



**INSURANCE FOR HER
MAJESTY'S FORCES**



Service (Non-Public) Funds







Contents

This policy is made up of individual Sections. The booklet should be read together with **Your** current **Schedule** for precise details of **Your** insurance protection.

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Introduction

Your policy is a contract between **Us, Ecclesiastical Insurance Office plc** and **You, the Policyholder**.

The policy is divided into a number of sections. **Your Schedule** will show which sections are in force and for how much **You** are insured.

Please read the policy and the **Schedule** and return it to Towergate Insurance if it is not in accordance with **Your** requirements. The conditions contained here may be expressly varied in order to comply with Queens Regulations, the Official Secrets Act, any other Act of Parliament or legislation given by order of the Crown and the Crown Indemnity Clause.

If **You** have any queries or wish to change **Your** cover, contact Towergate immediately.

It is agreed and understood that the insurances provided hereby apply only to the indemnity requirements as expressly laid down in Administrative Instructions regulating the insurance requirements for Service (Non Public) Funds unless otherwise agreed.

On behalf of **Ecclesiastical Insurance Office plc**. **Ecclesiastical Insurance Office plc (EIO)** Reg. No. 24869. Registered in England at Beaufort House, Brunswick Road, Gloucester GL1 1JZ, UK. EIO is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority. FCA register number: 113848. Permitted business is general insurance. **You** can check this on the FCA's register by visiting the FCA's website www.fca.org.uk/register or by contacting the FCA on 0800 111 6768.

How to make a claim

To discuss an incident that might give rise to a claim or to register **Your** intent to make a claim please contact Towergate Insurance in writing at Towergate Insurance, PO Box 800, Elland HX1 9ET or telephone the number shown on **Your** policy **Schedule**. Please have **Your** Policy reference ready and also be aware of Policy Condition (5) Claims Procedure.

How we use your data

Your privacy is important to Us. We will process your personal data in accordance with data protection laws.

Ecclesiastical Insurance Office plc ("**we**", "**us**", "**our**") is the data controller in respect of any personal data which you provide to us or which we hold about you and any personal data which is processed in connection with the services we provide to you.

Where you provide us with personal data about a person other than yourself (such as a dependant or named person under a policy), you must inform them that you are providing their personal data to us and refer them to this notice.

To provide our insurance related services, we will collect and process your personal data such as your name, contact details, financial information and any information which is relevant to the insurance policy we are providing. In order to provide your insurance policy or when making a claim, we may also need to collect or process 'special categories of personal data' such as information relating to your health or criminal convictions or information which is likely to reveal your religious beliefs.

We process your personal data for the purposes of offering and carrying out insurance related services to you or to an organisation or other persons which you represent. Your personal data is also used for business purposes such as fraud prevention, business management, systems development and carrying out statistical and strategic analysis.

Providing our services will involve sharing your personal data with, and obtaining information about you from, our group companies and third parties such as brokers, loss adjusters, credit reference agencies, fraud prevention agencies, our service providers and professional advisors, or business partners and our regulators.

In some circumstances we may transfer your personal data to countries outside of the European Economic Area. We will put appropriate safeguards in place to ensure that your personal data is protected.

Where we have your consent, we may market our services to you or provide your personal data to our related companies or business partners for marketing purposes. You can opt out of marketing communications at any time by clicking on the link at the bottom of any email or by contacting us.



Fraud prevention

We need to carry out fraud and anti-money laundering checks, and this will involve sharing your personal data (such as your name, contact details and financial information) with credit reference and fraud prevention organisations such as the Claims and Underwriting Exchange, run by MIB. If you make a claim, we will share your personal data (to the extent necessary) with other companies including other insurers and anti-fraud organisations to prevent fraud. For the purposes of deciding whether to accept and pay a claim or any part of it, we may appoint loss adjusters or external investigation services to act on our behalf.

If false or inaccurate information is provided and fraud is identified, your personal data will be passed to fraud prevention agencies including the Insurance Fraud Register, run by the Insurance Fraud Bureau. Law enforcement agencies may access and use this information.

Please note that when carrying out any fraud prevention activities, we may need to process your special categories of data such as criminal offence information and share it with fraud prevention agencies.

Further information

For further information on how your personal data is used and your rights in relation to your personal data please refer to our Privacy Policy at www.ecclesiastical.com/privacypolicy or contact our Data Protection Officer at Beaufort House, Brunswick Road, Gloucester GL1 1JZ or on **0345 6073274** or email compliance@ecclesiastical.com

Fair Processing Notice

The privacy and security of **Your** information is important to **Us**. This notice explains who **We** are, the types of information **We** hold, how **We** use it, who **We** share it with and how long **We** keep it. It also informs **You** of certain rights **You** have regarding **Your** personal information under current data protection law. **We** will update this notice as required and at least annually (every December). Therefore, **We** suggest **You** revisit this notice every December to keep yourself informed.

The terms used in this Fair Processing Notice are based on the Information Commissioner's Office. **You** can find out more about the ICO here: ico.org.uk

Who are We?

Towergate Insurance (part of The Ardonagh Group of companies) is the Data Controller of the information **You** provide **Us** and is registered with the Information Commissioner's Office for the products and services **We** provide to **You**.

You can contact **Us** for general data protection queries by email to DataProtection@ardonagh.com or in writing to The Data Protection Officer, care of the office of the Chief Information Officer, The Ardonagh Group, 2 Minster Court, Mincing Lane, London EC3R 7PD. Please advise **Us** of as much detail as possible to comply with **Your** request.

For further information about The Ardonagh Group of companies please visit www.ardonagh.com

What information do We collect?

To enable **Us** to provide **You** with the right product or service to meet **Your** needs (or to handle a claim) **We** will collect personal information which may include **Your** name, telephone number, email address, postal address, occupation, date of birth, additional details of risks related to **Your** enquiry or product and payment details (including bank account number and sort code).

We may need to request and collect sensitive personal information such as details of convictions or medical history for **Us** to provide **You** with the product or service or to process a claim.

We only collect and process sensitive personal data where it is critical for the delivery of a product or service and without which the product or service cannot be provided. **We** will therefore not seek **Your** explicit consent to process this information as it is required by **Us** to provide the product or service **You** have requested and is legitimised by its criticality to the service provision. If **You** object to use of this information, then **We** will be unable to offer **You** that product or service.



How do We use Your personal information?

We will use **Your** personal information to:

- Assess and provide the products or services that **You** have requested
- Communicate with **You**
- Develop new products and services
- Undertake statistical analysis.

We may also take the opportunity to:

- Contact **You** about products that are closely related to those **You** already hold with **Us**
- Provide additional assistance or tips about these products or services
- Notify **You** of important functionality changes to **Our** websites.

Only where **You** have provided **Us** with consent to do so, **We** may also from time to time use **Your** information to provide **You** with details of marketing or promotional opportunities and offers relating to other products and services from The Ardonagh Group.

From time to time **We** will need to call **You** for a variety of reasons relating to **Your** products or service (for example, to update **You** on the progress of a claim or to discuss renewal of **Your** insurance contract). **We** are fully committed to Ofcom regulations and have strict processes to ensure **We** comply with them.

To ensure the confidentiality and security of the information **We** hold, **We** may need to request personal information and ask security questions to satisfy ourselves that **You** are who **You** say **You** are.

We may aggregate information and statistics on website usage or for developing new and existing products and services, and **We** may also provide this information to third parties. These statistics will not include information that can be used to identify any individual.

Securing Your personal information

We follow strict security procedures in the storage and disclosure of **Your** personal information in line with industry practices, including storage in electronic and paper formats.

We store all the information that **You** provide to **Us**, including information provided via forms **You** may complete on **Our** websites, and information which **We** may collect from **Your** browsing (such as clicks and page views on **Our** websites).

Any new information **You** provide **Us** may be used to update an existing record **We** hold for **You**.

When do We share Your information?

To help **Us** prevent financial crime, **Your** details may be submitted to fraud prevention agencies and other organisations where **Your** records may be searched, including the Claims and Underwriting Exchange (CUE) and the Motor Insurers Anti-Fraud and Theft Register (MIAFTR).

In addition to companies within the Ardonagh Group, third parties (for example insurers or loss adjusters) deliver some of **Our** products or provide all or part of the service requested by **You**. In these instances, while the information **You** provide will be disclosed to these companies, it will only be used for the provision and administration of the service provided (for example verification of any quote given to **You** or claims processing, underwriting and pricing purposes or to maintain management information for analysis).

This may also include conducting a search with a credit reference bureau. **We** will never make a search that leaves a record on **Your** credit history without informing **You** first.

We may use firms involved in financial management regarding payment.

We may also share **Your** data with other companies who carry out market research on **Our** behalf and who may contact **You** for the purpose of obtaining feedback on the products and services **We** offer. **We** will only share **Your** information for any direct marketing of additional services and products within The Ardonagh Group of companies where **We** have **Your** consent to do so.

The data **We** collect about **You** may be transferred to, and stored at, a destination outside of the European Economic Area ("EEA"). It may also be processed by staff operating outside of the EEA who work for **Us** or for one of **Our** suppliers. Such staff may be engaged in, amongst other things, the provision of information **You** have requested.

If **We** provide information to a third party, **We** will require it and any of its agents and/or suppliers to take all steps reasonably necessary to ensure that **Your** data is treated securely and in accordance with this Fair Processing Notice.



We may of course be obliged by law to pass on **Your** information to the police or other law enforcement body, or statutory or regulatory authority including but not limited to the Employer's Liability Tracing Office (ELTO) and the Motor Insurance Bureau (MIB).

We may also share **Your** information with anyone **You** have authorised to deal with **Us** on **Your** behalf.

How long do We keep Your information for?

We will not keep **Your** personal information longer than is necessary for the purpose for which it was provided unless **We** are required by law or have other legitimate reasons to keep it for longer (for example if necessary for any legal proceedings).

We will normally keep information for no more than 6 years after termination or cancellation of a product, contract or service **We** provide. In certain cases, **We** will keep **Your** information for longer, particularly where a product includes liability insurances or types of insurance for which a claim could potentially be made by **You** or a third party at a future date, even after **Your** contract with **Us** has ended.

Your rights

There are a number of rights that **You** have under data protection law. Commonly exercised rights are:

- Access – **You** may reasonably request a copy of the information **We** hold about **You**.
- Erasure – Where **We** have no legitimate reason to continue to hold **Your** information, **You** have the right to have **Your** data deleted (sometimes known as the right to be forgotten).
- **We** may use automated decision making in processing **Your** personal information for some services and products. **You** can request a manual review of the accuracy of an automated decision if **You** are unhappy with it.
- Marketing – If **You** wish to inform **Us** of changes in consent for marketing please contact **Us** at the address or telephone number indicated in any recent correspondence or emails **You** have received from **Us**.

If **You** are unhappy about the way **We** have handled **Your** data or upheld **Your** rights, **You** can complain to the Information Commissioner's Office (ICO) at any time.

Further details of **Your** rights can be obtained by visiting the ICO website at ico.org.uk/your-data-matters



Complaints Procedure

If **You** are unhappy with **Our** products or service, please contact **Us** as soon as possible.

You can complain in writing or verbally at any time to:

Towergate Insurance
Ellenborough House
Wellington Street
Cheltenham
GL50 1XZ
Tel: 01242 533749
Email: wilsons.commercial@towergate.co.uk

or:

Ecclesiastical Insurance Office plc
Beaufort House
Brunswick Road
Gloucester
GL1 1JZ
Tel: 0345 777 3322
Email: complaints@ecclesiastical.com

Our promise to you

We will aim to resolve **Your** complaint within one business day.

To resolve **Your** complaint **We** will:

- Investigate **Your** complaint diligently and impartially.
- Keep **You** informed of the progress of the investigation.
- For more complex issues, **We** may need a little longer to investigate and **We** may ask **You** for further information to help **Us** reach a decision.
- Respond in writing to **Your** complaint as soon as possible.

If **You** are not satisfied with **Our** response, or if **We** have not completed **Our** investigation within eight weeks, **We** will inform **You** of **Your** right to take the complaint to:

The Financial Ombudsman Service
Exchange Tower
London E14 9SR
Tel: 0800 0 234 567
Email: complaint.info@financial-ombudsman.org.uk
Web: www.financial-ombudsman.org.uk

This complaints handling procedure does not affect **Your** right to take legal proceedings.

The Financial Services Compensation Scheme

Towergate Insurance and Ecclesiastical Insurance Office plc are members of the Financial Services Compensation Scheme. The Financial Services Compensation Scheme (FSCS) is the independent body, set up by Government, which gives **You** **Your** money back if **Your** authorised* financial services provider is unable to meet its obligations.

The FSCS protects a range of products for both individuals and small businesses. Limits apply depending on the product **You** have bought. The FSCS does not charge individual consumers for using its service. The FSCS cannot help **You** if the firm **You** have done business with is still trading. For further information on the scheme **You** can visit the website at: www.fscs.org.uk or write to:

Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU.

Tel: 0207 741 4100 or 0800 678 1100 Fax: 0207 741 4101 Email: enquiries@fscs.org.uk

8 *The FSCS can only pay compensation for customers of financial services firms authorised by the PRA or the FCA.



Policy Definitions

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

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

Buildings

Means the buildings at **The Premises** including:

- (a) landlord's fixtures and fittings
- (b) outbuildings storage tanks walls gates and fences
- (c) piping, ducting, cables, wires and associated control gear and accessories on **The Premises** and extending to the public mains but only to the extent of **Your** responsibility
- (d) aerials and satellite dishes fixed to the buildings
- (e) the following items fixed to the buildings:
 - (i) wind turbines less than 10kW generating capacity
 - (ii) solar panels less than 50kW generating capacity
 - (iii) photovoltaic panels less than 50kW generating capacitysubject to the limits shown under the Limit of liability paragraph to this section
- (f) yards, car parks, roads and pavements
- (g) artificial playing surfaces, tennis courts, swimming pools and associated apparatus.

Excluding:

- (i) bridges, land piers, jetties, excavations and marquees
 - (ii) natural or artificial:
 - (a) water courses
 - (b) confines of any body of standing water including but not limited to:
 - (1) dams, reservoirs, culverts, canals, moats, rivers and lakes
 - (2) any man-made elements attaching to or forming part of such structures
 - (iii) property or structures in the course of construction or erection and all materials or supplies in connection with such property or structure except as specifically provided for by the Minor contract works extension
 - (iv) glass and sanitary fixtures
- unless more specifically mentioned in this policy or its schedule.

Unless stated otherwise buildings are brick, stone or concrete built and roofed with slates, tiles, concrete, metal, asphalt or sheets or slabs composed of incombustible mineral ingredients

Business

The activity, activities or business conducted by **You** in **Your** non duty or non public funded social and unit capacity and any other activity declared and agreed on the policy **Schedule**.

