are left unattended unless all points of access are closed and secured by all locks and other protections fitted to them.
- 12 Subsidence, Ground Heave or Landslip** excluding Business Interruption caused by
- a* collapse, cracking, shrinkage, expansion or settlement of Buildings or any part thereof
  - b* coastal or river erosion
  - c* defective design or workmanship or the use of defective materials including inadequate construction of foundations
  - d* settlement or movement of made up ground
  - e* the normal settlement or bedding down of new structures
  - f* Damage to solid floor slabs or resulting from their movement unless the foundations beneath the external walls of the Buildings are destroyed or damaged at the same time and from the same cause

- g* Damage to yards, car parks, roads, pavements, landlords fixtures and fittings, security lighting and cameras, walls, gates fences, fixed fuel oil tanks and fixed diesel tanks, piping, ducting, cables, wires and associated control gears and accessories, paved areas or footpaths unless a Building insured by this Section is damaged by the same cause at the same time
- h* Damage which originates prior to the inception of this cover
- i* Damage resulting from demolition, construction, structural alteration or repair to any Buildings or groundworks or excavation at the same Premises
- j* Damage by Events 1,2,5,6 or 8.

***Special Condition***

The Insured shall notify the Insurer immediately they become aware of any demolition, groundworks, excavation or construction being carried out on the same or any adjoining site. The Insurer shall then have the right to vary the terms or cancel cover in respect of subsidence, ground heave or landslip.

**13 Accidental Damage** excluding Business Interruption

- a* caused by or consisting of or arising from or attributable to
  - i* any of the Events
  - ii* any of the exclusions to the Events specified in Events 1–12, whether Events 1–12 are insured or not
- b* caused by or consisting of inherent vice, latent defect, gradual deterioration, wear and tear, frost, its own faulty or defective design or materials but this shall not exclude subsequent Business Interruption which itself results from a cause not otherwise excluded
- c* caused by or consisting of faulty or defective workmanship, operational error or omission by the Insured or any employee of the Insured but this shall not exclude such Business Interruption not otherwise excluded which itself results from an insured Event or subsequent Business Interruption which itself results from a cause not otherwise excluded
- d* caused by acts of fraud or dishonesty by any partner, director or employee of the Insured but this shall not exclude such Business Interruption not otherwise excluded which itself results from Events 1–12
- e* caused by or consisting of corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects, change in temperature, colour, flavour, texture or finish
  - but this shall not exclude
    - i* such Business Interruption not otherwise excluded which itself results from Events 1–12
    - ii* subsequent Business Interruption which itself results from a cause not otherwise excluded
- f* caused by joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them, mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates
  - but this shall not exclude
    - i* such Business Interruption not otherwise excluded which itself results from Events 1 to 12
    - ii* subsequent Business Interruption which itself results from a cause not otherwise excluded
- g* loss resulting from pollution or contamination but this shall not exclude loss resulting from destruction of or damage to Property Insured not otherwise excluded, caused by pollution or contamination which itself results from other Damage or caused by other Damage which itself results from pollution or contamination

- h* caused by disappearance, unexplained or inventory shortage or the misfiling or misplacing of information
- i* caused by normal settlement or bedding down of new structures
- j* caused by destruction of or damage to any Building or structure caused by its own collapse or cracking, but this shall not exclude Business Interruption resulting from other Damage in so far as it is not otherwise excluded
- k* in respect of fences, gates and moveable Property in the open caused by wind, rain, hail, sleet, snow or dust
- l* caused by Damage to any Property resulting from its undergoing any process of production, packing, treatment, testing, commissioning, service or repair
- m* in respect of
  - i* jewellery, precious stones or precious metals, bullion, furs, curiosities, works of art or rare books
  - ii* Property in transit
  - iii* glass (other than fixed glass), sanitaryware (other than fixed sanitaryware), china, earthenware, marble or other fragile or brittle objects
  - iv* money, bonds or securities of any description  
but this shall not exclude such Business Interruption caused by other Damage in so far as it is not otherwise excluded
- n* in respect of
  - i* vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
  - ii* Property or structures in course of construction or erection and materials or supplies in connection with all such Property or structures
  - iii* land, roads, pavements, piers, jetties, bridges, culverts or excavations
  - iv* livestock, growing crops or trees  
but this shall not exclude such Business Interruption caused by other Damage so far as it is not otherwise excluded
- o* caused by electrical or magnetic disturbance or erasure of electronic recordings or virus infected software.

## Basis of Settlement

- 1** The Insurer's liability under this Section during any one Period of Insurance shall not exceed the Sum Insured
- 2** The Insurer will pay the Insured in respect of each item covered, the amount of their claim for Business Interruption.

## Material Damage Proviso

Provided that at the time of any Event there is an insurance in force covering the interest of the Insured in the Property at the Premises against such Event and that

- 1** payment has been made or liability has been admitted for payment, or
- 2** payment would have been made or liability would have been admitted for payment but for the operation of a proviso in such insurance excluding liability for claims below a specified amount.

## Automatic Reinstatement

In the absence of written notice by the Insured or the Insurer to the contrary, in consideration of Sums Insured or limits of liability not being reduced by the amount of any claim, the Insured will pay the appropriate additional premium on the amount of the claim from the date of any Event to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft.

## Gross Profit Items

The Insurer will pay the Insured as indemnity in consequence of Business Interruption for loss of Gross Profit due to

- 1* reduction in Turnover
- 2* Increase in Cost of Working.

Reduction in Turnover means the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period falls short of the Standard Turnover.

The Insurer will not pay the Insured for

- a* Increase in Cost of Working exceeding the sum produced by applying the Rate of Gross Profit to the amount of reduction in Turnover thereby avoided
- b* any amounts saved during the Indemnity Period in respect of any of the charges and expenses of the Business payable out of Gross Profit that may cease or be reduced.

In calculating the amounts the Insurer will pay the Insured as indemnity, adjustments shall be made in accordance with the following clauses.

### 1 Average

If any Gross Profit Sum Insured is less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover, the amount payable will be proportionately reduced.

The amount of the Annual Turnover will be proportionately increased when the Maximum Indemnity Period exceeds twelve (12) months.

### 2 Alternative Premises

If during the Indemnity Period goods are sold or services are rendered elsewhere than at the Premises for the benefit of the Business, either by the Insured or by others on behalf of the Insured, the money paid or payable for such sales or services shall be taken into account in arriving at the Turnover during the Indemnity Period.

### 3 Uninsured Working Expenses

If any working expenses of the Business are excluded by this Section (having been deducted in arriving at Gross Profit), then in calculating the amount recoverable under this Section as Increase in Cost of Working, only that proportion of any such additional expenditure shall be taken into account that Gross Profit bears to the sum of Gross Profit and the Uninsured Working Expenses.

## Revenue Items

The Insurer will pay the Insured as indemnity in consequence of Business Interruption for

- 1* loss of Revenue
- 2* Increase in Cost of Working.

Loss of Revenue means the amount by which the Revenue during the Indemnity Period falls short of the Standard Revenue.

The Insurer will not pay the Insured for

- a* Increase in Cost of Working exceeding the amount of reduction in Revenue thereby avoided
- b* any amounts saved during the Indemnity Period in respect of any of the charges and expenses of the Business payable out of Revenue that may cease or be reduced.

In calculating the amounts the Insurer will pay the Insured as indemnity, adjustments shall be made in accordance with the following clauses.

### 1 Average

If the Revenue Sum Insured is less than the Annual Revenue, the amount payable will be proportionately reduced. The amount of the Annual Revenue will be proportionately increased when the Maximum Indemnity Period exceeds twelve (12) months.

## 2 Alternative Premises

If during the Indemnity Period services are rendered elsewhere than at the Premises for the benefit of the Business, either by the Insured or by others on behalf of the Insured, the money paid or payable for such services shall be taken into account in arriving at the Revenue during the Indemnity Period.

## All Items

The following clauses apply

### 1 Departmental Trading

If the Business is conducted in departments, the independent trading results of which can be ascertained, the Basis of Settlement for Gross Profit or Revenue shall apply separately to each department affected.

### 2 Trends and Variations

Adjustments shall be made to the figures representing the Rate of Gross Profit, Annual Turnover, Standard Turnover, Annual Revenue and Standard Revenue that may be necessary to provide for the trend of the Business, and for variations in or other circumstances affecting the Business, either before or after the Event, and which would have affected the Business had the Event not occurred, so that the adjusted figures represent as near as reasonably practicable results which but for the Event would have been obtained during the relative period after the Event.

### 3 Accountants' Charges

If the professional accountants of the Insured produce any particulars or details required by the Insurer from the Insured's books of account or other business books or documents, or any other proofs, information or evidence under Condition 2 of this Section, the Insurer will pay the Insured the reasonable charges payable by the Insured to their professional accountants, provided that the sum of such reasonable charges and any other amount payable under this Section shall not exceed the liability of the Insurer under this Section.

### 4 Value Added Tax

All terms in this Section shall be exclusive of value added tax to the extent that the Insured are accountable to the tax authorities for such tax.

### 5 Current Cost Accounting

For the purposes of this Section, any adjustment implemented in current cost accounting shall be disregarded.

### 6 Payments on Account

The Insurer will make payments on account during the Indemnity Period, if the Insured so request, subject to any necessary adjustment at the end of the Indemnity Period.

