



Capital Markets Underwriting

CMU Commercial Property Unoccupied



Property Owners Policy Wording

THIS IS TO CERTIFY that in accordance with the authorisation granted under the Contract (the number of which is specified in the Schedule) to Capital Markets Underwriting Ltd by various insurers stated in 'Identity of Insurers' whose proportionate liability will be detailed on request, all of whom are herein after referred to as "We/Us/Our/Underwriters".

THE UNDERWRITERS agree to indemnify the Insured to the extent and in the manner provided herein against loss or damage sustained or legal liability for accidents happening during the period stated in the Schedule, after such loss, damage or liability are proved in consideration of the premium specified in the policy schedule attaching hereto.

PROVIDED always that:

- 1) The liability of the Underwriters shall not exceed the limits of liability expressed in the said Schedule or such other limits of liability as may be substituted therefore by memorandum hereon or attached hereto signed by or on behalf of the Underwriters;
- 2) This Certificate insures in respect ONLY of such of the sections hereof as are so specified in the Schedule.

Effected Through

Capital Markets Underwriting,
Arden House
Arden Grove
Harpenden
Hertfordshire
AL5 4SL

Several Liability

The liability of the Insurers is several and not joint and is limited solely to the extent of their individual proportions as shown in the Endorsement entitled Identity of Insurers. The Insurers are not responsible for the subscription of any co-subscribing insurers or any other insurer or co-insurer who for any reason does not satisfy all or part of its obligations.

The Certificate is made and accepted subject to all the provisions, conditions, warranties and exclusions set forth herein, attached or endorsed, all of which are to be considered.

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

The Insured is requested to read this Certificate and, if it is incorrect, return it immediately for alteration.

The Certificate is made and accepted subject to all the provisions, conditions, warranties and exclusions set forth herein, attached or endorsed, all of which are to be considered.

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

Employers' Liability Tracing Office

Certain information relating to your insurance policy including, without limitation, the policy number(s), employers' names and addresses (including subsidiaries and any relevant changes of name), coverage dates, employer's reference numbers provided by Her Majesty's Revenue and Customs and Companies House Reference Numbers (if relevant), will be provided to the Employers' Liability Tracing Office (the 'ELTO') and added to an electronic database, (the Database').

This information will be made available in a specified and readily available form as required by the Employers' Liability Insurance: Disclosure By Insurers Instrument 2010. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.

The Database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for the employers carrying on, or who carried on, business in the UK and who are covered by the employers' liability insurance of their employers, (the 'Claimants'):

- to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and
- to identify the relevant employers' liability insurance policies.

The Database will be managed by the ELTO.

The Database and the data stored on it may be accessed and used by the Claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

By entering into this insurance policy you will be deemed to specifically consent to the use of your insurance policy data in this way and for these purposes.

Property Owners Insurance Preamble

Our acceptance of this risk is based on the information presented to us being a fair presentation of your business including any unusual or special circumstances which increase the risk and any particular concerns which have led you to seek insurance.

In the event of deliberate or reckless misrepresentation and/or non-disclosure of any unusual or special circumstances which increase the risk, we may void the policy.

Our continued acceptance is based on any changes from the original information presented being advised and accepted by us.

A change in risk shall allow us to avoid a claim or impose additional terms or conditions.

It is important that You comply with any conditions in addition to Your duties under each section and under the Policy as a whole. If You breach any of these We may deny Your claim, or reduce the amount We pay You.

If you are in any doubt about any of the above you should consult your insurance broker or advisor.

A Section is only operative if stated as such in the Schedule.

The General Definitions, General Exclusions and General Conditions of the Certificate apply to all Sections in addition to the Definitions, Exclusions and Conditions applicable under each individual Section, unless endorsed herein to the contrary.

Section A – Material Damage

Insured Perils and Specific Exclusions

This section indemnifies the Insured against physical loss of or damage to the property specified in the Schedule, at the Premises, by an Insured Peril during the Certificate Period, directly caused by:

- 1) Fire and/or Lightning
- 2) Explosion but excluding loss or damage by explosion (other than loss or damage by fire resulting from explosion) by the bursting of a boiler (not being used for domestic purposes) economiser or other vessel, machine or apparatus belonging to or under the control of the Insured in which the internal pressure is due to steam.
- 3) Aircraft and other aerial devices or articles dropped therefrom
- 4) Earthquake shock
- 5) Storm or Tempest
- 6) Flood
- 7) Bursting or Overflowing or Leakage of water pipes, water mains, water tanks or water apparatus but Excluding:
 - a) Loss or damage:
 - i) As a result of repairs to or removal or extension of water pipes, mains, tanks or apparatus,
 - ii) By bursting or overflowing or leakage occurring whilst the Premises are vacant or unoccupied but this Exclusion shall not apply whilst the Premises are closed for holidays or weekends,
 - iii) To property in the open,
 - iv) To walls, gates, fences, glass, drains, sewers or water courses unless damaged by the fall of brickwork or masonry caused by an Insured peril.
 - v) By bursting or overflowing or leakage from any sprinkler installation or non-domestic boiler.
 - b) Loss or damage where such bursting, overflowing or leakage is itself caused by, directly or indirectly by:
 - i) Subsidence, landslip or ground heave,
 - ii) Fire, lightning or explosion.
- 8) Any Person taking part in a riot, strike, labour disturbance, civil commotion or any person of malicious intent but excluding loss or damage whether caused directly or indirectly by:
 - a) Fire,
 - b) Theft or attempted theft,
 - c) Total or partial cessation or interruption or retarding or work or of any commercial or industrial process or operation.
- 9) Impact by any vehicle or animal
- 10) Accidental damage to domestic oil pipes, underground water supply pipes, sewers, drains, underground electricity and telephone cables for which the Insured is legally responsible but only the cost of repairing Excluding loss or damage due to wear and tear or gradual deterioration.
- 11) Accidental damage by external and visible means only but excluding such where caused by moth, vermin, insects, wear and tear, gradual deterioration, rust, corrosion, latent defect, inherent vice, faulty design, faulty materials or defective workmanship, subsidence, landslip and ground heave.
- 12) Theft or attempted theft but excluding loss or damage caused by such theft or attempted theft:
 - a) Unless following entry or exit from the Premises by forcible and violent means, or assault, violence or threat thereof to the Insured, the Insured's Employees or people to whom the Insured's property is entrusted,
 - b) Of property by or in collusion with any of the Insured's Employees or inmates of the Insured's premises,
 - c) Of property (including buildings) in any yard or open space,
 - d) Resulting in fire or explosion,

- e) Of glass which is more specifically Insured,
- f) The first £250 of each and every loss as ascertained after the application of all other terms and conditions of the Certificate, the premises Insured is not subject to night-time occupancy by the Insured, or fitted with an intruder alarm system details of which have been submitted to and approved by the underwriters.

Insured Peril 12 includes damage to the Buildings or Fixtures and Fittings, during theft or attempted theft of the property Insured. The limit for such damage however shall not exceed 10% of the sum Insured on Contents in respect of the Premises where the damage is done.

- 13) Subsidence, landslip or ground heave but Excluding such where cause by:
 - a) Loss or damage to fixed fuel oil tanks swimming pools paved patios and terraces walls gates or fences unless the main building is also affected at the same time by the same peril.
 - b) Any claim for which compensation has been provided or would have been but for the existence of this Insurance under any contract or legislation or guarantee.
 - c) Loss or damage arising from faulty workmanship defective plans or the use of defective materials.
 - d) Any claim arising out of loss or damage to solid floors unless the walls are damaged at the same time.
 - e) Loss or damage whilst the Buildings are undergoing any structural repairs alterations or extensions.
 - f) Loss or damage to any Building on any demolition or excavation site.
 - g) Loss or damage due to coastal or river erosion.
 - h) Loss or damage to any Building which stands on made-up ground, over mine workings or on any site at which there has been a previous occurrence of subsidence, landslip or heave.
 - i) The first £1,000 of each loss or damaged sustained.
- 14) Glass Breakage Extension. Underwriters will in addition indemnify the Insured in respect of (a) replacement cost the Insured has to bear due to any accidental breakage of glass forming part of the Buildings and/or otherwise of the Premises and (b) the cost of boarding up pending replacement of glass following such breakage; but not:
 - a) The cost of removing or restoring frames or fittings,
 - b) Breakage arising from repairs, decorations, additions, alterations to the Premises or to glass whilst being fitted,
 - c) Breakage due to dilapidation or deterioration of framework.

