



**COMMERCIAL
EXPRESS**

2015 Syndicate Commercial

Combined Policy Wording



INDEX

INTRODUCTION		3-4
INSURED SECTION	MATERIAL DAMAGE	5-14
INSURED SECTION	BUSINESS INTERRUPTION	15-19
INSURED SECTION	LOSS OF MONEY & PERSONAL ASSAULT	20-22
INSURED SECTION	GOODS IN TRANSIT	23-24
INSURED SECTION	BUSINESS EQUIPMENT	25-26
INSURED SECTION	BOOK DEBTS	27
INSURED SECTION	STOCK DETERIORATION FOLLOWING REFRIGERATION BREAKDOWN	28
INSURED SECTION	EMPLOYERS', PUBLIC AND PRODUCTS LIABILITY	29-38
EXCLUSIONS		39-41
CONDITIONS PRECEDENT		42-45
GENERAL CONDITIONS		46-49
DEFINITIONS		50-56

INTRODUCTION

Thank you for choosing Novae Syndicates Limited for your insurance. Please check that this document and the Schedule meet your needs and that you understand them.

If you have any questions about these documents, please contact Your broker or agent who will be pleased to help you.

Throughout this document, we refer to you as "the Insured" and to us as "Insurers."

This document sets out what is and what is not covered. The Schedule shows the sections of cover you have chosen and any special terms that apply.

This is a legal document and should be kept in a safe place.

The Policy Wording, Schedule and any endorsements and warranties should be read as if they were one document and, together, they constitute the contract between the **Insured** and Insurers.

This contract does not give, or intend to give, rights to anyone else other than the **Insured**. No one else has the right to enforce any part of this contract. We may cancel or change any part of the contract without getting anyone else's permission.

Insurers provide cover under those sections shown in the Schedule where an amount (or "As shown in the Policy Wording") is inserted during any **Period of Insurance** for which Insurers have accepted Your premium.

Please read the Policy Wording and Schedule carefully. If they do not meet your needs, return them to Insurers or your broker or agent.

Words in **Bold Type** have been given specific meanings which are set out in the Definitions section at pages 50 to 56.

Several Liability Notice

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

The Data Protection Act 1998

Please note that any information provided to us will be processed by us and our agents in compliance with the provisions of the Data Protection Act 1998, for the purpose of providing insurance and handling claims and complaints, if any, which may necessitate providing such information to third parties.

In addition, we may pass information that you have provided to us, including sensitive personal data, to selected third parties such as the Police, fraud and credit reference agencies and other bodies to substantiate information provided to us by you, to assist in the prevention and detection of fraudulent claims or as part of our anti-money laundering procedures.

By accepting this contract of insurance, you will be deemed to have consented to the use of your data in this way and also to have obtained the consent for us to use in this way any data provided by you relating to your directors, officers, partners and employees.

Financial Services Compensation Scheme

We are members of the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we are unable to meet our liabilities under this insurance. This depends on the type of business and the circumstances of the claim. A claim is protected for 90%, without any upper limit. Further information about the compensation scheme arrangements is available from FSCS. Information can be obtained on request or by visiting the FSCS website at www.fscs.org.uk.

INFORMATION YOU HAVE GIVEN US

In deciding to accept this insurance and in setting the terms and premium, we have relied on the information you have given us. You have a duty to inform us of every material circumstance that you know or ought to know, in a way that is reasonably clear and accessible to us. You also have a duty to answer any questions we have asked you accurately and to ensure that any information you do provide is correct.

If we establish that you deliberately or recklessly provided us with false information we will treat this insurance as if it never existed, decline all claims, and retain the premium.

If you have been in breach of your duty in providing us with the information we have relied upon in accepting this insurance and setting its terms and premium, but your breach has not been deliberate or reckless, we may:

- treat this insurance as if it had never existed and refuse to pay all claims and return the premium paid. We will only do this if we provided you with insurance cover which we would not otherwise have offered; OR
- amend the terms of your insurance. We will then apply these amended terms as if they were already in place at the time of the circumstances giving rise to a claim; and/or
- charge you more for your insurance or reduce the amount we pay on a claim in the proportion the premium you have paid bears to the premium we would have charged you; and/or
- cancel your policy in accordance with the cancellation condition on page 50.

We or your insurance broker or agent will write to you if we:

- intend to treat this insurance as if it never existed; or
- need to amend the terms of your policy; or
- require you to pay more for your insurance.

COOLING OFF PERIOD

You may cancel this Policy in the first 14 days after the Policy has been concluded, by giving notice in writing to the Novae Syndicates Limited address shown on your Policy Schedule. Provided that there have been:

- no claims made under the Policy for which a payment has been made
- no claims made under the Policy which are still under consideration
- no incident which could give rise to a claim but is yet to be reported to us

during this 14 day period, we will give a refund for the premium paid.

COMPLAINTS PROCEDURE

We are committed to providing You with a high quality service and We want to make sure that We maintain this at all times. If You have any questions or concerns about your policy please contact the broker or agent who arranged cover for you.

If you have any questions or concerns about the handling of a claim you should, in the first instance, contact the person or entity listed in the Schedule

In the event that you remain dissatisfied and wish to make a complaint, you can do so at any time by referring the matter to either the insurer, Novae Syndicates Limited, or the Complaints team at Lloyd's. Contact details are as follows:

Complaints
Novae Syndicates Limited
21 Lombard Street
London
EC3V 9AH

Tel No: 020 020 7050 9000
e-mail: complaints@novae.com

or

Complaints
Lloyd's
One Lime Street
London EC3M 7HA

Tel No: 020 7327 5693
Fax No: 020 7327 5225
E-mail: complaints@lloyds.com
Website: www.lloyds.com/complaints

Details of Lloyd's complaints procedures are set out in a leaflet "Your Complaint - How We Can Help" available at www.lloyds.com/complaints and are also available from the above address. If you remain dissatisfied after Lloyd's has considered your complaint, you may have the right to refer your complaint to the Financial Ombudsman Service.

The Financial Ombudsman Service is an independent service in the UK for settling disputes between consumers and businesses providing financial services. You can find more information on the Financial Ombudsman Service at www.financial-ombudsman.org.uk.

The Financial Ombudsman Service will only consider your complaint if you are a private individual or a "micro enterprise". A "Micro-enterprise" is defined as a business with an annual turnover not exceeding €2million and fewer than ten staff.

This policy is underwritten by Novae Syndicates Limited. Novae Syndicates Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, registration number 24088.

INSURED SECTION –

MATERIAL DAMAGE

A Cover Provided

Insurers agree to indemnify the **Insured**, in accordance with the provisions of C “Basis of settlement” below, against **Damage** to the **Property** provided that the **Damage**

1. is caused by one or more of the Insured Perils listed below and for which cover is provided in the Schedule and
2. occurs during the **Period of Insurance**.

Insurers shall not be liable for more than the Sum Insured stated in the Schedule or in this Insured Section in respect of each loss or series of losses arising out of one event at each location.

B Insured Perils

1. a) FIRE (including subterranean fire) and/or LIGHTNING
- b) FIRE (including subterranean fire) caused by explosion wherever the explosion occurs
2. STORM (excluding FLOOD caused by STORM)
3. FLOOD
4. BURSTING OR OVERFLOWING OF WATER TANKS, APPARATUS OR PIPES
5. IMPACT BY ANY VEHICLE OR TRAIN (or by goods falling from them) OR ANIMAL
6. EXPLOSION
7. AIRCRAFT and other aerial devices or articles dropped from them
8. RIOT, CIVIL COMMOTION, STRIKERS, LOCKED-OUT WORKERS or PERSONS taking part in LABOUR DISTURBANCES
9. MALICIOUS PERSONS

10. EARTHQUAKE
11. WATER DISCHARGED OR LEAKING FROM THE AUTOMATIC SPRINKLER INSTALLATION(S) IN THE PREMISES
12. THEFT OR ATTEMPTED THEFT but only if it involves:
 - (a) forcible or violent means to gain entry to the **Premises**; or
 - (b) violence or threat of violence against the **Insured** or any director, officer of or **Person Employed** by the **Insured**.
13. ACCIDENTAL DAMAGE caused by any cause other than the Insured Perils listed above

C Basis of settlement

Basis of settlement

Insurers may, at their sole discretion, elect to rebuild or replace any **Property** which has suffered **Damage** instead of making payment under this Section of the Policy Wording. If Insurers do not exercise this right, payment will be made in accordance with the following provisions:

1. **Any Building, fixtures, fittings, machinery and plant**
The cost of **Reinstatement** subject to the provisions of clause 6 – Reinstatement Conditions – overleaf
2. **Stock**
The value of the **Stock** at the time of **Damage**. This shall not be assessed by reference to the sale or re-sale value of the **stock** other than as expressly provided under Extension 9 – Contract Price.
3. **Documents, Computer Records, patterns, models, moulds, templates, plans and designs**
 - a) The value of materials as stationery; and
 - b) the cost of clerical labour and computer time expended in reproducing **Computer Records** or writing up **Documents**, patterns, models, moulds, templates, plans and designs; and
 - c) costs necessarily and reasonably incurred in connection with the reproduction of any information to be recorded;

but excluding any amount relating to the value to the **Insured** of the information.

4. **Business Equipment**

The cost of **Reinstatement**.

5. **All other Property**

The cost of **Reinstatement**.

6. **Reinstatement Conditions – Buildings, fixtures, fittings, machinery and plant only.**

- a) The Sum Insured for each item includes **Professional Fees**, the cost of **Removal of Debris** and the cost of complying with Building Regulations or other applicable regulations as set out in clause 7 -Public Authorities below.
- a) The **Reinstatement** may be carried out upon another site and in any manner suitable to the **Insured's** requirements, provided that the Insurers' liability is not increased as a result;
- b) Where **Property** is lost, damaged or destroyed in part only, Insurers' liability shall be limited to the cost of **Reinstatement** that would have been payable if the **Property** had been wholly lost, damaged or destroyed;
- c) If the **Insured** requires replacement by **Property** that costs more than the closest equivalent to that lost or destroyed or substantially damaged beyond the reasonable cost of repair, the **Insured** will be responsible for the difference between the cost of replacement by the closest equivalent property and the actual cost of replacement;
- d) If at the time that **Reinstatement** takes place, the Sum Insured is less than 85% of the **Total Cost of Reinstatement**, the Insurers' liability shall not exceed that proportion of the actual cost of **Reinstatement** which the Sum Insured bears to the **Total Cost of Reinstatement**, and Condition 8 (Average) shall not apply accordingly;
- e) The Insurers' liability shall be limited to the value of the **Property** at the time of **Damage**, and shall be subject to the condition of Average at clause 8 overleaf,

- (i) until the cost of **Reinstatement** has actually been incurred; or
- (ii) if the **Reinstatement** of **Property** is not commenced and carried out as quickly as is reasonably practicable; or
- (iii) if the **Reinstatement** of **Property** is not completed within twelve (12) months of the commencement of the **Damage** or such further period as Insurers agree in writing within the period of twelve (12) months following the commencement of the **Damage**.

7. **Public Authorities**

Insurers will pay such additional cost of **Reinstatement** as may be incurred solely by reason of the necessity to comply with Buildings Regulations or other regulations under or framed in pursuance of any Act of Parliament or the byelaws of any municipal or local authority provided that:

- a) the amount recoverable under this condition shall not include
 - (i) the cost incurred in complying with any of the regulations or byelaws mentioned above:
 - 1) in respect of **Damage** occurring prior to the granting of this condition;
 - 2) in respect of **Damage** excluded by this Insured Section;
 - 3) in respect of undamaged **Property** or undamaged portions of the **Property**;
 - (ii) the cost incurred in complying with any notice under any of the regulations or byelaws mentioned in this section served on the **Insured** before the **Damage** took place;
 - (iii) any additional cost of **Reinstatement** that would have been required to reinstate the **Property** to a condition equal to its condition when new had the necessity to comply with any of the regulations or byelaws mentioned in this section not arisen;

- (iv) 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 **Property** owner by reason of compliance with any of the regulations or byelaws mentioned in this section;
- b) if the **Reinstatement** is not commenced and carried out with reasonable dispatch and completed within twelve (12) months after the date the **Damage** occurred or within such further time as Insurers may allow in writing (during the said twelve (12) months), the **Insured** shall not be entitled to recover any additional cost of **Reinstatement** incurred by reason of the necessity to comply with any of the regulations or byelaws mentioned in this section;
- c) if Insurers' liability is reduced in accordance with the application of clause d) of Condition 6 – Reinstatement Conditions then Insurers' liability under this condition in respect of the **Reinstatement** of **Property** shall be reduced in like proportion;
- d) in no event shall Insurers' liability as a result of the provisions of this condition exceed the Sum Insured applicable to **Property** lost, damaged or destroyed.

8. Average

Unless the Policy Wording contains a more specific condition of Average which is said to apply in preference to this condition, the following conditions shall apply to all Sums Insured:

(a) Where the Basis of settlement is Reinstatement

If, at the time of **Damage**, the **Total Cost of Reinstatement** is greater than the Sum Insured, Insurers' liability shall be limited to that proportion of the **Damage** which the Sum Insured bears to the **Total Cost of Reinstatement**

(b) Where the Basis of settlement is the value of the Property

If, at the time of **Damage**, the total value of all items within the Sum Insured is greater than the Sum Insured, Insurers' liability shall be limited to that proportion of the **Damage** which the Sum Insured bears to the total value of those items.

D Exclusions applicable to Insured Perils 1-13 inclusive

With respect to Insured Perils 1-13 inclusive this Insured Section excludes

1. **Damage** resulting from

- a) the escape of water from the normal confines of any natural or artificial water course or lake, reservoir, canal or dam; or
- b) inundation from the sea;

caused in either case by

- a) frost, **Subsidence, Heave** or **Landslip**;
- b) discharge or leakage from pipes, mains and tanks attributable to faulty repairs to such pipes, mains and tanks;

2. **Damage** caused by building works, renovation or refurbishment unless the Insurers have agreed to cover the risks of such work prior to the **Damage**;

3. **Damage** caused by the bursting of a boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the **Insured** but this exclusion does not apply if the **Damage** is caused by fire resulting from an explosion of a boiler, economiser or other vessel, machine or apparatus in which internal pressure is due to steam only;

4. **Damage** caused by

- a) the bursting or overflowing or leakage of water tanks apparatus or pipes; or
- b) the discharge of water or leakage from the automatic sprinkler installation(s) in the **Premises** occasioned by or happening through freezing;

while the **Premises** are unoccupied or vacant, but this exclusion shall not apply while the **Premises** are normally closed for holidays or weekends;

5. **Damage to Money, Documents**, bonds, securities or medals caused by THEFT OR ATTEMPTED THEFT;
6. **Damage to movable property** in the open caused by STORM or THEFT OR ATTEMPTED THEFT;
7. **Damage to fences and gates** caused by STORM;
8. **Damage to motor vehicles and accessories** in or upon the vehicles, explosives, livestock, bonds, negotiable documents, or securities except as expressly itemised in the Schedule;
9. **Damage** caused by interruption or cessation of work;
10. **Damage** caused by **Digital & Cyber Risks**;
11. **Damage to**
 - a) **Property** in transit; or
 - b) vehicles licensed for road use (including vehicle accessories) caravans, trailers whilst being used outside the confines of the **Premises**, railway locomotives, rolling stock, watercraft or aircraft;
12. **Damage to**
 - a) jewellery, precious stones, precious metals, bullion, furs, curiosities, works of art and rare books, bonds, negotiable documents, securities or medals;
 - b) **property** or structures in the course of construction or erection and materials supplied in connection with all such **property** in course of construction or erection;
 - c) roads, pavements, piers, jetties, bridges, culverts or excavations;
 - d) livestock, growing crops or trees;

unless expressly itemised in the Schedule.
13. Lost revenue or income or market or business opportunities or the incurring of contractual penalties relating to delays or failures in or inadequate performance whether or not caused by **damage**.