## Extensions

Any claim resulting from interruption of or interference with the Business in consequence of Damage by an Event at any Situation or to any Property shown below, within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, shall be understood to be Business Interruption covered by this Section, provided that after the application of all other terms, conditions and provisions of this Section the liability of the Insurer for any one claim shall not exceed the Total Sum Insured, or the percentage of the Total Sum Insured, or the amount shown against any of the Situations or against any of the Property as the Limit, whichever is the less.

## Situations

### 1 *Suppliers* (not applicable to any Revenue item)

The premises of any of the Insured's suppliers, manufacturers or processors of components, goods or materials, but excluding the premises of any separately specified supplier or of any supply undertaking from which the Insured obtain electricity, gas, water or telecommunications services subject to a limit of 10% of the Gross Profit Sum Insured or £50,000, whichever is the less.

### 2 *Customers* (not applicable to any Revenue item)

The premises of any of the Insured's customers but excluding the premises of any separately specified customer subject to a limit of 10% of the Gross Profit Sum Insured or £50,000, whichever is the less.

## Property

### 1 **Property Stored**

Property of the Insured whilst stored elsewhere than at the Premises occupied by the Insured subject to a limit of 10% of the Gross Profit Sum Insured or 10% of the Revenue Sum Insured or £50,000, whichever is the less.

### 2 **Supply Undertakings**

Property at any

- a* generating station or sub-station of the electricity supply undertaking
- b* land based premises of the gas supply undertaking or of any natural gas producer linked directly therewith
- c* waterworks or pumping station of the water supply undertaking
- d* land based premises of the telecommunications undertaking from which the Insured obtain electricity, gas, water or telecommunications services subject to a limit of 10% of the Gross Profit Sum Insured or 10% of the Revenue Sum Insured or £50,000, whichever is the less.

### 3 **Denial of Access**

Property in the vicinity of the Premises which prevents or hinders the use of or access to the Premises, whether the Premises or property in the Premises is Damaged or not subject to a limit of 10% of the Gross Profit Sum Insured or 10% of the Revenue Sum Insured or £50,000, whichever is the less.

## Exclusions

*The Policy Exclusions apply to this Section*

## Conditions

*The Policy Conditions apply to this Section and in addition:*

### 1 Alteration

Unless the Insurer agrees in writing, cover under this Section shall be avoided if after the commencement of this Section

- a** the Business is wound up or carried on by a liquidator or receiver or permanently discontinued
- b** the interest of the Insured ceases other than by death
- c** any alteration is made in the Business or in the Premises or property in them which increases the risk of an Event.

### 2 Additional Claims Conditions

In the event of any Event in consequence of which the Insured make or may make a claim under this Section, the Insured shall at their own expense deliver to the Insurer

- a** within seven (7) days of its happening, full details of Business Interruption caused by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons or theft
- b** not later than thirty (30) days after expiry of the Indemnity Period, or such further time that the Insurer may allow, full information in writing of the particulars of the claim, together with details of all other policies covering property used by the Insured at the Premises for the purpose of the Business or any part of the Business, and the amount of any resulting Business Interruption
- c** such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence that the Insurer may reasonably require for the purpose of investigating or verifying the claim, together with, if required, a statutory declaration of the truth of the claim and of any matters connected with it.

Particulars or details contained in the Insured's books of account or other business books or documents, which may be required by the Insurer for the purpose of investigating or verifying any claim under this Section, may be produced by professional accountants if at the time they are regularly acting for the Insured. Their report shall be prima facie evidence of the particulars and details to which such report relates.

The Insurer will not pay for any claim unless the terms of this condition have been complied with, and any payment on account already made shall be repaid to the Insurer.

## Section 3 – Book Debts

### Definitions

#### Event

Destruction of or damage to the Insured's Records by an Event covered under the Section 1 Property Damage of this Policy

- 1 at the Premises
- 2 at any premises in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands occupied by persons acting on behalf of the Insured, to which Records have been temporarily removed
- 3 in transit, including sea or air transit, within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, but excluding such destruction or damage by theft or attempted theft.

#### Outstanding Debit Balances

The total recorded by the Insured under the provisions of the Outstanding Debit Recording Condition adjusted for

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

so that the adjusted figures represent as near as reasonably practicable those which but for the Event would have obtained at the date of the Event had the Event not occurred.

#### Records

The Insured's books of account or other business books or records.

#### Cover

*The Insurer will pay the Insured for Outstanding Debit Balances if in consequence of an Event the Insured are unable to trace or establish Outstanding Debit Balances in whole or in part.*

#### Basis of Settlement

The insurance under this Section is limited to loss sustained by the Insured directly due to the Event and the amount payable shall not exceed

- 1 the Total Sum Insured
- 2 the difference between
  - a the Outstanding Debit Balances, and
  - b the total of the amounts received or traced in respect of such balances
- 3 the additional expenditure incurred with the Insurer's previous consent in tracing and establishing customers' debit balances after the Event.

#### Automatic Reinstatement

In the absence of written notice by the Insured or the Insurer, in consideration of the Sum Insured not being reduced by the amount of any claim from the date of the Event, the Insured will pay the appropriate additional premium due for the period from the date of the Event to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft.

## Basis of Settlement Adjustments

In calculating the amount the Insurer will pay the Insured, adjustments shall be made in accordance with the following clauses.

### 1 Average (Underinsurance)

If the Total Sum insured at the time of the Event is less than the Outstanding Debit Balances, the amount payable will be proportionately reduced.

### 2 Accountants' Charges

If the professional accountants of the Insured produce any particulars or details required by the Insurer from the Insured's books of account or other business books or documents, or any other proofs, information or evidence, the Insurer will pay the Insured the reasonable charges payable by the Insured to their professional accountants, provided that the sum of such reasonable charges and any other amount payable under this Section shall not exceed the liability of the Insurer under this Section.

## Exclusions

*The Policy Exclusions apply to this Section*

## Conditions

*The Policy Conditions apply to this Section and in addition:*

### 1 Alteration

Unless the Insurer agrees in writing, cover under this Section shall be avoided if after the commencement of this Section

- a** the Business is wound up or carried on by a liquidator or receiver or permanently discontinued
- b** the interest of the Insured ceases other than by death
- c** any alteration is made in the Business or in the Premises or property in them which increases the risk of an Event.

### 2 Outstanding Debit Recording

At the end of each month the Insured shall record the total amount outstanding in Customers Accounts at that time, and keep a copy of such records at a place other than the Insured's Premises.

# Section 4 – Money

## Definitions

### Accident

Bodily injury caused by accidental, violent, external and visible means.

### Business Hours

The period during which the Insured or any partner, director or employee of the Insured is on the Premises for the purpose of the Business.

### Estimated Annual Carryings

The estimate by the Insured of the total value of Negotiable Money to be In Transit during the Period of Insurance.

### Insured Person

Insured or any partner, director or employee of the Insured aged between 16 and 70 years.

### In Transit

In transit in the personal custody of the Insured, any authorised partner, director or employee of the Insured, a security organisation approved by the Insurer, or by registered post.

### Loss of Limb(s)

Total and permanent loss by physical separation or total and permanent loss of use of a hand at or above the wrist or a foot at or above the ankle.

### Loss of Sight

Total and permanent loss of sight which will be considered as having occurred

- 1 in both eyes if the Insured Person(s) name has been added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist; or
- 2 in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen Scale

### Money

Negotiable Money and Non-negotiable Money belonging to the Insured or for which the Insured are responsible.

### Negotiable Money

Cash, bank and currency notes, credit cards, telephone cards, uncrossed cheques, uncrossed postal orders, luncheon vouchers, current postage stamps, trading stamps, National Insurance stamps not affixed to cards, Holiday with Pay stamps, National Savings stamps, unexpired units in franking machines, gift tokens, consumer redemption vouchers, mobile telephone vouchers and telephone cards.

### Non-negotiable Money

Crossed cheques, crossed postal orders, crossed bankers' drafts, National Insurance stamps fixed to cards, National Savings certificates, Premium Bonds, credit sales vouchers or receipts and V.A.T. purchase invoices.

### Permanent Total Disablement

Any permanent disablement other than Loss of Sight or Loss of Limb(s) which having lasted without interruption for at least twelve (12) months is without any reasonable prospect of improving and in the opinion of an independent qualified medical referee acceptable to the Insurer will in all probability permanently, completely and continuously prevent the Insured Person(s) from engaging in or giving attention to business profession or occupation of each and every kind for the remainder of his or her life.

## Temporary Partial Disablement

A disablement which continuously prevents the Insured Person from attending to a substantial part of their usual occupation.

## Temporary Total Disablement

A disablement which completely and continuously prevents the Insured Person from attending to their usual occupation.