The measure of indemnity shall be the cost of replacing with plain glass of ordinary glazing quality unless specifically mentioned to the contrary in the Schedule.

Exclusions

This section does not cover:

Consequential Loss

Loss of earnings and/or profit loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever.

Money

Money

Computer and other Records

Any loss or damage of any kind to a greater amount than £500 in respect of computer equipment and/or systems (including hardware and software), electronic data process facilities of any kind, computerised telecommunications equipment, any form of electronic or electric cabling or

transmission systems for such systems and any such machinery including records stored in and/or in the process of communication to or from any such equipment, documents, manuscripts and all and any business records or books, and/or loss or damage indirectly resulting from any loss or damage hereby excluded.

Frost

Any loss or damage due to frost.

Clauses and/or Conditions Precedent to Liability

Architects' Surveyors' & Consultants' Fees

It is hereby agreed that within the limit(s) of the Sum(s) Insured specified in the Schedule for Buildings and Machinery, Section A of this Insurance Certificate covers Architects', Surveyors', Legal, Consulting Engineers' and other Fees, necessarily incurred by the Insured in the reinstatement of the property Insured following upon its destruction or damage by any peril hereby Insured against (but not any fees for the preparation of a claim or estimate of loss) not exceeding the amounts authorised under the Scales of the various institutions regulating such charges prevailing at the time of the destruction or damage.

This Clause is subject otherwise to all the terms and conditions of this Insurance Certificate.

Daily Waste Clause

It is a condition precedent to the liability of Underwriters under this Insurance Certificate that all trade and refuse and waste materials be swept up, bagged or binned and removed daily out of the Buildings, and that all oily or greasy waste and cloths be kept in metal receptacles, and removed outside every night.

Debris Removal Clause

Within the limit(s) of the Sum(s) Insured specified in the Schedule, and subject to the prior consent of the Underwriters, Section A of this Insurance Certificate covers costs and expenses necessarily incurred by the Insured, for:

- 1) Removing the debris of,
- 2) Dismantling or demolishing, and/or
- 3) Shoring up or propping

the portion or portions of the Buildings destroyed or damaged by any peril Insured against by this section of this Insurance Certificate and to which such Sum(s) Insured relate. Underwriters will not however pay for any costs or expenses:

- 1) Incurred in removing debris except from the Premises and the area immediately adjacent to them, or
- 2) Arising directly or indirectly from pollution or contamination

This clause is subject otherwise to all the terms and conditions of this Insurance Certificate.

Fire Appliances Maintenance Clause

It is a condition precedent to liability of Underwriters under this Insurance Certificate that the Insured will maintain any Fire Extinguisher Appliances in full working order during the currency of this Insurance Certificate. Nevertheless, this Insurance shall not be invalidated by any defect in any of

the appliances due to circumstances unknown to or beyond the control of the Insured.

Immediate Notice of Occupancy Clause

It is a condition precedent to liability of Underwriters under this Insurance Certificate that notice is given to Underwriters immediately of any change in the occupation of the Premises or the Buildings become unoccupied. Underwriters shall be entitled upon such notice being given to require such increased premium and/or other changes in the terms of this Insurance Certificate as they think appropriate in those circumstances.

Mortgage Interest Clause

The interest of the Insured shall not be prejudiced by any act or neglect of the Occupier of any Building hereby Insured, whereby the risk of destruction or damage is increased without the knowledge of the Insured, provided the Insured shall, immediately on becoming aware thereof, give notice in writing to the Underwriters, and on demand pay such reasonable additional premium as the Underwriters may require.

Public Authorities Clause

It is hereby agreed that within the limit(s) of the sum(s) Insured specified in the Schedule, Section A of this Insurance extends to cover such additional cost of reinstatement of the property thereby Insured which has been destroyed or damaged by any peril Insured against, as may be incurred solely by reason of the necessity to comply with the Building (or other) Regulations under or framed in pursuance of any Act of Parliament or with the Bye-laws of any Local Authority, provided always that:

- 1) The amount recoverable under this Extension shall not include:
 - a) Any such cost arising from destruction or damage prior to the Certificate Period or any notice under such regulations or bye-laws in respect of any part or parts of the Premises not themselves subject to any loss or damage (except foundations of such damaged part of the Premises),
 - b) The additional cost that would have been incurred to make good the property destroyed or damaged to a condition equal to its condition when new had the necessity to comply with any of the said Regulations or Bye-laws not arisen,
 - c) The amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the said Regulations or Bye-laws.
- 2) The work of reinstatement is to be commenced and carried out promptly. It may be carried out wholly or partially upon another site (if the said Regulation or Bye-law so necessitate) subject to the liability of the Underwriters under this Extension not being thereby increased.
- 3) If in respect of any property the liability of the Underwriters under the Insurance apart from this Extension shall be reduced by the application of any of the terms and conditions of this Insurance then the liability of the Underwriters under this Extension in respect of any such property shall be reduced in the same proportion.

This Clause is subject otherwise to all the terms and conditions of this Insurance Certificate.

Replacement or Reinstatement Clause

Subject to the limit of indemnity provided in the Schedule, instead of claiming from Underwriters the diminution in value of the Premises as a result of any peril Insured against, the Insured may claim the sum actually spent by it upon reinstatement of the Premises.

Provided always that:

- 1) For the purpose of this Clause the word "reinstatement" shall mean the carrying out of the aforementioned work, namely:
 - a) Where the property is destroyed, the rebuilding of the property if a building, or in the case of other property, its replacement by similar property, in either case to a condition equal to but not better or more extensive than its condition where new,
 - b) Where property is damaged, the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.
- 2) The work of reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Underwriters not being thereby increased) must be commenced and carried out promptly whether or not liability and/or any payment is or has been agreed or made, rightly or wrongly, by Underwriters; otherwise, no payment beyond the amount which would have been payable under this Insurance Certificate if this Clause had not been incorporated therein shall be made.
- 3) When any property Insured on this reinstatement basis is damaged or destroyed in part only, the liability of the Underwriters shall not exceed the sum representing the cost that the Underwriters could have been called upon to pay for reinstatement if such property had been wholly destroyed.
- 4) No payment beyond the amount which would have been payable under this Insurance Certificate if this Clause had not been incorporated herein shall be made unless and until the cost of reinstatement shall have been actually incurred, paid and all receipts produced to Underwriters. No waiver in part of this requirement shall bind Underwriters as to any balance.
- 5) No payment beyond the amount which would have been payable under this Insurance Certificate if this Clause had not been incorporated herein shall be made if at the time of any damage to any property Insured hereunder such property shall be covered by any other insurance effected by or on behalf of the Insured which is not upon the identical basis of reinstatement set forth herein.
- 6) Where a Building is reinstated, Underwriters may at their sole discretion (but subject to any legal obligation upon the Insured) insist upon the use of modern materials, techniques and/or designs to produce a Building and/or other items in substance similar instead of a replacement in the original style and/or materials.
- 7) Where by reason of any of the above provisions no payment is to be made beyond the amount which would have been payable under this Insurance Certificate if this Clause had not been incorporated therein the rights and liabilities of the Underwriters and the Insured in respect of the destruction or damage shall be subject to the terms and conditions of this Insurance Certificate, including any Condition of Average therein, as if this Clause had not been incorporated therein.

This Clause is subject otherwise to all the terms and conditions of this Insurance Certificate.

Site

Where reinstatement is permitted by this part of this Insurance Certificate to take place on a different site from the premises, Underwriters are not liable to pay the acquisition cost of such alternative site. If as a result of reinstatement taking place on such alternative site the value of the Premises together with that site if the once reinstatement is complete is greater than the value of the Premises and that site without such reinstatement work would have been, Underwriters shall be entitled to reduce the amount payable by them under this Insurance Certificate by the difference.