Condition Precedent to Liability

A condition of this policy where non-compliance (provided that such non-compliance is material to the loss) shall mean the claim will not be paid and any payment on account of the claim already made by **Us** shall be repaid to **Us**.

Employee

Any person who is

1. under a contract of service or apprenticeship with **You**
2. borrowed by or hired to **You**
3. a labour master or supplied by a labour master
4. employed by labour only sub-contractors
5. self employed
6. under a work experience or training scheme
7. regarded as being in **Your** employment under the terms of any contract or agreement
8. a voluntary helper while working under **Your** control in connection with the **Business**
9. an outworker or homeworker when engaged in work on **Your** behalf.
10. any other person delegated to handle funds and/or stock



Endorsement/Endorsements

An alteration to the terms of the policy.

Excess/Excesses

The amount or amounts shown in **Your** policy or **Schedule** which **We** deduct from each and every claim after the application of Average (Policy Condition 7) where this applies.

Money

Current

1. Coin, bank and currency notes
2. Postal and money orders, bankers drafts, cheques and giro cheques
3. Crossed warrants, bills of exchange and securities for money
4. Postage, revenue, national insurance and holiday with pay stamps
5. National insurance and holiday with pay cards, national savings certificates, war bonds, premium savings bonds and franking machine impressions
6. Credit company sales vouchers, luncheon vouchers and trading stamps
7. VAT invoices.

Period of Insurance

From the effective date until the expiry date shown in the **Schedule** and any subsequent period for which **We** accept payment for renewal of this policy.

Property Insured

Property Insured as detailed in the **Schedule**.

Schedule

The document which specifies details of the **Policyholder**, **Property Insured** and any **Excess(es)**, **Endorsements** and **Conditions Precedent to Liability** applying to the policy.

Specified Contingency

- fire
- lightning
- explosion
- aircraft and other aerial devices or articles dropped from them
- earthquake
- storm or flood
- escape of water from any tank apparatus or pipe
- falling trees
- impact
- escape of fuel from any fixed oil heating installation

Sum Insured

The Limit of Indemnity shown against each policy item.

The Premises

The normal location and elsewhere in the world including transits.

We/Us/Our/Ecclesiastical

Ecclesiastical Insurance Office plc.

You/Your/Policyholder/Insured

The Service Unit, mess, club, fund, shop, museum, Service (Non Public) Fund, trust, trustees, its members, officials and committee or other person(s) or organisation as specified in the **Schedule**.



Insuring Clause

This policy document and the **Schedule** including all clauses applied to the policy shall together form the policy and be considered as one document.

In consideration of payment of the premium **We** will provide insurance 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 this policy) occurring or arising in connection with **Your Business** during the **Period of Insurance** or any subsequent period for which **We** agree to accept a renewal premium.



Section 1A; Property Damage – All Risks

All Risks

All Risks applies unless property is stated as being insured for Specified Contingencies only.

Definitions (also refer to the Policy Definitions at the front of the booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

Damage

Accidental loss, destruction or damage.

Defined Contingency

- fire
- lightning or earthquake
- explosion
- aircraft
- riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances
- malicious persons other than thieves
- storm or flood
- escape of water from any tank, apparatus or pipe
- falling trees or radio/TV aerials
- impact
- leakage of fuel
- theft or attempted theft.

Property Damage Excess/Subsidence Excess

The amount (or amounts) shown in the **Schedule** which **We** will deduct from each and every claim at each separate **Premises** after the application of Average. See Policy Condition 7.

Cover

We will indemnify **You** in respect of **Damage** to the **Property Insured** at **The Premises**.

The **Sum Insured** under each item is subject to Average. See Policy Condition 7.

Exceptions

We will not indemnify **You** in respect of

1. **Damage** caused by or consisting of
 - a) an existing or hidden defect in the property
 - b) gradual deterioration or wear and tear
 - c) frost or change in the water table level
 - d) faulty design of the **Property Insured** or faulty materials used in its construction
 - e) faulty workmanship, operating error or omission by **You** or any **Employee**
 - f) the bursting of
 - i) a boiler
 - ii) other equipmentwhere the internal pressure is due to steam only and belongs to **You** or is under **Your** control.

However, **We** will indemnify **You** in respect of any subsequent **Damage** which results from a cause not otherwise excluded.



2. Damage caused by or consisting of:

- a)
 - i) corrosion, rust or rot
 - ii) shrinkage, evaporation or loss of weight
 - iii) dampness or dryness
 - iv) scratching
 - v) vermin or insects
- b) change in
 - i) temperature
 - ii) colour
 - iii) flavour
 - iv) texture or finish
- c)
 - i) nipple or joint leakage or failure of welds
 - ii) cracking, fracturing, collapse or overheating of a boiler, vessel, machine or apparatus in which internal pressure is due to steam only and any associated piping
- d) mechanical or electrical breakdown of the **Property Insured**.

However, **We** will indemnify **You** in respect of:

- i) **Damage** not otherwise excluded which itself results from a **Defined Contingency** or any other accidental cause
- ii) any subsequent **Damage** which itself results from a cause not otherwise excluded.

3. Damage caused by pollution or contamination.

However, **We** will indemnify **You** in respect of **Damage**, not otherwise excluded, to the **Property Insured** caused by:

- a) pollution or contamination which results from a **Defined Contingency**
- b) a **Defined Contingency** which results from pollution or contamination

4. Damage caused by or consisting of:

- a) in respect of **Buildings** only
 - i) subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or escape of water from any tank, apparatus or pipe
- b) normal settlement of new structures
- c) acts of fraud or dishonesty
- d)
 - i) disappearance
 - ii) unexplained or inventory shortage of stock
 - iii) misfiling, misplacing of information or clerical error

5. Damage to:

- a) gates
- b) fences
- c) moveable property in the open (other than the first £1,000 of each and every loss) by:
 - i) wind
 - ii) rain, hail, sleet or snow
 - iii) flood
 - iv) dust

However, **We** will indemnify **You** in respect of **Damage** to tentage by (c) (i), (ii), (iii) and (iv) subject to the **Property Damage Excess**.

6. Damage by fire to the **Property Insured** resulting from its undergoing any process involving the application of heat.

7. Damage to the **Property Insured** resulting from its undergoing any process of:

- a) production or packaging
- b) treatment, testing or commissioning
- c) servicing or repair.

However, **We** will indemnify **You** in respect of this **Damage** if it is caused by fire or explosion.

8. Damage while the **Building** is unoccupied caused by:

- a) escape of water from any tank, apparatus or pipe
- b) malicious persons.

However, **We** will indemnify **You** in respect of this **Damage** if it is caused by fire or explosion.



9. Damage to a structure caused by its own collapse or cracking.

However, **We** will indemnify **You** in respect of this **Damage** if it results from a **Defined Contingency** and is not otherwise excluded.

10. Damage to

- a) property in the course of construction including materials for use in the construction
 - b) i) livestock
 - ii) growing crops or trees
- unless specifically stated as insured in the **Schedule**.

11. Damage caused by theft or attempted theft from any building or part of any building not capable of being locked

12. Damage to Property more specifically insured

13. The Property Damage Excess.

14. Damage caused by riot or malicious persons occasioned by confiscation or destruction or requisition by order of the government or any public authority.

Cover Extension

Unless specifically stated otherwise these extensions do not increase the Limit of Indemnity stated in the Policy **Schedule**.

1. Glass

Cover

We will indemnify **You** in respect of:

- a) breakage (including the cost of boarding up) of glass at **The Premises**
- b) i) **Damage** to
 - contents of display windows
 - window and door frames
- ii) the cost of removing and reinstating obstructions to replacing glass
- c) breakage of fixed glass
 - i) wash hand basins, pedestals, baths, sinks
 - ii) lavatory bowls, bidets, cisterns
 - iii) shower trays, splashbacks

at **The Premises**.

The maximum that **We** will pay in respect of item b i) and ii) is £2,000 in the aggregate.

Exceptions

We will not indemnify **You** in respect of:

- 1. breakage of glass in
 - a) light fittings
 - b) signs
 - c) vehicles
 - d) vending machines
- 2. breakage
 - a) to stock in trade or goods in trust
 - b) while **The Premises** are unoccupied
 - c) in transit or while being fitted
 - d) caused by workmen carrying out alterations or repairs to **The Premises**
- 3. the **Property Damage Excess**.



2. Subsidence

Operative only if shown in the **Schedule**.

Cover

We will indemnify **You** in respect of Subsidence of, or ground heave of the site of the **Property Insured** or landslip.

We will only indemnify **You** in respect of **Damage** to:

- a) forecourts, car parks, driveways, footpaths, swimming pools, terraces or patios
- b) walls, gates, hedges or fences
 - i) if such property is specifically insured by this Section and
 - ii) **Damage** also occurs to the building to which such property applies and that building is insured by this Section.

Exceptions

We will not indemnify **You** in respect of:

1. **Damage** caused by
 - a) collapse, cracking, shrinking or settlement of any **Building**
 - b) coastal or river erosion
 - c) defective design or inadequate construction of foundations
 - d) demolition, structural alteration or repair
 - e) settlement or movement of solid floor slabs
2. **Damage** as a result of movement of solid floor slabs
However, **We** will indemnify **You** if there is **Damage** to the foundations beneath the exterior walls of **The Premises** at the same time.
3. the **Subsidence Excess**.

3. Food Spoilage

Operative only if shown in the **Schedule**.

Cover

We will indemnify **You** in respect of **Damage**, by deterioration or contamination, to food belonging to **You** or for which **You** are responsible, while contained in any refrigeration unit due to:

1. a change in temperature as a result of
 - a) the breaking, distortion or burning out of any part of the
 - i) unit
 - ii) unit wiring
 - iii) supply cable to the unit, including the plug and fuse caused by mechanical or electrical defects in the unit while it is being used under normal working conditions
 - b) accidental failure of the public electricity supply but only if this is not deliberately caused by the supply authority
2. accidental leakage of refrigerant or refrigerant fumes from the unit.

Exceptions

We will not indemnify **You** in respect of:

1. **Damage** caused by
 - a) wear and tear, deterioration or gradually developing flaws or defects in the unit
 - b) failure to correctly set any temperature controls
2. The **Property Damage Excess**
3. Any unit which is more than 10 years old.

Clauses

1. This Section is subject to Average. See Policy Condition 7.

Endorsements and Conditions Precedent to Liability

This Cover Extension is subject to any **Endorsements** and **Conditions Precedent to Liability** stated in the **Schedule** as applying.

Condition Precedent to Liability

The following **Condition Precedent to Liability** applies:

1. Maintenance

It is a **Condition Precedent to Liability** that on the expiry of any guarantee period, **You** will arrange a maintenance contract on any refrigeration unit which does not have an airtight, sealed motor and compressor.



Section 1B; Property Damage – Specified Contingencies

This Section applies where the Property is shown as insured for **Specified Contingencies**.

Definitions (also refer to the Policy Definitions at the front of the booklet)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

Damage

Loss, destruction or damage.

Property Damage Excess

The amount (or amounts) shown in the **Schedule** which **We** will deduct from each and every claim at each separate premises after the application of Average. See Policy Condition 7.

Cover

We will indemnify **You** in respect of **Damage** to the **Property Insured** at **The Premises** by the following contingencies.

The **Sum Insured** under each item is subject to Average. See Policy Condition 7.

Property more specifically insured is excluded.

We will not indemnify **You** in respect of the **Property Damage Excess**.

Contingencies

1. Fire.

We will not indemnify **You** in respect of the **Damage** to that portion of any item caused by its' self ignition

2. Lightning.

3. Earthquake.

4. Explosion.

We will not indemnify **You** in respect of **Damage** caused by the bursting of:

a) a boiler

b) other equipment

where the internal pressure is due to steam only and belongs to **You** or is under **Your** control.

However, **We** will indemnify **You** if:

a) the boiler is used only for domestic purposes

b) fire as a result of explosion causes **Damage**

5. a) Aircraft

b) other aerial devices

or articles dropped from them.

6. a) Riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons.

We will not indemnify **You** in respect of **Damage** caused by work stoppages.

b) Malicious **Damage** by persons not acting in connection with any political organisation

We will not indemnify **You** in respect of theft or attempted theft.

7. Storm or flood.

We will not indemnify **You** in respect of **Damage**:

a) due only to change in the water table level

b) by frost

c) by subsidence, ground heave or landslip.

d) to fences, gates and moveable property in the open.



8. Escape of water from any tank, apparatus or pipe.
We will not indemnify You in respect of **Damage**
 - a) caused by water from an automatic sprinkler installation
 - b) whilst **The Premises** are unoccupied.
9. Falling trees or radio/TV aerials.
We will not indemnify You in respect of **Damage** caused
 - a) by subsidence, ground heave or landslip
 - b) by felling, lopping or pruning of trees
 - c) to fences, gates and moveable property in the open.
10. Impact by any road vehicle or animal.
11. Leakage of fuel from any fixed oil heating installation.
12. Theft or attempted theft involving entry into or exit from **Buildings** by forcible and violent means or robbery or attempted robbery.
We will not indemnify You in respect of **Damage**
 - a) caused by any person lawfully in the building
 - b) where **You** or **Your** partners, directors or **Employees** or any member of **Your** household is involved
 - c) from any building or part of any building not capable of being locked.

Cover Extension

Unless specifically stated otherwise these extensions do not increase the Limit of Indemnity stated in the Policy **Schedule**.

1. Glass

Cover

We will indemnify **You** in respect of:

- a) breakage (including the cost of boarding up) of glass at **The Premises**
- b) i) **Damage** to
 - contents of display windows
 - window and door frames
- ii) the cost of removing and reinstating obstructions to replacing glass
- c) breakage of fixed glass
 - i) wash hand basins, pedestals, baths, sinks
 - ii) lavatory bowls, bidets, cisterns
 - iii) shower trays, splashbacks

at **The Premises**.

The maximum that **We** will pay in respect of item b i) and ii) is £2,000 in the aggregate.

Exceptions

We will not indemnify **You** in respect of:

1. breakage of glass in
 - a) light fittings
 - b) signs
 - c) vehicles
 - d) vending machines
2. breakage
 - a) to stock in trade or goods in trust
 - b) while **The Premises** is unoccupied
 - c) in transit or while being fitted
 - d) caused by workmen carrying out alterations or repairs to **The Premises**
3. the **Property Damage Excess**.



2. Subsidence

Cover

Operative only if shown in the **Schedule**.

We will indemnify **You** in respect of Subsidence of, or ground heave of the site of the **Property Insured** or landslip.

We will only indemnify **You** in respect of **Damage** to:

- a) forecourts, car parks, driveways, footpaths, swimming pools, terraces or patios
- b) walls, gates, hedges or fences
 - i) if such property is specifically insured by this Section and
 - ii) **Damage** also occurs to the building to which such property applies and that building is insured by this Section.