D Additional Exclusions applicable to Insured Peril 13 – ACCIDENTAL DAMAGE

With respect to Insured Peril 13 this Insured Section excludes

1. **Damage** caused by
 - a) inherent vice, latent defect,
 - b) corrosion, rust, gradual deterioration, wear and tear, anything that happens gradually;
 - c) vermin or insects;
 - d) faulty or defective materials, design or workmanship
 - e) error or omission on the part of the **Insured** or any **Person Employed** by the **Insured**;
 - f) mechanical or electrical breakdown or derangement of machinery or equipment;
 - g) the self-ignition of electrical plant or apparatus

but this exclusion shall not apply to subsequent resulting **Damage** to other **property** caused by another cause which is not otherwise excluded;

2. **Damage** caused by
 - a) THEFT OR ATTEMPTED THEFT not involving forcible or violent means to gain entry to the **Premises** or violence or the threat of violence against the **Insured** or any director, officer or **Person Employed** by the **Insured**;
 - b) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any related range of steam and feed piping;
3. **Damage** caused by acts, on the part of the **Insured** or its employees, of fraud or dishonesty or the misfiling or misplacing of information;
4. **Damage** to any **Building** or foundations caused by or following **Subsidence**, collapse, **Heave**, **Landslip**, settling, cracking, shrinkage or expansion;

5. any disappearance or shortage revealed only at the time of stock taking or a stock check or the making of an inventory or not traceable to a specific incident;
6. **Damage** to movable **Property** in the open, fences and gates by wind, rain, hail, sleet, snow, flood or dust;
7. **Damage** caused by **Property** undergoing any process of production, packing, treatment, testing, commission, servicing or repair;
8. **Damage** to **Glass**, glassware, china, earthenware, marble or other fragile or brittle objects;
9. **Damage** to **Business Equipment** and/or **Computer Records**.
10. wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring or scratching.
11. change in temperature, colour, flavour, texture or finish.

E Optional Extensions

The following Extensions shall apply only if they are stated in the Schedule as being included.

Where there is any conflict between the terms of an Extension and any condition, exclusion or Memorandum of this Insured Section then the terms of the Extension shall prevail.

Day One Basis (Non- Adjustable)

1. The **Insured** having stated in writing a Declared Value in respect of the **Total Cost of Reinstatement** of each of the following
 - a) the **Building(s)**,
 - b) the **Insured's** fixtures and fittings (if the **Insured** is not the landlord),
 - c) **Tenants Improvements** (if no Sum Insured or Declared Value is shown in the Schedule against "**Buildings**"),
 - d) machinery and plant, at the level of costs applying at the commencement of the **Period of Insurance** (ignoring inflationary factors which may operate subsequently), the premium has been calculated accordingly.
2. In respect of **Property** to which this Extension applies, the figure stated in brackets below the Sum Insured

in the Schedule represents the Declared Value as defined in paragraph 1 above.

3. Clause d) of Condition 6 – Reinstatement Conditions is amended to read:

If at the time of **Damage**, the Declared Value is less than the **Total Cost of Reinstatement** calculated at the commencement of the **Period of Insurance**, the Insurers' liability shall not exceed that proportion of the actual cost of Reinstatement which the Declared Value bears to the **Total Cost of Reinstatement** calculated at the commencement of the **Period of Insurance**, and Condition 8 (Average) shall not apply accordingly;

Day One Basis (Adjustable)

1. The **Insured** having stated in writing a Declared Value in respect of the **Total Cost of Reinstatement** of each of the following:
 - a) the **Building(s)**;
 - b) the **Insured's** fixtures and fittings (if the **Insured** is not the landlord);
 - c) **Tenants Improvements** (if no Sum Insured or Declared Value is shown in the Schedule against "**Buildings**");
 - d) machinery and plant;

at the level of costs applying at the commencement of the **Period of Insurance**, the premium has been calculated accordingly.
2. In respect of **Property** to which this Extension applies the figure stated in brackets below the Sum Insured in the Schedule represent the Declared Value as defined in paragraph 1 above.
3. The Declared Value will be adjusted monthly with effect from the commencement of the **Period of Insurance** in accordance with the Retail Price Index (RPI) for machinery and plant, and the Building Cost Index published by the RICS for Buildings, fixtures and fittings and **Tenant's Improvements**..

4. Clause d) of Condition 6 – Reinstatement Conditions is amended to read:

If at the time of **Damage**, the Declared Value (as adjusted) is less than the **Total Cost of Reinstatement** calculated at the time of **Damage**, Insurers' liability shall not exceed that proportion of the actual cost of **Reinstatement** which the Declared Value bears to the **Total Cost of Reinstatement** calculated at the time of **Damage**, and Condition 8 (Average) shall not apply accordingly;

Rent

In the event of **Damage** to a **Building** caused by an Insured Peril entered as operative in the Schedule, and such **Damage** results in a valid claim, as a result of which the **Building** is unfit for occupation for its usual purposes, Insurers will pay, up to the Sum Insured for "Rent" entered in the Schedule:

- a) to the **Insured** the actual reduction in rent receivable by the Insured; or
- b) on behalf of the **Insured** the amount of rent that continues to be payable under contract.

Insurers will not pay any rent after the expiry of the "Period of Rent Insured" specified in the Schedule, such "Period of Rent Insured" commencing on the date of the **Damage**.

Glass

1. In the event of breakage of **Glass** Insurers will indemnify the **Insured** for

- a) the cost of:
 - (i) replacing **Glass** in windows, internal or external doors of a building or fanlights with glass conforming with BS6206 where required by regulations or BS6262;
 - (ii) making good any damage to the frames or framework of the windows, doors or fanlights resulting from the breakage; and
 - (iii) removal and/or replacement of fixtures and fittings of windows, doors or fanlights necessarily

incurred to effect the replacement of the **Glass**;

for which the **Insured** is responsible;

- b) the reasonable cost of boarding up windows, doors or fanlights pending replacement of broken **Glass**; and
- c) the cost of replacing **Glass** inside any **building** at the **Premises**, including the cost of making good any damage to frames or framework and the cost of removal and/or replacement necessarily incurred to effect the replacement of the **Glass**.

2. With respect to alarm foil, lettering, painting, embossing, silvering or other ornamental work requiring replacement as a result of breakage during the **Period of Insurance**, Insurers will not pay more than the amount shown in the Schedule or GBP 500 if no amount is shown in the Schedule in respect of all breakage during the **Period of Insurance**.

3. This Extension does not cover

- a) the cost of making good any damage to frames or framework or the cost of removal and/or replacement of fixtures and fittings which are not an integral part of windows, internal or external doors or fanlights of a **Building** as part of the replacement of **Glass**;
- b) breakage occurring during removal or installation of **Glass** or arising out of repairs or alterations being carried out at the **Premises**;
- c) breakage due to decay or deterioration of framework;
- d) any costs of replacement of **Glass** that is broken, chipped, cracked, disfigured or otherwise flawed at the commencement of the **Period of Insurance**;
- e) breakage of **Glass** if the breakage occurs while the **Premises** are unoccupied or vacant, other than for

normal closure for holidays or weekends; or

- f) any costs of replacement of **Glass** that is only chipped or scratched.

EXTENSIONS

Asbestos

This Insured Section is extended to cover physical damage to asbestos physically incorporated in a **building** or structure at the **Premises** occurring in its entirety during the **Period of Insurance** and caused by one of the following Listed Perils:

Fire (including subterranean fire), Lightning, Explosion, Aircraft, Riot or Civil Commotion, Earthquake, Storm or Flood, Escape of Water, Impact, Sprinkler Leakage, Subsidence.

This Extension does not apply

- a) if no Sum Insured is entered in the Schedule with respect to the **building** or structure in which the asbestos is incorporated;
- b) if the Listed Peril causing physical **damage** to the asbestos is not entered in the Schedule as an operative Insured Peril with respect to the **building** or structure in which the asbestos is incorporated;
- c) unless the Listed Peril is the sole cause of the physical **damage** to the asbestos;
- d) to physical **damage** caused by or arising from wear and tear or inherent defect quality or vice in or of any asbestos;
- e) to any asbestos which has not been physically damaged by one of the Listed Perils contained in this Extension;
- f) to any physical **damage** to asbestos first reported to the Insurers more than twelve (12) months after the expiry of the **Period of Insurance** or, if this Insured Section is cancelled by Insurers or the **Insured**, more than twelve (12) months after the effective date of cancellation.

The **Insured** must report the existence and cost of the physical **damage** to the asbestos to Insurers as soon as practicable after the commencement of any physical **damage** to the asbestos caused by a Listed Peril.

Only to the extent that cover is provided for **damage** to asbestos under this Extension, General Exclusion 1. (Asbestos) shall not apply.

Inclusion of buildings

Where an amount has been entered in the Schedule for **Buildings**, this Insured Section is extended to include

- a) the cost of repairing accidental **damage** to fuel oil or the underground water supply or gas pipes or electricity or telephone cables supplying the **Premises** which are the responsibility of the occupier of the **Premises** and not the supplying utility;
- b) the reasonable costs (but not more than GBP 25,000) incurred by the **Insured** in locating the source and subsequent making good of **damage** necessarily caused in order to gain access, resulting from:
 - (i) the escape of water from any tank, apparatus or pipe; or
 - (ii) accidental **damage** to cables, underground pipes or drains serving the **Premises**;
- c) the cost of repair or replacement of radio and television aerials, their fittings and masts following accidental breakage or collapse;
- d) the cost of repair or replacement of sanitary fixtures forming part of the **Building** following accidental breakage, excluding
 - (i) the first GBP 500 of each loss;
 - (ii) **Damage** while the **Building** is unoccupied or vacant, other than

for normal closure for holidays or weekends; and

- (iii) breakage of sanitary fixtures which are not in a sound condition;

provided that all such costs shall form part of and shall not be payable in addition to the Sum Insured for Buildings.

Capital Additions

This Insured Section is extended to include

- a) any newly acquired and/or newly erected **Building** within the **Territorial Limits** insofar as the same is not otherwise insured, or alterations, additions and improvements to any **Building** within the **Territorial Limits** if an amount has been entered in the Schedule for **Buildings**; and
- b) any newly acquired and/or newly erected machinery and plant installed within the **Territorial Limits**, insofar as the same is not otherwise insured, for an amount not exceeding 10% of the applicable Sum Insured for fixtures, fittings, machinery and plant entered in the Schedule,

provided that:

- a) the **Insured** undertakes to give particulars of such newly acquired and/or newly erected **Building**, machinery and plant or alterations, additions and improvements to any **Building** as soon as practicable; and
- b) until Insurers have received the additional premium required by them they shall not be liable for:
 - (i) more than 10% of the Sum Insured applicable to all **Buildings** in respect of any newly acquired and/or newly erected **Building** or alterations, additions and improvements to any **Building**; or
 - (ii) more than 10% of the Sum Insured applicable to all fixtures, fittings, machinery and plant in respect of newly

acquired and/or newly erected machinery and plant.

Temporary Removal of Property other than Stock and Documents

- a) This Insured Section is extended to include **Damage** as a result of an Insured Peril entered as operative in the Schedule to **Property** other than **Stock** and **Documents** while the **Property** is temporarily removed for cleaning, renovation, repair or similar purpose elsewhere on the **Premises** or to any other location within the **Territorial Limits** or in transit (other than by air) to or from any location within the **Territorial Limits**.
- b) The amount recoverable under this Extension shall not exceed the amount which would have been recoverable had the **Damage** occurred in that part of the **Premises** from which the **Property** is temporarily removed nor, in respect of any **Damage** occurring elsewhere than at the **Premises**, 10% of the overall Sum Insured applicable to the **Property**.
- c) This Extension does not apply to **Property** in so far as it is otherwise insured nor, as regards losses occurring elsewhere than at the **Premises** from which the **Property** is temporarily removed, to:
 - (i) motor vehicles and motor chassis licensed for normal road use; or
 - (ii) **Property** held by the **Insured** in trust, other than machinery and plant.

Stock Debris Removal

This Insured Section is extended to include the costs and expenses necessarily incurred by the **Insured** in removing the debris of any **Stock** that has suffered **Damage**. Insurers' maximum liability under this extension for all occurrences of **Damage** throughout the **Period of Insurance** shall be limited to 10% of the Sum Insured for **Stock** and this shall be included within, and not in addition to, the Sum Insured.

G Memoranda attaching to Insured Section – Material Damage

1. Designation of Property

For the purpose of determining where necessary the heading under which any **Property** is insured, Insurers agree to accept the designation under which such **Property** has been entered in the **Insured's** books.

2. Buildings not included

Where no amount has been entered in the Schedule for **Buildings**:

a) the Sum Insured in respect of fixtures, fittings, machinery and plant includes:

(i) telephone, gas, water and electricity instruments, meters, drains, piping, cables and all related accessories including such property for which the **Insured** is responsible which is underground and/or partly or wholly serves to supply the described **Premises**;

(ii) the **Insured's** own radio and television aerials, their fittings and masts at the **Premises**;

(iii) **Tenants Improvements** undertaken or paid for by the **Insured** at the **Premises**; and

(iv) sanitary fixtures at the **Premises** if the **Insured** is responsible for the cost of repair or replacement;

b) this Insured Section is extended to include

(i) the cost for which the **Insured** is responsible of repairing accidental **damage** to fuel oil or the underground water supply or gas pipes or electricity or telephone cables supplying the **Premises** which are the responsibility of the occupier of the **Premises** and not the supplying utility;

(ii) the reasonable costs for which the **Insured** is responsible (but not more than GBP 25,000) incurred by

the **Insured** in locating the source and subsequent making good of damage necessarily caused in order to gain access, resulting from

1) the escape of water from any tank, apparatus or pipe; or

2) accidental **damage** to cables, underground pipes or drains serving the **Premises**;

(iii) the cost of repair or replacement of sanitary fixtures at the **Premises** following **Damage** or accidental breakage, excluding:

1) the first GBP 500 of each loss;

2) **Damage** or breakage while the **Premises** are unoccupied or vacant, other than for normal closure for holidays or weekends; and

3) the cost of repair or replacement of sanitary fixtures which are not in a sound condition at the time of **Damage** or breakage;

(iv) the cost for which the **Insured** is responsible of making good damage to any **Building** at the **Premises** caused during THEFT OR ATTEMPTED THEFT involving forcible or violent means to gain entry to the **Premises** or violence or the threat of violence against the **Insured** or any director, officer or **Person Employed** by the **Insured**, if no other insurance is in force for **damage** to such **Building** caused by THEFT OR ATTEMPTED THEFT.