Additional Sprinkler Costs

Being the costs incurred in upgrading an automatic sprinkler installation to the current LPC Rules solely as required by the Company as a result of Damage to the Buildings provided that at the time of Damage the installation conformed:

- 1) To the 28th or 29th Edition Rules
- 2) To the LPC Rules current at the time of installation but did not conform to subsequent amendments to those rules

Replacement Locks

The cost of replacing locks being the reasonable expenses incurred in necessarily replacing locks to the Buildings or safes or strongrooms therein for which the Insured are responsible consequent upon the theft of keys from such Building or from the residence of any of the authorised keyholding directors, partners or employees of the Insured or whilst the keys are being carried elsewhere in the United Kingdom subject to the Company's liability not exceeding £500 any one claim.

Trace and Access

In the event of damage resulting from escape of water, as covered by this Policy, the Underwriters will pay the costs necessarily and reasonably incurred in locating the source of such Damage and subsequently making good subject to the Underwriters liability not exceeding £2,500 any one claim

Designation of Property

For the purpose of determining where necessary the Item under which any property is insured the Underwriters agree to accept the designation under which such property has been entered in the Insureds books or which has been used by the Insured in computing the Sums Insured herein.

Contractors Interest Clause

Where the Insured is required to effect insurance on the buildings in the joint names of themselves and the contractor under the terms of a contract condition then the interest of the contractor in the Buildings as a joint Insured is hereby noted subject to details of any single contract valued in excess of £150,000 or 10% of the sum insured on the Buildings whichever is the less being advised to the Underwriters and an additional premium being paid as appropriate.

Short Period Un-occupancy

It is warranted that in the absence of normal occupation by the Insured, its servants or agents, or persons authorised by it, for any period longer than normal trade or personal holidays (and in any event for more than two successive weeks or five weeks in any twelve months), and/or where the Insured, its servants or agents have left the premises intending not to return:

- 1) The Buildings are made secure against illegal entry, and
- 2) The Buildings are inspected weekly and any damage repaired immediately, and
- 3) All services are switched off at the mains and drained where applicable.
- 4) The Underwriters liability is limited to the perils of Fire, Lightning, Aircraft or Explosion unless otherwise agreed and endorsed by the Underwriters

If the Insured premises are unoccupied in excess of the parameters contained above, the Insured must inform the Underwriters prior to unoccupancy occurring. Continuation of cover is subject to the Underwriters written agreement.

Asbestos Endorsement (Applicable to all sections other than Section C (Liabilities))

- 1) This insurance only insures asbestos physically incorporated in an insured building or structure and then only that part of the asbestos which has been physically damaged during the Policy period by one of these Listed Perils:

Fire, Lightning, Explosion, Aircraft, Riot or civil commotion, Earthquake, Subterranean Fire, Storm or Flood, Escape of Water, Impact, Sprinkler Leakage, Subsidence.

This coverage is subject to all limitations in the Certificate and in addition to each of the following specific limitations:

- a) The said building or structure must be insured under this Certificate for damage by that Listed Peril.
 - b) The Listed Peril must be the immediate sole cause of the damage of the asbestos.
 - c) The Insured must report to Underwriters the existence and cost of the Damage as soon as practicable after the Listed Peril first damaged the asbestos. However, this insurance does not insure any such damage first reported to the Underwriters more than twelve (12) months after the expiration, or termination, of the Policy period.
 - d) This insurance shall provide no cover (including without limitation in respect of business interruption, delay of repair or other consequential loss) in respect of:
 - i) Wear and tear or inherent defect quality or vice in or of any asbestos;
 - ii) Any non-compliance with or breach of any legal or other duty or obligation (including without limitation any duty arising from any contract or statute, or any instruction, request or order of any court or governmental or regulatory authority) by any person in connection with the design, manufacture, installation, use, retention, treatment, management, repair, replacement or removal of any asbestos (damaged or otherwise); or
 - iii) Any asbestos which the aforesaid Listed Peril has not physically damaged
- 2) Except as set forth in Clause 1 of this endorsement, this insurance does not insure against any Damage, injury, liability, costs or expenses incurred arising out of asbestos.

Section B – Loss of Rent

This Section indemnifies the Insured against loss of Rental Income. The amount payable as indemnity shall be the amount by which the Rental Income during the Indemnity Period shall, in consequence of loss or damage as Insured under Section A of this Insurance Certificate, fall short of the Standard Rental Income and/or in addition any reasonably incurred costs of mitigating such loss, not itself to exceed the amount of the loss thereby mitigated.

It is subject to all the Exclusions set out in Section A, as applicable.

Definitions

"Rental Income": means the money received from tenants and incidental sales in the normal course of business at the Premises.

"Annual Rental Income": means the Rental Income during the twelve months immediately before the date of the loss or damage.

"Standard Rental Income": means the Rental Income during that period in the twelve months immediately before the date of the loss or damage which

corresponds with the Indemnity Period.

Special Conditions

- 1) It is a condition precedent to the liability of the Underwriters under this Section that the Underwriters shall have admitted liability for loss or damage under Section A of this Insurance Certificate.
- 2) If the Sum Insured is less than the Annual Rental Income the amount payable shall be proportionately reduced.
- 3) Alternative Accommodation – Reduction of Loss – If in consequence of the Damage the Insured shall use other premises to provide private accommodation to tenants the Rental Income received from those premises during the indemnity period shall be taken into account in assessing the loss of Rental Income.

Section C – Liability

Preamble and Indemnity

These sections indemnify the Insured up to the Limit of Indemnity as stated in the Schedule, subject to the terms set out herein:-

- 1) Compensatory damages that the Insured is legally liable to pay within the Scope of Cover as defined in the Section to which the claim applies and which arises in connection with the Business
- 2) Third party claimants' legal or representation Costs and expenses arising in respect of any successful claim against the Insured that is covered wholly or partly by this Certificate where those representation Costs and expenses are taxed against the Insured or agreed to by settlement
- 3) Reasonable Costs and expenses for the investigation, adjustment, legal advice and assistance, representation, defence or mitigation of a claim against the Insured (other than the Costs of the Insured's Employees) incurred by Underwriters or with Underwriters express written consent in respect of any claim against the Insured which may be covered under this Certificate
- 4) Legal Representation Fees
- 5) Court Attendance Costs

General Definitions

Various terms to which specific meanings attach are defined here. To show that such terms have specific meanings they appear in capital letters

- 1) Bodily Injury means accidental death, injury, illness or disease to any person
- 2) Business means the legal commercial activity as described in the Schedule and
 - a) The ownership, maintenance or repair of the Insured's own property premises occupied by the Insured in the course of the Business
 - b) The provision and management of canteen, social, sports and welfare organisations for the Insured's Employees
 - c) The provision and management of first aid, fire and ambulance services
 - d) Private work carried out with the consent of the Insured for any director, officer, partner or senior manager of the Insured by an Employee of the Insured
- 3) Underwriter(s)/Insurer(s) means certain Underwriters at Lloyds
- 4) Costs means the money payable in accordance with provisions 2 to 5 inclusive of the Preamble and Indemnity Section
- 5) Court Attendance Costs means all Costs and expenses incurred by any partner or Employee of the Insured up to a maximum of £250 per day for each day on which attendance by any such person at a court, arbitration or similar forum is requested by Underwriters in connection with a claim for which the Insured is entitled to indemnity under this Certificate

- 6) Employee means any person under a contract of service or apprenticeship with the Insured or
- Any labour master, labour-only sub-contractor or person supplied by them
 - Any person under a contract of service or apprenticeship with another employer and who is hired to or borrowed by the Insured and is deemed to be an Employee of the Insured by agreement with the supplying company
 - Any person participating in any Government or otherwise authorised work experience, training, study, exchange or similar scheme
 - Any self-employed person
 - Any voluntary or unpaid person

while working for the Insured in the conduct of the Business

- 7) Goods means any tangible goods or products (including containers, labelling, instructions or advice provided in connection therewith) which are sold, supplied, erected, repaired, altered, treated or installed by the Insured in the course of the Business
- 8) Insured means the first named party in the Schedule and any subsidiary company or partnership of the first named party if specifically named in the Schedule, operating from premises in the United Kingdom and at the request of the Insured
- Any director or Employee of the Insured while acting on behalf of or in the course of their employment or engagement in respect of liability for which the Insured would have been entitled to indemnity under this Certificate if the claim against any such person had been made against the Insured
 - Any Employee of the Insured's social, sports or welfare organisation or fire, first aid or ambulance service in their respective capacity as such but not any medical or dental practitioner in respect of medical or dental services provided
 - Any director, officer, partner or senior manager of the Insured in respect of private work carried out by any Employee of the Insured for any such person with the consent of the Insured
 - In the event of the death of the Insured the personal representatives of the Insured in respect of liability incurred by the Insured