Exceptions

We will not indemnify **You** in respect of:

1. **Damage** caused by
 - a) collapse, cracking, shrinking or settlement of any **Building**
 - b) coastal or river erosion
 - c) defective design or inadequate construction of foundations
 - d) demolition, structural alteration or repair
 - e) settlement or movement of solid floor slabs
2. **Damage** as a result of movement of solid floor slabs.
However, **We** will indemnify **You** if there is **Damage** to the foundations beneath the exterior walls of **The Premises** at the same time.
3. The Subsidence **Excess**.

Clauses applying to Sections 1A and 1B

The following clauses apply to both the Buildings and Contents items where insured.

Unless specifically stated otherwise these Clauses do not increase the Limit of Indemnity stated in the Policy **Schedule**.

1. Automatic Reinstatement of Sum Insured

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

You must pay the additional premium required to reinstate the **Sums Insured**.

2. Occupation of the Buildings

Unless otherwise stated in the **Schedule** the buildings are occupied for the sole purpose of the **Business**.

3. Transfer of Interest

If at the time of **Damage** to a **Building You** have entered into a contract to sell **Your** interest in it, but

- a) the contract has not yet been completed
- b) the **Building** has not yet been insured by or on behalf of the purchaser and the purchase is subsequently completed **We** will indemnify the purchaser to the extent that this Section insures that building.

This will not affect either **Your** or **Our** rights and liabilities up to the date of completion of the purchase.

4. Basis of Claim Settlement

- a) In respect of stock the maximum **We** will pay is the original purchase price.
- b) Indemnity basis. If **Property Insured** other than property subject to any other Basis of Claims Settlement is destroyed **We** will pay for its rebuilding or replacement by similar property in a condition as good as, but not better than or more extensive than, its condition when new.

If such property is only partially destroyed, **We** will pay for replacement or repair of the damaged portion to a condition as good as, but not better or more extensive than, its condition when new. However, **We** will not pay more than **We** would have done if the property had been completely destroyed.



- c) New for Old basis. If **Property Insured** is stated to be insured on a New for Old basis **We** will pay for replacement new provided the **Sum Insured** is adequate.

If the **Sum Insured** is not adequate the Basis of Claims Settlement will be as described in (4) b).

- d) Agreed Value basis. Agreed Value means a value equal to or less than the actual or potential market value or, where possible, the cost of replacement or reproduction of any item taking into account the individual and/or unique nature of that item.
- i) **We** will pay the agreed value in the event of total loss or destruction.
 - ii) If any item of property is only partially destroyed **We** will pay for repair to a condition as good as but not better or more extensive than its condition prior to when the **Damage** occurred. However, **We** will not pay more than 75% of the insured value of that item.

In the event of a claim **You** will provide reasonable evidence that the insured value of any item subject of the claim does not exceed either its market value or replacement/reproduction cost.

This Basis applies to but is not limited to the following types of property items.

- Gold, silver and plate
- Paintings, prints and photographs
- Framed letters, documents or other items
- Museum exhibits
- Ivory
- Weapons
- Pre 1900 furniture
- Medals and insignia
- Plaques, trophies and commemorative items
- Any other item of a Fine Art nature

This Basis of Claims Settlement is not subject to Policy Condition 7) Average.

- e) The property may be replaced on another site and in a manner suitable to **Your** needs, but this must not increase **Our** liability.
- f) All work must begin and be carried out as quickly as possible.
- g) If, at the time of rebuilding or replacement 85% of the cost which would have been required to replace the whole of the **Property Insured** under that item is greater than the **Sum Insured** at the time the **Damage** occurred **You** will be liable to pay a proportionate share of the loss.

This does not apply to the Agreed Value Basis.

- h) **We** will not pay under this clause
 - i) until **You** have incurred the cost of replacing or repairing the property unless **We** agree a cash settlement
 - ii) if **You**, or someone acting on **Your** behalf have insured the property under another policy which does not have a similar basis of reinstatement
 - iii) if **You** do not comply with any of the terms of this clause.
- i) If a claim is settled for total loss where the property is stolen or otherwise missing and that property is subsequently recovered **We** will offer that property to **You** in return for repayment of the claim settlement amount

If **You** elect not to accept the property **We** will dispose of it and use the proceeds to offset the cost of the claim. **We** will refund to **You** any sum **We** receive that is in excess of the claims cost and **Our** expenses.

5. Professional Fees

The **Sum Insured** for each building item includes an amount for professional fees necessarily incurred in reinstating or repairing the **Property Insured** following **Damage** insured under this Section.

We will not indemnify **You** in respect of fees:

- a) more specifically insured
- b) incurred in preparing a claim.

6. Debris Removal

The **Sum Insured** for each item, except on stock and materials in trade, includes costs and expenses **You** incur, with **Our** consent, for:

- a) removal of debris
- b) dismantling or demolishing
- c) shoring up or propping

of the parts of the property which have suffered **Damage** insured under this Section.

We will not indemnify **You** in respect of costs and expenses

- a) incurred in removing debris from anywhere other than the site of the **Damage** and the area adjacent to it
- b) arising from pollution or contamination of property not insured by this Section
- c) more specifically insured.

7. Underground Services

Where **We** provide indemnity in respect of **Your Buildings**, or **You** are liable as tenant, **We** will indemnify **You** in respect of accidental damage to underground

- a) pipes
- b) cables

which extend from the **Buildings** to the public mains.

We will not indemnify **You** in respect of

1. the cost of maintenance
2. **Damage** caused by
 - a) i) gradual deterioration or wear and tear
 - ii) corrosion, rust, rot or fungus
 - iii) vermin or insects
 - iv) atmospheric or climatic conditions
 - v) normal settlement or shrinkage
3. the **Property Damage Excess**.

8. Trace and Access

Where cover is provided under Section 1A – Property Damage or where the cover under Section 1B – Property Damage includes Contingency 8 and where **We** provide indemnity in respect of **Your Buildings** or **You** are liable as tenant, **We** will indemnify **You** in respect of necessary and reasonable costs incurred with **Our** consent in locating the source of any escape of water from any permanent internal plumbing and making subsequent repairs to walls, floors and ceilings.

The maximum **We** will pay is £5,000 any one occurrence.

9. Changing Locks

We will pay for the cost of changing locks at **The Premises** if keys are lost from

- a) **The Premises**
- b) **Your** home
- c) the home of any authorised **Employee**

following theft or attempted theft

or

whilst in **Your** custody or that of an **Employee** following robbery or attempted robbery.

If the keys belong to a safe they must be:

- i) removed from **The Premises** overnight
- ii) kept in a secure place away from the safe when **You** or an **Employee** occupies **The Premises**.

The maximum **We** will pay for any one loss is £1,000.

10. Theft Damage to Buildings

Where cover is provided under Section 1A – Property Damage or where the cover under Section 1B – Property Damage includes Contingency (12), **We** will indemnify **You** in respect of **Damage to Buildings at The Premises** for which **You** are responsible caused by theft or attempted theft involving entry into or exit from **The Premises** by forcible and violent means. **Our** liability will not exceed the total **Sum Insured** under this Section.



11. Loss of Metered Water

We will pay for charges that **You** are responsible for, if water is accidentally discharged from a metered water system providing service to **The Premises**.

The maximum that **We** will pay is £1,000 any one occurrence.

12. All Other Contents

This term includes

- a) documents, manuscripts and business books
- b) computer systems records
- c) patterns, models, moulds, plans and designs but only for
 - i) the value of the materials
 - ii) the cost of labour and computer time spent in reproducing them.

The maximum **We** will pay in respect of computer systems records is £10,000.

We will not pay for

- i) expenses in connection with producing information to be recorded
- ii) the value to **You** of any information lost.
- d) **Employee's** pedal cycles and other personal belongings but only if they are not otherwise insured.

The maximum **We** will pay for any one person's property is £500.

13. Seasonal Increase

The cover provided by this Clause increases the sums insured that apply but only to the extent stated.

We will increase the **Sum Insured** on each item of Stock in the **Schedule** by 25% for the months of November, December and January or for any other three month period selected by **You** and stated in the **Schedule**.

14. European Union and Public Authorities'

Following **Damage** to any item on **Buildings**, **We** will pay the additional cost of reinstating the **Property Insured** necessary to comply with any:

- a) European Community Legislation
- b) Act of Parliament
- c) Bye-Laws of any Public Authority.

We will not indemnify **You** in respect of:

- 1) costs incurred
 - a) in respect of **Damage** not insured by this Section
 - b) where notice was served on **You** before the **Damage** occurred
 - c) where an existing requirement must be completed within a stipulated period
 - d) in respect of property or parts of the property, other than foundations (unless foundations are specifically excluded) which have not suffered **Damage**
- 2) any charge or assessment arising from capital appreciation following compliance with this legislation.

The reinstatement of the property:

- a) must begin and be carried out as quickly as possible
- b) may be carried out on another site and in a manner suitable to **Your** needs but this must not increase **Our** liability.

If **Our** liability under this Section is reduced by the application of any terms or conditions of this policy, **Our** liability under this Clause will be similarly reduced.

The maximum **We** will pay under this Clause in respect of any one item is:

- a) 15% of the item **Sum Insured**
- or
- b) where the **Sum Insured** applies to property at more than one premises, 15% of the amount **We** would have been liable to pay if the **Property Insured** by the item at **The Premises** where **Damage** occurred had been completely destroyed.



15. Capital Additions

The cover provided by this Clause increases the **Sums Insured** that apply but only to the extent stated.

Cover extends to include property newly acquired since the last renewal date of **Your** policy.

The maximum **We** will pay is £5,000.

We will not indemnify **You** in respect of :

1. Appreciation in value
2. **Damage** occurring more than 3 months after the acquisition date
3. **Damage** when there is no cover for any other property under this Section
4. **Damage** when **You** have another policy in force covering **Damage** on any other property
5. The **Property Damage Excess**

16. Cloakroom Cover

Where shown in the **Schedule** as insured Cover extends to include **Damage** to clothing the property of **Your** guests and members whilst such property is in cloakrooms or other designated areas or whilst placed in **Your** direct care.

We will not indemnify **You** in respect of **Damage** to property

1. belonging to living-in members of the mess or club from their private accommodation or whilst left in the mess or club public rooms or the bar.
2. left in the mess or club public rooms or the bar after the departure of the guest or member from **The Premises** or function.

17. Archaeological Costs

Definitions specific to this Clause

Archaeological Rescue Work

Any archaeological exercise concerned with the recording of information which would otherwise be lost or in danger of being lost.

Archaeological Research Work

Any other archaeological exercise.

Limit £250,000 any one claim.

Where **Buildings** are insured **We** will pay the on-site costs of **Archaeological Rescue Work** (including the recording of standing and collapsed fabric and damaged floor surfaces but not the excavation of below ground deposits) necessarily and reasonably incurred with **Our** consent as a result of **Damage** to the **Buildings**.

We will not indemnify **You** in respect of

1. The costs of any **Archaeological Rescue Work** which may be enabled or facilitated as a result of **Damage** but which is not a necessary part of the process of repair or rebuilding.
2. The costs of analysis of data subsequent to **Archaeological Rescue Work** (except in so far as such costs are a necessary and integral part of the process of repair or rebuilding).
3. The costs of conservation or scientific analysis of materials or objects retrieved in the course of an archaeological exercise.

Endorsements and Conditions Precedent to Liability Applying to Sections 1A and 1B

This Section is subject to any **Endorsements** and **Conditions Precedent to Liability** stated in the **Schedule** as applying.

Exceptions Applying to Sections 1A and 1B

Definitions specific to this exception

Damage

Means physical loss, destruction or damage.



Data

Means information represented or stored electronically including, but not limited to, code or series of instructions, operating systems, software, programs and firmware.

Failure of a system

Means the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a **System**, whether or not owned by **You**, to operate at any time as desired, as specified or as required in the circumstances of **Your** business activities.

Microchip(s)

Means a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly includes integrated circuits and microcontroller.

System(s)

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

Virus

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

We will not indemnify **You** in respect of **Damage** to:

- a) Data which shall include but shall not be limited to:
 - i) **Damage** to or corruption of **Data** whether in whole or in part;
 - ii) unauthorised appropriation of use of access to or modification of **Data**;
 - iii) unauthorised transmission of **Data** to any third parties;
 - iv) **Damage** arising out of any misinterpretation, use or misuse of **Data**;
 - v) **Damage** arising out of any operator error in respect of **Data**.
- b) any items insured arising directly or indirectly from:
 - i) the transmission or impact of any **Virus**;
 - ii) unauthorised access to a **System**;
 - iii) interruption of or interference with electronic means of communication used in the conduct of **Your Business** including but not limited to any diminution in the performance of any website or electronic means of communication;
 - iv) **Failure of a System**;
 - v) anything described in (a) above;

but in respect of b) i), b) ii), b) iii) and b) iv) this shall not exclude subsequent **Damage** or loss resulting from subsequent **Damage** which itself results from a cause not otherwise excluded provided that such **Damage** does not arise by reason of any malicious act or omission.



Section 2; Encroachments

Definitions (also refer to the Policy Definitions at the front of the booklet)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

Damage

Loss, destruction or damage.

Property Insured

Where shown as insured in the **Schedule**

- a) **Buildings**
- b) contents

owned by or in the possession of the Ministry of Defence and occupied by **You** for Non Public Fund activities

- c) other Ministry of Defence property by Fire spreading from the occupied premises.

Cover

We will indemnify **You** in respect of **Damage** to the **Property Insured** at **The Premises** by the following contingency caused due to or during **Your** activities.

Contingency

1. Fire

We will not indemnify **You** in respect of the **Damage** to that portion of any item caused by its' self ignition.

Clause

The **Sum Insured** under each item is subject to Average. See Policy Condition 7.

Endorsements and Conditions Precedent to Liability

This Section is subject to any **Endorsements** and **Conditions Precedent to Liability** stated in the **Schedule** as applying.



Section 3; Business Interruption, Loss of Earnings, Book Debts and Loss of Licence

Notes

1. All terms in this Section exclude Value Added Tax to the extent that **You** are accountable to the Tax Authorities for Value Added Tax.
2. Any adjustment made for current cost accounting will be ignored

Definitions (also refer to the Policy Definitions at the front of the booklet)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

Damage

As described in the Property Damage Section.

Item on Income

Income

The money paid or payable to **You** for goods sold and delivered and for services rendered less the purchase cost of stock or materials.

Indemnity Period

The period during which the business results are affected due to the **Damage**, starting from the date of the **Damage** and lasting no longer than the **Maximum Indemnity Period**.

Maximum Indemnity Period

The number of months stated in the **Schedule**.