3. Temporary Removal (Documents)

Documents (other than bonds, negotiable documents or securities which are not specified as forming part of documents in the Schedule) are covered (in so far as they are not otherwise insured) for an amount not exceeding 10% of their total value, while temporarily removed to any location within the **Territorial Limits**

not occupied by the **Insured** or in transit (other than by air) to or from any location within the **Territorial Limits**.

4. **Subrogation Waiver**

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

- a) any company standing in relation to the **Insured** as parent company to subsidiary company (or subsidiary company to parent company) as defined in the Companies Act or Companies (N.I.) Order, as appropriate, current at the time the **Damage** occurs; and
- b) any company which is a subsidiary company of a parent company of which the **Insured** is itself a subsidiary company, in each case within the meaning of the Companies Act or Companies (N.I.) Order, as appropriate, current at the time the **Damage** occurs.

5. **Other Interests**

The interest of other parties in the **Property** is noted, it being understood that in the event of **Damage** indemnified by this Insured Section, the nature and extent of such other interests will be disclosed by the **Insured**.

6. **Workmen's clause**

Workmen and/or tradesmen are allowed in or about the **Premises** to carry out maintenance and/or repairs without prejudice to this Insured Section.

7. **Property of customers**

The **Insured** having intimated to its customers that the **Insured** will accept responsibility for **Damage** caused by fire to property belonging to the customer or for which the customer may be legally liable while such property is at or on the **Premises** or in the custody of the **Insured**, all such property shall be included within the Sum Insured applicable to **Stock** in the event of **Damage** caused by fire, except insofar as such property is more specifically insured.

8. **Seasonal Increase**

This Insured Section shall provide for an automatic seasonal increase by the percentage (%) entered in

the Schedule of the Sum(s) Insured in respect of Schedule, provided that if the total value of **Stock** exceeds 120% of the applicable Sum Insured, the **Insured** shall report such increase to the **Insurers** and shall pay any additional premium that may be required.

9. **Contract Price**

In respect of **Stock** sold but not delivered for which the **Insured** remains responsible and with regards to which the contract of sale is cancelled, either in its entirety or in part, on account of **Damage** to the **Stock**, the value of the **Stock** at the time of **Damage** shall be the contract price after deduction of any costs and charges for delivery allowed for in the contract of sale for which the **Insured** ceases to be liable.

INSURED SECTION – BUSINESS INTERRUPTION

A Cover Provided

Insurers will indemnify the **Insured** for

Option A (Gross Profit)

1. loss of **Gross Profit** due to a reduction in **Turnover**; and/or
2. **Increased Cost of Working**

OR

Option B (Revenue)

1. reduction in **Revenue**; and/or
2. **Increased Cost of Working**

in either case, during the **Indemnity Period** occasioned by interruption to or interference with the **Business** caused by **Damage to Property** used by the **Insured** at the **Premises** caused by an Insured Peril for which cover is provided in the Schedule with respect to the Insured Section – Material Damage as a direct result of which the **Business** is interrupted or interfered with, provided that:

- a) the **Damage** commences during the **Period of Insurance**;
- b) the **Damage** is not caused by theft or attempted theft;
- c) the **Damage** is not excluded under this Policy;
- d) there is a valid claim under the Insured Section – Material Damage and an amount has been entered in the Schedule for **Buildings** in respect of the Insured Section – Material Damage; or
 - (i) separate insurance for **Buildings** is in force at the time the **Damage** occurs; and
 - (ii) payment has been made according to terms of credit agreed or liability admitted under such insurance or payment would have been

made or liability would have been admitted under such insurance but for the operation of a proviso in such insurance excluding liability for losses below a certain amount,

If no amount has been entered in the Schedule for **Buildings** in respect of the Insured Section – Material Damage;

- e) the Insurers will not indemnify the **Insured** for any **Increased Cost of Working** that exceeds the amount by which a reduction in **Turnover** or **Revenue** is avoided as a result, unless an amount is entered in the Schedule for “**Additional Increased Cost of Working**”, in which case **Additional Increased Cost of Working** is covered up to the amount so entered;

- f) Insurers’ liability in respect of:

(Option A) loss of **Gross Profit**

OR

(Option B) reduction in **Revenue**

shall in no event exceed

(Option A) 133⅓% of the **Estimated Gross Profit**

OR

(Option B) 133⅓% of the **Estimated Revenue**

entered in the Schedule or 100% of the **Sum Insured** if no amount in respect of **Estimated Gross Profit** or **Estimated Revenue** is entered in the Schedule.

B Basis of settlement

Option A (Gross Profit)

1. The loss of **Gross Profit** during the **Indemnity Period** shall be calculated by applying the **Rate of Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** falls short of the **Standard Turnover** as a result of the **Damage**.
2. Any amounts saved during the **Indemnity Period** in respect of charges and expenses of the **Business** payable out of **Gross Profit** shall be taken into account in calculating the loss of **Gross Profit** due to the reduction in **Turnover**.

3. The **Sum Insured** is a single limit for loss of **Gross Profit** and **Increased Cost of Working**, but auditors' and/or accountants' charges payable in accordance with Memorandum 4 do not form part of the **Sum Insured**.

Option B (Revenue)

4. The reduction in **Revenue** shall be calculated as the amount by which the **Revenue** during the **Indemnity Period** shall, as a result of the **Damage**, fall short of the **Standard Revenue** less any sum saved during the **Indemnity Period** in respect of such expenses and/or working costs as may cease or be reduced as a result of the **Damage**.
5. If the **Sum Insured** in respect of reduction in **Revenue** is less than the amount of the **Annual Revenue** (proportionately increased if the **Indemnity Period** exceeds twelve (12) months) Insurers' liability shall be limited to the proportion that the **Sum Insured** bears to the **Annual Revenue** (proportionately increased if the **Indemnity Period** exceeds twelve (12) months).
6. The **Sum Insured** is a single limit for reduction in **Revenue** and **Increased Cost of Working**, but auditors' and/or accountants' charges payable in accordance with Memorandum 4 do not form part of the **Sum Insured**.

C Additional coverage

1. Prevention of access

This Insured Section is extended to cover loss of **Gross Profit** or reduction in **Revenue** (depending on which cover is applicable, as shown in the Schedule) and/or **Increased Cost of Working** during the **Indemnity Period** as a result of interference with or interruption to the **Business** caused by impaired or denied access to the **Premises**, provided that such impaired or denied access is attributable to

- a) suspicion or discovery of the presence of a harmful device in the vicinity of the **Premises** that is notified to the Police without any delay;

- b) the closing down or sealing off of the **Premises** or property in the vicinity of the **Premises** in accordance with instructions issued by the Police or other competent local authority for reasons other than the condition of the **Premises** or the carrying out of repair or maintenance work at the **Premises** or the **Insured's** non-compliance with a prior order of the Police or other competent local authority;
- c) **Damage** to property in the vicinity of the **Premises** caused by an Insured Peril listed as operative with respect to the Insured Section – Material Damage and not otherwise excluded under this Policy.

2. Public utilities

This Insured Section is extended to cover loss of **Gross Profit** or reduction in **Revenue** (depending on which cover is applicable, as shown in the Schedule) and/or **Increased Cost of Working** during the **Indemnity Period** as a result of interference with or interruption to the **Business** caused by:

- a) accidental failure of the public supply of:
- (i) electricity at the terminal ends of the electricity supplier's service feeders at the **Premises**;
- (ii) gas at the gas supplier's meters at the **Premises**;
- (iii) water at the water authority's main stop cock serving the **Premises**;

lasting for more than two (2) consecutive hours, provided that Insurers will not indemnify the **Insured** in respect of the failure of the public supply if the failure is occasioned by:

- (i) a deliberate act of any electricity or gas supplier or water authority unless for the sole purpose of safeguarding life or protecting any part of their system;
- (ii) a scheme of rationing unless solely necessitated by accidental damage to the electricity or gas supplier's

or water authority's generating or supply equipment;

(iii) any industrial action; or

(iv) drought;

- b) **Damage** to the premises of the telecommunications undertaking from which the **Insured** obtains telecommunications services caused by an Insured Peril entered as operative in the Schedule with respect to the Insured Section – Material Damage.

D Additional extensions (applicable only if stated as included in the Schedule)

1. Customers & Suppliers

This Insured Section is extended to cover

(Option A) loss of **Gross Profit**

OR

(Option B) reduction in **Revenue**

and/or **Increased Cost of Working** during the **Indemnity Period** as a result of interference with or interruption to the **Business** caused by **Damage** resulting from an Insured Peril entered as operative in the Schedule with respect to the Insured Section – Material Damage at the premises of any customer or supplier of the **Insured** (other than suppliers of electricity, gas, water or telecommunication service) in the United Kingdom or the Republic of Ireland, provided that Insurers' liability with respect to this Extension shall not exceed in respect of any one incident:

- a) the amount or percentage (%) of the **Sum Insured** for all

(Option A) loss of **Gross Profit**

OR

(Option B) reduction in **Revenue**

and/or **Increased Cost of Working** entered in the Schedule against a named customer or supplier if the **Damage** occurs at the premises of such named customer or supplier; or

- b) the amount or the percentage (%) of the Sum Insured for all:

(Option A) loss of **Gross Profit**

OR

(Option B) reduction in **Revenue**

and/or **Increased Cost of Working** entered in the Schedule against unspecified customers or suppliers if the **Damage** occurs at the premises of an unnamed customer or supplier.

2. Disease, infestation and defective sanitation

This Insured Section is extended to cover:

(Option A) loss of **Gross Profit**

OR

(Option B) reduction in **Revenue**

and/or **Increased Cost of Working** during the **Indemnity Period** caused by restrictions on the use of the **Premises** on the order or advice of the local authority as a result of an **occurrence** at the **Premises** of:

- a) murder or suicide;
- b) food or drink poisoning;
- c) a notifiable human infectious or contagious disease, excluding Acquired Immune Deficiency Syndrome (AIDS) or any AIDS related condition, Ebola, and Severe Acute Respiratory Syndrome (SARS);
- d) vermin, pests or defective sanitation; and
- e) an outbreak of Legionnaires Disease;

provided that the Insurers' liability with respect to this Extension shall not exceed:

- (i) GBP 50,000 in the aggregate for the **Indemnity Period** in respect of all outbreaks of Legionnaires Disease during the **Period of Insurance**; or
- (ii) 5% of the Sum Insured entered in the Schedule or GBP 25,000, whichever is the

lesser amount, in respect of any one **occurrence**, other than any **occurrence** of an outbreak of Legionnaires Disease.

3. **Rent receivable**

a) This Insured Section is extended to indemnify the **Insured** for loss of rent receivable in respect of any **building** at the **Premises** that is let by the **Insured** under a tenancy agreement as a result of such **building** becoming unfit for occupation as a result of **Damage** caused by an Insured Peril entered as operative in the Schedule with respect to the Insured Section – Material Damage.

b) The amount payable in respect of loss of rent receivable shall be arrived at after taking into account:

(i) the amount by which the rent receivable by the **Insured** during the “**Indemnity Period** for Rent Receivable” specified in the Schedule shall, as a result of the **Damage**, falls short of the rent which would have been received during the during the “**Indemnity Period** for Rent Receivable” had the **Damage** not occurred; and

(ii) the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding a shortfall in rent receivable, but not exceeding the amount of the loss of rent which would otherwise have been payable under paragraph (i) less any savings in respect of expenditure payable out of rent receivable which reduces or ceases as a result of the **Damage**.

c) In arriving at the amount of loss of rent receivable such adjustments shall be made as may be necessary to provide for trend, variations or other relevant circumstances either before or after the **Damage**, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the rent which, but for the **Damage**, would have been received during the “**Indemnity Period** for Rent Receivable” after the **Damage**.

d) If following the **Damage** the amount of rent receivable is maintained by the provision of alternative accommodation by the **Insured** such rent shall be taken into account in calculating the amount payable.

e) If other insurance is in force for loss of rent receivable, the amount payable under such other insurance shall represent an avoidance of shortfall in rent receivable in calculating the amount payable.

4. **Subsidence, Heave and/or Landslip**

This Insured Section is extended to cover

(Option A) loss of **Gross Profit**

OR

(Option B) reduction in **Revenue**

and/or **Increased Cost of Working** during the **Indemnity Period** as a result of interference with or interruption to the **Business** caused by **Damage** caused by **Subsidence, Heave** or **Landslip** at the **Premises**, provided that:

a) the Insured Section – Material Damage is extended to include **Damage** caused by **Subsidence, Heave** or **Landslip** and such extension is in force at the time the **Damage** occurs;

b) the **Damage** does not result from:

(i) the normal settling or bedding down of new structures;

(ii) the **Settlement** or movement of made up ground;

(iii) defective design or workmanship or the use of defective materials;

(iv) demolition, construction, structural alteration or repair of any property at the **Premises** or ground works or excavation at the **Premises**.

E Additional Conditions applicable to Insured Section – Business Interruption

1. In the absence of written notice by the **Insured** or Insurers to the contrary Insurers’ liability shall not stand reduced by the amount of any loss, the **Insured** undertaking to pay the appropriate additional premium for such automatic reinstatement of cover.

2. The **Insured** must submit a detailed statement of claim within thirty (30) days of the expiry of the **Indemnity Period**, including all relevant particulars and details. Any extension to the date by which the detailed statement of claim is required must be agreed by Insurers in writing.
3. For the purpose of calculating
(Option A) Gross Profit
OR (Option B) Revenue
any adjustments implemented in current cost accounting shall be disregarded.
4. To the extent that the **Insured** is accountable to the tax authorities for Value Added Tax, all terms in this Insured Section shall be exclusive of such tax.

F Memoranda applicable to Insured Section – Business Interruption

1. Departmental operations

If the **Business** is conducted in divisions or departments, the independent trading result of which are ascertainable, the **Gross Profit** or **Revenue** shall be calculated and declared separately with respect to each division or department.
2. Payments on Account

Payments on account of a claim may be paid, if required by the **Insured**, during the **Indemnity Period**, provided that Insurers' consent to such payments is obtained (such consent shall not be unreasonably withheld). However if the total of the amounts so paid exceeds the final adjusted loss sustained, the **Insured** undertakes to pay the difference to Insurers.
3. Accumulated Stocks

In adjusting any loss, account shall be taken and an equitable allowance made if any shortage in:

(Option A) Turnover

OR

(Option B) Revenue

due to the **Damage** is postponed by reason of the **Turnover** or **Revenue** being temporarily maintained from accumulated stocks of finished goods.

4. Auditors' charges

Insurers will pay reasonable fees charged by the **Insured's** auditors and/or accountants for producing or certifying any particulars or details required by Insurers. Such fees shall not reduce the **Sum Insured**.
5. Alternative Trading Memorandum

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

In the event that **Damage** occurs before the end of the first financial year of the **Business**, the results of the **Business** up to the date of the **Damage** shall be used as a basis upon which to assess what the **Gross Profit** or **Revenue** of the **Business** for the first financial year would have been had the **Damage** not occurred.
7. In relation to Option A (Gross Profit) only, at the option of the **Insured**, the term Output may be substituted for the term **Turnover** and for the purposes of this Insured Section Output shall mean the sale value of goods manufactured by the **Insured** in the course of the **Business** at the **Premises**, provided that only one such meaning shall be operative in connection with any one incident involving **Damage**.