Provided always that any Insured shall be subject to the terms of this Certificate so far as they apply and Underwriters obligations shall never exceed the Limit of Indemnity under any individual Section of coverage

- 9) Legal Representation Fees means legal or representation fees incurred with the express written consent of Underwriters for representation of an Insured in any legal or dispute resolution proceedings or before regulatory or statutory bodies arising out of Bodily Injury or Property Damage which may be the subject of indemnity under this Certificate
- 10) Limit of Indemnity means the maximum amount payable by Underwriters, as specified in the Schedule applicable to the relevant Section of this Certificate, for compensatory damages payable to any claimant or any number of claimants for Bodily Injury or Property Damage caused by an Occurrence or a series of Occurrences attributable to one source or one original cause
- 11) Occurrence means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which is neither expected nor intended by any Insured
- 12) Offshore means the time of embarkation by an Employee onto a conveyance at the point of final departure to an offshore rig or offshore platform until disembarkation by that Employee from a conveyance onto land upon return from an offshore rig or offshore platform

- 13) Period of Insurance means the period specified in the Schedule or such other period(s) agreed in writing by Underwriters and evidenced by endorsement to this Certificate
- 14) Certificate means
- All information provided to Underwriters as part of a proposal for issue renewal or amendment of or to the insurance set out in this document
 - All terms, provisions, exclusions, conditions and Limits of Indemnity set out in the Schedule, Certificate of insurance and endorsements
 - The Schedule, notices and other documents attaching from time to time
 - All written endorsements incorporated in and issued from time to time for incorporation in this document all of which shall be read together and constitute the contract of Insurance
- 15) Pollution means any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed
- 16) Property means tangible, corporeal property
- 17) Property Damage means accidental damage to or destruction or loss of Property belonging to another person or entity, but not loss of use of Property neither damaged nor destroyed
- 18) Schedule means the Schedule for the time being in force as attached to this Certificate
- 19) United Kingdom means England, Scotland, Wales, Northern Ireland, the Channel Islands and the Isle of Man.

Section C1 – Employers Liability Coverage

- Underwriters will indemnify the Insured for Bodily Injury to any Employee of the Insured arising out of and in the course of their employment or engagement by the Insured and caused by an Occurrence during the Period of Insurance in the United Kingdom, or while temporarily outside the United Kingdom provided that any such Employee is ordinarily resident in and an Employee in the United Kingdom
- The Policy to which this certificate relates satisfies the requirements of the relevant law applicable in Great Britain, Northern Ireland, the Isle of Man, the Island of Jersey, the Island of Guernsey and the Island of Alderney, or to offshore installations in any waters outside the United Kingdom to which the Employers' Liability (Compulsory Insurance) Act 1969 or any amending primary legislation applies.
- Underwriters shall not indemnify the Insured under this Section in respect of Bodily Injury to an Employee of the Insured if at the relevant time the Employee is
 - Travelling as a passenger in or on a motor vehicle or
 - Entering, getting onto or alighting from a vehicle
 in circumstances where compulsory insurance or security in respect of the vehicle is required by relevant road traffic legislation (or would be required but for specific statutory exception applicable to the Insured) and such Employee is not the driver of the vehicle.
- Notwithstanding anything else contained herein Underwriters shall not indemnify the Insured under this Section against liability arising Offshore
- The indemnity provided under this Section is deemed to be in accordance with such provisions of any law relating to the compulsory insurance of liability to Employees in the United Kingdom may require, but the Insured shall repay to Underwriters all sums paid by Underwriters which Underwriters would not have been liable to pay but for the provisions of such law
- The Limit of Indemnity for this coverage is stated in the Schedule
- Coverage Extensions – Employers' Liability Coverage

- a) If a judgement is rendered by a United Kingdom court awarding compensatory damages to any Employee or the personal representatives of any Employee in respect of Bodily Injury arising out of and in the course of the Employee's employment or engagement by the Insured, Underwriters will pay to the Employee or the personal representatives of the Employee the amount of any compensatory damages and Costs to the extent that they remain unsatisfied by the Insured up to the available Limit of Indemnity

This coverage extension applies provided that:

- i) No appeal is outstanding
 - ii) The judgement relates to Bodily Injury, which would otherwise be within the scope of coverage of this Section of this Certificate
 - iii) Any payment made by Underwriters shall only be in respect of legal liability for which the Insured would have been entitled to indemnity under this Section of coverage if the judgement had been made against the Insured
 - iv) Underwriters shall be entitled to take over and prosecute for their own benefit any claim against any other party
 - v) The Insured, Employee or personal representatives of any Employee shall give all information and assistance required and shall not waive Underwriters rights of subrogation
- b) The Limit of Indemnity for this coverage extension is part of and does not increase the Limit of Indemnity for employer's liability coverage stated in the Schedule

Injury or Property Damage caused by an Occurrence for premises disposed of by the Insured, however this coverage extension shall not apply to compensatory damages or Costs for repairing, replacing or making any refund in respect of such premises

- b) Underwriters will indemnify the Insured against legal liability for Property Damage to premises, caused by an Occurrence, which are leased to the Insured, however this indemnity shall not apply to legal liability for Property Damage assumed under any tenancy or other agreement that would not have attached in the absence of such agreement or for the first £250 of such loss or damage caused by perils other than fire or explosion
- c) Underwriters will indemnify the Insured for legal liability for Bodily Injury and Property Damage caused by an Occurrence arising out of the use of any motor vehicle in connection with the Business that is neither the property of nor provided by the Insured.

However, this indemnity shall not apply in respect of

- i) Property Damage to any such vehicle
- ii) Property Damage or Bodily Injury while such vehicle is being driven by the Insured
- iii) Property Damage or Bodily Injury while such vehicle is being driven with the general consent of the Insured or of his representative by any person who to the knowledge of the Insured or such representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- iv) Property Damage or Bodily Injury arising from circumstances in which it is compulsory for the Insured to insure or provide security in respect of such vehicle as a requirement of relevant road traffic legislation
- v) Property Damage or Bodily Injury arising out of a vehicle being used outside the United Kingdom

For the purpose of this Extension the Insured shall mean the first named party in the Schedule and any subsidiary company or partnership of the first named party if specifically named in the Schedule and operating from premises in the United Kingdom

- d) Underwriters will indemnify the Insured for legal liability in respect of Bodily Injury or Property Damage caused by an Occurrence happening in Canada or the United States of America and its territories or possessions arising out of Business visits by directors or management-level Employees if such directors and Employees are ordinarily resident in and Employees in the United Kingdom. Underwriters shall not indemnify the Insured under this coverage extension against liability in respect of Pollution or obstruction or loss of amenities
- e) Underwriters will indemnify the Insured for legal liability caused by an Occurrence for obstruction, loss of amenities, trespass, nuisance or interference with any right of way, light, air or water
- f) The Limit of Indemnity for these coverage extensions is part of and does not increase the Limit of Indemnity for Property Owners Liability coverage stated in the Schedule
- g) These coverage extensions are subject to the provisions of G.3 unless indicated otherwise by Underwriters express written consent.