## Cover

- 1** *The Insurer will indemnify the Insured in respect of the limits of indemnity stated in the Schedule against Damage to Money occurring during the Period of Insurance held in connection with the Business by any cause not excluded*
- 2** *The Insurer will indemnify the Insured against Damage sustained as a direct result of theft or attempted theft of Money, of or to*
  - a** *any safe or strongroom specified in Item 2 of the Schedule, or any bag or other container used by the Insured or any authorised partner, director or employee of the Insured to carry Money*
  - b** *clothing and personal effects belonging to the Insured or to any partner, director or employee of the Insured following assault or violence or the threat of assault or violence*
- 3** *The Insurer will pay the Insured when any Insured Person whilst engaged in connection with the Business, as a direct result of theft or attempted theft of Money involving assault or violence or the threat of assault or violence*
  - a** *suffers an Accident resulting within twelve (12) months, directly and independently of any other cause, in death or disablement*
  - b** *suffers emotional stress necessitating professional counselling, provided such counselling is recommended by a qualified medical practitioner and agreed to by the Insurer before costs are incurred.*

## Basis of Settlement

- 1** The Insurer will pay the Insured the amount of Money under any Item for which a Limit of Liability is specified in the Schedule at the time of Damage.
- 2** The most the Insurer will pay for any one claim is
  - a** for any one Item, the Limit of Liability specified in the Schedule
  - b** for any one safe or strongroom, £5,000
  - c** for any one bag or container, its value at the time of Damage
  - d** for clothing or personal effects, £500 any one person
  - e** for death, Accident, disablement or emotional stress, the amounts specified in the Scale of Compensation.
- 3** The Insurer will also pay
  - a** the value of any safe or strongroom, of any bag or container used to carry Money or of the clothing or personal effects of the Insured or any partner, director or employee of the Insured lost or damaged at the same time, or at the Insurers option reinstate or replace such property or any part of such property
  - b** compensation in respect of death, Accident, disablement or emotional stress.

## Automatic Reinstatement

In the absence of written notice by the Insured or the Insurer, in consideration of the Sum Insured not being reduced by the amount of any claim from the date of the Event, the Insured will pay the appropriate additional premium due for the period from the date of the Event to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft.

## Scale of Compensation

Item	Amount
<b>1 a</b> death	£25,000
<b>b</b> Loss of Limb(s) or Loss of Sight	£25,000
<b>c</b> Permanent Total Disablement	£25,000
<b>d</b> Temporary Total Disablement – per week	£100
<b>e</b> Temporary Partial Disablement – per week	£50
<b>2</b> The cost of professional counselling	
<b>a</b> per hour	£50
<b>b</b> any one person	£1,000
<b>c</b> in total	£5,000

In respect of each Insured Person, compensation will not be paid by the Insurer

- i* under more than one of 1a, 1b or 1c for the consequences of the same Accident
- ii* under 1d and 1e for more than 104 weeks in all in respect of one or more Accidents.

## Basis of Settlement Adjustments

In calculating the most the Insurer will pay for any one claim, adjustments shall be made in accordance with the following clauses.

### 1 Contribution

If at the time of Damage any other insurance has been effected by or on behalf of the Insured covering Money or any other property insured by this Section in whole or in part, the Insurers liability under this Section shall be limited to the Insurers rateable proportion of such Damage.

### 2 Damage to the Premises

Provided that Section 1 Property Damage is insured under this Policy, in the event that Buildings are not covered by Section 1 Property Damage the Insurer will pay

- a** costs for which the Insured are responsible, necessarily and reasonably incurred by the Insured to repair damage to the Premises as a direct result of theft or attempted theft of Money within the Insured's Premises (and as insured by this Section)
- b** the cost of any temporary boarding-up or making good necessary to keep the Premises secure.

The most the Insurer will pay for any one claim is £5,000.

### 3 Weekly Compensation

Weekly compensation will be paid when the total amount to be paid has been agreed, or if the Insured so request, at the end of each period of four consecutive weeks disablement.

## Exclusions

*The Policy Exclusions apply to this Section and in addition:*

*The Insurer will not pay for*

- 1 loss arising from the dishonesty of any partner, director or employee of the Insured
- 2 Damage to any machine which uses coins, notes or tokens
- 3 loss due to theft of or from any unattended vehicle
- 4 shortage due to error or omission
- 5 any loss under Item 2.f. (as described in the Schedule), unless the key or keys to the specified safes or strongrooms are removed from the Premises, or if a person is authorised to hold such keys and that person lives on the Premises, that person removes all keys to that part of the Premises in which that person actually lives
- 6 consequential loss or Damage of any kind or description
- 7 Damage, death, Accident, disablement or emotional stress arising outside Great Britain, Northern Ireland, the Isle of Man or the Channel Islands

## Conditions

*The Policy Conditions apply to this Section and in addition the following:*

### 1 Precautions

The Insured must

- a exercise due care in selecting employees to be entrusted with Money and shall obtain and will continue to obtain satisfactory written references and confirmation of such references directly from the previous employers
- b keep a proper written record of all Money covered by this Section and allow the Insurer to inspect this record at all reasonable times.
- c secure and lock all cash registers, safes and other money containers whenever such containers are left unattended during business hours.

### 2 Transit

In respect of Negotiable Money In Transit in the personal custody of the Insured or of any authorised partner, director or employee of the Insured, it is a condition precedent to any liability under this Section that such Money will be accompanied by

- a two able-bodied adults when in excess of £3,000
- b three able-bodied adults when in excess of £6,000
- c a professional security company when in excess of £15,000

unless otherwise agreed by the Insurer in writing or amended by a clause applicable to this Section as specified in the Schedule.

### 3 Additional Claims Conditions

- a In the event of Accident or emotional stress the Insured Person must
  - i as soon as possible after the Accident has occurred, consult a qualified medical practitioner and follow the advice of such practitioner
  - ii submit to any medical examination made on behalf of the Insurer
  - iii in the event of a claim being made for the cost of professional counselling, supply the Insurer with a recommendation for treatment in writing by a qualified medical practitioner
- b In the event of the death of an Insured Person as a result of Accident the Insurer shall be entitled, at the Insurers expense, to arrange a post-mortem examination

The Insurer will not pay for any claim unless the terms of this Condition have been complied with.

# Section 5 – Own Goods in Transit

## Definitions

### Goods

Goods belonging to the Insured or held by the Insured in trust and for which the Insured are responsible.

### Money

Cash, bank and currency notes, credit cards, telephone cards, cheques, crossed bankers drafts, postal orders, luncheon vouchers, current postage stamps, trading stamps, National Insurance stamps, Holiday with Pay stamps, National Savings stamps, National Savings certificates, Premium Bonds, credit sales vouchers or receipts, VAT purchase invoices, unexpired units in franking machines, gift tokens and consumer redemption vouchers belonging to the Insured or for which the Insured are responsible.

### Territorial Limits

Great Britain, Northern Ireland, the Republic of Ireland, the Isle of Man or the Channel Islands, including sea or air transits between these territories.

### Transit

Carrying Goods in connection with the Business by any means of transit described in the Schedule, including

- loading and unloading Goods
- temporary storage of Goods in warehousing during transit, for up to thirty (30) days.

### Vehicle

Any vehicle owned or operated by the Insured.

## Cover

*The Insurer will pay the Insured for*

- 1 Damage to Goods in Transit within the Territorial Limits*
- 2 Damage to the clothing or personal effects of the driver of any Vehicle or of any other person authorised to be in the Vehicle.*

## Basis of Settlement

- 1* The most the Insurer will pay for any one claim or series of claims arising out of any one occurrence of Damage is
  - a* the maximum any one Vehicle, the maximum any one loss or any other limit of liability specified in the Schedule
  - b* for clothing or personal effects, £500 per person
- 2* The Insurer will pay the Insured the value of the Goods in Transit at the time of Damage.
- 3* The Insurer will also pay the value of clothing or personal effects of the driver of any Vehicle or of any other person authorised to be in the Vehicle at the time of Damage.

## Automatic Reinstatement

In the absence of written notice by the Insured or the Insurer, in consideration of the Sum Insured not being reduced by the amount of any claim from the date of the Event, the Insured will pay the appropriate additional premium due for the period from the date of the Event to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft.

## Basis of Settlement Adjustments

In calculating the most the Insurer will pay for any one claim, adjustments shall be made in accordance with the following clauses.

### 1 Average (Underinsurance)

If the value of Goods in or on any Vehicle at the time of any Damage is of greater value than the maximum any one Vehicle or any other limit of liability specified in the Schedule for that Vehicle, the amount payable by the Insurer will be proportionately reduced.

### 2 Sheets and Ropes

In respect of Vehicles, cover includes Damage to sheets, ropes, packing materials and the like, but excluding Damage due to unexplained shortage or disappearance, wear and tear or depreciation.

### 3 Additional Vehicles

Cover includes Damage to Goods in any additional Vehicle not specified in the Schedule up to an amount of £2,500 any one claim, provided that the Insured shall advise the Insurer of the acquisition of such additional Vehicle within 21 days of its acquisition and pay any additional premium required by the Insurer.

### 4 Substitute Vehicles

Cover includes Damage to Goods arising out of the use of any vehicle in substitution by the Insured whilst any Vehicle is undergoing service or repair, up to the amount of the Limit of Liability specified in the Schedule applicable to the Vehicle undergoing service or repair.

### 5 Transshipment and Debris Removal Costs

Cover includes costs and expenses necessarily and reasonably incurred in

- a** transshipment and recovery of Goods following collision or overturning of the conveying Vehicle, or impact with any object by the conveying Vehicle
- b** removal of debris and site clearance following Damage to Goods, up to an amount of £5,000 any one claim. The Insurer will not pay for such costs and expenses arising from pollution or contamination of or to property not insured by this Section.