Item on Increased Cost of Working

Increased Office Expenses

- a) Additional cost of
 - i) rent, rates and taxes of temporary premises
 - ii) any premium, or compensation, necessary to obtain the use of temporary premises
 - iii) removal to and from, or suitably adapting, temporary premises
 - iv) clerical assistance and advertising
- b) The cost of
 - i) replacing destroyed or damaged books or documents
 - which belong to **You**
 - which **You** hold in trust or for which **You** are responsible and which require to be replaced and are capable of being replaced
 - ii) obtaining evidence of the contents of any essential documents which cannot be replaced
- c) Other additional costs, to which **We** have not specifically referred, incurred with **Our** prior agreement.

Maximum Limit

- a) The result of dividing the **Sum Insured** for Increased Cost of Working by the number of separate locations of all of **The Premises**.
- b) If a special limit stated in the **Schedule** applies to one or more location, the Maximum Limit for the location will be calculated by applying the 'Percentage Limit' shown against each location to the **Sum Insured** under Increased Cost of Working.

The remainder of the **Sum Insured** will be divided equally between the other locations to produce the Maximum Limit for each.

If the limit is shown as an amount, this amount will be the Maximum Limit for the location concerned.

If the **Maximum Indemnity Period** exceeds 12 months, the maximum amount **We** will pay during any period of 12 months of the **Indemnity Period**, will be the proportion of the maximum amount recoverable which 12 months has to the number of months in the **Maximum Indemnity Period**.



Item on Book Debts

Customers' Accounts

Your accounts for all customers who trade with **You** on a credit or hire purchase basis.

Book Debts

The total last recorded by **You** under the provisions of **Condition Precedent to Liability 2** Debit Recording adjusted for

1. bad debts
2. amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the **Damage**) to **Customers' Accounts** in the period between the date to which the last statement relates and the date of the **Damage**, and
3. any abnormal condition of trade which had or could have had a material effect on the **Business**.

The figures adjusted will represent as near as possible, the figures which would have been obtained at the date of the **Damage** had the **Damage** not occurred.

Cover

1. Income

We will indemnify **You** in respect of loss of income resulting from **Damage** to property used by **You** at **The Premises** for the purpose of the **Business** to the extent of Cover under the Property Damage Section and where liability is admitted under a policy of insurance covering **Your** interest in such property

The amount payable will be:

- a) the amount by which the **Income** falls short of the **Income** which would have been received during the **Indemnity Period** due to the **Damage**
- b) any additional expense **You** incur to prevent or limit the reduction in Income during the **Indemnity Period** due to the **Damage**.
We will not pay more than **We** would pay under (a) above.
- c) auditors' or accountants' charges reasonably incurred for producing and certifying details of a claim under this Section less any savings during the **Indemnity Period** in respect of business charges or expenses payable out of **Income** which reduce or stop due to the **Damage**.

The total amount payable during any one **Period of Insurance** is the limit stated in the **Schedule**.

2. Increased Cost of Working

Where stated in the policy **Schedule** as insured, **We** will indemnify **You** in respect of the Increased Cost of Working and/or Auditors and Professional Accountants Charges resulting from **Damage** to property used by **You** at **The Premises** for the purpose of the **Business** to the extent of Cover under the Property Damage Section and where liability is admitted under the Property Damage Section.

The amount payable will be:

- a) **Your Increased Office Expenses**, which have been reasonably and necessarily incurred as a result of the **Damage**, to continue the **Business** during the **Indemnity Period**.

The maximum amount **We** will pay for any one book, document or set of documents, will be 5% of the **Sum Insured** applicable to **The Premises** at which the **Damage** has occurred.

- b) **Your** Auditors' and Professional Accountants' reasonable charges for
 - i) producing information **We** require for investigating any claim and
 - ii) confirming the information is in accordance with **Your** business books.

The maximum amount **We** will pay is the **Maximum Limit**.



3. Book Debts

We will indemnify **You** in respect of loss sustained by **You** for **Book Debts** directly due to **Damage** at **The Premises** to **Your** books of account, other business books or records.

The amount payable in respect of any one occurrence of **Damage** will not exceed

- a) the difference between
 - i) the **Book Debts**
 - and
 - ii) the total of the amounts received or traced
- b) the additional expenditure incurred with **Our** consent in tracing and establishing customers' debit balances after the **Damage**
- c) if **We** require any information to verify a claim **Your** professional accountants at the time of the claim may produce and report details contained in business books or records.

Their report will be accepted as prima facie evidence of the details.

We will pay **Your** professional accountant's charges for:

- i) producing information **We** require for investigating any claim and
- ii) confirming the information in accordance with **Your** business books.

The maximum **We** will pay for any claim, including professional accountant's fees, is the limit stated in the **Schedule**.

We will not indemnify **You** in respect of:

- a) loss due to records being mislaid or misfiled
- b) loss arising from deliberate falsification of records
- c) failure to collect debts which have been traced and established.

Clauses

Unless specifically stated otherwise these Clauses do not increase the Limit of Indemnity stated in the Policy **Schedule**.

We will also indemnify **You** in respect of loss of **Income** resulting from

1. Prevention of Access

Damage to property in the vicinity of **The Premises** by any cause included under the Property Damage Section which hinders or prevents access to **The Premises**.

Action by the Police Authority.

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

We will not indemnify **You** for any interruption or interference lasting less than 12 (twelve) hours.

The maximum **We** will pay under this Additional Contingency is £50,000 in respect of the total of all losses occurring during the **Period of Insurance**.

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

2. Boilers

Damage to boilers or other equipment in which internal pressure is due to steam only on **The Premises**.



3. Disease, Infestation and Defective Sanitation

The occurrence of:

- a) murder or suicide at **The Premises**
- b) an illness sustained by any person caused by food or drink poisoning attributable to food or drink supplied from **The Premises**
- c) Acute Encephalitis, Acute Poliomyelitis, Anthrax, Chickenpox, Cholera, Diphtheria, Dysentery, Legionellosis, Legionnaires Disease, Leprosy, Leptospirosis, Malaria, Measles, Meningococcal Infection, Mumps, Ophthalmia Neonatorum, Paratyphoid Fever, Plague, Rabies, Rubella, Scarlet Fever, Smallpox, Tetanus, Tuberculosis, Typhoid Fever, Viral Hepatitis, Whooping Cough or Yellow fever sustained by any person at **The Premises**
- d) Vermin or pests at **The Premises**
- e) An accident which causes defects in the drains or other sanitary arrangements at **The Premises** where use of **The Premises** is restricted on the order or advice of the competent authority

The maximum **We** will pay under this clause is £25,000 in respect of the total of all losses occurring during the **Period of Insurance**.

We will not indemnify **You** in respect of:

- a) costs incurred in cleaning, repair, replacement, recall or checking of property
- b) loss arising from premises other than those directly subject to the occurrence.

4. Public Utilities

Accidental failure of public supplies of electricity or gas or water at the terminal ends of the public supply undertaking's feed to **The Premises**.

We will not indemnify **You** in respect of:

- a) accidental failure which lasts less than 30 minutes
- b) the deliberate act of any supply authority
- c) the exercise of any supply authority power to withdraw or restrict supply
- d) industrial action
- e) drought.

5. Suppliers

Damage at any of **Your** suppliers' premises within Great Britain, Northern Ireland, the Republic of Ireland, the Channel Islands or the Isle of Man by any cause included under the Property Damage Section.

We will not indemnify **You** in respect of **Damage** at any premises of suppliers of electricity, gas, water or telecommunications services.

The maximum **We** will pay under this clause will not exceed £25,000 in respect of any one occurrence.

6. Telecommunications

Accidental failure of the supply of telecommunication services at the incoming line terminals or receivers at **The Premises**.

We will not indemnify **You** in respect of accidental failure

- a) caused by the deliberate act of any supply authority
- b) caused by the exercise of any supply authority's power to withdraw or restrict supply or services
- c) caused by industrial action
- d) drought or other weather conditions unless equipment has been damaged
- e) lasting less than 24 consecutive hours.

The maximum **We** will pay will be:

- i) £100 for each day in respect of any one failure
- ii) £2,500 in respect of all failures in any one **Period of Insurance**.

7. Transit

Damage to **Your** property while in transit by:

- a) road
- b) rail
- c) and inland waterway all in Great Britain or Northern Ireland.

The undernoted property is not included

- i) road or rail vehicles
- ii) waterborne craft.

The maximum **We** will pay will be £5,000 in respect of any one claim.



8. Archaeological digs

Archaeological exercises which follow discoveries made as a direct result of **Damage** to Property at **The Premises**.

The **Maximum Indemnity Period** under this Clause is three months.

The maximum **We** will pay is the limit stated in the **Schedule** or £250,000 whichever is the less.

Endorsements and Conditions Precedent to Liability

This Section is subject to any **Endorsements** and **Conditions Precedent to Liability** stated in the **Schedule** as applying.

Endorsement

The following **Endorsement** applies.

1. Alteration

We will not indemnify **You** in respect of this Section if

- a) the **Business** is
 - i) wound up or carried on by a liquidator or receiver
 - ii) permanently discontinued
- b) **Your** interest ceases otherwise than by **Your** death.

However, **We** will indemnify **You** if **We** issue written agreement stating otherwise.

Conditions Precedent to Liability

The following **Conditions Precedent to Liability** apply

1. Claims Procedure

It is a **Condition Precedent to Liability** that **You** will

- a) take any action reasonably practicable to minimise any interruption of or interference with the **Business** or to avoid or diminish the loss
- b) at **Your** expense, provide **Us** with
 - i) a written claim
and
 - ii) details of other insurances covering the **Damage** or loss resulting from it within 30 days after the expiry of the **Indemnity Period** or such further time that **We** may allow
 - iii) books, records and documents **We** require to assess **Your** claim
- c) repay **Us**, any payment on account **We** have already made, if **You** fail to comply with this condition.

2. Debit Recording

It is a **Condition Precedent to Liability** that

At the end of each quarter **You** must record the total amount outstanding in **Your** Customers Accounts. **You** must keep this information in a different building to that containing **Your** accounting and other business records.

This information may be maintained by **Your** accountant.

Loss of Licence

Definitions

(also refer to the Policy Definitions at the front of the booklet)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

Licence

Licence for the sale of excisable liquor.

Loss of Licence

1. forfeiture due to licensing regulations
2. refusal to renew by the licensing authority

due to causes beyond **Your** control.



Cover

We will pay **You** for reduction in the value of **Your** interest in

1. **The Premises** or
2. the **Business**

following **Loss of Licence**.

The most **We** will pay is the limit stated in the **Schedule**. In addition **We** will also pay for costs and expenses, incurred with **Our** written consent where **You** appeal against the **Loss of Licence**.

Exceptions

We will not pay

1. where **You** can obtain statutory compensation for **Loss of Licence**
2. where **Loss of Licence** arises out of
 - a) any town or country planning, improvement or redevelopment
 - b) compulsory purchase or surrender
 - c) reduction or redistribution of licenses
 - d) a change in the law.

Endorsements and Conditions Precedent to Liability

This Section is subject to any **Endorsements** and **Conditions Precedent to Liability** stated in the **Schedule** as applying.

Conditions Precedent to Liability

The following **Conditions Precedent to Liability** apply:

1. Change in Risk

It is a **Condition Precedent to Liability** that **You** shall notify **Us** in writing immediately **You** become aware of

- a) a change in tenancy or management of **The Premises**
- b) a transfer or proposed transfer of the **Licence**
- c) a complaint against **The Premises** or the control of **The Premises**
- d) any action against the
 - i) Licence holder
 - ii) manager
 - iii) tenant or other occupier of **The Premises**for any breach of the licensing law, or any other matter where the integrity of the person concerned is brought into question.
- e) objection to renewal of the **Licence**, or other reasons which could endanger the **Licence** or its renewal.

2. Notification

It is a **Condition Precedent to Liability** that in the event of **Loss of Licence**, **You** must inform **Us** in writing within 24 hours. **You** are also required to provide any assistance or information **We** may request.



Section 4; Employee Dishonesty

Definitions (also refer to the Policy Definitions at the front of the booklet)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

Discovery Period

The period of 12 months commencing on the date the act or acts of fraud or dishonesty are committed.

Employee

Any person who is

1. under a contract of service or apprenticeship with **You**
2. borrowed by or hired to **You**
3. a labour master or supplied by a labour master
4. employed by labour only sub-contractors
5. self employed
6. under a work experience or training scheme
7. regarded as being in **Your** employment under the terms of any contract or agreement
8. a voluntary helper while working under **Your** control in connection with the **Business**
9. an outworker or homeworker when engaged in work on **Your** behalf.
10. an employee of any permanent service provider.
11. any other person delegated to handle funds and/or stock

Improper Gain

The improper financial benefit to the **Employee** or any other person or organisation which does not form part of **You** but was intended by that **Employee** to receive such benefit.

Improper Gain does not include the payment of or increase in salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits.

Limit of Indemnity

Our maximum liability for **One Claim** will not exceed the limit stated in the **Schedule** (but see Clause 1 – **Our** Liability).

One Claim

All acts of fraud or dishonesty committed by any one **Employee** or **Employees** acting in collusion during the continuance of this Section

References

Written or fully documented verbal references obtained directly from (1) to (5) below for the period of 2 years immediately preceding the commencement of employment of the **Employee** with **You**

1. previous employers in respect of any period(s) of employment confirming the dates and honesty of the **Employee**
2. the accountant and one other customer in respect of any period(s) of self employment confirming the dates and honesty of the **Employee**
3. the school, college etc in respect of any period(s) of full-time education confirming the dates and not indicating dishonesty by the **Employee**
4. the Job Centre in respect of any period(s) of unemployment of the **Employee**
5. where the **Employee** has been discharged from HM Forces **You** should take a copy of the original discharge papers as evidence of the dates of service

The maximum gap between two consecutive references without a further reference for the gap should be 28 days. If **You** cannot obtain a reference for any period **You** must obtain evidence of what the **Employee** was doing (e.g. for overseas travel the evidence might be a copy of the passport).

Target Stock

Wines, spirits, beers or tobacco whether for sale or own consumption and/or other items for sale exceeding £250 per individual item.



Cover

We will indemnify **You** against direct loss of **Money** or other property owned by **You** which occurs during the continuance of this Section arising solely and directly as a result of any acts of fraud or dishonesty by any of **Your Employees**

- 1) committed during the continuance of this Section with the clear intention of making and which result in **Improper Gain** and
- 2) discovered and notified to **Us** during the **Discovery Period**

Auditors Fees

We will also indemnify **You** up to a maximum of £2,500 against the cost of any professional audit necessarily incurred with **Our** written agreement solely to formulate the amount of loss. This cost is payable in addition to the **Limit of Indemnity**.

Clauses

1. Controls

Where service funds regulations do not apply it is a **Condition Precedent to Liability** that:

All cheques **You** issue with a value exceeding £5,000 will be signed by two authorised signatories. All cheque signatories will verify the invoices and any other vouchers against the cheque.