If Output is substituted for **Turnover**, the Alternative Trading Memorandum shall be altered to read as follows:

If during the **Indemnity Period** goods shall be manufactured other than at the **Premises** for the benefit of the **Business** either by the **Insured** or by others on the **Insured's** behalf the sale value of the goods so manufactured shall be brought into account in arriving at the Output during the **Indemnity Period**.

**INSURED SECTION –
LOSS OF MONEY &
PERSONAL ASSAULT**

SECTION 1 – Loss of money

A Cover Provided

Insurers will indemnify the **Insured** against

1. **Loss of Money** belonging to the **Insured** or for which the **Insured** is responsible without limitation as to cause;
2. **Damage** to any safe, strong room, franking or coin or vending machine caused in connection with theft or attempted theft of **Money**;
3. **Damage** caused in connection with theft or attempted theft of **Money** to any container, bag or waistcoat belonging to the **Insured** or for which the **Insured** is responsible;

occurring within the **Territorial Limits** during the **Period of Insurance**.

B Sum Insured

Insurers' liability under Section 1 of this Insured Section shall not exceed the following Sums Insured with respect to **Loss of Money** arising out of any one incident.

If an asterisk is shown against a Sum Insured, any higher Sum Insured entered in the Schedule shall apply.

1. Loss of **Non – Negotiable Money** Sum Insured: GBP 250,000*
2. Loss of **Negotiable Money**

Place and time of the loss	Sum Insured
A lockable building at the Premises during Business Hours if the Negotiable Money is in a safe or strong room immediately prior to the Loss	See the Schedule
A lockable building at the	See the Schedule

Premises during Business Hours if the Negotiable Money is not in a safe or strong room at the time of the Loss	
A lockable building at the Premises outside Business Hours in respect of Negotiable Money in a safe or strong room specified in the Schedule at the time of the Loss	See the Schedule
A lockable building at the Premises outside Business Hours in respect of Negotiable Money placed in an safe or strong room not specified in the Schedule at the time of the Loss	GBP 1,000*
A lockable building at the Premises outside Business Hours in respect of Negotiable Money not in a safe or strong room at the time of the Loss	GBP 200*
The dwelling of the Insured or any person to whom the Negotiable Money is entrusted	GBP 350*
Negotiable Money in transit or at the Premises other than in a lockable building or in a bank night safe at the time of the Loss	See the Schedule
Negotiable Money in a coin or vending machine at the time of the Loss	GBP 200*

In the event of **Damage** to any safe, strong room, franking coin or vending machine or any container, bag or waistcoat resulting from theft or attempted theft Insurers will pay for

- (i) the cost of repair, restoration or replacement with respect to a strong room up to the Sum Insured applicable to **Non-Negotiable Money**;
- (ii) the cost of repair, restoration or replacement by the closest equivalent model with respect to any safe, franking or coin or vending machine;
- (iii) the cost of repair or restoration of any container, bag or waistcoat or replacement by a similar item.

C Additional exclusions applicable to applicable to Section 1 of Insured Section – Loss of money & personal assault

Section 1 of this Insured Section excludes

1. the amount of the Excess entered in the Schedule which shall apply to all **Loss of Money** and/or **Damage** arising out of the same incident;
2. **Loss of Money** caused by a dishonest act or omission on the part of any director or officer of or **Person Employed** by the **Insured** unless discovered within seven (7) working days of the date of the dishonest act or omission;
3. **Damage** caused by any director or officer of or **Person Employed** by the **Insured** unless discovered within seven (7) working days of the date the **Damage** was caused;
4. **Loss of counterfeit Money**;
5. **Loss of Money** while in transit by post;
6. **Loss of Money** as a result of theft or attempted theft from an unattended vehicle;

D Additional conditions applicable to Section 1 of Insured Section – Loss of money & personal assault

1. Insurers' liability shall not exceed the Sum Insured applicable to **Loss of Money** not in a safe or strong room if the safe or strong room at the **Premises** is opened by the use of a key left at the **Premises** outside **Business Hours** or by the use of a combination code, details of which have been left in an unlocked place at the **Premises** outside **Business Hours**.
2. If this Policy Wording includes an Insured Section – Material Damage, Section 1 of this Insured Section is more specific insurance with respect to **Loss of Money** and **Damage** to any safe, strong room, franking or coin or vending machine container, bag or waistcoat caused in connection with theft or attempted theft.
3. Any other insurance in force in respect of **Money** belonging to the **Insured** or for

which the **Insured** is responsible while in transit or away from the **Premises** or dishonest acts on the part of **Persons Employed** shall represent more specific insurance and Section 1 of this Insured Section shall only apply to any excess beyond the amount which would have been payable under such other insurance had Section 1 of this Insured Section not been effected.

SECTION 2 – Personal Assault

A Cover Provided

The Insurers will pay compensation as set out in B 1, subject to the limitations set out in B 2, in the event of an **Insured Person** sustaining bodily injury solely and directly as a result of robbery, hold up or any attempted robbery or hold up in the course of the **Business** and within the **Territorial Limits**.

B Compensation

If an asterisk is shown against any Limit of Compensation, any higher amount entered in the Schedule shall apply.

1. Results of injury and limits of compensation:

Results of injury	Limit of compensation
a) Death	GBP 10,000*
b) Loss of Eye	GBP 10,000*
c) Loss of use of one or more Limbs	GBP 10,000*
d) Permanent Disablement Total	GBP 10,000*
e) Temporary Disablement Total	GBP 100 per week*
f) Temporary Disablement Partial	GBP 100 per week*

2. a) Insurers will not pay compensation with respect to death, **Loss of Eye**, **Loss of Use of one or more Limbs** or **Permanent Total Disablement** occurring after one year from the date of the robbery, hold up or attempted robbery or hold up.

- b) Not more than one of the Limits of Compensation a) - d) in 1. above shall be payable to or on behalf of any one **Insured Person**.
 - c) On payment of compensation in accordance with one of the Limits of Compensation a) – d) in 1. above, Insurers will make no further payments in respect of the **Insured Person** to whom or on whose behalf payment is made.
 - d) Weekly benefits shall not be payable to or on behalf of any one **Insured Person** for more than one hundred and four (104) weeks from the date the first weekly benefit is paid to or on behalf of such **Insured Person**.
3. Insurers will in addition reimburse any **Insured Person**:
- a) for personal money stolen or handed over; and/or
 - b) the cost of replacing clothes or personal effects lost, damaged or destroyed;

during an assault or due to threat of assault on such **Insured Person** in the course of the **Business** provided that such reimbursement shall be limited to GBP 100 any one item and GBP 100 in respect of money any one **Insured Person** and GBP 500 in all for any one **Insured Person**.

C Additional conditions applicable to Section 2 of Insured Section – Loss of money & personal assault

- 1. In the event of disablement of an **Insured Person**, the **Insured Person** must without delay place themselves under the care of a qualified medical practitioner and as often as Insurers require submit to medical examination at the expense of Insurers.
- 2. Compensation payable under Section 2 of this Insured Section shall not be affected by any other insurance in force for bodily injury to an **Insured Person**.

INSURED SECTION – GOODS IN TRANSIT

A Cover Provided

Insurers will indemnify the **Insured** in respect of **Damage to Property in Transit** in the course of **Loading & Unloading** or while the **Property in Transit** is temporarily warehoused, other than at the **Premises**, or in transit by the means of conveyance specified in the Schedule, provided that the **Damage** takes place within the **Territorial Limits** and during the **Period of Insurance**.

B Additional exclusions applicable to Insured Section – Goods in transit

This Insured Section excludes:

1. theft of **Property in Transit** from a vehicle owned or operated by the **Insured** while such vehicle is unattended unless
 - a) all the openings of the vehicle are closed and securely locked and the keys removed at the time of theft;
 - b) between 21.00 hours and 06.00 hours the vehicle is garaged in a building or parked in a fully enclosed yard which is securely closed and locked, or the vehicle is under constant surveillance, or on a guarded lot;
2. theft of **Property in Transit** other than from a vehicle owned or operated by the **Insured** unless the theft:
 - a) is evidenced by forcible or violent means to gain access to the **Property in Transit**;
 - b) involves violence or a threat of violence against a person having custody of the **Property in Transit** at the time of the theft;

3. **Damage** arising from:

- a) wear and tear, any natural deterioration or anything that happens gradually, inherent defect, mildew or vermin;
 - b) defective workmanship;
 - c) electrical or mechanical derangement unless caused by external means;
 - d) contamination;
4. the deterioration of goods conveyed in frozen, chilled or insulated conditions due to faulty stowage or incorrect setting or operation of the temperature control equipment unless directly due to:
 - a) fire, explosion, overturn of the conveying vehicle, collision of the conveying vehicle with another vehicle or object; or
 - b) theft or attempted theft not excluded by clause B 2.

5. disappearance or shortage of **Property in Transit** revealed only at the time of stock taking or a stock check or the making of an inventory or not traceable to a specific incident;
6. lost revenue or income or market or business opportunities or the incurring of contractual penalties relating to delays or failures in or inadequate performance caused by **Damage to Property in Transit**;
7. theft of or malicious or criminal **Damage to Property in Transit** on the part of the **Insured** or any director, officer or agent of or **Person Employed** by the **Insured**.

C Memoranda applicable to Insured Section – Goods in transit

1. Clearance of debris, transshipment and recovery charges.

In addition to any amount payable in respect of **Damage to Property in Transit** Insurers will indemnify the **Insured** for the reasonable costs incurred in clearing debris (other than **Pollutants** on the **Premises**), transport and recovery of **Property in Transit** arising out of the carriage of **Property in Transit** in or on vehicles owned or operated by the **Insured**, provided that

a) Insurers will not indemnify the **Insured** for any costs incurred in connection with the **Loading & Unloading** or carriage of **Excluded Property**;

b) Insurers' liability for the costs of clearing debris, transshipment or recovery of **Property in Transit** shall not exceed GBP 1,000 any one incident.

2. Sheets, ropes, chains, toggles and dunnage

In addition to any amount payable in respect of **Damage to Property in Transit** Insurers will indemnify the **Insured** for **Damage** to sheets, ropes, chains, toggles and dunnage as a result of fire, explosion, overturn of vehicle, impact or collision in the course of carriage of **Property in Transit** in or on vehicles owned or operated by the **Insured**, provided that

a) Insurers will not indemnify the **Insured** for **Damage** to sheets, ropes, chains, toggles and dunnage if the **Damage** is caused by or contributed to by wear and tear or gradual deterioration;

b) Insurers' liability for **Damage** to sheets, ropes, chains, toggles and dunnage arising out of any one incident shall not exceed GBP 1,000 in respect of any one vehicle;

c) the **Insured** will be liable for the first GBP 100 of all **Damage** to sheets, ropes, chains, toggles and dunnage arising out of any one incident.

3. Excess

The Excess entered in the Schedule shall apply to all **Damage to Property in Transit** arising out of any one incident, inclusive of costs of clearing debris, transshipment or recovery of **Property in Transit** incurred as a result.

4. Other insurance If the carriage of **Property in Transit** is not undertaken in vehicles owned or operated by the **Insured**, any insurance or indemnity provided by the carrier shall constitute more specific insurance and this Insured Section shall only apply to any excess beyond the amount which would have been payable under such other

insurance or recoverable under the indemnity had this Insured Section not been effected.

D Basis of settlement

1. If the **Property in Transit** is under invoice at the time of **Damage**:

a) the actual invoice value to the **Insured** together with such costs and charges (including the **Insured's** commission as selling agent) as may have accrued and become legally due with respect to property dispatched to the **Insured** or for the account of the **Insured**; or

b) the amount of the **Insured's** invoice, including prepaid or advanced freight, with respect to property that has been sold by the **Insured** and is being dispatched to or for the account of the purchaser by the **Insured**;

2. If the **Property in Transit** is not under invoice at the time of **Damage**, the replacement of **Property in Transit** lost or destroyed by the closest equivalent property available or the repair or restoration of damaged **Property in Transit** to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new, provided that with respect to any manuscripts or **documents** in respect of which indemnity is granted under this Insured Section Insurers will not pay more than

a) the value of materials as stationery; and

b) the cost of clerical labour in reproducing or writing up such **documents**; and

c) the costs necessarily and reasonably incurred in connection with the reproduction of any information to be recorded;

3. If the invoice value or cost of replacement, repair or restoration of **Property in Transit** in respect of any load or consignment exceeds the Sum Insured, Insurers' liability in the event of **Damage** to which this Insured Section applies shall not exceed the proportion that the Sum **Insured** bears to the full cost of reinstatement, replacement, repair or restoration and the **Insured** shall be its own insurer for the remaining proportion and any further amount that exceeds the Sum Insured.

INSURED SECTION –

ALL RISKS TO BUSINESS EQUIPMENT

A Cover Provided

Insurers will indemnify the **Insured** up to the Sum Insured entered in the Schedule against **Damage to Business Equipment** of the **Insured** from any cause which is not excluded, provided that the **Damage** occurs within the **Territorial Limits** and during the **Period of Insurance**.

B Additional exclusions applicable to Insured Section – All risks to business equipment

This Insured Section excludes

1. **Damage** caused by moth, vermin, inherent vice, climatic conditions, wear and tear, mechanical derangement, gradual deterioration or faulty manipulation;
2. **Damage** to any part of any item of **Business Equipment** caused by its own ignition, electrical breakdown or burn out;
3. **Damage** caused by the actual process of repair, renovation or servicing;
4. **Damage** to **Business Equipment** while contained in an unattended vehicle unless in a locked container or compartment inaccessible from the driver's seat or any passenger seat with the keys to such locked container or compartment removed from the vehicle;
5. lost revenue or income or market or business opportunities or the incurring of contractual penalties relating to delays or failures in or inadequate performance caused by **Damage**;
6. **Digital & Cyber Risks**.

C Additional conditions applicable to Insured Section – All risks to business equipment

1. Any insurance or recovery provided for under a manufacturer's warranty or extended warranty or leasing agreement shall represent more specific insurance and this Insured Section shall only apply to any excess beyond the amount which would have been payable under such warranty or leasing agreement had this Insured Section not been effected.
2. If this Policy Wording includes an Insured Section – Material Damage, this Insured Section is more specific insurance with respect to **Damage to Business Equipment**.
3. The Excess entered in the Schedule shall apply to all **Damage** arising out of the same incident.
4. The Sum Insured shall be immediately and automatically reinstated following **Damage to Business Equipment** provided that the **Insured** pays an additional premium calculated on the proportion that the amount settled bears to the total of all Sums Insured, pro rata from the date the **Damage** occurs to the expiry of the **Period of Insurance**.

D Basis of settlement

1. The repair or restoration of damaged **Business Equipment** to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.
2. The replacement of **Business Equipment** lost or destroyed or substantially damaged beyond the reasonable cost of repair by the closest equivalent model or equipment available, provided that any depreciation allowed for in the **Insured's** balance sheet shall be deducted from any reimbursement of cost of replacement by the **Insured** or the **Insured** will reimburse Insurers for such amount if Insurers pay for the cost of replacement.
3. If the **Insured** requires replacement by an item of **Business Equipment** that costs more than the closest equivalent to that lost or destroyed or substantially damaged beyond the reasonable cost of repair, the **Insured** will be responsible for the difference between the cost of replacement by the closest equivalent model or equipment and the actual cost of replacement;

4. If the cost of repair, restoration or replacement of all **Business Equipment** under an item in the Schedule exceeds the Sum Insured for that item, Insurers' liability in the event of **Damage** shall be limited to the proportion that the Sum Insured for that item bears to the cost of repair, restoration or replacement of all **Business Equipment** under that item, provided always that Insurers' liability shall not exceed the Sum Insured.