## Exclusions

***The Policy Exclusions apply to this Section and in addition:***

***The Insurer will not pay for***

- 1** Damage in respect of property more specifically insured
- 2** Damage due to
  - a** depreciation, deterioration or contamination, unless caused by accident to the conveying vehicle
  - b** inherent vice, leakage or ordinary loss in weight or volume
  - c** bruising, scratching, chipping, denting, rust, oxidisation or discolouration
  - d** mechanical or electrical breakdown, failure or derangement
  - e** faults in processing or the insufficiency or unsuitability of packing or preparation
  - f** delay or loss of market
- 3** Damage to the contents of any package not involving outward and visible Damage to the package

- 4 Damage in respect of Goods in any open sided, curtain sided, open top or soft top Vehicle or trailer due to
  - a water or atmospheric conditions
  - b theft unless such Vehicle or trailer is stolen at the same time
- 5 Damage in respect of jewellery, precious stones, precious metals, bullion, furs, works of art, rare books, Money, bonds, securities of any description, deeds, documents, manuscripts, business books, plans, designs, livestock or the Insured's own machinery and plant (other than tools if specified as included in the Schedule)
- 6 Damage to the Property Insured caused by theft or attempted theft of such property from an unattended Vehicle unless such vehicle is protected as described under the terms of Section Condition 2 of this Section
- 7 consequential loss or Damage of any kind or description, other than any condition of average and salvage charges for which the Insured becomes liable in respect of any Transit insured by this Section
- 8 the Excess.

## Conditions

*The Policy Conditions apply to this Section and in addition:*

### 1 Precautions

The Insured must

- a install any additional protections to any Vehicle asked for by the Insurer
- b exercise due care in selecting employees to be entrusted with Vehicles or Goods
- c ensure that Vehicles are maintained in roadworthy condition.

### 2 Vehicle Protections

Whenever Property Insured is left in unattended Vehicles, the Insured must ensure that

- a all security locks, alarms and other security devices are maintained in an efficient working condition
- b all doors are locked, windows and other openings closed and securely fastened and all intruder alarm installations and other security devices are made operative whenever the Vehicles are left unattended
- c Vehicles are contained in a securely locked building if left unattended overnight (for the purpose of this Section overnight shall mean from 9.00pm or whenever is the Vehicle was last occupied whichever the earlier to 6.00am or until the Vehicle is first used whichever is the later).

### 3 Additional Claims Condition

In the case of Transit by road or rail carrier or by post, immediately the Insured becomes aware of any occurrence giving rise to or likely to give rise to a claim under this Section, the Insured shall take all practicable steps to notify the carrier concerned of any Damage within the time limits for notification of claims stipulated in the applicable conditions of carriage or contract.

# Section 6 – Specified All Risks

## Definitions

### Damage/Damaged

Accidental loss or destruction of or damage.

### Premises

Buildings at the address or addresses shown in the Schedule, including their grounds, all within the boundaries for which the Insured are responsible and being, unless more specifically described in the Schedule, occupied solely by the Insured for the purpose of the Business.

### Property/Property Insured

Property described in the Schedule.

### Territorial Limits

- A* the Premises
- B* anywhere within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- C* anywhere within countries of the European Union
- D* World Wide.

### Vehicle

Any vehicle owned or operated by the Insured.

## Cover

*The Insurer will pay the Insured for Damage to Property Insured described in the Schedule, whilst within the Territorial Limits specified in the Schedule occurring during the Period of Insurance.*

## Basis of Settlement

- 1* The Insurer will pay the Insured the value of the Property Insured at the time of its Damage, or at the Insurer's option will reinstate or replace such Property or any part of such Property.
- 2* The most the Insurer will pay for any one claim is
  - a* the Total Sum Insured, or for each item its individual Sum Insured, at the time of Damage
  - b* the amount of the Sum Insured remaining after deduction for any other Damage occurring during the same Period of Insurance, unless the Insurer agrees to reinstate any such Sum Insured.

## Automatic Reinstatement

In the absence of written notice by the Insured or the Insurer, in consideration of the Sum Insured not being reduced by the amount of any claim from the date of the Event, the Insured will pay the appropriate additional premium due for the period from the date of the Event to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft.

## Basis of Settlement Adjustments

In calculating the most the Insurer will pay for any one claim, adjustments shall be made in accordance with the following clauses.

### 1 Average (Underinsurance)

If at the time of Damage the Sum Insured for any item is less than the value of the item covered by such Sum Insured, the amount payable by the Insurer will be proportionately reduced.

## 2 Contribution and Average

If at the time of Damage any other insurance has been effected by or on behalf of the Insured covering any of the Property Damaged, the Insurer's liability under this Section shall be limited to the Insurer's rateable proportion of such Damage.

If such other insurance is subject to average (underinsurance), this Section if not already subject to average shall be subject to average in like manner.

If such other insurance is subject to any provision which excludes it from ranking concurrently with this Section, either in whole or in part, or from contributing rateably, the liability of the Insurer under this Section shall be limited to that proportion of the Damage which the Sum Insured for this Section bears to the value of the Property.

## 3 Data Processing and Ancillary Equipment

Cover includes Damage to data processing and ancillary equipment caused by dryness or dampness of atmosphere, extremes of temperature, corrosion or rust, if directly resulting from Damage to any air conditioning facilities.

## 4 Interested Parties

The Insurer agrees to note the interest of any party notifying their interest in any of the Property Insured in writing, the nature and extent of such interest to be disclosed in the event of Damage.

## Exclusions

*The Policy Exclusions apply to this Section and in addition:*

*The Insurer will not pay for*

- 1* Damage caused by or arising from
  - a* wear and tear, inherent defect
  - b* rot, mildew, rust, corrosion, frost, pollution or contamination
  - c* bruising, scratching, chipping, denting, oxidation or discolouration
  - d* insects, woodworm, vermin
  - e* dyeing, cleaning, repair, renovation
  - f* electronic, electrical or mechanical breakdown, failure or derangement
  - g* faulty manipulation, design, plan, specification or materials
  - h* gradual deterioration, market depreciation
  - i* consequential loss or Damage of any kind or description
- 2* Damage to Property Insured caused by its undergoing any process involving the application of heat
- 3* Damage suffered by the Insured as a result of being deceived into knowingly parting with Property
- 4* Damage to the Property Insured caused by theft or attempted theft of such property from an unattended Vehicle unless such Vehicle is protected as described under the terms of Section Condition 1 of this Section
- 5* Damage not occurring within the Territorial Limits specified in the Schedule
- 6* the Excess.

## Conditions

*The Policy Conditions apply to this Section and in addition:*

### 1 Vehicle Protections

Whenever Property Insured is left in unattended Vehicles, the Insured must ensure that

- a* all security locks, alarms and other security devices are maintained in an efficient working condition
- b* all doors are locked, windows and other openings closed and securely fastened and all intruder alarm installations and other security devices are made operative whenever the Vehicles are left unattended
- c* Vehicles are contained in a securely locked building if left unattended overnight (for the purpose of this Section overnight shall mean from 9.00pm or whenever is the Vehicle was last occupied whichever is the earlier to 6.00am or until the Vehicle is first used whichever is the later).

### 2 Additional Claims Conditions

The Insurer will not pay for any claim for Damage which is not notified to the Insurer within thirty (30) days of the occurrence of such Damage.

### 3 Reinstatement

If any Property is to be reinstated or replaced by the Insurer, the Insured shall at their own expense provide all documents, books and information as may reasonably be required. The Insurer shall not be bound to reinstate exactly, but only as circumstances permit, and in a reasonably sufficient manner, and shall not in any case be bound to expend for any one item of this Section more than its Sum Insured.

# Section 7 – Employer’s Liability

## Definitions

### Business

The business specified in the Schedule conducted solely from Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and including

- 1* the ownership, maintenance and repair of Premises used in connection therewith
- 2* the provision and management of canteen, social, sports or welfare organisations for the benefit of Employees and the ambulance, first aid, fire, medical and security services of the Insured
- 3* the execution of private duties by Employees for any partner, director or senior official of the Insured.

### Employee

- 1* any person under a contract of service or apprenticeship with the Insured
- 2* any of the following persons whilst working for the Insured in connection with the Business
  - a* any labour master or labour only subcontractor or person supplied by him
  - b* any self-employed person providing labour only
  - c* any trainee or person undergoing work experience
  - d* any voluntary helper
  - e* any person who is borrowed by or hired to the Insured.

### Injury

Bodily injury, death, disease, illness, mental injury or nervous shock.

### Limit of Indemnity

Limit of indemnity specified in the Schedule.

### Offshore Installations

- 1* any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- 2* any installation in the sea or tidal waters which is intended for the storage or recovery of gas
- 3* any pipe or system of pipes in the sea or tidal waters
- 4* any installation which is intended to provide accommodation for persons who work on or from the locations specified in 1, 2 or 3 of this definition.

### Territorial Limits

- 1* Great Britain, Northern Ireland, the Isle of Man and the Channel Islands
- 2* elsewhere in the world in respect of Injury sustained by any Employee resident within Great Britain, Northern Ireland, the Isle of Man and the Channel Islands and caused whilst such Employee is temporarily employed outside these territories provided that any action for compensation in respect of such Injury is brought in a court of law within the said territories or any other member country of the European Union.

### Act of Terrorism

Any act including but not limited to the use of force or violence and/or 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 put the public or any section of the public in fear.