All **Money** received will be paid into **Your** bank in full within 3 days of receipt.

Where credit is allowed statements of account will be issued direct to customers independently of **Employees** who receive or collect **Money**. If it is not possible to achieve the required independence all amounts more than one month overdue including amounts in suppressed and suspense accounts will be investigated independently.

At least monthly and independently of the **Employees** responsible **Your** records of **Money** received and expended will be reconciled with bank statements, stamped paying-in slips, receipt counterfoils, vouchers, cash in hand and un-presented cheques to produce a balance. If it is not possible to achieve the required independence the reconciliation will be checked by an independent person.

Petty cash will be subject to a full reconciliation and balance including a check of the receipts and vouchers at least monthly and independently of the **Employees** responsible.

All stocks will be subject to independent physical checks against verified stock records. The maximum period between any two checks will be three months in respect of **Target Stock** (if **You** hold any) and six months in respect of all other stocks.

2. Our Liability

Our liability shall not exceed the **Limit of Indemnity** at the time of discovery plus the amount **We** have agreed to for Auditors Fees up to the maximum amount.

If **You** are unable to produce **References** for every **Employee** other than a direct employee of the MOD or British Civil Service involved or implicated in a claim the maximum **We** will pay in respect of any **One Claim** will be £2,500 and **We** will not indemnify **You** against Auditors Fees.

3. Non-Accumulation of Liability

If a claim results from acts of fraud or dishonesty committed in more than one **Period of Insurance** **Our** liability does not accumulate. All such acts will form part of **One Claim** and the most **We** will pay for all acts no matter in what **Period of Insurance** they were committed will be as stated above in **Our** Liability.

4. References

You should retain **References** for all **Employees** as **You** will need to produce them for each **Employee** involved or implicated in a claim who was engaged on or after the commencement date of this Section.

5. Employees' Property

Any **Money** salary, bond, deposit and other property in **Your** possession belonging to or owing to or in respect of an **Employee** who is the subject of a claim must be deducted from the amount of **Your** claim.

6. Recoveries

If any amounts are recovered they will be distributed first to cover the costs of recovery then to **You** for the amount of **Your** loss in excess of the **Limit of Indemnity** then to **Us** for the amount paid under the claim and then to **You** for the first part of each and every claim.



Exceptions

We will not indemnify **You** in respect of:

1. loss caused by or involving any **Employee**
 - a) who **You** do not have the right to supervise and direct
 - b) subsequent to discovery by **You** of actual or suspected dishonesty by the **Employee**
2. loss of a consequential nature including but not limited to loss of potential income interest and dividends
3. penalties and fines
4. loss covered by the Money and Assault Section of this Policy except for any amount in excess of that Section.
5. loss of public money or property



Section 5; Direct Debit Indemnity

Endorsements and Conditions Precedent to Liability

The Section is subject to any **Endorsements** and **Conditions Precedent to Liability** stated in the **Schedule** as applying.

Definition (also refer to the Policy Definitions at the front of the booklet)

The following definition applies to this Section and shall keep the same meaning wherever it appears in the Section.

Liability

Legal Liability

Cover

We will indemnify **You** in respect of:

- a) **Liability** arising as an Originator under the terms of **Your** Standard Indemnity (Non Corporate) agreement with the Association for Payment Clearing Services and the Northern Ireland Bankers Association
- b) **Liability** for costs and expenses incurred with **Our** consent in consequence of a) arising in connection with the **Business** and occurring during the **Period of Insurance**.

The maximum **We** will pay for any one claim is the limit shown in the **Schedule**.

Exception

We will not indemnify **You** in respect of interest, administration charges or other costs or charges.

Endorsements and Conditions Precedent to Liability

This Section is subject to any **Endorsements** and **Conditions Precedent to Liability** stated in the **Schedule** as applying.



Section 6; Money and Assault

Definitions (also refer to the Policy Definitions at the front of the booklet)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

Bodily Injury

Bodily Injury by violent and visible means which, directly and independently of any other cause, results in death or disablement.

Business Hours

You normal working hours and any other period during which **You** or any **Employee** entrusted with **Money** is on **The Premises** in connection with the **Business**.

Insured Person

You or **Your** Staff or **Employees** aged between 16 and 65.

Loss of Limb

1. Severance at or above the wrist or ankle
or
2. Total and permanent loss of use of a hand, arm, foot or leg.

The Premises

The room or rooms occupied during **Business Hours** and any other rooms falling within the same lockable part of the building.

Safe/Strongroom

An item being of substantial construction with key and/or combination locks and manufactured for the secure storage of cash and/or documents. This does not include cash boxes, tills, filing cabinets or any item constructed of sheet metal whether lockable or not.

Cover

Money

We will indemnify **You** in respect of:

1. loss of **Money**, which
 - a) belongs to **You**
or
 - b) **You** are responsible for
in connection with the **Business** up to the Limit Any One Loss set against each item in the Specification below
2. loss or damage to
 - a) any case, bag or waistcoat used for carrying **Money** following theft or attempted theft
 - b) clothing and personal belongings owned by **You**, **Your** principals or any **Employee** up to a limit of £500 per person following robbery or attempted robbery away from **The Premises**.

Specification

Item 1

Money other than described in Item 3 in transit, or in a bank night safe until removed by a bank official, or at any location while **You** or any **Employee** is working there, or on **The Premises** during **Business Hours**, or whilst contained in a locked **Safe** on **The Premises** outside **Business Hours**.

Limit Any One Loss: As stated in the **Schedule**

Item 2

Money other than described in Item 3 on **The Premises** and not contained in a locked **Safe**

- a) during **Business Hours** at any time the room or premises are left unattended
- b) outside **Business Hours**

Limit Any One Loss: As stated in the **Schedule**



Item 3

Stamped National Insurance Cards, crossed cheques, crossed giro cheques, crossed money orders, crossed postal orders, crossed bankers' drafts, crossed warrants, national savings certificates, premium saving bonds, franking machine impressions, credit company sales vouchers and VAT invoices

Limit Any One Loss: £250,000

Clauses

1. Safes

We will also indemnify **You** in respect of **Damage** to any **Safe** following theft or attempted theft of **Money**.

The maximum **We** will pay is £1,000.

2. Seasonal Increase

We will increase the **Sum Insured** under Item 1 by 25% or £1,000 whichever is the greater for the day of any special function and until banked on the next bank opening day and for the months of December and January.

Exceptions

We will not indemnify **You** in respect of:

- 1) shortages due to clerical or accounting errors
- 2) loss due to the dishonesty of **Your** principals or any **Employee**
 - a) not discovered within 7 working days of the loss
 - b) where a more specific insurance is in force, other than under Section 4 Employee Dishonesty, except for any amount in excess of that insurance
- 3) loss of **Money** from unattended vehicles
- 4) loss of **Money** in vending, gaming, amusement or other coin operated or **Money** changing machines exceeding the limit in Specification Item 2 unless specified in the **Schedule**.

Cover

Assault

We will pay compensation to **You** for **Bodily Injury** to an **Insured Person** caused by theft or attempted theft, which happens in the course of the **Business** and results in any of the following contingencies

1. death
2. total and permanent loss of sight in one or both eyes
3. **Loss of Limb** – one or more

occurring within 24 months of **Bodily Injury**

4. any other total and permanent disablement which, after 24 months of the occurrence, prevents the **Insured Person** from pursuing any occupation
5. total disablement which, within 24 months of **Bodily Injury**, prevents the **Insured Person** from pursuing their normal occupation
6. partial disablement which, within 24 months of **Bodily Injury**, prevents the **Insured Person** from pursuing a substantial part of their normal occupation.



Clauses

1. Amounts Payable

- a) **We** will pay
 - i) weekly compensation at 4 weekly intervals
 - ii) compensation under contingencies 5 and 6 for a maximum of 2 years from the date that the disablement started
- b) weekly benefit being paid for the same injury will end if **We** pay compensation under any of contingencies 1-4
- c) insurance will end for the **Insured Person** if **We** pay compensation under any of contingencies 1-4
- d) **We** will pay the following compensation

Contingency number	Limit of compensation
(1)	£10,000
(2)	£10,000
(3)	£10,000
(4)	£10,000
(5)	£100 per week
(6)	£50 per week

2. Medical Expenses

- a) **We** may require
 - i) an **Insured Person** to undergo medical examination
 - or
 - ii) a post mortem to be carried outat **Our** Expense
- b) **You**, or **Your** legal representative will supply to **Us**, at **Your** expense, any
 - i) certificate
 - ii) information
 - iii) evidencein the format **We** require.

Endorsements and Conditions Precedent to Liability

This Section is subject to any **Endorsements** and **Conditions Precedent to Liability** stated in the **Schedule** as applying.

Conditions Precedent to Liability

The following **Conditions Precedent to Liability** apply.

1. Records and Key Security

It is a **Condition Precedent to Liability** that

- a) **You** shall keep a complete record of **Money** in a secure place other than in a **Safe** or **Strongroom** containing **Money**
- b) outside **Business Hours** the **Safe** or **Strongroom** will be kept locked and the keys removed from **The Premises** unless **The Premises** are occupied by **You** or an authorised **Employee** in which case the keys will be kept in a secure place away from any **Safe** or **Strongroom**.

2. Money in Transit

It is a **Condition Precedent to Liability** for **Money** (other than stamped National Insurance Cards, crossed cheques, crossed giro cheques, crossed money orders, crossed postal orders, crossed bankers drafts, crossed warrants, national savings certificates, premium savings bonds, franking machine impressions, credit company sales vouchers and VAT invoices) in transit that

- a) it be accompanied by the following number of persons
 - over £2,000 up to £5,000 at least 2 persons
 - over £5,000 up to £8,000 at least 3 persons
 - over £8,000 at least 4 persons
- b) private transport is used for amounts greater than £2,000 where the distance exceeds half a mile.

Our liability will not exceed the limits stated in the **Schedule**.



Section 7; Personal Accident

Definitions (also refer to the Policy Definitions at the front of the booklet)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

Accidental Bodily Injury

1. Injury caused by accidental and/or violent means
2. Exposure.

Occurring within 24 months from the date of the accident by which such injury is caused.

Insured Person

Any person included on the **Schedule**.

Loss of Limb

1. Severance at or above the wrist or ankle
or
2. The total and permanent loss of use of a hand, arm, foot or leg.

Wages

The average weekly wage (after deduction of National Insurance, Income Tax and State benefit) paid to the **Insured Person**

1. in the 12 week period before the date of the Bodily Injury
or
2. any shorter period if the **Insured Person** has been employed by **You** for less than 12 weeks.

Wages does not include overtime, commission or bonus payments unless these are guaranteed.

Cover

We will pay compensation to **You** or **Your** personal representatives for **Accidental Bodily Injury** to an **Insured Person** in connection with duties or participation in **Your Business** during the **Period of Insurance** which, solely, directly and independently of any other cause, results in any of the following contingencies

Contingencies

1. death
2. total and permanent loss of sight in one or both eyes
3. total and permanent loss of hearing in one or both ears
4. total and permanent loss of speech
5. **Loss of Limb** – one or more
6. any other total and permanent disablement which lasts without interruption for more than 12 months from the date of the accident and prevents the **Insured Person** from pursuing any occupation
7. temporary total disablement which prevents the **Insured Person** pursuing their normal occupation
8. temporary partial disablement which prevents the **Insured Person** from pursuing a substantial part of their normal occupation.
9. expenses necessarily incurred by the **Insured Person** for immediate and urgent medical surgical manipulative massage therapeutic X-ray or nursing treatment including the cost of medical supplies and ambulance hire.

We will not provide indemnity in respect of any claim relating to any non-contracting parties rights to enforce all or any of this Section. The Contract (Rights of Third Parties) Act 1999 does not apply to this Section.



Clauses

1. Amounts Payable

- a) **We** will pay
 - i) weekly compensation being paid at four weekly intervals
 - ii) compensation under contingencies (7) and/or (8) for a maximum of 2 years from the date that the disablement started
- b) where **We** pay compensation under any of contingencies (1) to (6)
 - i) any weekly benefit being paid for the same injury will stop
 - ii) this insurance will end for the **Insured Person**
- c) **We** will pay the following Compensation:

Contingency Number	Limit of Compensation per unit
(1)	£5,000
(2)	£5,000
(3)	£5,000
(4)	£5,000
(5)	£5,000
(6)	£5,000
(7)	Nil per week*
(8)	Nil per week*
(9)	£250

*Unless stated otherwise on the **Schedule**.

Compensation is equal to one unit. The number of units insured is shown on the **Schedule**.

We shall not be liable for any amount in excess of the maximum accumulation limit of £1,000,000 in respect of any one accident. If the aggregate amount of all units of compensation payable exceeds the maximum accumulation limit, the compensation payable to each **Insured Person** shall be proportionately reduced until the total of all compensation payable does not exceed the maximum accumulation limit.

2. Disappearance

If an **Insured Person** has been missing for a period of 180 consecutive days and there is sufficient evidence to support the conclusion that death has been caused by **Accidental Bodily Injury**, that person will be presumed to have died.

However, **You** will repay any compensation if the **Insured Person** is found alive.

3. Medical Evidence

- a) **We** may, at **Our** expense, arrange for an **Insured Person** to undergo
 - i) a medical examination
 - or
 - ii) a post mortem examination
- b) **You** or **Your** legal representative will supply to **Us**, at **Your** expense, any
 - i) certificate
 - ii) information
 - iii) evidencein the format **We** require.



Exceptions

We will not pay compensation for **Accidental Bodily Injury** directly or indirectly caused by:

1.
 - a) the **Insured Person** suffering from any health problem due to a gradually operating cause
 - b) suicide or attempted suicide
 - c) deliberate exposure to danger (except in an attempt to save human life)
 - d) the **Insured Person's** own criminal act
 - e) the **Insured Person** being in a state of insanity
 - f) flying or other aerial activities (except while travelling as a passenger by a recognised airline)
 - g) pregnancy or childbirth
2. an **Insured Person** practising for or taking part in
 - a) mountaineering or rock climbing requiring the use of ropes or guides
 - b) pot-holing
 - c) winter sports outside the United Kingdom
 - d) any kind of racing (except foot races)
 - e) speed or time trials
 - f) naval military or air force service or operationsunless (a) to (e) are stated on the **Schedule** as included.
3. the effects of alcohol or drugs (other than drugs prescribed by a doctor)
4. any treatment for drug addiction.
5. In respect of Contingency 9, any cost of board or lodging

Endorsements and Conditions Precedent to Liability

This Section is subject to any **Endorsements** or **Conditions Precedent to Liability** stated in the **Schedule** as applying.



Section 8; Employer's Liability

Definitions (also refer to the Policy Definitions at the front of the booklet)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the section.