Caused by or arising from advice, design or specification given for a fee or for professional services rendered by or on behalf of the Insured

- 3) This coverage is available only for Occurrences at the premises insured as specified in the attaching Schedule pertaining to this certificate
- 4) The Limit of Indemnity for this coverage is stated in the Schedule
- 5) Coverage Extensions – Public Liability Coverage
 - a) Underwriters will indemnify the Insured against legal liability in respect of Bodily

General Coverage Exclusions

- 1) Underwriters shall not indemnify the Insured against any liability that is assumed by the Insured by agreement unless such liability would have attached in the absence of such agreement
- 2) Underwriters shall not indemnify the Insured against any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiation, radiation contamination, any nuclear waste, the combustion of nuclear fuel or the radioactive, toxic, explosive, or other hazardous properties of any nuclear assembly or nuclear component thereof. However, so far as Bodily Injury to any Employee which arises out of and in the course of his employment or engagement by the Insured, this exclusion shall only apply in respect of liability of any Principal or liability assumed by the Insured by agreement which would not have attached in the absence of such agreement
- 3) Underwriters shall not indemnify the Insured for liability for
 - i) Punitive, exemplary, aggravated, multiple or restitutionary damages
 - ii) Fines or penalties
 - iii) The costs of appeal against any improvement or prohibition notices
 - iv) Fees for intervention payable under the Health and Safety (Regulations) 2012
 - v) Compensation ordered or awarded by a Court of Criminal Jurisdiction
- 4) Underwriters shall not indemnify the Insured under the Property Owners Liability Sections of coverage of this Certificate against liability
 - a) For any 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
 - b) In respect of loss of or damage to Goods
 - c) For any costs or expenses incurred in repairing, replacing, recalling or making any refund of Goods
 - d) In respect of Pollution
- 5) Underwriters shall not indemnify the Insured under the Property Owners Liability Section of this Certificate for Bodily Injury, Property Damage or Costs directly or indirectly caused by or consisting of or arising from the failure of any computer, data processing equipment or media, microchip, integrated circuit or similar device or any computer software, whether the property of the Insured or not, and whether occurring before, during or after the year 2000
 - a) To correctly recognise any date as its true calendar date
 - b) To capture, save, retain or to correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture save retain or to correctly process such data on or after any date

Underwriters shall not indemnify the Insured for Property Damage or consequential loss, Bodily Injury or Costs arising from any changes to or modification involving the date change to the year 2000, or any date change including leap year calculations

- 6) Terrorism Employers' Liability – Exception. Notwithstanding anything contained herein to the contrary the liability of the Underwriters under Section C1 for damages costs and expenses payable in respect of any one claim against the Insured or series of claims against the Insured arising out of Terrorism shall not exceed £5,000,000

Definition

An act - whether involving violence or the use of force or not - or the threat or the preparation 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) - which

- a) Is designed to, or does
 - i) Intimidate or influence a de jure or de facto government or the public or a section of the public, or
 - ii) Disrupt any segment of the economy and
 - b) From its nature or context is done in connection with political, social, religious, ideological or similar causes or objectives.
- 7) Terrorism Public and Products Liability – Exception. Notwithstanding anything contained herein to the contrary the Underwriters shall not indemnify the Insured under Section C2 in respect of injury, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism.

Definition

Terrorism shall mean an act - whether involving violence or the use of force or not - or the threat or the preparation 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) - which

- a) Is designed to, or does
 - i) Intimidate or influence a de jure or de facto government or the public or a section of the public, or
 - ii) Disrupt any segment of the economy and
 - b) From its nature or context is done in connection with political, social, religious, ideological or similar causes or objectives.
- 8) Exclusion - Fungus, Mould and Mildew - Public and Products Liability Exception. Notwithstanding anything contained herein to the contrary the Underwriters shall not indemnify the Insured under Section C2 against
 - a) Damages, direct or consequential, on account of “bodily injury,” “property damage,” “personal or advertising injury,” or “medical payments” arising out of, resulting from, caused by, contributed to, or in any way related to any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens; or
 - b) Any costs or expenses associated, in any way, with the abatement, mitigation, remediation, containment, detoxification, neutralization, monitoring, removal, disposal, or any obligation to investigate or assess the presence or effects of any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens; or
 - c) Any obligation or duty to defend any actions on account of “bodily injury,” “property damage,” “personal or advertising injury,” or “medical payments” arising out of, resulting from, or in any way related to any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens, and whenever or wherever occurring.

For purposes of this exclusion, “bodily injury” shall include mental anguish, mental injury and/or emotional distress.

All other terms and conditions of this Insurance remain unchanged.

- 9) Component Building Material - Public and Products Liability Exception. Notwithstanding anything contained herein to the contrary the Underwriters shall not indemnify the Insured under Section C2 in respect of injury, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any component building material that must be removed, encapsulated, or otherwise abated because its presence or release is a hazard to human health.
- 10) Corporate Manslaughter Legal Defence Costs Extension. Subject to the written consent and the control of the Underwriters and subject to all other Conditions and Exclusions applicable to this Policy, the indemnity provided under this Policy is extended to

indemnify the Insured, and if the Insured so requests, any Person Employed or director or partner of the Insured, in respect of legal costs incurred in the defence of any criminal proceedings brought, or in an appeal against conviction arising from such proceedings, in respect of manslaughter or culpable homicide or alleged manslaughter or culpable homicide, including a breach of the Corporate Manslaughter and Corporate Homicide Act 2007 and any amending and/or subsequent legislation provided that an offence is alleged to have been committed during the Period of Insurance and in the course of the Business.

The maximum amount payable under this Extension shall not exceed £1,000,000 in all during any one Period of Insurance.

This Extension shall not apply:

- a) To fines or penalties of any kind or the cost of implementing any remedial order or publicity order.
- b) Where indemnity is provided by any other Insurance.
- c) To proceedings consequent upon a deliberate act by or omission of any person entitled to indemnity under this Extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission.

11) Products Supplied – Property Owners Liability Exception

Underwriters will not pay for any liability arising out of Products supplied other than:

- a) food or drink sold or supplied for consumption by Your directors, Employees or visitors
- b) the disposal of furniture and office equipment originally intended solely for use by You in connection with the Business and which is no longer required for that purpose

12) Motor Vehicles - Property Owners Liability Exception

We will not pay for any liability arising out of the ownership possession or use by You or on Your behalf of any motor vehicle or trailer for which compulsory insurance is required by legislation other than liability

- a) caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer
- b) arising beyond the limits of any carriageway or thoroughfare by the loading or unloading of any motor vehicle or trailer
- c) for Damage to any bridge weighbridge road or anything beneath caused by the weight of any motor vehicle or trailer or of the load carried thereon
- d) arising out of any motor vehicle or trailer temporarily in Your custody or control for the purpose of parking

and where such liability does not require compulsory insurance by legislation governing the use of any motor vehicle or trailer

the date of the breach of the condition.

The Insured must

- a) Give immediate notice to Underwriters in writing
 - i) Of anything which materially affects the risk Insured
 - ii) Give immediate notice to Underwriters in writing once the Insured has knowledge of any impending prosecution, inquest or fatal accident inquiry in connection with anything which may give rise to a claim under this Certificate
- b) Take all reasonable care to
 - i) Prevent accidents
 - ii) Maintain all premises plant and equipment and everything used in connection with the Business of the Insured in proper repair
 - iii) Employ only competent Employees
 - iv) act in accordance with all statutory obligations and regulations
- c) On any defect or danger becoming apparent
 - i) Either immediately make good or remedy any such defect or danger
 - ii) Or take such additional precautions as the circumstances require to avoid such defect or danger

- 3) The following conditions explain the actions and co-operation required by the Insured regarding the handling of claims. No claim will be paid unless full and complete adherence to these conditions is maintained by the Insured.