## Cover

*The Insurer will indemnify the Insured against legal liability to pay compensation and claimants' costs and expenses in respect of Injury sustained by any Employee arising out of and in the course of the employment or engagement of such person by the Insured in connection with the Business and caused within the Territorial Limits during the Period of Insurance.*

## Costs and Expenses

*In addition the Insurer will pay costs and expenses incurred by the Insurer or with the written consent of the Insurer*

- 1 in connection with the defence of any claim*
- 2 for representation of the Insured*
  - a at any coroner's inquest or fatal accident inquiry in respect of death*
  - b at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in Injury*

*which may be the subject of indemnity under this Section.*

## Limit of Indemnity

- a The Insurer's Limit of Indemnity for all compensation, costs and expenses payable in respect of any one claim or series of claims arising out of one occurrence shall not exceed the Limit of Indemnity.*
- b The Limit of Indemnity in respect of an Act of Terrorism shall not exceed £5,000,000. If the Insurer alleges that by reason of limitation b any loss damage cost or expense is not covered the burden of proving the contrary shall be upon the Insured.*

## Extensions

### 1 Indemnity to Other Parties

If the Insured so request the Insurer will indemnify the following parties

- a any officer or committee member or other member of the Insured's canteen, social, sports or welfare organisations or ambulance, first aid, fire, medical or security services against liability incurred in such capacity*
- b any partner, director or Employee of the Insured against liability incurred in such capacity and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured as though each party was individually named as the Insured in this Section*
- c any principal for whom the Insured have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the Insured*

Provided that

- i each such party shall observe fulfil and be subject to the terms and conditions of this Section in so far as they can apply*
- ii the Insurer's liability to the Insured and all parties indemnified shall not exceed in total the Limit of Indemnity.*

## 2 Health and Safety at Work – Legal Defence Costs

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of

- a* costs and expenses incurred with the Insurer's written consent
- b* costs and expenses of the prosecution awarded against any such party and in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the Period of Insurance in connection with the Business

Provided that

- i* the proceedings relate to the health, safety or welfare of any Employee
  - ii* the Insurer shall have the conduct and control of all the said proceedings and appeals
- the Insurer will not pay for
- a* fines or penalties of any kind
  - b* proceedings or appeals in respect of any deliberate act or omission
  - c* costs or expenses insured by any other policy.

## 3 Unsatisfied Court Judgements

If a judgement for compensation or costs in respect of Injury sustained by any Employee arising out of and in the course of employment or engagement by the Insured in connection with the Business and caused within the Territorial Limits during the Period of Insurance

- a* is obtained by such Employee in any court situate within Great Britain, Northern Ireland, the Isle of Man and the Channel Islands against any person or corporate body domiciled or operating from premises within such territories and
  - b* remains wholly or partly unsatisfied six (6) months after the date of such judgement
- the Insurer will if the Insured so request pay to the said Employee the amount of any such compensation and costs to the extent that they remain unsatisfied

Provided that

- i* there is no appeal outstanding
- ii* the Employee shall have assigned the judgement to the Insurer
- iii* this Section was shown in the Schedule at the time of the Injury.

## 4 Court Attendance Compensation

If during the Period of Insurance any partner director or Employee of the Insured is required to attend court as a witness at the request of the Insurer in connection with a claim which is the subject of indemnity under this Section the Insurer will pay compensation to the Insured on the following scale for each day that attendance is required

- a* any director or partner £250
- b* any Employee £150

## Exclusions

*Policy Exclusion 3 applies to this Section and in addition it does not cover:*

### **1 Mechanically Propelled Vehicles**

liability in respect of Injury to any Employee arising out of the ownership possession or use by or on behalf of the Insured of any mechanically propelled vehicle or trailer attached thereto if such liability is required by any road traffic legislation to be the subject of compulsory insurance or other security.

### **2 Offshore Installations**

liability in respect of Injury to any Employee who is working on visiting or travelling to or from Offshore Installations.

## Conditions

*The Policy Conditions 1–11 apply to this Section and in addition the following:*

### **1 Compulsory Insurance Legislation**

The indemnity granted 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 Isle of Man and the Channel Islands but the Insured shall repay to the Insurer all sums paid by the Insurer which the Insurer would not have been liable to pay but for the provisions of such law.

### **2 Certificate of Employers' Liability**

If this Policy or Section is cancelled any certificate of Employers' Liability insurance issued hereunder is similarly cancelled from the same date.

### **3 Alteration**

If at any time anything shall occur or be done which materially affects the risk insured the Insured shall give immediate notice in writing to the Insurer.

### **4 Discharge of Liability**

The Insurer may pay to the Insured in the event of any one claim or series of claims arising out of one occurrence the specified Limit of Indemnity in respect thereof (after deducting therefrom any sums already paid) or any lesser amount for which the claim(s) can be settled and thereafter be under no further liability in respect of such claim or series of claims arising out of one occurrence except for the amount of any costs and expenses incurred prior to the date of the payment.

# Section 8 – Public and Products Liability

## Definitions

### Business

The business specified in the Schedule conducted solely from Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and including

- 1* the ownership, maintenance and repair of Premises used in connection therewith
- 2* the provision and management of canteen, social, sports or welfare organisations for the benefit of Employees and the ambulance, first aid, fire, medical and security services of the Insured
- 3* the execution of private duties by Employees for any partner director or senior official of the Insured.

### Employee

- 1* any person under a contract of service or apprenticeship with the Insured
- 2* any of the following persons whilst working for the Insured in connection with the Business
  - a* any labour master or labour only subcontractor or person supplied by him
  - b* any self-employed person providing labour only
  - c* any trainee or person undergoing work experience
  - d* any voluntary helper
  - e* any person who is borrowed by or hired to the Insured.

### Injury

- 1* bodily injury, death, disease, illness, mental injury or nervous shock
- 2* invasion of the right of privacy, false arrest, false imprisonment, false eviction or malicious prosecution of any person.

### Limit of Indemnity

The limit of indemnity specified in the Schedule

### Offshore Installations

- 1* any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- 2* any installation in the sea or tidal waters which is intended for the storage or recovery of gas
- 3* any pipe or system of pipes in the sea or tidal waters
- 4* any installation which is intended to provide accommodation for persons who work on or from the locations specified in 1, 2 or 3 of this definition.

### Pollution or Contamination

- 1* all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
- 2* all Injury, or Damage directly or indirectly caused by such pollution or contamination.

All pollution or contamination which arises out of or in connection with one incident shall be deemed to have occurred at the time such incident takes place.

### Products

Any goods or other material property (including their containers, packaging, labelling and instructions for use) sold, supplied, delivered, installed, erected, repaired, altered, treated or tested by the Insured in connection with the Business and not in the charge or control of the Insured.

## Territorial Limits

- 1 Great Britain, Northern Ireland, the Isle of Man and the Channel Islands
- 2 any other member country of the European Union
- 3 elsewhere in the world in respect of Injury, Damage caused by or arising from
  - a non-manual activities of any partner, director or Employee of the Insured normally resident within Great Britain, Northern Ireland, the Isle of Man and the Channel Islands and occurring during any journey or temporary visit
  - b Products

## Act of Terrorism

Any act including but not limited to the use of force or violence and/or 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 put the public or any section of the public in fear.

## Cover

### Item 1 Public Liability

*The Insurer will indemnify the Insured against legal liability to pay compensation and claimants' costs and expenses in respect of accidental*

- 1 *Injury to any person*
- 2 *Damage to material property*
- 3 *nuisance, trespass, obstruction or interference with any right of way, light, air or water occurring within the Territorial Limits during the Period of Insurance in connection with the Business and not caused by or rising from Products other than*
  - a *any Products connected with*
    - i *the provision and management of canteen, social, sports or welfare organisations for the benefit of Employees and the ambulance, first aid, fire, medical and security services of the Insured*
    - ii *the execution of private duties by Employees for any partner, director or senior official of the Insured*
  - b *any food or drink supplied to partners, directors, Employees or non-paying guests of the Insured*
  - c *the disposal of furniture and office equipment originally intended solely for use by the Insured in connection with the Business and which is no longer required for that purpose*
  - d *the accidental obstruction of pedestrian or vehicular traffic caused by loads delivered by any vehicle of the Insured.*

### Item 2 Products Liability

*The Insurer will indemnify the Insured against legal liability to pay compensation and claimants' costs and expenses in respect of accidental*

- 1 *Injury to any person*
- 2 *Damage to material property occurring during the Period of Insurance and caused by or arising from Products.*

## Costs and Expenses

*In addition the Insurer will pay costs and expenses incurred by the Insurer or with the written consent of the Insurer*

- 1 *in connection with the defence of any claim*
- 2 *for representation of the Insured*
  - a *at any coroner's inquest or fatal accident inquiry in respect of death*
  - b *at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in Injury or Damage which may be the subject of indemnity under this Section.*

## Limit of Indemnity

- a** The Insurer's liability for all compensation payable in respect of
- 1** any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
  - 2** all Injury and Damage sustained by all claimants occurring during any one Period of Insurance and caused by and arising from Products
  - 3** all Pollution or Contamination which is deemed to have occurred during any one Period of Insurance
- shall not exceed the Limit of Indemnity.
- b** The Insurer's Liability shall not exceed the Limit of Indemnity or £5,000,000 (whichever is the lesser) in respect of an act of Terrorism. If the Insurer alleges that by reason of limitation b any loss damage cost or expense is not covered the burden of proving the contrary shall be upon the Insured.