Act of Terrorism

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

Bodily Injury

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

Compensation

Damages

Costs and Expenses

1. fees for **Your** legal representation
2. costs and expenses incurred with **Our** written consent
3. any claimant's legal costs for which **You** are legally liable in connection with any event which is or may be the subject of indemnity under this Section.

Event

One occurrence or series of occurrences arising from or attributable to one source or original cause.

Limit of Indemnity

The maximum amount, stated in the **Schedule**, including **Costs and Expenses**, which **We** will pay in respect of any or all claims arising out of one cause.

Cover

We will indemnify **You** in respect of:

1. **Your** legal liability to pay **Compensation** to any **Employee**
and
2. **Costs and Expenses**

as a result of **Bodily Injury** caused in the course of the **Business** during the **Period of Insurance**.

The total amount **We** will pay in respect of:

- a) any one **Event** which is directly or indirectly caused by results from or is in connection with an **Act of Terrorism** (in so far as this is insured by this section) shall not exceed £5,000,000

If **We** allege the **Bodily Injury** has resulted from an **Act of Terrorism** the burden of proving the contrary shall be upon **You**

- b) any other **Event** shall not exceed the **Limit of Indemnity** shown in the **Schedule**

Clauses

1. Additional Activities

The **Business** includes

- a) ownership, use and upkeep of **The Premises**, vehicles and plant
- b) canteen, social, sports, educational and welfare organisations for the benefit of any **Employee**
- c) first aid, fire security and ambulance services
- d) participation in exhibitions
- e) private work by any **Employee**, with **Your** prior consent, for **You** or any director or **Employee**.

2. Cross Liabilities

We will indemnify each party

- a) named as the **Policyholder** in the **Schedule**
- b) entitled to indemnity under this Section as if a separate policy had been issued to each.

The total amount payable will not exceed the **Limit of Indemnity** regardless of the number of parties claiming to be indemnified.

3. Indemnity to Other Persons

We will indemnify

- a) **Your** personal representatives in respect of legal liability **You** incur
- b) At **Your** request
 - i) any director, partner or proprietor or **Employee** of **Yours**
 - ii) the officers, committees and members of **Your**
 - canteen, social, sports, educational and welfare organisations
 - first aid, fire, security and ambulance services

or the personal representatives of these persons against legal liability in respect of which **You** would have been entitled to indemnity if the claim had been made against **You**.

- c) The Secretary of State for Defence, his/her agents and/or servants.

Each indemnified party will be subject to the terms of this Section so far as they can apply.

4. Injury to Working Partners

We will treat as an **Employee** any working partner or proprietor of the **Business** who suffers **Bodily Injury**

- a) in the course of the **Business** during the **Period of Insurance**.
- and
- b) caused by the negligence of another working partner, proprietor or **Employee**.

5. Statutory Defence Costs including Health and Safety At Work, Etc. Act 1974

We will, with **Our** prior consent which consent will not be unreasonably withheld, indemnify **You** in respect of legal **Costs and Expenses** incurred in defending:

- a) any alleged breach of statutory duty (including any prosecution brought under sections 2 to 8 of the Health and Safety at Work, etc. Act 1974, Health and Safety at Work (Northern Ireland) Order 1978 or similar legislation in the Isle of Man or the Channel Islands) or criminal proceedings brought; and / or
 - b) allegations (whether under common law or statute) of manslaughter, corporate manslaughter or corporate homicide made against **You**; provided that the prosecution or proceedings relate to:
 - i) an offence alleged to have been committed during the **Period of Insurance** and in the course of **Business**;
 - ii) **Bodily Injury** to, or potential **Bodily Injury** to any **Employee** including their health, safety and welfare;
- and, **We** will also pay to **You**:
- iii) **Costs and Expenses** of appeal including appeal against improvement and prohibition notices incurred with **Our** written consent which consent will not be unreasonably withheld;
 - iv) prosecution costs awarded against **You**;

but the indemnity by this clause excludes and does not cover:

- v) circumstances where **You** are entitled to indemnity by any other legal expenses, motor or employment protection policy;
- vi) in respect of allegations of manslaughter, corporate manslaughter or corporate homicide, any amount in excess of £1,000,000 any one claim or series of claims arising out of the same prosecution or proceedings.

6. Our Right of Recovery

The indemnity is deemed to be in accordance with the provisions of the Employers' Liability (Compulsory Insurance) Act 1969 and the Employers Liability (Compulsory Insurance) Regulations 1998 or any subsequent amendment or re-enactment or similar legislation in Northern Ireland, the Isle of Man and the Channel Islands. Where any **Condition Precedent to Liability**, Exclusion, term or Condition of this Policy is deemed prohibited by the act or regulations, then **We** will provide an indemnity to the **Employee** under the terms of this Section but **You** will repay to **Us** that part of **Our** indemnity for which **We** would not otherwise have been liable under this Section by reason of any such breach of **Condition Precedent to Liability**, term, Condition or Exclusion.



7. Payment for Court Attendance

We will compensate **You** if, at **Our** request, any director, partner or **Employee** is attending court as a witness in connection with a claim for which **You** are entitled to indemnity.

The maximum **We** will pay is

- a) for each director or partner £250 per day
- b) for each **Employee** £150 per day

8. Unsatisfied Court Judgements

We will, at **Your** request, indemnify any **Employee** or his or her personal representatives in respect of:

- a) damages
- b) costs

unpaid 6 months after the date a judgement for **Bodily Injury** to the **Employee** was obtained against another party resident in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

This indemnity will only apply where

- i) the **Bodily Injury** was caused
 - in the course of the **Business**and
 - during the **Period of Insurance**
- ii) the judgement was made in a court in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- iii) there is no appeal outstanding.

The judgement will be assigned to **Us** if **We** make a payment under this Clause.

Exceptions

- 1) **We** will not indemnify **You** in respect of liability for payment of any judgment, award, payment or settlement made within countries which operate under the laws of:
 - a) United States of America or its territories or possessions or Canada; or
 - b) China;or to any order made anywhere in the world to enforce such judgment, award, payment or settlement either in whole or in part unless otherwise stipulated in the **Schedule**.
- 2) **We** will not indemnify any person entitled to indemnity in respect of legal liability as a result of work in or on and travel to, from or within any offshore
 - a) accommodation, exploration, drilling or production rig or platform
 - b) support vessel.
- 3) **We** will not indemnify **You** in respect of injury to any **Employee** where insurance or security is required under any road traffic legislation.
- 4) **We** will not indemnify **You** and **We** shall not be liable to indemnify or make any payment to **You** or to any other party which may be entitled to indemnity under this policy in respect of any claim, liability or **Costs and Expenses** if providing such indemnity or payment would be in breach of any economic sanction, financial sanction or arms embargo applicable:
 - a) under the laws of the United Kingdom; or
 - b) under the Common Positions and Regulations of the European Union; or
 - c) under Security Council Resolutions of the United Nations; or
 - d) under the laws of the country or territory in which **You** are domiciled or are doing business; or
 - e) under any other official and legally binding measures of any of the above;including but not limited to circumstances in which:
 - i) **We** are prohibited from transacting business with **You**; or
 - ii) **You** have transacted business with a country, person or organisation in breach of any such sanction or embargo

Endorsements and Conditions Precedent to Liability

This Section is subject to any **Endorsements** and **Conditions Precedent to Liability** stated in the **Schedule** as applying.



Section 9; Public and Products Liability

Definitions (also refer to the Policy Definitions at the front of the booklet)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

Act of Terrorism

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

Advertising injury

Advertising injury means:

- 1) oral, broadcast, telecast or written publication of material that slanders or libels a person or disparages a person's goods, products or services;
 - 2) oral, broadcast, telecast or written publication of material that violates an individual's right of privacy;
 - 3) misappropriation of advertising ideas or style of doing business;
 - 4) infringement of copyrighted advertising materials, titles or slogans;
- in the course of advertising **Your** goods, products or services.

Asbestos

Asbestos, asbestos fibres or any derivatives of asbestos.

Bodily Injury

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

Compensation

Damages

Cost and Expenses

1. fees for **Your** legal representation
2. costs and expenses

incurred with **Our** written consent

3. any claimant's legal costs for which **You** are legally liable in connection with any event which is or may be the subject of indemnity under this Section.

Damage

Physical

1. loss
2. destruction
3. damage.

Event(s)

Means one occurrence or series of occurrences arising from or attributable to one source or original cause

Limit of Indemnity

The maximum amount, stated in the **Schedule**, which **We** will pay in respect of any or all claims arising out of one cause. In respect of **Products Supplied** or pollution or contamination, the Limit of Indemnity will apply to the total of all claims occurring in any one **Period of Insurance**.

In respect of an **Act of Terrorism**, the maximum amount **We** will pay any one **Event** (and all **Events** happening during any period of insurance caused by **Products Supplied**) which is directly or indirectly caused by or results from or is in connection with an **Act of Terrorism** or any action taken in controlling preventing suppressing or in any way relating to an **Act of Terrorism** shall not exceed the Public and Products liability limit of indemnity as stated in the **Schedule** or £2,000,000 whichever is the less

If **We** allege that the injury or **Damage** has resulted from an **Act of Terrorism** the burden of proving the contrary shall be upon **You**



Personal Injury

Personal injury means harm other than **Advertising Injury** or **Bodily Injury** arising out of one or more of the following offences committed in the course of the **Business**:

1. false arrest;
2. wrongful detention or imprisonment;
3. malicious prosecution;
4. wrongful entry into, or eviction of a person from a room, dwelling or premises that the person occupies;
5. invasion of the right of privacy;
6. libel, slander or defamation;
7. wrongful accusation of shoplifting.

Products Supplied

Anything which is

1. manufactured, sold, supplied, processed or treated
2. repaired, serviced or tested
3. installed, constructed, erected or transported

by **You** or on **Your** behalf and which is no longer owned by **You** or in **Your** custody or control or that of any **Employee**.

Property

Material property.

Territorial Limits

1. Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.
2. elsewhere where **You** or any **Employee** are engaged in the **Business**.
3. anywhere in the world in connection with **Products Supplied** at or from premises in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Cover

We will indemnify **You** in respect of

1. **Your** legal liability for **Compensation**
2. **Costs and Expenses**

as a result of accidental

- a) **Personal Injury**
- b) **Advertising Injury**
- c) **Damage to Property**
- d) obstruction, trespass, nuisance or interference with any right of way, air, light or water

occurring in the course of the **Business** during the **Period of Insurance** and within the **Territorial Limits**.

The maximum **We** will pay is the **Limit of Indemnity** and any **Costs and Expenses**. However, in respect of any claim brought in

1. the United States of America or any territory within its jurisdiction
or
2. Canada

the maximum **We** will pay, inclusive of **Costs and Expenses**, is the **Limit of Indemnity**.

Clauses

1. Additional Activities

The **Business** includes

- a) ownership, use and upkeep of **Your** premises, vehicles and plant
- b) canteen, social, sports, educational and welfare organisations for the benefit of any **Employee**
- c) first aid, fire, security and ambulance services
- d) participation in exhibitions
- e) private work by any **Employee**, with **Your** prior consent, for **You** or any director, partner, proprietor or **Employee**.



2. Cross Liabilities

If the **Policyholder** comprises more than one party **We** will indemnify each party entitled to indemnity under this Section as if a separate policy had been issued to each.

The total amount payable will not exceed the **Limit of Indemnity** regardless of the number of parties claiming to be indemnified.

3. Defective Premises

We will indemnify **You** in respect of liability arising under

- a) the Defective Premises Act 1972
- b) the Defective Premises (Northern Ireland) Order 1975

in connection with any premises which **You** previously owned or occupied for the purposes of the **Business**.

We will not indemnify **You** in respect of the cost of rectifying any defect or alleged defect in such premises.

4. Indemnity to Other Persons

We will indemnify

- a) **Your** personal representatives in respect of legal liability **You** incur
- b) at **Your** request
 - i) any director, partners or proprietor or **Employee of Yours**
 - ii) the officers, committees and members of **Your**
 - canteen, social, sports, educational and welfare organisations
 - first aid, fire, security and ambulance services or the personal representatives of these persons against legal liability in respect of which **You** would have been entitled to indemnity if the claim had been made against **You**
- c) the Secretary of State for Defence and his/her agents or servants under the terms of the Crown Indemnity Clause.
- d) shoot beaters and authorised followers in accordance with MOD licence
- e) assistants at arena displays

Each indemnified party will be subject to the terms of this Section so far as they can apply.

5. Statutory Defence Costs including Health and Safety At Work, Etc. Act 1974

We will, with **Our** prior consent which consent will not be unreasonably withheld, indemnify **You** in respect of legal **Costs and Expenses** incurred in defending:

- a) any alleged breach of statutory duty (including any prosecution brought under sections 2 to 8 of the Health and Safety at Work, etc. Act 1974, Health and Safety at Work (Northern Ireland) Order 1978 or similar legislation in the Isle of Man or the Channel Islands) or criminal proceedings brought; and / or
 - b) allegations (whether under common law or statute) of manslaughter, corporate manslaughter or corporate homicide made against **You**; provided that the prosecution or proceedings relate to:
 - i) an offence alleged to have been committed during the **Period of Insurance** and in the course of **Business**;
 - ii) **Bodily Injury** to, or potential **Bodily Injury** to persons other than **Employees**
- and, **We** will also pay to **You**:
- iii) **Costs and Expenses** of appeal including appeal against improvement and prohibition notices incurred with **Our** written consent which consent will not be unreasonably withheld;
 - iv) prosecution costs awarded against **You**;

but the indemnity by this clause excludes and does not cover:

- v) circumstances where **You** are entitled to indemnity by any other legal expenses, motor or employment protection policy;
- vi) in respect of allegations of manslaughter, corporate manslaughter or corporate homicide, any amount in excess of £1,000,000 any one claim or series of claims arising out of the same prosecution or proceedings.

For the avoidance of doubt the undernoted statutes, whilst not exhaustive, are included within the statutes or regulations contemplated for which defence costs are insured by this Clause.

- a) Health and Safety at Work, etc. Act 1974, but only sections 2 to 8,
- b) Health and Safety at Work (Northern Ireland) Order 1978,
- c) The Trade Description Act 1968,
- d) Part II of the Consumer Protection Act 1987,
- e) Part II of the Food Safety Act 1990



6. Liability for Hired or Rented Premises

We will indemnify **You** in respect of **Your** legal liability as a result of accidental **Damage** to premises (including fixtures and fittings) within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands which **You** hire, rent and occupy in connection with the **Business**.

We will not indemnify **You** in respect of

- a) the first £250 of any claim caused other than by fire or explosion
- b) liability imposed on **You** solely by reason of the terms of the hiring or renting agreement
- c) legal liability as a result of **Damage** against which the hiring or renting agreement specifies that insurance is taken out by **You** or on **Your** behalf.