The Insured shall

- a) Give immediate notice to Underwriters or their appointed agents of anything which may give rise to a claim being made against the Insured and for which there may be liability under this Certificate
- b) provide Underwriters or their appointed agents with such particulars as Underwriters or their appointed agents may require in dealing with any claims or threatened claims
- c) Forward to Underwriters or their appointed agents immediately on receipt every letter, writ, summons and process in connection with any claims, threatened claims or incidents
- d) Give all information and assistance required by Underwriters or their appointed agents in connection with any claims, threatened claims or incidents
- e) Neither make any admission of liability nor any offer, promise or make any payment in connection with any claims, threatened claims or incidents without the express written consent of Underwriters or their appointed agents
- f) Read, understand and comply with any instructions that Underwriters or their appointed agents provide to you relating to your duties under the New Civil Justice Reforms and procedures

- 4) So far as any part of General Conditions 1 to 3 are concerned, nothing limits the right of the Insured to claim indemnity under the Employer's Liability Coverage of this Certificate subject to the Rights of Recovery as set out in 4 of the Employers Liability Section of this Certificate

- 5) Underwriters may at any time and at their own discretion

- a) Waive their rights under any condition of this Certificate
- b) Waive any requirement of or action to be undertaken by the Insured under any condition of this Certificate
- c) Accept notification of or continue to deal with any claim or claims under this Certificate notwithstanding a breach by the Insured of any condition of this Certificate and no such waiver acceptance or action by Underwriters will
- d) Waive or limit any obligation of the Insured
- e) Waive Underwriters rights

- 6) Underwriters shall be entitled at any time and at their own discretion to

General Conditions in Respect of Section C - 1 and C - 2

- 1) The following conditions are fundamental to the operation of this Certificate. If they are breached no cover will be provided under this Certificate.

- a) All statements, answers and information supplied to Underwriter by or on behalf of the Insured in connection with this Certificate must be truthful and complete
- b) The Insured must pay to Underwriters all premiums due to Underwriters together with all taxes due on the premiums

- 2) The following conditions must be complied with throughout the Period of Insurance. Any breach by the Insured will allow Underwriters to terminate this Certificate. Termination shall be from

- a) Take over and conduct in the name of the Insured the defence of or the settlement of any claim and to prosecute at their own expense and for their own benefit any claim for indemnity or damages against all other parties or persons
 - b) Pay to the Insured the Limit of Indemnity less any Costs incurred by Underwriters or any lesser sums for which any claims under any Section of this Certificate can be settled and in this event Underwriters shall not be under any further liability
 - c) Cancel this Certificate by sending thirty days notice by recorded delivery post to the Insured at the last address of the Insured known to Underwriters and in this event the Insured shall become entitled either to a return of premium and tax or a credit as appropriate of a proportionate part of the premium and tax corresponding to the unexpired Period of Insurance
- 7) If in respect of any claim there is any other insurance or indemnity in favour of the Insured in force relative to such claim or there would be but for the existence of this Certificate, the liability of the Insured shall be limited.

This limit shall be the amount in excess of that which would have been payable (but for the existence of this Certificate) in respect of such claim, subject always to the Limit of Indemnity for the particular Section of coverage

- 8) Where the context allows, any word or expression to which a specific meaning has been attached in any part of this Certificate it shall bear that meaning wherever it may appear
- 9) Unless otherwise agreed in writing by Underwriters, this Certificate is governed by and shall be construed in accordance with English law
- 10) Asbestos Conditions Employers Liability - The Underwriter's liability under this section for damages and costs and expenses payable in respect of any one claim arising out of any one event or all events of a series consequent on or attributable to one source or original cause and arising out of or related to the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to asbestos or materials or products containing asbestos shall not exceed £5,000,000.

It is a condition precedent to the liability of underwriters that the insured do not manufacture mine process distribute test remediate remove store dispose sell or use asbestos or materials or products containing asbestos.

Public Liability - Underwriters will not indemnify the insured in respect of any liability arising from the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in consequence of a loss.

- 11) Except where the Limit of Indemnity is inclusive of defence costs if a payment exceeding the Limit of Indemnity has to be made to dispose of a claim Our liability to pay all defence costs in connection with the claim shall be limited to such proportion of the defence costs as the Limit of Indemnity bears to the amount paid to dispose of the claim.
- 12) If this policy or this Section is cancelled any certificate of Employer's Liability insurance is cancelled at the same time.
- 13) Where indemnity is provided in respect of occurrences in the United States of America or Canada or their dependencies or trust territories Our Liability inclusive of all costs and expenses shall not exceed the Limit of Indemnity shown in the Schedule.
- 14) You shall at all times provide such information to and co-operate with Us or Our appointed agents to allow Us to be able to comply with all relevant statutory requirements or such relevant Practice Directions and Pre-Action Protocols as may be issued and approved from time to time by the Head of Civil Justice or comply with the requirements of official investigation pursuant to Statute or otherwise.

General Exclusions

Applicable to Sections A, B, C

This Insurance Certificate does not cover:

Breakdown

Mechanical and/or electrical derangement and/or breakdown, breakage of valves, filaments and the like, burning out or damage directly caused by short-circuiting, overrunning, excessive pressure or leakage of electricity and/or claims arising from overheating.

Building Operations

Loss and damage resulting directly or indirectly from any building operations (including renovation, repair or renewal work) whether upon the premises or elsewhere.

UK Millennium Endorsement Commercial Named Perils

This Insurance does not cover any physical loss or damage or any consequential loss directly or indirectly caused by or consisting of or arising from the failure of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the Insured or not, and whether occurring before, during or after the year 2000,

- 1) Correctly to recognise any date as its true calendar date
- 2) To capture, save or retain and/or correctly to manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- 3) To capture, save, retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data on or after any date but this shall not exclude:
 - a) Any ensuing physical loss or damage to property insured;
 - i) Resulting from a peril insured under this Insurance and
 - ii) Which is not otherwise excluded; or
 - b) Any consequential loss, as covered under this Insurance, which may arise from such ensuing physical loss or damage.

Provided that nothing in this endorsement or any other provision or extension of this Insurance shall be construed to extend the liability of the Underwriters to cover any costs and expenses, whether preventative, remedial or otherwise arising out of or relating to change, alteration or modification of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the Insured or not.

Electronic Data Exclusion Clause

- 1) Electronic Data Exclusion
Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:-
 - a) This Policy does not insure, loss, damage, destruction, distortion, erasure, corruption or alteration of Electronic Data from any cause whatsoever (including but not limited to Computer Virus) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

Electronic Data means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software, and other coded instructions for the

processing and manipulation of data or the direction and manipulation of such equipment.

Computer Virus means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. Computer Virus includes but is not limited to "Trojan Horses", "worms" and "time or logic bombs".

- b) However, in the event that a peril listed below results from any of the matters described in paragraph a) above, this Policy, subject to all its terms, conditions and exclusions will cover physical damage occurring during the Policy period to property insured by this Policy directly caused by such listed peril.

Listed Perils: Fire, Explosion

2) Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:-

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the Electronic Data from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such Electronic Data.

If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However, this Policy does not insure any amount pertaining to the value of such Electronic Data to the Insured or any other party, even if such Electronic Data cannot be recreated, gathered or assembled.

Non-Contribution

Any claim where the Insured is entitled to indemnity under any other Insurance EXCEPT in respect of any excess beyond the amount which would have been covered under such other Insurance had this Insurance not been effected.

Certificate Excess

The amount stated against each applicable Section in the Schedule as the Excess (after the application of all other Terms and Conditions of the Certificate).

Pollution Contamination

Loss, destruction or Damage caused by or arising from any kind of seepage or any kind of pollution and/or contamination.

Contracts (Rights of Third Parties) Act 1999 Clarification Clause

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

Data Protection Act 1998

It is understood by the Insured that any information provided to the Underwriters regarding the Insured will be processed by the Underwriters, in compliance with the provisions of the Data Protection Act 1998, for the purpose of providing insurance and handling claims, if any, which may necessitate providing such information to third parties.

Sanction Limitation and Exclusion Clause

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer 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.

Radioactive Contamination

Damage cost expense or indemnity against any legal liability of whatsoever nature directly or indirectly caused by resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- i) Ionising radiations or in contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
- ii) The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- iii) The use of any explosive nuclear weapon or device or the emission discharge dispersal or escape of fissile material emitting a level of radioactivity
- iv) The emission discharge dispersal release or escape of any solid liquid or gaseous chemical compound which when suitably distributed is capable of causing incapacitating disablement or death amongst people or animals.
- v) The emission discharge dispersal release or escape of any pathogenic (disease producing) micro-organism(s) and chemically synthesised toxin(s) (including genetically modified organisms and chemical synthesised toxin(s) (including genetically modified organisms and chemically synthesised toxins)

Sonic Bang

Loss, destruction or damage directly or indirectly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

War

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

Water Table Change

Loss, damage or destruction attributable solely to change in the water table level.