## Extensions

### 1 Indemnity to Other Parties

If the Insured so request the Insurer will indemnify the following parties

- a** any officer or committee member or other member of the Insured's canteen, social, sports or welfare organisations or ambulance, first aid, fire, medical or security services against liability incurred in such capacity
- b** any partner, director or Employee of the Insured against liability incurred in such capacity and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured
- as though each party were individually named as the Insured in this Section
- c** any principal for whom the Insured have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the Insured

Provided that

- i** each such party shall observe fulfil and be subject to the terms and conditions of this Section in so far as they can apply
- ii** the Insurer's liability to the Insured and all parties indemnified shall not exceed in total the Limit of Indemnity.

### 2 Joint Insured Cross Liabilities

If more than one party is named as the Insured this Section shall apply as though each were insured separately provided that the Insurer's liability to all parties indemnified shall not exceed in total the Limit of Indemnity.

### 3 Overseas Personal Liability

The Business is extended to include personal activities (not connected with any gainful occupation or profession nor with the ownership or tenure of any land or building) of any partner, director or Employee of the Insured or family member of such partner director or Employee normally resident within Great Britain, Northern Ireland, the Isle of Man and the Channel Islands in the course of any journey or temporary visit to any other country made in connection with the Business.

#### 4 Motor Contingent Liability

The Insurer will indemnify the Insured in the terms of this Section against liability arising out of the use in connection with the Business of any vehicle not owned provided or being driven by the Insured but this Section does not cover liability

- a* in respect of Damage to such vehicle
- b* arising out of any such use in any country outside the European Union
- c* incurred by any party other than the Insured
- d* incurred by any party identified in Extension 1 (Indemnity to Other Parties), paragraph b, other than an Employee

For the purpose of this cover Exclusion 1 of this Section does not apply.

#### 5 Health and Safety at Work – Legal Defence Costs

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of

- a* costs and expenses incurred with the Insurer's written consent
- b* costs and expenses of the prosecution awarded against any such party

in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the Period of Insurance in connection with the Business

Provided that

- i* the proceedings relate to the health, safety or welfare of any person other than an Employee
- ii* the Insurer shall have the conduct and control of all the said proceedings and appeals.

The Insurer will not pay for

- a* fines or penalties of any kind
- b* proceedings or appeals in respect of any deliberate act or omission
- c* costs or expenses insured by any other insurance.

#### 6 Data Protection

- a* The Insurer will indemnify the Insured and at the Insured's request any partner, director or Employee of the Insured against the sums which the Insured or any director, partner or Employee of the Insured become(s) legally liable to pay as compensation, under Section(s) 22 and/or 23 of the Data Protection Act 1984 as amended by the Data Protection Act 1998, for damage or distress resulting from failure of the Insured to comply with data protection legislation and caused in connection with the Business during the Period of Insurance.

Provided that the Insured is

- i* a registered user in accordance with data protection legislation
  - ii* not in business as a data processing bureau.
- b* The total amount payable including all costs and expenses under this paragraph in respect of all claims occurring during any one Period of Insurance is limited to £250,000.
  - c* The Insurer will not pay for
    - i* any Damage or distress caused by any deliberate act or omission by the Insured the result of which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission
    - ii* any Damage or distress caused by any act of fraud or dishonesty
    - iii* the costs and expenses of rectifying, rewriting or erasing data
    - iv* liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person
    - v* the payment of fines or penalties.

## 7 Defective Premises Act 1972

The Insurer will indemnify the Insured in the terms of this Section against liability incurred by the Insured under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with premises or land disposed of by the Insured.

The Insurer will not pay for

- a* the cost of rectifying any Damage or defect in the premises or land disposed of
- b* liability for which the Insured is entitled to indemnity under any other insurance.

## 8 Consumer Protection and Food Safety Acts – Legal Defence Costs

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of legal costs and expenses incurred with the written consent of the Insurer in connection with the defence of any criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under

- a* Part 2 of the Consumer Protection Act 1987 or
- b* Section(s) 7, 8, 14, and/or 15 of the Food Safety Act 1990

committed or alleged to have been committed during the Period of Insurance in connection with the Business provided that the Insurer shall have the conduct and control of all the said proceedings and appeals.

The Insurer will not pay for

- i* fines or penalties of any kind
- ii* proceedings or appeals in respect of any deliberate act or omission
- iii* costs or expenses insured by any other policy.

## 9 Court Attendance Compensation

If during the Period of Insurance any partner director or Employee of the Insured is required to attend court as a witness at the request of the Insurer in connection with a claim which is the subject of indemnity under this Section the Insurer will pay compensation to the Insured on the following scale for each day that attendance is required

- a* any director or partner                      £250
- b* any Employee                                      £150

## 10 Contractual Liability

In respect of liability assumed by the Insured by a contract or agreement entered into by the Insured and which would not have attached in the absence of such contract or agreement the indemnity provided by this Section shall only apply if the sole conduct and control of any claim is vested in the Insurer

Provided that the Insurer shall not in any event provide indemnity

- a* under Exclusion 9a of this Section except as stated therein
- b* in respect of liquidated damages or fines or damages imposed by or payable under any penalty clause.

## Exclusions

*Policy Exclusions 2, 3 and 9 apply to this Section and in addition it does not cover:*

- 1** Liability in respect of Injury to any Employee arising out of and in the course of the employment or engagement of such person by the Insured.
- 2** Liability in respect of Injury or Damage arising in connection with work on or travel to or from Offshore Installations.
- 3** Liability in respect of
  - a** fines, penalties or liquidated damages
  - b** punitive, exemplary or aggravated damages or any damages resulting from the multiplication of compensatory damages.
- 4** Liability in respect of
  - a** Pollution or Contamination occurring in the United States of America or Canada or any dependency or trust territory
  - b** Pollution or Contamination occurring elsewhere unless caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.
- 5** Liability arising out of the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (or trailer attached thereto) which is required by any road traffic legislation to be the subject of compulsory insurance or other security but this Exclusion shall not apply in respect of the loading or unloading of such vehicle or the delivery or collection of goods to or from such vehicle except where more specifically insured by any other policy.
- 6** Liability arising out of the ownership, possession or use by or on behalf of the Insured of any vessel or craft designed to float on or in or travel through water, air or space (other than hand-propelled watercraft).
- 7** Liability in respect of Damage to any property belonging to or in the charge or control of the Insured other than
  - a** personal effects or vehicles of any partner, director or Employee of or visitor to the Insured
  - b** premises (and their contents) not belonging, leased, rented or hired to the Insured but temporarily in the charge of the Insured for the purpose of carrying out work
  - c** Premises (including their fixtures and fittings) leased, rented or hired to the Insured but this Section does not cover liability attaching to the Insured solely under the terms of any tenancy or other agreement.
- 8** Liability in respect of
  - a** Damage to any goods or other property sold, supplied, delivered, installed or erected by or on behalf of the Insured
  - b** all costs of or arising from the need for reinstatement, making good, removal, repair, rectification, replacement or recall of
    - i** any such goods or property
    - ii** any defective work executed by or on behalf of the Insured

except that 8a and 8bi above shall not apply to liability in respect of Damage to the said goods or property if such Damage is caused by or arises from

  - 1** any alteration, repair or servicing work executed
  - 2** any other goods or property sold, supplied, delivered, installed or erected by the Insured under a separate contract.

- 9** In respect of Injury or Damage caused by or arising from Products
- a** any liability which attaches to the Insured solely under the terms of an agreement other than
    - i** under any warranty of goods implied by law
    - ii** under any indemnity clause in any agreement between the Insured and any independent carrier in respect of Injury, loss or damage caused by Products entrusted to such carrier for transit by road rail or waterway
  - b** any Product installed or incorporated in any craft designed to travel in or through air or space
  - c** any claim made against the Insured in any country outside the European Union in which the Insured occupy premises or are represented by any resident Employee or holder of the Insured's power of attorney
  - d** any liability arising from any Products exported by the Insured to the United States of America or Canada.
- 10** Liability for Injury or Damage arising out of or in connection with advice, design, formula, specification, inspection, certification or testing provided or performed for a fee by or on behalf of the Insured other than where provided or performed in connection with any Product insured by this Section.
- 11** Liability in respect of Damage to any property
- a** comprising or to be incorporated in the contract works in respect of any contract undertaken by the Insured
  - b** against which the Insured are required to effect insurance under the terms of Clause 21.2.1. of the J.C.T. (R.I.B.A.) Conditions of Contract or of any other contract condition requiring insurance of a like kind.
- 12** Liability arising from or as a consequence of any manual work carried out away from any Premises belonging, leased, rented or hired to the Insured other than delivery or collection.
- 13** the Excess.

## Conditions

*Policy Conditions 1–11 apply to this Section and in addition the following:*

### 1 Discharge of Liability

The Insurer may pay to the Insured in the event of any one claim or series of claims arising out of one occurrence the specified Limit of Indemnity in respect thereof (after deducting therefrom any sums already paid) or any lesser amount for which the claim(s) can be settled and thereafter be under no further liability in respect of such claim or series of claims arising out of one occurrence except for the amount of any costs and expenses incurred prior to the date of the payment.