7. Motor Contingent Liability

We will indemnify **You** in respect of **Your** legal liability as a result of accidental

- a) **Bodily Injury**
and/or
- b) **Damage to Property**
arising out of the use
 - i) in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
and
 - ii) in connection with the **Business**of any motor vehicle not belonging to or provided by **You**.

We will not indemnify **You**

1. in respect of **Damage** to the vehicle or goods carried in or on the vehicle
2. while the vehicle is being driven by
 - a) **You**
 - b) by a person who to **Your** knowledge or that of **Your** representatives does not hold a licence to drive the vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
3. if indemnity is provided by another insurance.

8. Overseas Personal Liability

We will indemnify

- a) **You**
- b) any director, partner or **Employee**
while temporarily outside Great Britain, Northern Ireland, the Isle of Man or the Channel Islands in connection with the **Business** in respect of legal liability as a result of accidental
 - i) **Bodily Injury**
and/or
 - ii) **Damage to Property**
incurred in a personal capacity.

We will also indemnify any accompanying spouse or children.

Where the **Policyholder** is an individual the indemnity will also apply within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

We will not indemnify **You**

1. where liability arises from
 - a) any agreement unless liability would have existed otherwise
 - b) ownership or occupation of land or buildings
 - c) the carrying on of any trade or profession
 - d) ownership, possession or use of wild animals, firearms (other than sporting guns), mechanically propelled vehicles, aircraft or watercraft
2. if indemnity is provided by another insurance policy.

9. Payment for Court Attendance

We will compensate **You** if, at **Our** request, any director, partner or **Employee** is attending court as a witness in connection with a claim for which **You** are entitled to indemnity.

The maximum **We** will pay is

- a) for each director or partner £250 per day
- b) for each **Employee** £150 per day

10. Personal Effects

We will indemnify **You** in respect of **Your** legal liability as a result of accidental **Damage** to vehicles or personal effects which **You** do not own but which are in **Your** custody or control.

We will not indemnify **You** where this **Property** is

1. stored for a fee or other consideration
2. in **Your** custody or control for the purposes of being worked on.

11. Hunting, Shooting, Arena Displays and Equestrian Activities

We will indemnify **You** and any **Employee** in respect of liability incurred in connection with:

- a) Hunting on MOD and private farm land
- b) Service Shooting and Fishing Syndicates
- c) Organised Arena Displays – the period of cover for each display being from time of leaving barracks or base and return
- d) Hunter Trials and Point to Point meetings
- e) Hiring out horses subject to
 - i) the hirer being known to the **Policyholder** and having adequate experience
- f) Provision of riding instruction subject to
 - i) Compliance with any local authority requirements relating to riding establishments
 - ii) Instruction provided by suitably qualified or experienced adults

We will not indemnify **You** in respect of liability for **Damage** to land, fences and crops.

Exceptions

- 1) **We** will not indemnify any person entitled to indemnity in respect of legal liability as a result of
 - a) **Personal Injury** to an **Employee**, partner or proprietor
 - b) the ownership, possession or use by **You** or on **Your** behalf or by any person entitled to indemnity under this Section of any
 - i) aircraft, aerial device or hovercraft
 - ii) watercraft other than
 - a) non-mechanically propelled craft of less than 12 metres in length
 - b) Motorboats (not Jet Skis) of less than 5 metres in length with a maximum speed of not more than 15 knots (17.3 mph)

whilst operated on inland waterways or within three miles of the coast

- iii) motor vehicle or trailer
 - in circumstances to which road traffic legislation applies or
 - where a more specific insurance is in force
- c) **Damage to Property**
 - i) which **You** own or is loaned, leased, hired or rented to **You**
 - ii) which is held in trust or in the custody or control of
 - **You**
 - any **Employee**
 - any other party who is carrying out work on **Your** behalf other than in the circumstances described in Clauses 6 or 10
- d) **Damage** to or the cost incurred by anyone in repairing, removing, replacing, re-applying, rectifying or reinstating **Products Supplied** (other than **Products Supplied** under a separate contract)
- e) advice, instruction, consultancy, design, formula, specification, inspection, certification or testing other than in connection with **Products Supplied** for which indemnity is provided under this Section
- f) any **Products Supplied** which are incorporated in
 - i) any craft designed to travel through air or space
 - ii) any waterborne craft which could affect its safety navigation or propulsion
 - iii) mechanically propelled vehicles which could affect their safety
 - iv) in gas chemical petrochemical or power generation plant which is directly connected to manufacture processing storage or power generation and which have been specifically supplied by **You** for that purpose
- g) i) pollution or contamination of buildings or other structures or of water or land or the atmosphere and
 - ii) **Bodily Injury** or **Damage to Property** directly or indirectly caused by such pollution or contamination

other than caused by a sudden, identifiable, unintended and unexpected incident which occurs in its entirety at a specific time and place during the **Period of Insurance**.



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

- h) i) work in or on and travel to, from or within or
 - ii) **Products Supplied** to any offshore
 - accommodation, exploration, drilling or production rig or platform
 - support vessel
 - i) the disposal of assets other than furniture and office equipment previously used in the course of the **Business**
- 2. **We** will not indemnify any person entitled to indemnity in respect of
 - a) recalling or making refunds in respect of **Products Supplied**
 - b) i) liquidated damages,
 - ii) penalty causes,
 - iii) fines,
 - iv) aggravated, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other noncompensatory damages
 - c) liability imposed on **You** solely by reason of the terms or any contract conditions or agreement in connection with **Products Supplied**.
- 3. **We** will not indemnify **You** in respect of damage to property or injury connected with the hire/usage of or involvement with inflatable bouncy castles or other inflatable rides, bungee jumps, bungee runs, abseiling, bucking broncos, motorcycles, go-karts, bar fly, dodgems, carousels or any other type of fairground ride or activity unless full details have been provided to **Us** and cover agreed by **Us** prior to the event and any additional premium required paid to **Us**.
- 4. **We** will not indemnify **You** in respect of Liability arising under any contract entered into by **You** except to the extent that liability would have attached in the absence of the contract and then only in respect of liability arising within the United Kingdom, Channel Islands, Isle of Man or other member states of the European Community.

This exclusion only applies in respect of liability arising out of any product after it has ceased to be in **You** custody or control.
- 5. **We** will not indemnify **You** in respect of liability in respect of **Damage** to goods supplied and the cost incurred by anyone in recalling, removing, repairing, rectifying, replacing or reapplying any defective product.
- 6. **We** will not indemnify **You** in respect of liability arising anywhere within the **Territorial Limits**:
 - a) through the conduct of the **Business** by **Employees** who are foreign nationals employed by **You** elsewhere than in the United Kingdom, Channel Islands, Isle of Man and other member states of the European Community unless the claim is brought in a court under United Kingdom Jurisdiction
 - b) where the granting of cover is contrary to any law, government order or decree of the country concerned
 - c) out of any product
- 7. **We** will not indemnify **You** in respect of liability arising in China.
- 8. **We** will not indemnify **You** in respect of liability in respect of **Damage** to property which results from **Your** deliberate act or omission and which could reasonably have been expected by **You** having regard to the nature and circumstances of such act or omission.
- 9. **We** will not provide indemnity in respect of
 - a) exposure to
 - b) inhalation of
 - c) fears of the consequences of exposure to or inhalation of
 - d) mining, processing, manufacturing, removing, handling, disposing of, treatment of, distributing or storing of Asbestos including any product containing Asbestos.
- 10. **We** will not indemnify **You** in respect of any liability arising from
 - a) the ownership or use by **You** or on **You** behalf of any premises situated in the United States of America or Canada
 - b) Products sold or supplied on **Your** behalf from any premises situated in the United States of America or Canada
 - c) Products exported by **You** or on **Your** behalf to the United States of America or Canada
- 11) **We** will not indemnify **You** in respect of any liability connected with any error or omission in the provision of professional services

Endorsements and Conditions Precedent to Liability

This Section is subject to any **Endorsements** and **Conditions Precedent to Liability** stated in the **Schedule** as applying.



Section 10; Terrorism

The **Schedule** will show if this section applies

Definitions (also refer to the Policy Definitions at the front of the booklet)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

Act of Terrorism

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.

Business Interruption

Loss arising from interruption or interference with the **Business** carried on by **You** at **The Premises** as a result of damage to or destruction of **Property Insured** used by **You** at **The Premises** for the purpose of the **Business**.

Computer Systems

A computer or other equipment or component or system or item which processes stores transmits or receives **Data**.

Data

Data of any sort whatsoever including without limitation tangible or intangible data and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar; files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites or any information whatsoever.

Denial of Service Attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **Computer Systems**.

Denial of service attacks include but are not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **Computer Systems**.

Event

All individual losses arising in respect of a continuous period of 72 hours of which the proximate cause is the same **Act of Terrorism**.

The date and time that any such period of 72 hours shall commence shall be set by **Us**.

Hacking

Unauthorised access to any **Computer System** whether **Your** property or not.

Losses

All losses arising under any operative section or extension to this policy for material damage, business interruption or book debts as a result of damage to or destruction of **Property Insured** in the **Territorial Limits** the proximate cause of which is an **Act of Terrorism**.

Nuclear Installation

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

- a) The production or use of atomic energy
- b) The carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations
- c) The storage processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter being matter which has been produced or irradiated in the course of the production or use of nuclear fuel.

Nuclear Reactor

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



Phishing

Any access or attempted access to **Data** made by means of misrepresentation or deception.

Property

All property whatsoever but excluding:

1. any property which is occupied as a private residence and which is:
 - a) a private dwelling house or
 - b) self-contained unit insured as part of a block of units i.e. a block of flatsunless such property:
 - i) is not insured in the name of a private individual
 - ii) is insured in the name of a **Sole Trader** or a trustee or an executor of a will and is not occupied by such persons or by any beneficiary of the trust or will in question
 - iii) is of mixed residential and commercial usage and the commercially occupied portion of the property exceeds 20% (as defined by **Us**) of the whole of such building
2. property including fine art collections which are the subject of:
 - a) a trust of any kind or
 - b) an executorship of a willand where the use or benefit of the property is for private domestic purposes only and enjoyed by a beneficiary or a trustee of the trust or a beneficiary or an executor of the will
3. any **Nuclear Installation** or **Nuclear Reactor** and all fixtures and fittings situated thereon and attached thereto and all pipes, wires, cables, drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **Nuclear Installation** or **Nuclear Reactor**.

The noting of the interest of any lender (by including as joint insured or otherwise) shall not prejudice the definition of property as defined above.

Property Insured

All **Property** which is insured under other sections of this policy.

Sole Trader

1. a self-employed individual registered as a sole trader with HM Revenue & Customs or
2. a private individual or individuals operating as a landlord and taxed as a business or
3. a private individual or individuals who have made an active decision to become a landlord and receive or intend to receive an income from **Property Insured**.

Territorial Limits

England, Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987.

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability or purposely used to damage, interfere with or otherwise adversely affect, infiltrate or monitor computer programs, **Computer Systems, Data** or operations whether involving self-replication or not.

This includes but is not limited to Trojan horses, worms and logic bombs and the exploitation of bugs, or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

Cover

We will pay **You** for

1. **Damage** to or the destruction of **Property**
2. **Business Interruption** or book debts
3. loss caused by cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to or destruction of **Property**

as insured by any other section of this policy, occasioned by or happening through or in consequence of an **Act of Terrorism** within the **Territorial Limits**.

Provided always that the insurance by this section

- i) is not subject to any of the Policy Exceptions of this policy
- ii) is not subject to any long term agreement or undertaking which may otherwise apply
- iii) is not subject to any terms in this policy which provide for adjustments of premium
- iv) is subject otherwise to all the terms provisions definitions and conditions of this policy except where expressly varied within this section
- v) is subject to a maximum period of insurance of 12 months from the inception or renewal date of this policy. Any subsequent period of cover provided by this section whether for 12 months or less is deemed to constitute a new period of insurance provided that
 - a) no subsequent period of insurance by this section shall extend beyond the next renewal date of this policy
 - b) the renewal premium due in respect of this section has been received by **Us**.

Basis of settlement

As described in the relevant section of this policy in respect of damage to or destruction of the **Property Insured** or **Business Interruption** or book debts or loss caused by cancellation, abandonment, postponement, interruption, curtailment or relocation of an event.

The most **We** will pay for any one **Event** is the lesser of

- a) the total sum insured or
- b) for each item its individual sum insured or
- c) any other limit of liability

as stated in the relevant section of this policy less the **Excess**.

The **Excess** applicable to losses under this Terrorism section shall be equal to the **Excess** applied in respect of the risk of fire and/or explosion under the other sections of this policy.

Exclusions

We will not be liable for any losses whatsoever

1. Occasioned by riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power
2. Arising under
 - a) marine, aviation and transit policies
 - b) motor insurance policies
 - c) bankers blanket bond
3. Directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from
 - a) damage to or destruction of any **Computer System** or
 - b) any alteration, modification, distortion, erasure, corruption of **Data**

whether **Your** property or not where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **Virus or Similar Mechanism** or **Hacking** or **Phishing** or **Denial of Service Attack**.

Extension for act of terrorism triggered by remote digital interference

Definitions specific to this extension.

Property/Property insured

Is as defined in this section but also excludes for the purposes of this extension:

- a) any money (including money as defined in any Money (or Money with assault) section of this policy), currency, electronic, cryptographic or virtual currency including Bitcoin or any similar negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatsoever and
- b) any **Data**.



Specific Events

Fire, explosion, flood, escape of water from any tank apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel, or of any vehicle whatsoever, or of any goods or cargo carried in, or on such vessel, or vehicle destruction of damage to, or movement of buildings or structures, plant or machinery other than any **Computer System**.

Exclusion 3. will not apply to **Losses** provided that such **Losses**:

1. result directly (or solely as regards 3. c. below indirectly) from **Specific Events** and
2. are not proximately caused by an **Act of Terrorism** in relation to which the relevant organisation, or any persons acting on behalf of, or in connection with, that organisation, are controlled by acting on behalf of, or part of, any de jure or de facto government of any nation country or state and
3. comprises:
 - a) the cost of reinstatement replacement or repair in respect of damage to or destruction of **Property Insured** or
 - b) the amount of **Business Interruption** or book debts suffered directly by **You** by way of loss of or reduction in profits revenue or turnover or increased cost of working as a direct result of either damage to or destruction of **Property Insured** or as a direct result of denial prevention or hindrance of access to or use of the **Property Insured** by reason of an **Act of Terrorism** causing damage to or destruction of other **Property** within one mile of the **Property Insured** to which access is affected or
 - c) the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to, or destruction of **Property** and any additional costs or charges reasonably and necessarily paid by **You** to avoid or diminish such loss.