Biological or Chemical Materials Exclusion

Loss, destruction, or damage, claim, cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

Micro-Organism Exclusion

Loss, destruction, Damage, claim, cost, expenses or other sum directly or indirectly arising out of or relating to:
Mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This Exclusion applies regardless of whether there is (1) any physical loss or damage to Insured Property; (2) any insured peril or cause, whether or not contributing concurrently or in any sequence; (3) any loss of use; occupancy; or functionality; or (4) any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation or steps taken to address medical or legal concerns.

General Conditions

Applicable to Sections A, B, C unless specified otherwise.

Alarm and Protections

It is a condition precedent to the liability of Underwriters under each section of this Insurance Certificate that:

- 1) All protections provided for the safety of the Insured property (as specified in the Proposal or added subsequently) shall be maintained in good order throughout the currency of this Insurance and shall not be withdrawn, altered or varied without the prior consent of Underwriters, shall be at all times in full working order, and shall be in full and effective operation when the Premises are closed for business or left unattended, and at all other appropriate times.
- 2) Any alarm forming part of the protections shall be maintained in good order throughout the currency of this Insurance under a maintenance contract with the installing company or a member of the National Approval Council for Security Systems.
- 3) All recommendations of the manufacturers, suppliers and/or maintenance company for the alarm system and/or protections, and of the Police, whether general or specific to the particular system, shall be complied with at all times. Such compliance extends not just to the physical operation of the system but also to the methods, routines and ways in which such systems are supported, operated and supervised by the Insured, its servants or agents or otherwise.

Arbitration

If any difference shall arise as to the amount to be paid under this Insurance (liability being otherwise admitted) such difference shall be referred to an arbitration by three arbitrators to be appointed by the parties in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof for the time being in force. Where any difference is by this Condition to be referred to arbitration, the making of an award shall be a condition precedent to any right of action against the Underwriters.

Average Clause

This Insurance is subject to the Condition of Average, that is to say, if the property Insured shall at the time of any loss or damage be of greater value than the

Sum Insured stated in the Schedule, the Insured shall only be entitled to recover hereunder such proportion of the said loss or damage as the Sum Insured bears to the total value of this said property.

If two or more items with separate Sums Insured set against them are insured hereunder, each item shall be separately subject to the Condition of Average.

Beneficiary

If the Insured appoints a Beneficiary, the Insured thereby foregoes all right to claim under this Insurance Certificate. Such a Beneficiary may claim under this Insurance Certificate, subject always to its terms and conditions, in the place of the Insured. Payment by Underwriters of proceeds of any claim to such Beneficiary shall constitute a full discharge of their obligations under this Insurance Certificate. Noting the interest of a person does not constitute such a person a Beneficiary and the Underwriters are under no obligation to, or to pay to, any person whose interest they have noted.

Cancellation

This Insurance may be cancelled at any time at the request of the Insured in writing to the Intermediary who effected the Insurance, and the premium hereon shall be adjusted on the basis of Underwriters receiving or retaining the customary short term premium, details of which are available on request. This Insurance may also be cancelled by or on behalf of Underwriters by seven days' notice given in writing and sent by registered or recorded delivery mail to the Insured at his last known address, and the premium hereon shall be adjusted on the basis of Underwriters receiving or retaining pro rata premium for the expired period.

Claims

It is a condition precedent to the liability of Underwriters that:

- 1) Following any happening likely to give rise to a claim, of the receipt by the Insured of notice of any claim or of the institution of any proceedings against the Insured, the Insured will immediately:
 - a) Provide notice in writing to Underwriters,
 - b) Provide all such information and assistance as Underwriters may reasonably require,
 - c) In the event of theft or riot, inform the Police and provide them with all reasonable assistance in the apprehension of the Person(s) responsible and the recovery of any property stolen, and in the event of loss under Section C inform the Police and provide them with all reasonable assistance in the apprehension of the Person(s) responsible and the recovery of the money
- 2)
 - a) The Insured shall not admit liability for, or offer or agree to settle, or repudiate, any claim without the written prior consent of the Underwriters, who shall be entitled to take over and conduct in the name of the Insured the defence of any claim (and to prosecute in the Insured's name for Underwriters' benefit any claim for indemnity or damage or otherwise against any Third Party) and shall have full discretion in the conduct of any negotiations and proceedings and the settlement of any claim: the Insured shall also give to the Underwriters throughout any such proceedings all such information and assistance as the Underwriters may reasonably require.
 - b) In particular, and without prejudice to the generality of the foregoing, the Insured (or any person benefiting) is in breach of this condition precedent to liability if it (or any personal benefiting under the terms of this Insurance Certificate) refuses

to agree to or implement any settlement it is instructed by the Underwriters in their sole discretion to accept, or fails to explore or cause its advisers to explore any realistic avenue to such settlement. Without prejudice to their right to repudiate all liability in such circumstances, the Underwriters may (if requested at the time) agree instead to limit their liability under this Insurance Certificate the amount of such settlement

- 4) Where any difference is by this Condition to be referred to arbitration, the making of an award shall be a condition precedent to any right of action against the Underwriters.

Reasonable Precautions

- 1) It is warranted by the Insured that under each section of this Insurance Certificate as the case may be it will at all times: comply with the law (including all bye-laws and regulations and notices, requirements and advices issued under any law, bye-law and/or regulation) and/or by any relevant public authority or agency; take all reasonable precautions to prevent injury, disease and damage; maintain all buildings, furnishings, ways, works, machinery, plant and vehicles in sound condition; and work, and operate maintain and service all machinery and equipment, fully in accordance with the manufacturers' recommendations and the law (as above mentioned); and that the Insured shall, as soon as possible after discovery, cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may render advisable.
- 2) In their sole and unfettered discretion, the Underwriters may choose to treat any breach of this warranty as a breach of condition precedent to liability. Any such choice may be revoked by them in their sole and unfettered discretion within six months or the end of the Certificate Period, whichever is later.

Salvage

The Underwriters shall be entitled to take and keep possession of any damaged property Insured herein and to deal with the salvage in a reasonable manner. No property may be abandoned to the Underwriters.

Subrogation

It is a condition precedent to the liability of Underwriters under this Insurance Certificate that any claimant under this Certificate shall at the request and at the expense of the Underwriters do, and concur in doing and permit to be done, all such acts and things as may be necessary or reasonably required by the Underwriters for the purpose of enforcing any rights and remedies or of obtaining any relief or indemnity from other parties to which the Underwriters shall be or would become entitled or subrogated upon their paying for or making good any loss, destruction or damage, or accident or injury under this Certificate, whether such acts and/or things be or become necessary or required before or after indemnification by the Underwriters. Any failure of the Insured so to act after indemnification entitles underwriters to recover sums paid by them, with interest.

Misrepresentation, Mis-Description or Non-Disclosure

This policy shall be voidable in the event of misrepresentation, mis-description or non-disclosure in any material particular.

However, We agree not to void the Policy provided that:

- a) such misrepresentation or non-disclosure has not been deliberate or reckless
- b) such misrepresentation or non-disclosure has not been of such nature that, if the material particular had been fairly presented or had been disclosed, We would not have entered into this Policy on any terms.
- c) We shall be entitled to impose appropriate additional terms (other than Premium) with effect from inception or if applicable the date of the alteration.

Fraud

If a claim is in any respect fraudulent or if any fraudulent means or devices be used by You or anyone appointed to act on Your behalf to obtain any benefit under this policy or if any Damage, claim or loss is occasioned by the wilful act or connivance of You, We will:

- i) Have no liability to pay any part or the whole of the fraudulent claim
- ii) Be entitled to refuse all claims arising after the fraudulent action
- iii) Remain liable for legitimate claims before the fraudulent action
- iv) Terminate the Policy from the date of the fraudulent action whether or not the Policy had expired before the discovery of the fraud.

Instalment Payment

If by way of concession, the Underwriters agree to accept payment of the premium by instalments, it is a condition precedent to the liability of the Underwriters that at the times of any loss and/or claim and/or notification under this Insurance Certificate all the instalments due have been promptly and fully paid as agreed.