INSURED SECTION – BOOK DEBTS

A Cover Provided

1. Insurers will pay to the **Insured** the monetary loss sustained by the **Insured** in respect of those **Outstanding Debt Balances** owing to the **Insured** that the **Insured** is unable to trace or establish as a result of destruction of or **damage** to the **Insured's** books of accounts, other business books or records caused by **Damage occurring** at the **Premises** during the **Period of Insurance** provided that

- (a) the **Damage** is caused by an **Operative Peril**; and
- (b) the **Damage** is not excluded in accordance with the provisions of the Insured Section – Material Damage.

2. The amount payable by the Insurers in respect of **Outstanding Debt Balances** shall in no event exceed:

- (a) the difference between:
 - (i) the **Outstanding Debt Balances**; and
 - (ii) the total of the amounts received or traced;

PLUS

- (b) the additional expenditure incurred with the previous consent of the Insurers in tracing and establishing **Outstanding Debt Balances** after the **Damage** occurs.

3. If the Sum Insured is less than the amount of the **Outstanding Debt Balances** at the date of the **Damage**, Insurers' liability shall be limited to the proportion that the Sum Insured bears to the amount of the **Outstanding Debt Balances** at the date of the **Damage**.

4. The Sum Insured under this Insured Section includes all reasonable charges payable to the **Insured's** auditors and/or accountants for producing identifying and certifying any particulars or details required by Insurers.

5. The liability of Insurers shall not exceed the Sum Insured in respect of all amounts claimed in connection with the same incident.

B Additional exclusions applicable to Insured Section – Book debts

Insurers will not pay monetary loss sustained by the **Insured** in respect of **Outstanding Debt Balances** or contribute to additional expenditure incurred in tracing and establishing **Outstanding Debt Balances** if the debt arises out of or from:

- (a) defects in the **Insured's** records;
- (b) erasure or distortion of information in **Computer Records** due to the presence of a magnetic flux;
- (c) deliberate falsification of any records;
- (d) dishonest or fraudulent acts by any director or officer of or **Person Employed** by the **Insured**;
- (e) mislaying or misfiling of tapes, disks or records.

C Additional conditions applicable to Insured Section – Book debts

1. If other insurance is in force covering monetary loss sustained by the Insured in respect of **Outstanding Debt Balances**, any amount payable under such other insurance shall constitute a received or traced debt balance in determining the extent of Insurers' liability under this Insured Section.

INSURED SECTION –

STOCK DETERIORATION FOLLOWING REFRIGERATION BREAKDOWN

A Cover Provided

Insurers will indemnify the **Insured** against deterioration or decay of **Chilled Stock** in any freezer cabinet, deep freezer, cold room, cold store or chilled cabinet at the **Premises** due to a change in the temperature caused by:

- (a) mechanical failure of or breakdown of the automatic temperature control unit;
- (b) failure of the public electricity or gas supply; or
- (c) the action of refrigerant fumes escaping from refrigeration equipment;

provided that the deterioration or decay of the **Chilled Stock** occurs during the **Period of Insurance**.

B Additional exclusions applicable to Insured Section – Stock deterioration following refrigeration breakdown

This Insured Section excludes:

1. deterioration or decay of **Chilled Stock** resulting from the deliberate act of any public electricity or gas supplier or the exercise by any such supplier of its power to withhold or restrict supply;
2. deterioration or decay of **Chilled Stock** resulting from the failure of the public electricity or gas supply due to strikes or any other withdrawal of labour by employees of any public electricity or gas supplier;
3. the amount of the Excess entered in the Schedule in respect of **Chilled Stock**, which shall apply to all deterioration or decay of **Chilled Stock** as a result of the same incident at the same **Premises**.

C Additional conditions applicable to Insured Section – Stock deterioration following refrigeration breakdown

1 If the Schedule includes an Insured Section – Material Damage, this Insured Section is more specific insurance with respect to loss of **Chilled Stock**.

2 Any insurance or recovery provided for under a manufacturer’s warranty or extended warranty or maintenance contract shall represent more specific insurance and this Insured Section shall only apply to any excess beyond the amount which would have been payable under such manufacturer’s warranty or extended warranty or maintenance contract had this Insured Section not been effected.

D Basis of settlement

1 The basis of settlement of any claim under this Insured Section shall be the cost of replacing the **Chilled Stock**.

2 The Sum Insured shall apply to all deterioration or decay of **Chilled Stock** as a result of the same incident at the same **Premises**.

3 If the cost of replacement of the **Chilled Stock** exceeds the Sum Insured Insurers’ liability shall not exceed the proportion that the Sum Insured bears to the total cost of replacement of the **Chilled Stock** and the **Insured** shall be its own insurer for the remaining proportion and any further amount that exceeds the Sum Insured.

**INSURED SECTION –
EMPLOYERS’, PUBLIC &
PRODUCTS LIABILITY**

**SUB-SECTION 1 –
EMPLOYERS’ LIABILITY**

A Cover provided

Insurers will indemnify the **Insured** against legal liability for damages (and claimant's costs fees and expenses) for **Injury** to any **Person Employed** by the **Insured** where such **Injury** arises out of and in the course of employment by the **Insured** and occurs during the **Period of Insurance** either:

1. in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands; or
2. elsewhere in the world in respect of temporary visits by **Persons Employed** by the **Insured** normally resident in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands;

PROVIDED THAT

- (a) the claim for damages is brought against the **Insured** in a court of law in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands; and
- (b) Insurers will not be liable in respect of any amount payable under any workman's compensation, social security or health insurance legislation or similar legislation or any medical and/or repatriation costs.

B Sub-Section 1 Exclusions

1. Sub-Section 1 shall not apply to liability:
 - (a) incurred in circumstances where any road traffic legislation requires compulsory insurance or security;
 - (b) arising out of work on and/or visits to any offshore rig and/or installation and/or platform from the time of embarkation

onto a conveyance at the point of final departure to such offshore rig and/or installation and/or platform until disembarkation from the conveyance from such offshore rig and/or installation and/or platform onto land;

2.
 - a) General Exclusion 9 (Radioactive Contamination) does not apply to Sub-Section 1.
 - b) Sub-Section 1 shall not apply to liability caused by or contributed to by or arising from:
 - (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - (ii) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component;

Provided that in respect of any claims arising out of **Injury** which form the subject of indemnity under Sub-Section 1 this exclusion shall only apply to liability:

- 1) of any party to whom indemnity is granted under Condition B4 of this Insured Section (or their personal representatives); and
- 2) assumed by the **Insured** by agreement which would not have attached in the absence of such agreement.

3. General Exclusion 1 (Asbestos) shall only apply in excess of GBP 5,000,000 any one **Occurrence**.
4. General Exclusion 11 (Terrorism) shall only apply in excess of GBP 5,000,000 any one **Occurrence**.

C Limits of Liability and Excess

Insurers' total liability to pay damages and/ or claimants' costs, fees and expenses shall not exceed the Limit of Liability entered in the Schedule in respect of any one claim against the **Insured** or series of claims against the **Insured** arising out of one **Occurrence**.

D Employers' Liability compulsory insurance clause

The indemnity granted by Sub-Section 1 is deemed to be in accordance with the provisions of any law enacted in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands relating to compulsory insurance of liability to employees.

If however, there has been non observance of any Policy conditions by the **Insured** and the Insurers shall have paid any sum which would not have been paid but for the provisions of such law then the **Insured** shall within fourteen (14) days repay such sum to Insurers.

SUB-SECTION 2 –

PUBLIC LIABILITY

E Cover provided

Insurers will indemnify the **Insured** against legal liability for damages (and claimant's costs fees and expenses) in respect of accidental **Injury** and/or accidental **Damage** occurring during the **Period of Insurance** within

1. the **Insured Territories**;
2. the rest of the world in respect of liability arising out of temporary visits by **Persons Employed**, provided that the **Person Employed** is normally resident in the **Insured Territories**.

F Additional exclusions applicable to Sub-Section 2

Sub-Section 2 shall not apply to liability:

1. for claims for which indemnity is afforded by Sub-Section 1 or Sub-Section 3 of this Insured Section whether or not such Sub-Sections are insured by this Policy Wording.

2. for claims arising out of the ownership, possession or use by or on behalf of the **Insured** or any person or party entitled to indemnity of any motor vehicle or trailer for which compulsory insurance or security is required by legislation, other than claims:

- 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 in circumstances where compulsory insurance or security is not required by any road traffic legislation;
- b) arising beyond the limits of any carriageway or thoroughfare caused by the loading or unloading of any motor vehicle or trailer except where indemnity is provided by any motor insurance contract;
- c) arising out of any motor vehicle or trailer temporarily in the **Insured's** custody or control for the purpose of parking except liability for which compulsory insurance or

security is required by legislation governing the use of any motor vehicle or trailer;

3. for claims arising out of the ownership, possession or use by or on behalf of the **Insured** of any aircraft, hovercraft, offshore installation and/or rig and/or platform or watercraft (other than watercraft not exceeding 10 metres in length while on inland waterways);
4. for **Damage** to property owned leased to hired by under hire purchase on loan to held in trust by or otherwise in the **Insured's** care custody or control other than:
 - a) clothing and personal effects of **Persons Employed** and visitors;
 - b) premises (including contents within these premises) temporarily occupied by the **Insured** for work purposes but no indemnity shall be granted for **Damage** to that part of the property on which the **Insured** is or has been working and which arises out of such work;
 - c) premises tenanted by the **Insured** provided always that
 - (i) details of such premises shall have been disclosed to Insurers;
 - (ii) liability for such **Damage** is not assumed by the **Insured** under agreement where liability would not have existed in the absence of the agreement;
 - (iii) Insurers shall not be responsible for the first GBP 500 of such **Damage** caused otherwise than by fire or explosion.
5. arising out of the deliberate conscious or intentional disregard by the **Insured's** technical or administrative management of the need to take all reasonable steps to prevent **Injury** or **Damage**;
6. arising out of contract, liquidated damages clauses, penalty clauses or performance warranties, unless proven that liability would have attached in the absence of such contract, clauses or warranties;

7. arising out of **pollution** or contamination of the atmosphere or of any water, land, buildings or other tangible property except to the extent that it can be proved that such **pollution** or contamination:
- a) was the direct result of a sudden identifiable unintended and unexpected incident occurring in its entirety at a specific time and place during the **Period of Insurance**;
 - b) was not the direct result of the **Insured** failing to take reasonable precautions to prevent such pollution or contamination;
- provided always that Insurers' total liability to pay compensation and/or claimants' costs fees and expenses under this clause shall not exceed the Limit of Liability stated in the Schedule in the aggregate in respect of the **Period of Insurance** and that all such pollution or contamination which arises out of one incident shall be considered for the purposes of this Insured Section to have occurred at the time such incident takes place;
8. arising out of caused by or in any way connected with magnetic electric or electromagnetic fields or their radiation or interaction in the form of an electromagnetic wave howsoever caused or generated or to any actual or alleged decrease of property values;
9. arising out of or relating to:
- a) the recognition, interpretation, failure to recognise or interpret, calculation, comparison, differentiation, sequencing or processing of data involving one or more dates or times by 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; or
 - b) any change, alteration, correction or modification involving one or more dates or times to any such 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.
- This exclusion shall apply regardless of any other cause which contributes concurrently or in any sequence to such loss, **Damage**, expense, liability or claim;
10. arising from or caused by design, formula, specification, technical or professional service given for a fee by the **Insured** or anyone acting on behalf of the **Insured**;
 11. arising in respect of liability for **Pure Financial Loss**;
 12. arising out of liability for **Loss** directly or indirectly caused by, resulting from, arising or in connection with the **Insured's** use of or reliance upon or sale or supply of any computer hardware or related Information Technology or communication system, any computer software, Internet, Intranet, Website or similar facility system or network and/or any electronic data or related information;
- PROVIDED THAT
- This clause shall not exclude claims for personal injuries caused by an accident involving physical contact with computer hardware.
- "Loss" in this clause shall include (but shall not be limited to) **Injury, Loss, Damage**, cost or expense of any nature including consequential and **Pure Financial Loss** and loss or damage to, deterioration or corruption (whether permanent or temporary) or loss of use of any computer hardware or related Information Technology or communication system, computer software, Internet, Intranet, Website or similar facility system or network and/or any electronic data and related information.
- If Insurers maintain that by reason of this clause any **Loss** is not covered by this Insured Section the burden of proving the contrary shall be upon the **Insured**.
- If any part of this clause is found to be invalid or unenforceable the remainder shall remain in full force and effect.

H Limits of Liability and Excess

1. Insurers' total liability to pay damages and/or claimants' costs fees and expenses shall not exceed the Limit of Liability entered in the Schedule against each Sub-Section in respect of any one **Occurrence** or series of **Occurrences** arising from one originating cause.

2. The Insurers shall not be liable for the amount of the Excess entered in the Schedule in respect of the first amount of any one **Occurrence** or series of **Occurrences** arising from one originating cause (Insurers shall only be liable to the extent that any liability exceeds the Excess).

SUB-SECTION 3 –

PRODUCTS LIABILITY

I Cover provided

Insurers will indemnify the **Insured** against legal liability for damages (and claimant's costs, fees and expenses) for accidental **Injury** and/or accidental **Damage** occurring during the **Period of Insurance**, but only against claims arising out of or in connection with any **Product**.

J Additional exclusions applicable to Sub-Section 3

Sub-Section 3 shall not apply to liability:

1. for claims for which indemnity is offered by Sub-Section 1 or Sub-Section 2 of this Insured Section whether or not such Sub-Sections are insured by this Policy;
2. for costs incurred in the repair, reconditioning or replacement of any **Product** or part thereof which is alleged to be defective;
3. arising out of the recall of any **Product** or **Product** part;
4. arising out of any **Product** which with the **Insured's** knowledge is intended for incorporation into the structure, machinery or controls of any aircraft, other aerial device, hovercraft or offshore rig and/or installation and/or platform;
5. arising out of any **Product** which the **Insured** knows or should reasonably know is to be delivered or used in the United States of America or Canada or any territory which operates under the laws of the United States of America or Canada unless the **Insured** has requested that there shall be no such limitation and has accepted the terms offered by Insurers in granting such cover, which offer and acceptance must be signified by specific endorsement to this Policy;
6. arising by virtue of a contract or agreement, other than contractual terms as to quality or fitness for purpose implied by the Sale of Goods Act 1979, but which would not have arisen in the absence of such contract or agreement;
7. arising out of the failure of any **Product** or **Product** part to fulfil the purpose for which it was intended unless due to an unintended and unexpected defect in the manufacture and/or assembly of such **Product** or **Product** part;
8. arising from circumstances known to the **Insured** prior to the commencement of the **Period of Insurance**;
9. arising out of the deliberate conscious or intentional disregard by the **Insured's** technical or administrative management of the need to take all reasonable steps to prevent **Injury** or **Damage**;
10. arising out of liquidated damages clauses, penalty clauses or performance warranties unless proven that liability would have attached in the absence of such clauses or warranties;
12. arising out of **pollution** or contamination of the atmosphere or of any water, land, buildings or other tangible property except to the extent that it can be proved that such **pollution** or contamination:
 - a) was the direct result of a sudden, identifiable, unintended and unexpected incident occurring in its entirety at a specific time and place during the **Period of Insurance**;
 - b) was not the direct result of the **Insured** failing to take reasonable precautions to prevent such **pollution** or contamination;
13. arising out of, caused by or in any way connected with magnetic electric or electromagnetic fields or their radiation or interaction in the form of an electromagnetic wave however caused or generated provided always that Insurers' total liability to pay compensation and/or claimants' costs fees and expenses under this clause shall not exceed the Limit of Liability stated in the Schedule in the aggregate in respect of the **Period of Insurance** and that all such **pollution** or contamination which arises out of one incident shall be considered for the purposes of this Insured Section to have occurred at the time such incident takes place;

or to any actual or alleged decrease of property values;

14. arising out of or relating to:
- a) the recognition, interpretation, failure to recognise or interpret, calculation, comparison, differentiation, sequencing or processing of data involving one or more dates or times by 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; or
 - b) any change, alteration, correction or modification involving one or more dates or times to any such 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.