Notwithstanding the exclusion of **Data** from **Property** and **Property Insured** to the extent that damage to, or destruction of **Property** and **Property Insured** within the meaning of sub-paragraph 1. above indirectly results from any alteration, modification, distortion, erasure or corruption of **Data** because the occurrence of one or more **Specific Events** results directly or indirectly from any alteration, modification, distortion, erasure or corruption of **Data** that shall not prevent cost or business interruption loss directly resulting from damage to or destruction of such **Property** and **Property Insured** and otherwise falling within sub-paragraphs 1. and 3. above from being recoverable under this policy.

In no other circumstances than the previous sentence however will any loss(es) directly or indirectly caused by, contributed to by, or arising from, or occasioned by, or resulting from any alteration, modification, distortion, erasure or corruption of **Data** be recoverable under this Terrorism section.

Condition

1. If **We** allege that any loss is not covered by this section the burden of proving that such loss is covered shall be upon **You**.

Notwithstanding the above the burden of proof shall be upon **Us** to prove or establish all the matters referred to in sub-paragraph 2. of the Extension for act of terrorism triggered by remote digital interference.



Policy Exceptions

We will not indemnify **You** or any person entitled to indemnity in respect of:

1. Loss or damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

This exclusion does not apply to the Employer's Liability section.

2. Loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from:
 - a) ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
 - b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
 - c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
 - d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. Part (d) does not extend to radioactive isotopes other than nuclear fuel or nuclear waste when such isotopes are on the property insured and are being prepared stored or used in the normal course of operations by **You** for the commercial, agricultural, medical, scientific or other similar peaceful purposes for which they were intended;
 - e) any chemical, biological, bio-chemical or electromagnetic weapon.

However this exclusion does not apply to losses arising from naturally occurring radioactive gases released from the earth such as Radon.

This exclusion does not apply to:

- i) the Employer's Liability section except in respect of liability of any principal and liability assumed by agreement;
 - ii) the Personal Accident section.
3. Loss, destruction or damage directly caused by pressure waves from aircraft or other aerial devices.
 4. **Money**
 - b) securities or bonds
 - c) goods held in trust or on commission
 - d) documents or manuscripts
 - e) business books or computer systems records
 - f) explosivesunless specifically mentioned.
 5. any claim which arises directly or indirectly from or consists of the failure or inability of any
 - a) electronic circuit, microchip, integrated circuit, microprocessor, embedded system, hardware, software, firmware, program, computer, data processing equipment, telecommunication equipment or systems, or any similar device
 - b) media or systems used in connection with anything referred to in (a) abovewhether **Your** property or not, at any time to achieve any or all of the purposes and consequential effects intended by the use of any number, symbol or word to denote a date and this includes without any limitation the failure or inability to recognise, capture, save, retain or restore and/or correctly to manipulate, interpret, transmit, return, calculate or process any date, data, information, command, logic or instruction as a result of
 - i) recognising, using or adopting any date, day of the week or period of time, otherwise than as, or other than, the true or correct date, day of the week or period of time
 - ii) the operation of any command or logic which has been programmed or incorporated into anything referred to in (a) and (b) above.

However, **We** shall not exclude any claim for subsequent loss or destruction of or damage to any property or consequential loss which itself results from a **Defined Contingency** arising under any of the following Sections, but only to the extent that such claim would otherwise be insured under that Section

1. Property Damage
2. Business Interruption
3. Money and Assault

This exception does not apply to any of the following Sections, when insured by this policy.



Employers Liability

Definition

The following definition only applies to this exception

'Defined Contingency' – fire, lightning, explosion, aircraft and other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any tank apparatus or pipe, impact by any road vehicle or animal, or theft.

6. Definitions specific to this exclusion

Act of terrorism

In respect of

a) England Wales and Scotland (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987)

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) all other instances

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

Any loss, damage, cost or expense directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any **Act of Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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

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

This exclusion does not apply to the following sections: Personal Accident, Employer's Liability, Public and Products Liability and Act Terrorism.



Conditions Precedent to Liability

The following **Conditions Precedent to Liability** should be read in conjunction with other **Conditions Precedent to Liability** which may apply to a specific Section of the Policy.

Protections

It is a **Condition Precedent to Liability** in respect of **Damage** caused by theft or attempted theft that whenever **The Premises** are

- 1) closed for business
- or
- 2) left unattended

all security devices provided to protect **The Premises** are properly fitted and put into full operation.

Intruder and Fire Alarm

Where stated in the **Schedule** as applying, as regards **Damage** caused by, arising from or contributed to by Defined Contingencies 1) fire, 3) explosion and 12) theft or attempted theft it is agreed as a **Condition Precedent to Liability** that in relation to any intruder and or fire alarm specified and required by **Us** under the terms of this policy **You** will:

- a) ensure the alarm system is installed in accordance with the manufacturer's and **Our** specifications and no alteration or variation of the system or any structural alteration to **The Premises** which would affect the system will be made without **Our** prior written consent;
- b) ensure that the intruder and or fire alarm is in full and efficient working order at all times and regularly serviced under the manufacturer's maintenance contract and any other maintenance requirements **We** may require;
- c) notify **Us** forthwith of any defects that arise in such alarm systems, procure that such defects are remedied as soon as is practicable and notify **Us** forthwith once such defects are remedied;
- d) ensure that the intruder alarm is tested and fully set whenever the alarmed portion of **The Premises** is closed for business or not attended by **You** or any competent adult authorised by **You** to be responsible for the security of **The Premises**;
- e) ensure that the fire alarm is tested at least weekly and continually set in active mode;
- f) notify **Us** immediately of any disconnection or failure of, or downgrading of police or fire brigade response to the system likely to leave any area unprotected;
- g) ensure that there are available keyholders notified to all appropriate services.

We will not be liable for **Damage** caused by Defined Contingencies 1) fire, 3) explosion and 12) theft or attempted theft subsequent to **You** receiving a written notification from an intruder and/or fire alarm company that the maintenance is suspended or from the relevant police authority or fire brigade that alarm signals from **The Premises** will no longer be answered.

Frying range

Where stated in the **Schedule** as applying, it is a **Condition Precedent to Liability** that:

- a) an extraction system is fitted to all frying ranges;
- b) frying ranges are fitted with an oil sump which is emptied at least once every seven (7) days;
- c) hoods, ducting or flues have not been installed within eighty millimetres (80mm) of any combustible material including combustible partitions, ceilings and doors unless suitably protected by fire resistant substances or materials;
- d) all frying ranges are equipped with thermostats designed to prevent the temperature of fat and or oils rising above two hundred and five degrees centigrade (205°C) or the supplier's maximum recommended temperature if this is less than two hundred and five degrees centigrade (205°C);
- e) the cooking range, extraction and electrical equipment be serviced regularly at least once a year, either under a maintenance or service agreement, or by **You** or member of **Your** staff; provided that a record be kept of all maintenance and servicing work undertaken by **You** or **Your** staff such record shall be stored away from **The Premises**;
- f) all readily accessible equipment is thoroughly cleaned at least once every seven (7) days;
- g) all fats and/or oils or other frying substances not needed for cooking that day are stored in an area separate from the cooking/frying ranges
- h) metal receptacles with metal lids are used to store waste and batter scraps prior to disposal and are removed from **The Premises** at the end of each frying session.



Minimum Security

It is a **Condition Precedent to Liability** in respect of **Damage** occurring more than 30 days after the inception of the Policy that

1. final exit doors must be secured as follows:
 - a) timber doors – by mortice deadlocks having five or more levers or conforming to BS3621 with matching boxed striking plate
 - b) aluminium doors – by cylinder mortice lock operating a swinging lock bolt
 - c) UPVC doors – by key operated multi-point locking devices having three or more locking points
 - d) the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom
2. all other external doors and internal doors leading to common areas or other premises, must be secured:
 - a) by the means set out in (1), or
 - b) by key operated security bolts fitted top and bottom
3. all opening windows or rooflights accessible from the ground or via roofs, pipework or other structures must be secured by key operated locking devices or screwed permanently shut
4. any security measures stipulated or agreed by **Us** in writing.

Any door or window officially designated a fire exit by the Fire Authority is excluded from these requirements.



Policy Conditions

Each Section of the policy contains conditions. They must be read in conjunction with the following policy conditions.

1. Policy Voidable

You must ensure that a fair presentation of the risks to be insured is made to **Us**.

In the event of misrepresentation, misdescription or non-disclosure of any material fact or circumstance, **We** may void the policy and retain any premium paid where such misrepresentation, misdescription or non-disclosure is deliberate or reckless.

Where such misrepresentation, misdescription or non-disclosure is not deliberate or reckless **We** may at **Our** option:

- a) void the policy and refund to **You** any premium paid if **We** would have not entered into this policy on any terms had clear representation, description and disclosure been made;
- b) proportionately reduce the amount to be paid on any claim if **We** would have entered into this policy on the same terms but for a higher premium.

The reduction in claim payment will represent the percentage difference between the premium **You** have paid and the premium **We** would have charged **You** had clear representation, description and disclosure been made;

- c) impose additional terms on this policy if **We** would have entered into this policy on such additional terms but at the same premium had clear representation, description and disclosure been made.

We may apply these additional terms to **Your** policy with effect from inception.

2. Identification

The policy and **Schedule** will read as one contract.

A particular word or phrase which is not defined will have its ordinary meaning.

3. Alteration of Risk

If after the commencement of this insurance

- a) there is any alteration of risk which increases the risk of damage accident or liability;
- b) **Your** interest ceases except by will or operation of law

You must give notice to **Us** as soon as is reasonably possible.

Upon any alteration described above **We** shall be entitled to cancel the policy from the date of the alteration or impose special terms or charge an additional premium.

4. Fraudulent Claims

If a claim made by **You** or anyone acting on **Your** behalf, or any other person claiming to obtain benefit under this policy, is fraudulent or exaggerated, whether ultimately material or not, or if any damage is caused by **Your** wilful act or with **Your** connivance **We** may at **Our** option:

- a) repudiate the claim;
- b) recover any payments already made by **Us** in respect of the claim;
- c) cancel the policy from the date of the fraudulent act and retain the premium due for the unexpired period of insurance from the date of cancellation up to the renewal date.

If **We** cancel the policy **We** will notify **You** in writing by special delivery to **Your** last known address.

5. Claims Procedure

It is a **Condition Precedent to Liability** that **You** shall

- a) tell **Us** as soon as **You** become aware of any event or occurrence which may result in a claim
- b) notify the police as soon as is reasonably possible of loss, destruction or damage caused by malicious persons or thieves
- c) at **Your** expense, provide **Us** with a written claim containing as much information as possible of the loss, destruction, damage, accident or injury, including the amount of the claim, within:
 - i) 30 days of **You** becoming aware of the event or occurrence
 - ii) 7 days in the case of loss, destruction or damage caused by riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons or such further time that **We** may allow
- d) provide **Us** with all information and help **We** require in respect of the claim
- e) pass to **Us** unanswered, immediately, all communications from third parties in relation to any event which may result in a claim under this policy
- f) not admit or repudiate liability, nor offer to settle, compromise, make payment which may result in a claim or pay any claim under this policy without **Our** written agreement.



6. Reinstatement

When **We** decide, or are required to reinstate or replace any property **You** will, at **Your** expense provide

- a) plans
- b) documents
- c) books
- d) information

which **We** require.

We will not be obliged to reinstate property exactly but only in a satisfactory manner as circumstances allow.

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

7. Average

Where a **Sum Insured** is subject to Average, if at the time of loss, destruction or damage, the **Sum Insured** is less than the total value of the property, **You** will

- a) be responsible for the difference
- b) bear a proportionate share of the loss.

8. Contribution

Applicable to Public Liability Section and Employers Liability Section

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

Applicable to all other Sections insured by this policy

- b) where any loss, destruction, damage or liability covered by the policy is also covered by another policy, (or would be but for the existence of this policy), **We** will only pay a rateable share of the loss
- c) If the other insurance is subject to a condition of Average and this policy is not, this policy will become subject to the same condition of Average
- d) If the **Property Insured** covered by the other insurance is subject to a provision excluding proportional payment in whole or in part, the payment **We** make will be limited to the proportion of loss, destruction or damage as the **Sum Insured** bears to the value of the property.

9. Our Rights

If loss, destruction or damage occurs which may lead to a claim **We** may

- a) enter or take possession of the building or premises
- b) take possession of, or require to be delivered to **Us**, **Property Insured** which **We** will deal with in a reasonable manner without incurring liability or reducing **Our** rights.

We will not pay for loss, destruction or damage if **You** or anyone acting on **Your** behalf

- i) do not comply with **Our** requirements
- ii) hinder or obstruct **Us**.

You are not entitled to abandon property to **Us**.

10. Subrogation

Anyone making a claim under this policy must, at **Our** request and expense, do everything **We** reasonably require to

- a) enforce a right or remedy or
 - b) obtain relief or indemnity
- from other parties to which **We** will become entitled or subrogated because of payment for or making good loss, destruction, damage, accident or injury.

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



11. Discharge of Liability

We may at any time pay

- a) the Limit of Indemnity or
- b) the **Sum Insured** or
- c) a smaller amount for which a claim can be settled after deduction of any sum already paid.

We will not make any further payment except for costs and expenses incurred prior to the payment of the claim.

12. Arbitration

If **We** accept liability but **You** disagree with the amount **We** offer to pay, the claim will be referred to an arbitrator who will be jointly appointed in accordance with statutory provisions.

You must not take legal action against **Us** over the dispute before the arbitrator has reached a decision.

13. Reasonable Precaution

It is a **Condition Precedent to Liability** that **You** shall

- a) maintain **The Premises**, machinery, plant and equipment in a satisfactory state of repair
- b) take all reasonable precautions to prevent
 - i) loss, destruction or damage to **Property Insured**
 - ii) accident or injury to any person or loss, destruction or damage to their property
- c) comply with all legal requirements and safety regulations and conduct the **Business** in a lawful manner
- d) keep books with a complete record of purchases and sales.

14. Cancellation

We may cancel the policy

- a) by sending **You** thirty days written notice to **Your** last known address.

We will refund a proportionate part of the premium paid for the unexpired period

- b) immediately if the premium has not been paid or if there has been a default under an instalment or linked credit agreement.

We will not refund any instalment paid.

15. Sanctions

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

If any such sanction, prohibition or restriction takes effect during the period of insurance **You** or **We** may cancel that part of this policy which is affected with immediate effect by giving such notice in writing.

In such circumstances, **We** shall return a proportionate premium for the unexpired period of cover provided no claims have been paid or are outstanding.

16. Assignment

You shall not assign any of the rights or benefits under this policy or any section of this policy without **Our** prior written consent.

We will not be bound to accept or be affected by any notice of trust, charge, lien or purported assignment or other dealing with or relating to this policy or any section of this policy.

17. Law applicable

This policy shall be governed by and construed in accordance with the law of England and Wales unless the Insured's habitual residence (in the case of an individual) or central administration and/or place of establishment is located in Scotland in which case the law of Scotland shall apply.

18. Rights of third parties

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







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