Law, Jurisdiction and Arbitration Clause

- 1) This Insurance Certificate, its operation, the Proposal and the steps leading to its agreement are governed by and to be construed in accordance with by English law and, so far as permitted by such law, the Insured, any Beneficiary, and the Underwriters hereby or by adherence submit to the exclusive jurisdiction of the English Courts in respect of all of them.
- 2) In any case where the Insured and/or any Beneficiary (and/or any other person having any claim against Underwriters under or in connection with this Insurance Certificate) is domiciled, or the property Insured is, or any loss occurs, outside England or for any other reason the jurisdiction of non-English Courts could be invoked against the Underwriters by the Insured, or by any Beneficiary (and/or any other relevant party), they and each of them and the Underwriter hereby agree (and/or in the case of any Beneficiary and/or third party they agree by accepting and/or seeking to claim rights under or in connection with this Insurance Certificate) irrevocably to submit any dispute and/or difference between them concerning this Insurance Certificate, its operation, its Proposal and the steps leading to its agreement (including without prejudice to the generality of the foregoing concerning any claim made under it, whether as to liability or quantum, and any avoidance of it) to arbitration by 2 arbitrators (and an umpire) whose seat shall be in London, subject to English law and in particular the Arbitration Act 1996 or any modification or re-enactment thereof for the time being in force.
- 3) In any other case, if any difference shall arise as to the amount to be paid under this Insurance (liability being otherwise admitted) such difference shall be referred to an arbitration by 2 arbitrators (and an umpire) to be appointed by the parties in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof for the time being in force.

If at the time of Damage, claim or loss the premium charged to You would have been higher but for the misrepresentation or non-disclosure in any material particular Our liability for any loss amount payable shall be limited to the proportion that the premium charged bears to the higher premium.

Alteration in Risk

This policy shall be terminated if:

- i) the Business is wound up or carried on by a liquidator, administrator or receiver or permanently discontinued or
- ii) Your interest ceases other than by death or
- iii) any alteration is made either in the Business or in the Premises or property therein or any other circumstances whereby the risk is increased unless otherwise stated

at any time after the commencement of this Policy unless its continuance be admitted by Us and We agree not to avoid the Policy provided that:

- i) such alteration is not of such a nature that if the alteration had occurred prior to the commencement on this Policy We would not have entered into this Policy on any terms.
- ii) You shall pay an appropriate additional premium if required by Us with effect from the date of the alteration.
- iii) We shall be entitled to impose appropriate additional terms, other than premium, with effect from the date of the alteration.

Definitions

- 1) This Insurance Certificate is to be construed in accordance with the provisions of the Interpretation Act 1978 so far as applicable.
- 2) Section and sub-section headings in this Insurance Certificate are for ease of reference only and do not form part of this Insurance Certificate.
- 3) This Insurance Certificate is a Certificate of indemnity, subject throughout to the maximum limits up to which indemnity will be payable, which are set out in the Schedule, described as either "Sum Insured" or "Limit of Indemnity", or in relevant sections of this Insurance Certificate.
- 4) In this Insurance Certificate the following words and phrases have the following meanings:

Insured

The person, persons, corporation and/or corporations named as such in the Schedule to this insurance Certificate.

If requested by the Insured, for the purposes of Section C only "the Insured" may also in those sections include:

- 1) Any director, partner in or senior official of the Insured in respect of private work undertaken by the Insured's Employees for such director, partner or senior official, provided such work is undertaken with the prior consent of the Insured; and/or
- 2) Any officer or committee member of the Insured's:
 - a) canteen, social, sports, welfare and safety organisations
 - b) ambulance and fire services,
 - c) first aid and medical services (other than a qualified medical practitioner)

in their respective capacities as such; and/or

- 3) any director of the Insured or any person under a contract of service or apprenticeship with the Insured, in respect of liability for which the

Insured would have been entitled to indemnity, under this Insurance Certificate, had the claim been made against him.

Provided always that the Insured shall have arranged with such person (i) for the conduct and control of the defence of all claims to be vested in the Underwriters; and (ii) that such person shall, as though he were the Insured, observe, fulfil and be subject to all the terms exclusions and conditions of this Insurance Certificate insofar as they can apply, and such person shall not be indemnified unless he so acts throughout the Certificate Period and the bringing of any claim.

Beneficiary

Any person, persons, corporation or corporations other than the Insured to whom the Insured has assigned or otherwise transferred, or who by operation of law has, the right to receive the proceeds of any claim under this insurance Certificate, whose entitlement to claim under this insurance Certificate shall in no circumstances be better than would have been the Insured's.

Buildings

Buildings of brick, stone, or concrete and roofed with tiles, slates, metal, concrete or asphalt, erected or in course of erection upon the Premises, including:

- 1) Annexes, sheds and other outbuildings either too small to require, or permitted by, planning permission, insofar as they are not more specifically Insured in this insurance Certificate; and
- 2) Landlords' fixtures and fittings therein and thereon; and
- 3) Conveyors, trunks, lines, wires, service pipes and other equipment including all supporting structures upon, and walls and gates around and pertaining to, the Premises, in each case the property of the Insured or for which the Insured is responsible.

Business

Any trade, profession or other income producing activity conducted or engaged in by the Insured and/or on its behalf whether from the Premises or elsewhere or both, whether for profit or otherwise. It is warranted by the Insured that such Business is at all times, and at all times conducted, in conformity with the law of all relevant jurisdictions.

Landlords Contents

Moveable physical possessions in any part of the Buildings belonging to the Landlord

But excluding:

- 1) Animals
- 2) Any form of transport or conveyance for people and/or goods (including caravans and/or mobile homes) and parts and/or accessories thereof
- 3) Fixtures and fittings, including interior decorations
- 4) Money, securities, certificates and documents
- 5) Property used or held other than furniture unless otherwise specified in the Schedule attaching hereto
- 6) External aerials (including satellite aerials), fixtures, masts and all other parts and accessories thereof

Indemnity Period

The period set out in the Schedule in respect of each relevant Section from the happening of a damaging event during which loss or damage covered

by this Insurance Certificate occurs.

Loss

- 1) In the case of financial loss, diminution; or
- 2) In the case of physical property, complete physical destruction, or permanent and untraceable removal by third parties from the Premises (and "lost" shall be construed accordingly). Removal is untraceable if, having been reported to the police promptly, neither their actions nor those of any private search commissioned or undertaken by or on behalf of the Insured (either of its own volition or upon the request of Underwriters) or the Underwriters, result in recovery of the property within three months.

Certificate Period

The duration of this Insurance Certificate as set out in the Schedule.

Premises

The land, including the Buildings, described in the Schedule to this Insurance Certificate.

Principal

- 1) Where the Insured is a partnership: any partner.
- 2) Where the Insured is a limited company: any individual who is a 10% or greater shareholder and/or any director.

Product

Any goods or products designed, manufactured, constructed, installed, altered, repaired, serviced, processed, treated, sold, leased, supplied or distributed by or on behalf of the Insured.

Schedule

The Schedule of details applicable to this Insurance Certificate attached to it.

Tenant's Improvements

Tenants' improvements, alterations and decorations for which the Insured is responsible.

This Insurance

The Certificate of insurance in the terms of this document, including the Schedule.

Certificate

Issued by the Underwriters to the Insured defined herein and named in the Schedule.

Terrorism Exclusion Endorsement

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by,

resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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

This endorsement also excludes loss, damage, cost or expense of

whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

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

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

Regulation

Capital Markets Underwriting Limited is authorised and regulated by the Financial Conduct Authority (No. 511151). This can be checked on the FCA website at www.fca.gov.co.uk/register or by calling the FCA Consumer Helpline on 0800 111 6768.

Argenta Syndicate Management Limited (registered number 204974) (ASML) is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the PRA. The FCA's website, which includes a register of all regulated firms can be visited at www.fca.org.uk/register.

Applicable Compensation Schemes

The Financial Services Compensation Scheme (FSCS) may be available to satisfy your claims if we are unable to meet our obligations to you under this contract. The FSCS is the UK's statutory fund of last resort for customers of financial services firms.

If you are entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of the contract and your eligibility. Further information about the Scheme, including who is entitled to make a claim under it and the maximum levels of compensation, are available from:

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