This exclusion shall apply regardless of any other cause which contributes concurrently or in any sequence to such **Loss, Damage**, expense, liability or claim;

15. arising from or caused by design, formula, specification, technical or professional service given for a fee by the **Insured** or anyone acting on behalf of the **Insured**;
16. arising in respect of liability for **Pure Financial Loss**;
17. arising out of liability for **Loss** caused by, resulting from, arising or in connection with the Insured's use of or reliance upon or sale or supply of any computer hardware or related Information Technology or communication system, any computer software, Internet, Intranet, Website or similar facility system or network and/or any **electronic data** or related information;

PROVIDED THAT

This clause shall not exclude claims for personal injuries caused by an accident involving physical contact with computer hardware.

"Loss" in this clause shall include (but shall not be limited to) **Injury, Loss, Damage**, cost or expense of any nature including consequential and **Pure Financial Loss** and **Loss** or damage to, deterioration or

corruption (whether permanent or temporary) or loss of use of any computer hardware or related Information Technology or communication system, computer software, Internet, Intranet, Website or similar facility system or network and/or any electronic data and related information.

If Insurers maintain that by reason of this clause any **Loss** is not covered by this Insured Section the burden of proving the contrary shall be upon the **Insured**.

If any part of this clause is found to be invalid or unenforceable the remainder shall remain in full force and effect.

Limits of Liability and Excess

1. Insurers' total liability to pay damages and/ or claimants' costs fees and expenses shall not exceed the Limit of Liability entered in the Schedule, which applies to the total amount of damages and/or claimant's costs fees and expenses payable in respect of all **Injury** and/or **Damage** occurring during the **Period of Insurance**.
2. Insurers shall not be liable for the amount of the Excess entered in the Schedule in respect of the first amount of any one **Occurrence** or series of **Occurrences** arising from one originating cause (the Insurers shall only be liable to the extent that any liability exceeds the Excess).

Additional exclusions applicable to all Sub-Sections of this Insured Section

This Insured Section shall not apply to liability

1. for any award of punitive or exemplary damages whether as fines, penalties, multiplications of compensatory awards or damages or in any other form;
2. arising out of or in connection with
 - a) any work which exceeds two (2) metres in height; or
 - b) any work which exceeds one (1) metre in depth;
3. for any costs, fees or expenses incurred by or on behalf of the **Insured** in complying with any publicity order or a remedial order imposed on the **Insured** in accordance with the provisions of the Corporate Manslaughter and Corporate Homicide Act 2007.

Conditions applicable to Insured Section – Employers' Liability, Public & Products Liability

A United States of America or Canada

Unless specifically agreed by endorsement this Insured Section shall not indemnify the **Insured** in respect of any judgment award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgment award or settlement either in whole or in part).

B Indemnity to others

If the **Insured** so requests and it is agreed by the Insurers the indemnity granted extends to

1. directors and officers of and **Persons Employed** by the **Insured** in their business capacity arising out of the performance of the **Business**;
2. the officers, committee and members of the **Insured's** canteen, social, sports, medical, firefighting and welfare organisations in their respective capacity as such;

3. any person or firm arising out of the performance of a contract with the **Insured** constituting the provision of labour only;
4. any principal for legal liability in respect of which the **Insured** would have been entitled to indemnity under this Policy if the claim had been made against the **Insured** arising out of work carried out by the **Insured** under a contract or agreement;
5. the personal representatives of any person or party indemnified by reason of this Clause B in respect of legal liability incurred by such person;

Provided always that all such persons or parties shall observe fulfil and be subject to the terms, conditions and exclusions of this Insured Section as though they were the **Insured**.

C Cross Liabilities

Where there is more than one party named as the **Insured** in the Schedule this Insured Section will apply separately to each such **Insured** in the same manner and to the same extent as if a separate Policy had been issued to each **Insured** and Insurers agree to waive all rights of subrogation against any of these parties.

Provided that the total amount payable in respect of compensation does not exceed the Limit of Liability.

D Defence Costs

Insurers will also pay all costs fees and expenses incurred with their prior consent by the **Insured** in the defence or settlement of any claim under this Insured Section (hereinafter called "Defence Costs").

Defence Costs include legal expenses:

1. incurred by or awarded against the **Insured** arising out of any prosecution of the **Insured** for breach or alleged breach of Part 1 of the United Kingdom Health & Safety at Work Act 1974 (and/ or any legislation of similar effect) provided that the Insurers shall not be liable for any fines or penalties imposed as a result of such prosecution;
2. arising out of representation of any Coroner's Inquest or Fatal Accident Inquiry;

3. for representation in connection with an alleged offence under the Corporate Manslaughter and Corporate Homicide Act 2007;
4. arising out of the defence of any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of indemnity by this Insured Section.

Defence Costs will be payable in addition to the Limits of Liability except in respect of Sub-Section 1 – Employers’ Liability when the Limit of Liability will be inclusive of Defence Costs unless this Insured Section is specifically endorsed to the contrary.

E Compensation for court attendance

In the event of any director of or **Person Employed** by the **Insured** attending court as a witness at the request of Insurers in connection with a claim in respect of which the **Insured** is entitled to indemnity under this Insured Section Insurers will provide compensation at the following rates for each day on which attendance is required

1. any director: GBP 250.00 per day
2. any **Person Employed**: GBP 150.00 per day

subject to a maximum aggregate limit in the **Period of Insurance** of GBP 5,000.

F Waiver of rights of recovery

Insurers shall not exercise any rights of recovery against any past, present or future director or officer of or **Person Employed** by the **Insured** available to Insurers in the event of a claim or **Occurrence** unless liability arises as a result of a wilful, malicious or dishonest act or omission on the part of such past, present or future director or officer of or **Person Employed** by the **Insured**.

Additional conditions applicable to Insured Section – Employers', Public and Products Liability

Insurers' rights

Insurers will be under no obligation to investigate any potential claims or to undertake the conduct of any proceedings in connection with a potential claim.

If Insurers agree to leave the conduct of proceedings to the **Insured**, Insurers shall have absolute discretion to determine payment of claimants' costs or settlement by compromise.

Disputed defence or appeal

If the **Insured** and Insurers fail to agree as to whether a prosecution should be defended or an appeal made, the matter will be referred to a Queen's Counsel to be mutually agreed by the **Insured** and Insurers (or to be nominated by the President of the Law Society if the **Insured** and Insurers do not agree) whose decision will be final.

If there is a conflict between persons or entities that are indemnified separately under this Insured Section, separate representation will be arranged for each party.

GENERAL EXCLUSIONS

The following General Exclusions will apply to each Insured Section of this Policy other than where specifically varied or replaced.

This Policy excludes

1. **Asbestos**

Damage, injury or liability caused by or arising from or in any way related to asbestos or asbestos fibres or any commodity, article or thing containing asbestos or asbestos fibres or the cost of removing, nullifying or cleaning up asbestos, asbestos fibres or any commodity, article or thing containing asbestos or asbestos fibres;

2. **Biological or Chemical Materials**

Damage, injury or liability arising from or any costs or expenses incurred 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;

3. **Deliberate Acts**

Damage, injury or liability either expected or intended by the **Insured** but this exclusion does not apply to physical or mental injury to an individual resulting from the use of reasonable force to protect persons or property;

For the purposes of this exclusion, **Damage** or injury contributed to by a failure to take reasonable precautions to prevent **Damage** or injury will be deemed expected or intended by the Insured.

4. **Electronic Data**

a) any loss, damage, destruction, distortion, erasure, corruption

or alteration of **Electronic Data** from any cause or resulting from or caused by or concurrent with any cause;

b) any costs, expenses or liability arising out of or from loss, damage, destruction, distortion, erasure, corruption or alteration of **Electronic Data** (including but not limited to loss of use, reduction in functionality or costs of reproducing **Electronic Data**);

This exclusion shall not apply to **Damage**, injury or liability arising out of fire or explosion directly caused by loss, damage, destruction, distortion, erasure, corruption or alteration of **Electronic Data**.

5. **Invalid payments**

any claims in respect of loss of property of the **Insured** or of property for which the **Insured** is responsible if the cause of loss is non-payment or invalid payment for the property by a third party after hand-over or release of the property by or on behalf of the **Insured** to such third party or such third party's agent or representative.

6. **Micro-organism**

Damage, injury or liability arising from or any costs or expenses incurred in connection with 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;

7. **Northern Ireland Over-rider**

Damage to any property in Northern Ireland or loss resulting caused by or happening through or as a result of

a) civil commotion or

b) any unlawful, wanton or malicious act committed maliciously by a person or persons acting on behalf of, or in connection with, any "Unlawful Association";

For the purposes of this exclusion

(i) "Unlawful Association" means any organisation which is engaged in "Terrorism" and includes an organisation which at any relevant time is a proscribed organisation within the meaning of the Criminal Damage (Compensation) (Northern Ireland) Order 1977.

(ii) "Terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.

In any action, suit or other proceedings where Insurers allege that by reason of the provisions of this exclusion any **Damage** is not covered by this Policy the burden of proving that such **Damage** is covered shall be upon the **Insured**.

This overriding exclusion applies to this Policy and to any Policy extension, unless such extension expressly cancels this overriding exclusion.

8. **Pollution (not applicable to Insured Section – Employers', Public and Products Liability)**

a) **Damage to**

(i) any property owned by the **Insured** or for which the **Insured** is responsible; or

(ii) any land or premises (including land or water within or below the boundaries of such land or premises) that are presently or were at any time previously owned, leased, hired or tenanted by the **Insured**

caused by or arising out of **Pollution**;

b) **Pollution Clean-Up** arising from **Damage to**

(i) any property owned by the **Insured** or for which the **Insured** is responsible; or

(ii) any land or premises (including land or water within or below the boundaries of such land or premises) that are presently or were at any time previously owned, leased, hired or tenanted by the **Insured**

caused by or arising out of **Pollution**;

9. **Radioactive Contamination**

Damage, injury or liability arising from or any costs or expenses incurred in connection with

a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;

b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component;

c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;

10. **Sonic bang**

Damage due to pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;

11. **Terrorism**

loss, damage, cost or expense of any nature 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 exclusion an act of "Terrorism" means an act, including but not limited to the use or threat of force or violence, 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 exclusion also applies to loss, **damage**, cost or expense of any nature 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 Insurers 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 exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

12. **War & Confiscation**

Damage, injury or liability caused by, happening through or as a result of or any costs or expenses incurred in connection with war, invasion, acts of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or 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 any public or local authority;

13. **Water table**

Damage attributable solely to change in the water table level.

CONDITIONS PRECEDENT

This Policy contains a number of conditions precedent.

Where the condition identifies a peril or perils, In the event of breach of the condition precedent Insurers shall have no liability under this policy in respect of any loss or **damage** caused by that peril or perils unless the **Insured** can prove that the breach in no way could have increased the risk of such loss or damage.

In the event of breach of any other condition precedent, Insurers shall have no liability.

The following conditions precedent apply to all sections of the Policy

Claims Reporting and Cooperation It is a condition precedent to Insurers' liability that the **Insured**:

1.1 as soon as reasonably practicable, gives notice to the person or entity nominated in the Schedule for notification of claims (the Insurers' Representative) of any **Damage**, death, injury or circumstances that could give rise to a claim under this Policy of which the **Insured** becomes aware of or can reasonably expected to be aware of and in any event

- a) within seven (7) days of **Damage** caused by riot, civil commotion or malicious persons (if these are operative Insured Perils);
- b) within thirty (30) days of **Damage** caused other than by riot, civil commotion or malicious persons;
- c) within thirty (30) days of the date the **Insured** becomes aware of or can reasonably be expected to become aware of any injury or other circumstances that could give rise to a claim;

If it is not possible or practical to give notice to the Insurers' Representative, notice should be given to the claims manager at the address this Policy is issued.

1.2 gives notice as soon as reasonably practicable to the Police of any **Damage** caused by theft or malicious persons and

a) obtains a crime reference;

b) takes all reasonable steps to identify the offender and recover any property that has been lost as a result;

1.3 completes and returns to the Insurers' Representative any claim report form supplied by the Insurers' Representative, together with any other relevant details or statements, as soon as practicable and in any event within thirty (30) days of receipt of the claim report form, or such longer period as the Insurers' Representative consents to;

1.4 shall not admit liability for or negotiate the settlement of any claim or waive any rights of recourse or recovery against any other person without the prior written consent of Insurers;

1.5 provides all relevant particulars, information and assistance as Insurers and/or the Insurers' Representative reasonably require, at Insurers' expense;

1.6 gives Insurers and/or the Insurers' Representative leave and licence to attend the **Premises**, if the **Damage** occurs at the **Premises**, and take and keep possession of any property destroyed or damaged and deal with the salvage in a reasonable manner;

1.7 does not destroy or allow to be destroyed any evidence or supporting information or documentation without the prior consent of Insurers;

1.8 provides any assistance requested by Insurers and/or the Insurers' Representative in exercising any rights of recourse or recovery;

If the **Insured** does not comply with the above requirements Insurers shall be under no obligation to settle any claim for any amount in excess of the amount Insurers could have settled the claim for if the above requirements had been complied with.