# Section 9 – Commercial Legal Expenses

## Definitions

### Award(s)

An unfair dismissal basic award, an unfair dismissal compensatory award or an unfair dismissal additional award

### Costs

- 1 Professional fees and expenses reasonably and properly charged by the Legal Representative, up to the standard rates set by the courts  
and
- 2 Opponent's (the other person or organisation in the case) costs which the Insured is ordered to pay by a court or tribunal

### Insured

Insured named and shown in the Schedule and any partners, directors and employees

### Legal Representative

The solicitor appointed under this Section to represent the Insured

### Territorial Limits (Events 1–6 only)

Great Britain, Northern Ireland, the Channel Islands and the Isle of Man

### Territorial Limits (Event 7 only)

Great Britain, Northern Ireland, the Channel Islands, the Isle of Man, Andorra, Austria, Belgium, the Czech Republic, Denmark, Finland, France, Germany, Gibraltar, Greece, Hungary, Italy, Liechtenstein, Luxembourg, Monaco, the Netherlands, Norway, Poland, Portugal, the Republic of Ireland, San Marino, Slovakia, Slovenia, Spain, Sweden, Switzerland and Turkey

## Cover

***The Insurer will indemnify the Insured in respect of the insured Events which occur during the Period of Insurance and within the Territorial Limits. The Insurer must deem that there is a reasonable chance of recovering damages or of a successful defence. Any legal action arising from the insured Events must be brought within the Territorial Limits.***

## Limits

- 1 The most the Insurer will pay for all claims arising from one occurrence for events 1, 2, 3, 4 & 7 is £50,000 apart from Awards, where the most the Insurer will pay is £25,000. The most the Insurer will pay for all claims arising from one occurrence under Event 5 is £25,000.
- 2 Under Events 1 to 5 the Insurer will not provide cover for 10% of all Costs which the Insured cannot get back at the end of the claim.
- 3 Under Event 6 the most the Insurer will pay is £100 a day for a maximum of 20 days.

## Events

### 1 Employment Contract

The Insurer will pay the Costs of defending the legal rights of the Insured after an event, which results in civil proceedings being brought by an employee over a dispute relating to a contract for permanent employment.

The Insurer will pay any Award the court or tribunal orders the Insured to pay.

#### **Special Condition**

Cover in respect of Event 1 will only be provided if the Insured has discussed the dispute with Lawphone before taking any action and followed the advice given

### 2 Property

The Insurer will pay the Costs for legal action over a dispute relating to

- a** any loss or damage caused to the Premises by another person or organisation
- b** any loss or damage caused by another person or organisation to the Insured's Property at the Premises
- c** the Insured's tenancy agreement

### 3 Prosecution Defence

The Insurer will pay the Costs of defending the Insured's legal rights (including making an appeal against a conviction or sentence) after any occurrence resulting in criminal proceedings being brought against the Insured for an offence arising out of any Business activities.

### 4 Licence Protection

The Insurer will pay the Costs of defending the Insured's legal rights after any occurrence which results in a hearing about withdrawing, restricting or suspending any Business licence.

### 5 Tax and VAT

The Insurer will pay the Costs of appealing against any terms and conditions applied HM Revenue and Customs after finishing an in-depth investigation into the Insured's most recent accounts for the following:

- a** PAYE tax arrangements
  - b** Business tax arrangements
  - c** VAT arrangements
- as long as the Insured
- i** kept to the legal requirements for keeping accounts and tax returns;
  - ii** made all account and tax returns within the time limits allowed;
  - iii** was VAT registered when the VAT offence that the Insured is accused of happened

### 6 Jury Service

If the Insured has to go to court for jury service, the Insurer will pay the individual's salary or wages that cannot be reclaimed from the court.

### 7 Personal Injury

The Insurer will pay the Costs of taking legal action against another person as a result of an event which causes the Insured's death or bodily injury.

## Exclusions

*The Policy Exclusions (except 1) apply to this Section and in addition it does not cover the following:*

- 1** In respect of Event 1 – Employment Contract any dispute
  - a** which occurs within the first three months of the date this Section starts
  - b** arising in the first six (6) months of this Section with an employee who has been given a verbal or written warning in the six (6) months leading up to the date that this Section starts
  - c** over redundancy
  - d** if the disciplinary procedure set out in the contract of employment was not followed in full
  - e** to do with sub-contracting or contracts for services with anyone who is self-employed
  - f** with a company director unless the action is brought at an employment tribunal
  - g** where there is an accusation of constructive dismissal
- 2** In respect of Event 2 – Property:
  - a** Damage caused by mining or subsidence
  - b** disputes over rent, business rates or service charges
- 3** In respect of Event 4 – Licence Protection
  - a** hearings arising out of any commercial decision made by the Insured
  - b** the first application for, or standard renewal of the licence
  - c** anything to do with drugs offences
  - d** anything to do with under-age drinking
- 4** In respect of Event 5 – Tax and VAT
  - a** any Costs to do with the normal reconciliation of the Insured's annual accounts and VAT returns
  - b** anything to do with allegations of criminal activities by the Insured
  - c** representations during an in-depth investigation
  - d** any investigation where a deliberate misstatement or false representation to HM Revenue and Customs was made by the Insured
  - e** any investigation
    - i** by HM Revenue and Customs Special Investigation Section or Special Compliance Office
    - ii** which started before the inception of this Section
    - iii** where the Insured's accounts or returns are only being investigated because earlier accounts or returns have been investigated
- 5** In respect of Event 7 – Personal Injury disputes between the Insured and any employee(s)
- 6** Any injury, Damage, prosecution or licence appeal relating to owning, driving or using a motor vehicle
- 7** Any fines or penalties
- 8** Any application for a judicial review
- 9** Disputes relating to share rights
- 10** Anything to do with franchise or distribution agreements
- 11** Any claim to do with patents, copyrights, merchandise marks, trade marks, registered designs, intellectual property, secrecy and confidential agreements
- 12** Disputes between the Insured and the Insurer, except as dealt with under Condition 6
- 13** Costs the Insurer has not agreed to in writing
- 14** Costs covered by another insurance policy
- 15** Costs paid directly to the Legal Representative or any other person without permission from the Insurer

- 16** Any VAT which can be recovered from elsewhere
- 17** Disputes or claims arising from anything the Insured has done deliberately or recklessly
- 18** Any claim
  - a** whilst insolvent (or have committed an act of insolvency) or in administration liquidation or receivership
  - b** due to an arrangement with the people the Insured owes money to
  - c** due to entering into a deed or arrangement
- 19** Any pollution incident

## Conditions

**Policy Conditions 2,3,6,7,8,10 and 11 apply to this Section and in addition the following:**

- 1** The Insured must do the following:
  - a** give the Insurer written details of any claim along with any other supporting information that the Insurer asks for
  - b** make any claim within six (6) months of the date of the event which gave rise to the dispute
  - c** follow the Legal Representative's advice and provide any information requested
  - d** take every step to recover Costs and pay them to the Insurer
  - e** get written permission from the Insurer before making an appeal
- 2** The Insured's Legal Representative must:
  - a** obtain written permission from the Insurer before instructing a barrister or expert witness
  - b** tell the Insurer if, at any stage, there is no longer a reasonable chance of getting back damages or defending the claim successfully or another way of sorting the matter out
  - c** tell the Insurer immediately if the other person or organisation in the case makes a payment into court or any offer to settle the matter
  - d** report the result of the claim to the Insurer when it is finished
- 3** The Insurer has the right to do the following:
  - a** settle a claim by paying the amount in dispute
  - b** appoint the Legal Representative in the Insured's name and on the Insured's behalf
  - c** have any legal bill audited or assessed
  - d** contact the Legal Representative at any time, and have access to all statements, opinions and reports
  - e** end the Insured's cover if, during the course of the claim, the Insurer thinks there is no longer a reasonable chance of success. If the Insured continues the claim and gets a better settlement than the Insurer expected, the Insurer will pay reasonable Costs which cannot be recovered from anywhere else
  - f** at the end of the claim, settle the Costs covered by this Section if they cannot be recovered from anywhere else
- 4** The Insurer will not have to keep to any agreement between the Insured and the Legal Representative or any other person or organisation
- 5** When starting legal proceedings the Insured can choose the Legal Representative
  - a** the Insured must send his or her name and address to the Insurer. If the Insurer does not agree with the Insured's choice, the matter will be settled as set out under condition 6 below.
  - b** when choosing the legal representative, the Insured has a duty to keep the cost of any claim or legal proceedings as low as possible.

- 6 If there is a dispute between the Insurer and the Insured the matter may be referred to an arbitrator who the Insurer and Insured agree to. If the Insurer and Insured cannot agree on an arbitrator, one will be chosen by the President of the Law Society or by the Chairman of the Bar Council.

The person the arbitrator's decision goes against will pay all the costs of arbitration. If the decision is not clearly made against either the Insured or the Insurer, the arbitrator will decide how the costs of arbitration are shared.

- 7 Every notice which needs to be given under this Section must be given in writing as follows
- a If the Insurer gives notice, it must be sent to the last known address of the Insured
  - b If the Insured gives notice, it must be sent it to the Insurer's Head Office at the address shown under 'How to Make a Claim'

## How to make a claim

To make a claim under this Section call Lawphone on 0870 243 4340, stating you are a HSBC Business Combined policyholder. If the Insured's Schedule states 'Basic Cover – Event 3 Insured Only' in respect of Legal Expenses the Insured must quote master policy number 36153, if the Insured's Schedule states 'Full Cover – All Events Insured' in respect of Legal Expenses the Insured must quote master policy number 36154. The Insurer will arrange for a claim form to be sent out. Please fill in the claim form and send it to the Claims Department at:

Allianz Legal Protection

Redwood House

Brotherswood Court

Great Park Road

Bradley Stoke

Bristol

BS32 4QW

We will contact you once we have received the claim form.