- 1) the **Insured** receives written notification from a police authority that it may be withdrawing response to alarm calls; or
- 2) the **Insured** is required to abate a nuisance under the Code of Practice on Noise from Audible Intruder Alarms 1983;

Conditions Precedent applicable to Insured Section –Material Damage

1. Protection Maintenance Clause

It is a condition precedent to Insurers' liability for **Damage to Property** caused by fire, theft or attempted theft or by malicious persons that:

- a) in respect of any **Alarm System** installed at the **Premises** which has been declared to Insurers or which Insurers have required to be installed:
 - (i) a maintenance contract is maintained in force throughout the **Period of Insurance** with the company that installed the **Alarm System** or a company approved by Insurers;
 - (ii) the **Premises** are not left unattended unless:
 - 1) the **Alarm System** is tested and set in its entirety and, where the equipment permits, any central station to which the **Alarm System** is connected has acknowledged the setting signal;
 - 2) as far as the **Insured** or any person responsible for security is aware, the **Alarm System** is in full and efficient working order;
 - 3) the agreement of Insurers is obtained in writing before replacing, extending or otherwise altering the **Alarm System**;
 - (iii) Insurers are notified without delay and in writing if:

- b) whenever the **Premises** are left unattended
 - (i) all locks and other protective devices are in full operation;
 - (ii) all keys (including those relating to any part of the **Alarm System**) are:
 - 1) removed from the **Premises**; or
 - 2) placed within a locked safe or strong room, all keys to which are removed from the **Premises**;
 - (iii) any details of any combination code for a combination lock are put in a locked place and the keys to such locked place removed from the **Premises**.

2. Fire Appliance Maintenance Clause

It is a condition precedent to Insurers' liability for **Damage to Property** caused by FIRE that:

- a) the **Insured** will maintain all fire extinguishing appliances contained in the **Premises** in full working order throughout the **Period of Insurance**; and
- b) notify Insurers without delay of any disconnection or failure of the automatic fire alarm installation which is likely to leave any area without protection for twelve (12) hours or more.

This contract of insurance shall not be invalidated by any defect in any of the appliances due to circumstances unknown or beyond the control of the **Insured**.

3. Automatic sprinkler installation clause

It is a condition precedent to Insurers' liability for **Damage** caused by FIRE or WATER DISCHARGED OR

LEAKING FROM THE AUTOMATIC SPRINKLER INSTALLATION(S) AT THE PREMISES that:

- a) the **Insured** shall take all reasonable steps to prevent frost and other damage to the automatic sprinkler installation(s) and, so far as their responsibility extends, to maintain the installation(s) including the automatic external alarm signal(s) in efficient condition;
- b) in the event of any discharge or leakage from the said installation(s) the **Insured** shall do and permit to be done all things practicable whether by removal or otherwise to save and protect the **Property**;
- c) when any changes, repairs or alterations to the automatic sprinkler installation(s) are proposed notice is to be given to Insurers.
4. Automatic reinstatement of the Sum Insured
Except where a Sum Insured is applicable to all **Damage** during the **Period of Insurance**, the applicable Sum Insured shall be immediately and automatically reinstated following **Damage to Property** caused by an operative Insured Peril, provided that the **Damage** is not otherwise excluded and the **Insured** undertakes to pay the additional premium required by Insurers.

Conditions precedent applicable to Section 1 of Insured Section – Loss of money & personal assault

It is a condition precedent to any liability under Section 1 of the Insured Section – Loss of money & personal assault that

- a) the **Insured** maintains a complete record of all **Money** at the **Premises** or in transit or in a bank safe or within bank premises and keeps such record other than in a safe or strong room containing **Money**;
- b) the **Insured** shall at all times exercise reasonable care in the selection and employment of **Persons Employed** involved with the handling and/ or accompaniment of **Money** and has obtained and will continue to obtain satisfactory written references and

confirmation of such references from previous employers;

- c) whenever **Negotiable Money** is not in a lockable building at the **Premises** or in the dwelling of the **Insured** or any person to whom the **Money** is entrusted or in a bank or in a bank night safe, it is:
 1. accompanied by one able-bodied adult if the value of the **Negotiable Money** does not exceed GBP 2,500;
 2. accompanied by two able-bodied adults if the value of the **Negotiable Money** is between GBP 2,500 and GBP 4,000;
 3. accompanied by three able-bodied adults if the value of the **Negotiable Money** is between GBP 4,000 and GBP 10,000;
 4. entrusted to a professional security company if the value of the **Negotiable Money** exceeds GBP 10,000.

Conditions precedent applicable to Insured Section – Goods in transit

It is a condition precedent to Insurers' liability under the Insured Section – Goods in transit that

1. the **Insured** shall take maintain all vehicles used by the **Insured** for the carriage of **Property in Transit** in good condition;
2. **Property in Transit** dispatched from the **Premises** is properly packed and includes any appropriate instructions or warnings concerning handling;
3. if carriage is contracted out, the **Insured** retains all rights of recourse or redress against the person engaged under contract to convey the **Property in Transit**.

Conditions precedent applicable to Insured Section – Book debts

It is a condition precedent to Insurers' liability under the Insured Section – Book debts that the **Insured** will:

- (a) keep all paper records of **Outstanding Debt Balances** in fire-resistant safes or cabinets when not in use;
- (b) retain paper copies at the **Premises** of any original paper records of **Outstanding Debt Balances** that leave the **Premises**; and
- (c) maintain back-up records of all records of **Outstanding Debt Balances** held on **Computer Equipment** in a secure offsite location and update such back-up records at least weekly.

Condition precedent applicable to Insured Section – Stock deterioration following refrigeration breakdown

- 1 It is a condition precedent to Insurers' liability under the Insured Section – Stock deterioration following refrigeration breakdown that any refrigerant unit at the **Premises** is maintained by the manufacturer or the person who installed the unit or a competent engineer under an annual maintenance contract.

Additional claims conditions precedent applicable to Insured Section – Employers', Public and Products Liability

Notification

The following are conditions precedent to Insurers' liability:

1. The **Insured** must give notice without delay or within forty eight (48) hours of receipt of notice of any impending inquest, fatal accident enquiry, prosecution or other legal proceedings that includes alleged **Injury**.
2. The **Insured** must give notice as soon as practical and in any event within seventy two (72) hours of coming into possession of actual knowledge that notice of an Industrial or Employment Tribunal hearing includes alleged **Injury**.

3. The **Insured** must give notice without delay or not later than seventy two (72) hours from the **Insured's** actual knowledge of any death or injury to any person involving a stay in hospital in excess of three (3) days which may be the subject of indemnity under this Policy.
4. The **Insured** must give notice by email or fax or other agreed electronic medium to the Insurers' Representative not later than forty eight (48) hours from the **Insured's** notification to the authorities of any RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995) incident.

Further assistance

The following are conditions precedent to Insurers' liability:

1. The **Insured** must forward copies of any request, demand, order, notice, summons, legal paper and all related documents in connection with an incident which may be the subject of indemnity under this Insured Section as soon as they are received.
2. The **Insured** must authorise Insurers to obtain medical records or other relevant information when requested by Insurers but only when legally permitted to do so in the event of an incident involving injury which may be the subject of indemnity under this Insured Section.

GENERAL CONDITIONS

1. Rights of the Insurers

Insurers shall have the right whether before or after settlement of any claim under this Policy to conduct in the name of the **Insured** the defence or settlement of any claim or to take action to seek recovery or secure indemnity from any third party in respect of any claim covered by this Policy and shall have full discretion in the conduct of any such proceedings.

2. Terms of settlement

If Insurers decide to repair, reinstate or replace any property, Insurers will only do so in a reasonably sufficient manner as circumstances permit and shall not be bound to expend more than the applicable limit of liability or **Sum Insured**. If Insurers are able to repair or replace property but they agree to make a cash settlement Insurers will only pay what it would cost them to replace or repair the item(s) using their own suppliers.

3. Subrogation

In the event of any payment under this Policy, Insurers will act together with all other interested parties (including the **Insured**) concerned in the exercise of any rights of recovery.

The distribution of any amounts which may be so recovered shall follow the principle that any interested parties (including the **Insured**) that shall have paid an amount over and above any payment under this Policy, shall first be reimbursed up to the amount paid by them. Insurers are then to be reimbursed out of any balance remaining up to the amount paid under this Policy. Lastly, the interested parties (including the **Insured**) to whom this coverage is in excess are entitled to claim the residue, if any. Expenses necessary to the recovery of any such amounts shall be borne by the interested parties concerned, in the ratio of their respective recoveries as finally settled.

4. Adjustment of premium

4.1 If the premium has been calculated on estimates given by the **Insured** the **Insured** shall keep an accurate record containing all relevant particulars, which shall be available to Insurers for inspection.

4.2 Within one month of the expiry of the **Period of Insurance** the **Insured** shall supply to Insurers an accurate statement in the form required so that the balance of the premium for the **Period of Insurance** can be calculated and the difference paid by or allowed to the **Insured**, subject to any minimum premium that may be required.

4.3 If the **Insured** fails to supply such a statement within one (1) month of the expiry of the **Period of Insurance** Insurers shall be entitled to charge for the balance of the premium for the **Period of Insurance** based on the particulars declared in the **Insured's** last financial statements before the expiry of the **Period of Insurance**.

5. Assignment

Assignment of interest under this Policy shall not bind Insurers unless and until Insurers' written consent is endorsed on this Policy.

6. Cancellation

6.1 Insurers may cancel the entire Policy or individual Insured Sections of the Policy by giving notice in writing to the **Insured** at the **Insured's** last known address.

6.2 If Insurers cancel on account of deliberate and reckless misrepresentation or non-disclosure by or on behalf of the **Insured**, the effective date of termination will be immediate and Insurers will be entitled to retain all premium paid.

6.3 Insurers may cancel this insurance by giving the **Insured** 14 days' notice in writing to the

Insured's last known address where there is a valid reason for doing so. Valid reasons may include but are not limited to:

- Where Insurers are made aware of changes in the **Insured's** circumstances which mean that it is no longer possible for Insurers to continue to provide cover under this Policy;
- Where the **Insured** is required in accordance with the terms of this insurance to co-operate with Insurers, or send Insurers information or documentation within a given time period specified by Insurers and the **Insured** fails to do so in a way that materially affects Insurers' ability to process a claim, or Insurers' ability to defend their interests;
- Where the **Insured** fails to meet one or more of the terms and conditions which are set out as a requirement for providing insurance cover; or where a failure has been established and Insurers have given the **Insured** time to rectify, if the **Insured** fails to comply with the terms and conditions within the time period specified;
- Use of threatening or abusive behaviour or language, or intimidation or bullying of Insurers' staff or suppliers;
- Non-payment of premium or failure to pay a premium under any direct debit instalment scheme.

If Insurers cancel for reasons other than deliberate and reckless misrepresentation or non-disclosure the notice of termination will state the effective date of termination, which will be not less than thirty (30) days from the mailing of the notice and the **Insured** will be entitled to a return of premium for the unexpired portion of the **Period of Insurance**, less any amounts to which Insurers are entitled in accordance

with General Condition 1 (Adjustment of Premium).

- 6.4 The **Insured** may cancel the entire Policy or individual Insured Sections of the Policy at any time by giving notice in writing to Insurers or the intermediary appointed by the **Insured** to place this insurance and stating the effective date of cancellation.
- 6.5 If the **Insured** gives notice of cancellation, Insurers will be entitled to retain premium in accordance with the following short-rate cancellation table:

Months' cover (up to)	Premium to be retained
1	25%
2	30%
3	40%
4	50%
5	60%
6	70%
7	80%
8	85%
9	90%
10	100%

7. Cessation of Interest

This Policy shall be avoided with respect to any Insured Section with regard to which the **Insured's** interest ceases after the commencement of the **Period of Insurance**, unless Insurers have agreed, in writing, to maintain the Policy in force after the **Insured's** interest has ceased.

8. Due Diligence

- 8.1 The **Insured** shall at the **Insured's** own expense

- a) maintain the **Premises** and all machinery, plant, equipment and furnishings at the **Premises**, in a satisfactory state of repair;
- b) exercise care in the selection and supervision of **Persons Employed**;
- c) comply with all relevant statutory requirements, manufacturer recommendations and other regulations relating to the use, inspection and safety of property and safety of persons;
- d) make good any defect or danger which becomes apparent and take additional precautions as circumstances require;
- e) exercise care in the selection and supervision of **Persons Employed** in the event of **Damage or Injury**,
 - (i) take all reasonable steps to contain the extent of **Damage or Injury** as far as possible and ensure that such additional precautions as the circumstances require are taken;
 - (ii) cease any activity that has given rise to the **Damage or Injury** or can reasonably be expected to give rise to further **Damage or Injury**.

9. Excess

- 9.1 The **Insured** is responsible for the full amount of any Excess specified in the Schedule.

692 The **Insured** is not permitted to effect insurance in respect of any Excess specified in the Schedule.

693 The Excess specified in the Schedule shall apply to all **Damage** arising from the same event but shall not apply to any costs or expenses incurred by the **Insured** as a result of the **Damage**.

10. Inspection and Audit

Insurers, or such representative(s) as Insurers may designate, shall be permitted but not obligated to inspect the **Insured's** property and operations at any time. Neither Insurers' right to make inspections nor the making of or reports relating to any inspection(s) shall represent an undertaking, on behalf of or for the benefit of the **Insured** or others, to determine or warrant that such property or operations are safe.

11. Language and governing law

This insurance is written in English and all communications about it will be in English. Unless the **Insured** and Insurers have agreed otherwise, this Policy will be governed by and construed in accordance with the law of England and Wales, or, if the **Insured's** registered office is in another part of the **United Kingdom**, this Policy will be governed by and construed in accordance with the law of that part of the **United Kingdom**.

12. Premium

The insurance granted by this Policy is conditional on the premium being paid to and accepted by Insurers on or before the payment date shown in the Schedule.

13. Discharge of liability

Insurers may at any time pay the applicable limit of liability or Sum Insured (after deduction of any sum already paid) in settlement of claims or pay a lesser amount if claims can be settled for less. Insurers shall then be under no further liability with respect to such claims except for the payment of such costs and expenses incurred prior to the date of payment for which Insurers remain liable.

14. Rights of Third Parties

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

15. Representation

The first named **Insured** in the Schedule shall act on behalf of all other parties in respect of whom an indemnity is provided under this Policy with respect to the giving and receiving of any notices from Insurers or Insurers' representatives including any notice of cancellation. The payment to the **Insured** of any return premium that may be payable under this Policy shall satisfy any obligation Insurers may have to return premium.

16. Personal Representatives

In the event of the death or incapacity as determined in accordance with the Mental Capacity Act 2005 of any person indemnified by this Policy, the Insurers will pay such sums as would have been payable under this Policy to such person to their personal representatives, provided that they comply with the provisions of this Policy in so far as they apply.

17. In respect of Insured Section – Business Interruption and Insured Section – Book Debts

This Insured Section shall be avoided if the **Business** is wound up or carried on by a liquidator or receiver or permanently discontinued at any time after the commencement of the **Period of Insurance**, unless Insurers give their written agreement to the contrary.

18. Other Insurance

If at the time of the occurrence giving rise to a claim under this Policy there is any other insurance cover in force effected by or on behalf of the Insured and covering such **Damage**, loss or liability, **Insurers** will only pay their rateable proportion of such **Damage**, loss or liability.

DEFINITIONS

Additional Increased Cost of Working means the additional expenditure in excess of the amount payable in respect of **Increased Cost of Working** necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Turnover** or **Revenue** which, but for the expenditure, would have taken place during the **Indemnity Period** as a result of the **Damage**, but only if an amount has been entered in the Schedule for “**Additional Increased Cost of Working**” and only up to such amount.

Alarm System means fire alarms and intruder alarms and is deemed to include all lines and equipment used to transmit the signals to and from the **Premises**.

All Other Contents means those items specifically listed in the Schedule under the Item “**All Other Contents**” and

1. **Money** for an amount not exceeding GBP 1,000;
2. **Documents**;
3. **Computer Records** for an amount not exceeding GBP 5,000 unless specified otherwise in the Schedule;
4. patterns, models, moulds, templates, plans and designs;
5. clothing and personal effects, tools, instruments, of directors, executives, **Persons Employed**, visitors and guests of the **Insured** for an amount not exceeding GBP 500 in respect of any one person, and for pedal cycles GBP 500 per person;

Annual Revenue means the **Revenue** during the twelve (12) months immediately before the date of the **Damage**, to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the date the **Damage** occurred or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable

the results which but for the **Damage** would have been obtained during the **Indemnity Period**.

Building means any building at the **Premises** capable of being locked which, unless otherwise declared, shall be built mainly of brick, stone, concrete or other non-combustible materials, including: -

1. landlord’s fixtures and fittings; and/or
2. fixed sanitary ware; and/or
3. canopies, fixed signs and street furniture; and/or
4. outbuildings, annexes, gangways, extensions, walls, gates, fences, roads, paved areas, pavements, lamp posts, and other structures within the curtilage of the **Premises**; and/or
5. telephone, gas, water and electricity instruments, meters, drains, piping, cables, and their accessories including such property for which the **Insured** is responsible which is underground and partly or wholly serves to supply the described **Premises**;
6. security cameras and lights owned by or used by the **Insured** and located on or around the **Premises**; and/or
7. any open space, yard or garden but only if specified in the Schedule.

Business means the business of the **Insured** specified in the Schedule conducted at or from **premises** in Great Britain, Northern Ireland, the Channel Islands and the Isle of Man and any additional geographical areas specified in the Schedule and shall include

1. the ownership repair and maintenance of the **Insured’s** own property; and/or pensioners;
2. the provision and management of canteens, social, sports, medical, firefighting and welfare organisations for the benefit of any **Person Employed**.

Business Equipment means **Computer Equipment** and peripherals and other electronic office equipment including laser printers, fax machines,

photocopiers and telephone installations belonging to the **Insured** or for which the **Insured** is responsible.

Business Hours means the period during which the reception or security desk at the **Premises** is manned or, if not applicable, the period during which the **Premises** are attended by a director of the **Insured** or a **Person Employed** by the **Insured** who is responsible for treasury matters for purposes of the **Business**.

Chilled Stock means frozen or chilled stock belonging to the **Insured** or held in trust or on commission for which the **Insured** is responsible.

Computer Equipment means any computer equipment, component, system or item that processes, stores, transmits or retrieves **Electronic Data** including, without limitation, firmware, hardware, interconnecting wiring and temperature and environmental control, power supply, voltage regulating and other protective equipment used exclusively in connection with the computer equipment, component, system or item.

Computer Records mean all current and back up computer records relating to the **Business** stored on **Computer Equipment** at the **Premises**.

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

Customer Accounts means the accounts of all customers and/or agents of the **Insured** who purchase goods from, or to whom services are rendered, by the **Insured**.

Damage means loss of possession of, destruction of or damage to tangible property.

Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. A Denial of Service Attack includes, but is not limited to the generation of excess traffic into network addresses,

the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

Digital & Cyber Risks mean

1. **Damage** to any **Computer Equipment**; or
2. any expenditure incurred in replacing, repairing or hiring any **Computer Equipment** caused by **Damage** to any **Computer Equipment**; or
3. lost revenue or income or market or business opportunities or the incurring of contractual penalties relating to delays or failures in or inadequate performance caused by **Damage** to any **Computer Equipment**;

where such **Damage** is caused by **Computer Virus** or **Hacking** or a **Denial of Service Attack**.

Documents mean business books and records, deeds, documents (including stamps), manuscripts, plans & writings of every description, books (written or printed) and computer disks, tapes and records.

Bonds, negotiable documents and/ or securities do not form part of Documents unless specified otherwise in the Schedule.

Electronic Data means facts, concepts and information converted to a form useable for communication, display, distribution, interpretation or processing by electronic and electromechanical processing or electronically controlled equipment, including programs, software and other coded instructions for such equipment.

Estimated Gross Profit means the amount declared by the **Insured** to Insurers as representing not less than the **Gross Profit** which it is anticipated will be earned by the **Business** during the **Insured's** current uncompleted financial year which will be proportionately increased if the **Indemnity Period** exceeds twelve (12) months.

Estimated Revenue means the amount declared by the **Insured** to Insurers as representing not less than the **Revenue** which it is anticipated will be earned by the **Business** during the **Insured's** current

uncompleted financial year which will be proportionately increased if the **Indemnity Period** exceeds twelve (12) months.

Excluded Property means

- a) jewellery, watches, precious stones, precious metals, bullion, non-ferrous metal in scrap and/or ingot form, statuary, furs, curiosities, works of art and rare books;
- b) **Money, Documents**, bonds, negotiable documents or securities;
- c) patterns, models, moulds, templates, plans and designs;
- d) **Business Equipment**, cameras, radios, television sets and other consumer and commercial electrical appliances and instruments;
- e) explosives, livestock, perfumery, tobacco, cigars, cigarettes, wines, spirits and other alcoholic beverages;

unless specifically declared to and agreed by Insurers as **Property in Transit**.

Glass means

- 1. normal flat glass, toughened and laminated glass, bent, tinted, stained or fired glass, decoration or protective film or alarm foil on glass, including lettering, in windows, doors and fanlights;
- 2. glass in fixed showcases, shelves, tops or mirrors;
- 3. neon signs.

Gross Profit means the amount by which

- 1. the sum of
 - a) the **Turnover** (less any discounts allowed) and
 - b) the amount of the Closing Stock and Closing Work in Progress
 shall exceed:
- 2. the sum of the amounts of-
 - a) the Opening Stock and Opening Work in Progress; and

b) the **Specified Working Expenses**.

The amounts of the Opening and Closing Stocks and Work in Progress shall be arrived at in accordance with the **Insured's** normal accountancy methods, due provision being made for depreciation.

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

Heave means upward movement of the ground beneath the **buildings** as a result of the soil expanding.

Increased Cost of Working means the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Turnover** or **Revenue** which, but for the expenditure, would have taken place during the **Indemnity Period** as a result of the **Damage**, but not exceeding the reduction in **Turnover** or **Revenue** thereby saved.

Indemnity Period means the period beginning with the occurrence of the **Damage** and ending not later than the last day of the "**Indemnity Period**" specified in the Schedule, during which the results of the **Business** are affected as a result of the **Damage**.

Injury means death, bodily injury, illness, or disease, including mental injury, mental anguish and nervous shock of or to any individual.

Insured means the person, company, partnership or other organisation named in the Schedule as the **Insured**, including any subsidiary companies of the **Insured** notified to and accepted in writing by Insurers.

Where the **Insured** is a partnership, all reference to a "director" in the Policy shall mean "partner".

Insured Person means the **Insured** or any director or officer of or **Person Employed** by the **Insured** whose age is between sixteen (16) and seventy (70) years at the commencement of the **Period of Insurance**.

Insured Territories mean Great Britain, Northern Ireland, the Channel Islands and/ or the Isle of Man.

Landslip means downward movement of sloping ground.

Loading & Unloading means movement of **Property in Transit**, other than **Excluded Property**, into or onto a vehicle or railway conveyance from the place where it is accepted by or on behalf of the courier, vehicle operator, haulier or railway operator, as applicable (loading) or movement of property from a vehicle or railway conveyance to the place where it is finally delivered to the consignee (unloading).

Loss means loss of physical possession of or invalidation on account of **damage**.

Loss of Eye means permanent and total loss of sight which will be considered as having occurred

- a) in both eyes if the **Insured Person's** name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist;
- b) in one eye if the degree of sight remaining after corrections is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what should be seen at 60 feet).

Loss of Use of one or more Limbs means

- a) in the case of a lower limb, loss by physical severance of each and every toe through or above the metatarsal phalange joints or permanent total loss of use of an entire leg or foot;
- b) in the case of an upper limb, loss by physical severance of the entire four fingers through or above the metacarpal phalange joints or permanent total loss of use of an entire arm or hand.

Lost means physical possession has been lost or invalidated on account of **damage**.

Money means **Negotiable Money** and **Non-Negotiable Money**.

Negotiable Money means cash, bank notes, uncrossed cheques, uncrossed girocheques, uncrossed bankers' drafts, uncrossed money orders, uncrossed postal orders, bills of exchange, unused postage stamps and certificates, holidays with pay stamps, gift tokens, all the **Insured's** own or for which the **Insured** is responsible, and luncheon vouchers the property of the **Insured** but only while in the custody of the **Insured**.

Non-Negotiable Money means crossed cheques, crossed girocheques, crossed bankers' drafts, crossed money orders, crossed postal orders, used National Insurance stamps, National Savings Certificates, credit company sales vouchers, VAT purchase invoices and unused franking machine units.

Occurrence means an accident including continuous or repeated exposure to substantially the same general conditions which results in **Injury** or **Damage** neither expected nor intended by the **Insured**.

Operative Peril means an Insured Peril, other than theft or attempted theft, entered as operative in the Schedule in respect of the Insured Section- Material Damage.

Outstanding Debt Balances means the total shown in the financial statements for the **Insured's** last completed financial year adjusted for

1. bad debts;
2. amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the **Damage**) to customer accounts in the period between the date to which the last statement relates and the date of the **Damage**; and
3. any abnormal conditions of trade which had or could have had a material effect on the **Business** so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date the **Damage** occurred if the **Damage** had not occurred.

Period of Insurance means the period between the dates specified in the Schedule commencing and ending at one minute past midnight (00.01 am) unless specified otherwise in the Schedule.

Permanent means lasting not less than one year and then being beyond hope of improvement, or lasting

less than one year and deemed by the Insurers at their discretion as being beyond hope of improvement.

Person Employed means any

1. employee under a contract of service or apprenticeship with the **Insured**;
2. labour master or individual supplied by him;
3. labour only subcontractor;
4. self-employed individual working for and under the control of the **Insured**;
5. individual hired or borrowed by the **Insured**;
6. person undertaking study or work experience or youth training scheme with the **Insured**;
7. voluntary worker or volunteer

while working on behalf of the **Insured** in connection with the **Business**;

Pollutant(s) means any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste.

Waste is deemed to include materials to be recycled, reconditioned or reclaimed but Legionella bacteria are deemed not to be **Pollutants** for the purpose of this Policy.

Pollution means the actual, alleged or threatened discharge, seepage, migration, dispersal, release or escape of **Pollutants** at any time.

Pollution Clean-Up means any cost, expense, claim or suit arising out of any request, demand or order as a result of actual, alleged or threatened discharge, seepage, migration, dispersal, release or escape of **Pollutants** at any time that the **Insured** or any other party acting jointly and severally with the **Insured** test for, monitor, clean up, remove, contain, treat, detoxify, or neutralise or in any way respond to, or assess the effects of **Pollutants**.

Premises means the locations specified in the Schedule.

Product means any tangible property after it has left the custody or control of the **Insured** which has been designed, specified, formulated, manufactured, constructed, installed, erected, sold, hired out, supplied, distributed, treated, processed, serviced, altered or repaired by or on behalf of the **Insured** in connection with the **Business**.

Professional Fees means the reasonable fees of architects, surveyors, lawyers, and consulting engineers and other professional persons necessarily incurred by or on behalf of the **Insured** in the **Reinstatement of Property** following **Damage to Property** indemnified by this Policy. Professional Fees shall not include any fees charged for the preparation of a claim or estimate of loss under this Policy (or otherwise).

Property means the property specified in the Schedule, which either belongs to the **Insured** or for which the **Insured** is responsible.

Property in Transit means property, other than **Excluded Property**, described in the Schedule in respect of "Insured Section – Goods in transit".

Pure Financial Loss means any monetary loss not caused by **Injury** or **Damage**.

Rate of Gross Profit means the rate of **Gross Profit** earned on the **Turnover** for the **Insured's** last completed financial year preceding the date the **Damage** occurred, to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the date the **Damage** occurred or which would have affected the **Business** had the **Damage** not occurred so that the rate of **Gross Profit** thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the **Indemnity Period**.

Reinstatement means

1. For **Buildings**, the repair or rebuilding of a **Building** to the same or similar specifications except for any changes or improvements provided for in

Memoranda 6 & 7 (Reinstatement and Public Authorities); or

2. For all other **Property**, either

(a) the replacement of **Property** that has been lost, destroyed or damaged beyond the reasonable cost of repair by property similar to that lost, destroyed or substantially damaged when new; or

(b) the repair or restoration of damaged **Property** to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new,

whichever is less.

Removal of Debris means costs and expenses necessarily incurred by the **Insured** with the consent of Insurers in

1. removing the debris of,
2. dismantling and/or demolishing,
3. shoring up or propping of

Property, excluding **Stock**, destroyed or damaged by an Insured Peril entered as operative in the Schedule.

Revenue means the receipts of the **Business** from all sources.

Settlement means downward movement as a result of the ground being compressed by the weight of the buildings within 10 years of construction.

Specified Working Expenses mean

- a) 100% of purchases (less any discounts received);
- b) 100% of discounts allowed;
- c) 100% of bad debts written off.

Standard Revenue means the **Revenue** during that period in the twelve (12) months immediately before the date of the **Damage** which corresponds with the **Indemnity Period**, to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the date the **Damage** occurred or which would have affected the **Business** had the **Damage** not

occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the **Indemnity Period**.

Standard Turnover means the **Turnover** for the twelve (12) month period ending at the date the **Damage** occurred or, if the **Indemnity Period** exceeds twelve (12) months, the period equating with the duration of the **Indemnity Period** ending at the date the **Damage** occurred, to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the date the **Damage** occurred or which would have affected the **Business** had the **Damage** not occurred so that the **Turnover** thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the **Indemnity Period**.

Stock means stock and material in trade belonging to the **Insured** or held in trust or on commission by the **Insured**, including

1. up to GBP 250 of wines, spirits, tobacco and cigarettes if no separate amount for wines, spirits, tobacco and cigarettes is entered in the Schedule; or
2. wines, spirits, tobacco and cigarettes up to the specific amount entered in the Schedule.

Subsidence means downward movement of the ground beneath the buildings where the movement is unconnected with the weight of the building.

Temporary Partial Disablement means disablement that is not **permanent** but prevents the **Insured Person** from attending to a substantial part of his or her occupation in the **Business**.

Temporary Total Disablement means disablement that is not **permanent** but prevents the **Insured Person** from attending to his or her usual occupation in the **Business**.

Tenants Improvements means internal decorations to ceilings and walls and improvements and additions of a similar nature belonging to the

Insured or for which the Insured is responsible as tenant and not owner of the **Premises**.

Territorial Limits means the United Kingdom and any additional geographical areas specified in the Schedule.

Total Cost of Reinstatement means the total cost that would be incurred if all items of property within the Sum Insured were destroyed and, for **Buildings**, fixtures, fittings, machinery and plant, shall include a reasonable allowance for **Professional Fees, Removal of Debris**, and for the costs of complying with any regulations under the Public Authorities condition.

Total Disablement means disablement, other than **Loss of Eye** or **Loss of Use of one or more Limbs** that entirely prevents the **Insured Person** from attending to his or her usual occupation in the **Business**.

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

United Kingdom means Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.