# Additional Benefits

## 24 Hour Legal Advice Helpline

With this policy you gain the automatic benefit of access to a team of qualified Legal Advisers for advice on any commercial legal matter. The service which operates on a 24 hours a day 365 days a year basis provides immediate telephone advice.

To use this service ring 08705 234500. Please state your name, and that you are a HSBC Business Combined policyholder. The information will be passed to an adviser who will return your call.

All areas of Business law are covered. This advice is available to you during the currency of the policy, although no liability can be accepted for inability to provide advice due to breakdown or failure of the telephone network.

The Insurer may record calls to protect the Insured.

## Glass Replacement

Broken glass is dangerous for both you and your customers and in some circumstances can be a major security risk. Allianz Insurance plc have negotiated a special arrangement for you, with one of Britain's leading glass replacement specialists, Solaglas Windowcare.

Solaglas Windowcare will bill us direct – you pay nothing except the Policy Excess and the VAT.

The service is available 24 hours a day, all year round, and can be telephoned **FREE** on **0800 474747**. Please quote your name, policy number and reference **HSBC123-AC**.

# Claims Handling

If an accident, loss or damage occurs or any circumstances arise which may cause a claim to be made:

- You should refer to the detailed requirements for claim notification contained in the General Conditions of your policy and the Special Conditions applying to individual sections. The Special Conditions must be complied with otherwise a claim may not be met.
- You should telephone the HSBC Claims Helpline on 0844 871 0941, operated by Allianz Insurance plc and available 24 hours a day
  - promptly, if an incident occurs that may lead to you making a claim
  - immediately, in the event of a serious accident, loss or damage

Any correspondence in connection with a claim should be addressed to:

Claims Centre Milton Keynes  
Allianz Insurance plc  
P.O. Box 5525  
Milton Keynes, MK9 2XR

Please provide as much information as possible about the claim, and your policy reference if available

In addition if you need emergency assistance you can call the above number, but please do not use this number if you require UK Commercial Legal Advice, Tax Advice or Counselling, or to notify a Legal Expenses claim.

The number to call for Legal Expenses advice and claims can be found in the Legal Expenses section of your policy.

- We recommend you check that the accident, loss or damage is covered by your policy. If you are in any doubt please consult HSBC Insurance Brokers Limited
- You should comply with the requirements for claim notification contained in the policy Conditions, which detail your obligations and our rights in the event of a claim. If you are in any doubt please consult HSBC Insurance Brokers Limited
- You should carry out any emergency action to protect your property from further damage (e.g. turning off main services) or to make it waterproof or secure. We will be pleased to provide advice and assistance to find the right person or organisation to help you. If you do incur any charges please retain the bills as these may form part of your claim
- If emergency work has been completed on your own authority please contact us before permanent repairs begin
- Please do not dispose of damaged items before we have had the opportunity to inspect them
- You should report to the Police any loss or damage from theft, arson, malicious damage, or riot or civil commotion and obtain a crime book reference from them
- Please ensure that your responsibility for injury to someone or damage to their property is not discussed with or admitted to anyone else
- If an employee or someone else is holding you responsible for injury to them or for damage to their property then you should tell us promptly, and send any letters, writs or summons to us unanswered
- Our aim is to deal with your claim promptly and fairly. Depending on the type of claim and value involved we may:
  - forward a claim form for you to complete and sign
  - appoint an independent Loss Adjuster to deal with your claim
  - arrange for one of our Claims staff to visit you
  - reply to you by letter or by telephone.

# Caring for Customers

If you have any complaints regarding your insurance policy, please see the Allianz Insurance plc section below. If you have any complaints regarding the sale of your policy or any other aspect of the service provided by HSBC Insurance Brokers Limited please see the HSBC Insurance Brokers Limited section below.

## Allianz Insurance plc

Our aim is to get it right first time, every time. If we make a mistake we will try to put it right promptly. We will always confirm receipt of your complaint within five working days and do our best to resolve the problem within four weeks. If we are unable to do so we will let you know when the answer may be expected. If we have not resolved the problem within eight weeks we will provide you with information about the Financial Ombudsman Service.

Should you wish to make a complaint, then it should be directed to the Customer Satisfaction Manager at the following location.

Allianz Insurance plc  
57 Ladymead, Guildford, Surrey, GU1 1DB  
Tel: 01483 552438  
Email: [accsm@allianz.co.uk](mailto:accsm@allianz.co.uk)

If your complaint is about a claim that we are already handling then please direct your complaint to the office involved if different to the above address.

Whoever you are contacting, please always quote the policy number as it will help your complaint to be dealt with promptly.

Allianz Insurance plc is a member of the Financial Ombudsman Service.

Using our complaints procedure or referral to the Financial Ombudsman Service does not affect your legal rights.

## HSBC Insurance Brokers Limited

HSBC Insurance Brokers Limited is authorised and regulated by the Financial Services Authority. Our Firm reference number is 310240. We are also a member of the Society of Lloyds

It is our intention to provide you with a high level of customer service at all times. However, if for any reason you are dissatisfied with the arrangement or servicing of your insurance, please contact:

The Customer Services Manager  
HSBC Insurance Brokers Limited  
County Gates House  
300 Poole Road  
Dorset  
BH12 1AZ  
Tel: 0845 604 2417  
Fax: 0845 585 5290

We aim to resolve all complaints in a fair and speedy manner, usually by close of business on the business day following receipt of the complaint, and in accordance with the guidelines set down by the Financial Services Authority on Complaints handling.

If we cannot resolve the complaint by close of business the next day after the complaint has been received, we will:

- i* acknowledge your complaint in writing within 5 working days either with a full response or information about the progress of your matter and a contact name for future reference;
- ii* within 4 weeks of receipt of your complaint, provide you with a final response or if appropriate, a holding response if the matter has still not been resolved; and
- iii* within 8 weeks from the receipt of your complaint, send you a final response or offer you redress if appropriate.

If following our final response you are dissatisfied with the outcome of your complaint and you are an Eligible Complainant, you may refer it to the Financial Ombudsman Service within 6 months of receiving the final response.

Generally, an Eligible Complainant is one who is:

- a** a private individual;
- b** a business which has a group annual turnover of less than £1million at the time the complaint is made;
- c** a charity which has an annual income of less than £1 million at the time the complaint is made;
- d** a trustee of a trust which has a net asset value of less than £1million at the time the complaint is made.

## The Financial Ombudsman Service

The Financial Ombudsman service was set up by law to provide consumers with a free independent service for resolving disputes with financial services firms. From 6 April 2007, it can also review complaints relating to consumer credit services.

Copies of the Financial Ombudsman Service's explanatory leaflet can be obtained free of charge at any of our offices. Details for the Financial Ombudsman Service can also be found by visiting their website [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or by writing to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR, Telephone 0845 080 1800.

## Financial Services Compensation Scheme

Allianz Insurance plc contributes to the Financial Services Compensation Scheme (FSCS).

You may be entitled to compensation from the FSCS if we are unable to meet our liabilities.

Further information about compensation scheme arrangements is available from:

Financial Services Compensation Scheme

7th Floor, Lloyds Chambers

Portsoken Street

London E1 8BN

Tel: 020 7892 7300

Fax: 020 7892 7301

Email: [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)

[www.fscs.org.uk](http://www.fscs.org.uk)

## Data Protection Act

We may use the personal and business details you have given us or which are supplied by third parties including any details of directors, officers, partners and employees to provide you with a quotation; deal with your policy; to search credit reference and fraud agencies who may keep a record of the search; to share with other insurance organisations to help offset risks, to help administer your policy and to handle claims and prevent fraud; to support the development of our business by including your details in customer surveys, and for market research and compliance business reviews which may be carried out by third parties acting on our behalf. You agreed when you applied for the policy that your directors, officers, partners, and employees have consented to our using their details in this way.

We may need to collect data relating to Insured Persons, which under the Data Protection Act is defined as sensitive (such as medical history of Insured Persons) for the purpose of evaluating the risk or administering claims which may occur. You must ensure that you have explicit verbal or written consent from the Insured Persons to such information being processed by us and that this fact is made known to the Insured Persons.

Your details will not be kept for longer than is necessary.

Under the Data Protection Act 1998 individuals are entitled to a copy of all the personal information Allianz Insurance plc holds about them. Please contact the Customer Satisfaction Manager at the following address for further information: Allianz Insurance plc, 57 Ladymead, Guildford, Surrey GU1 1DB.

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

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HSBC Insurance Brokers Limited  
County Gates House  
300 Poole Road  
Dorset  
BH12 1AZ  
Tel: 0845 604 2417  
Fax: 0845 585 5290

Allianz Insurance plc. Registered in England number 84638.  
Registered office. 57 Ladymead, Guildford, Surrey, GU1 1DB, United Kingdom.

Allianz Insurance plc is a member of the Association of British Insurers and the Financial Ombudsman Service.  
Allianz Insurance plc is authorised and regulated by the Financial Services Authority. Our registration number is 121849.  
This can be checked by visiting the FSA website at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234.