

# Retail

## Insurance Policy

# The Contract of Insurance

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This is **your** Capital Markets Underwriting Limited Retail insurance policy. It sets out the details of **your** insurance contract with **us**.

This document, any endorsements, certificates and the schedule must be read together as one contract as they form **your** policy.

In return for payment of the premium shown in the schedule, **we** agree to insure **you** against:

- loss or damage **you** sustain;
- loss resulting from interruption or interference with the **business** following **damage**,
- legal liability **you** incur for accidents

during the **period of insurance** and in accordance with the terms and conditions contained in or endorsed on this policy.

Please read the whole document carefully and keep it in a safe place. **You** should take the time to read all its terms, especially the conditions which **you** have to fulfil to ensure **your** insurance remains valid and what **you** have to do when making a claim.

It is important that **you**:

- check that the sections **you** have requested are included in the schedule;
- check that the information **you** have given **us** is accurate;
- comply with **your** duties under each section and under the insurance as a whole.

If this policy does not meet **your** requirements, or if **your** requirements change, **you** should contact **your** insurance agent at **your** earliest opportunity.

**If you need to get in touch with us please contact Capital Markets Underwriting Limited on 0207 183 5589.**

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## Important Information

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### If you need to make a claim

If **you** need to make a claim under this policy, please refer to the contact details set out in **your** policy schedule.

In all communications with **us** please quote **your** policy number.

**We** would refer **you** also to the claims conditions of this policy set out on pages 22 – 23.

In some cases all or part of **your** claim may be handled on **our** behalf by one of **our** trusted partners. **You** can rest assured that **we** will strive to ensure **you** are provided with exceptional service from MS Amlin and **our** trusted partners.

### Changes to your circumstances

Please tell **your** insurance agent as soon as reasonably possible if there are any changes to **your** circumstances which could affect **your** insurance.

Please refer to General Conditions 3 and 4 of this policy.

If **your** circumstances change and **you** do not tell **your** insurance agent, **you** may find that **you** are not covered if **you** need to claim.

### How to cancel your policy

**You** have a statutory right to cancel **your** policy within 14 days from the day of purchase or renewal of the contract or the day on which **you** receive **your** policy or the renewal documentation, whichever is the later.

If **you** wish to cancel and the insurance cover has not yet began, **you** will be entitled to a full refund of the premium paid. Alternatively, if **you** wish to cancel and the insurance cover has already started, provided **you** have not made a claim, **you** will be entitled to a refund of the premium paid, less a proportional deduction for the time **we** have provided cover.

If **you** do not exercise **your** right to cancel **your** policy, it will continue in force and **you** will be required to pay the premium.

For cancellation outside of this statutory cooling off period **you** can cancel this insurance at any time by telephoning Capital Markets Underwriting Limited on 0207 183 5589 or by writing to Capital Markets Underwriting Limited at Arden House, Arden Grove, Harpenden, Hertfordshire, AL5 4SL or by email to [underwriting@cmul.co.uk](mailto:underwriting@cmul.co.uk).

If this insurance is cancelled outside the statutory cooling off period, provided **you** have not made a claim and there hasn't been an event that could give rise to a claim, **you** will be entitled to a refund of any premium paid, less a deduction for any time for which **you** have been covered. This will be calculated on a proportional basis. For example, if **you** have been covered for 6 months, the deduction for the time **you** have been covered will be half the annual premium.

If **we** pay any claim, in whole or in part, then no refund of premium will be allowed.

## Cancellation – instalment payments

Time is of the essence in relation to **your** payment of the premium. If **you** pay **your** premium by direct debit and there is any default in payment, **we** will contact **you** to request payment by a given date, which will be 14 days from the date **we** contact **you**. If payment is still not received by this date, **we** may then cancel this policy. No refund or credit of premium will be due when cancellation takes place in these circumstances.

For **our** rights to cancel **your** policy please refer to General conditions on page 16.

## Financial Services Compensation Scheme (FSCS)

Lloyd's insurers are covered by the Financial Services Compensation Scheme. **You** may be entitled to compensation from the Scheme if a Lloyd's insurer is unable to meet its obligations to **you** under this policy. If **you** were entitled to compensation from the Scheme, the level and extent of the compensation would depend on the nature of this policy. Further information about the Scheme is available from the Financial Services Compensation Scheme (10<sup>th</sup> Floor, Beaufort House, 15 St. Botolph Street, London EC3A 7QU) and on their website [www.fscs.org.uk](http://www.fscs.org.uk)

## Registration and regulatory information

Amlin UK is a trading name of Amlin UK Limited. Amlin UK Limited is wholly owned by and an Appointed Representative of MS Amlin Underwriting Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under reference number 204918. Amlin UK Limited is registered in England No. 02739220. Registered office: Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AG.

Capital Markets Underwriting Limited is authorised and regulated by the Financial Conduct Authority (No. 511151). Capital Markets Underwriting Ltd is registered in England No. 06708091. Registered office: 5 Waterside, Station Road, Harpenden, Hertfordshire AL5 4US.

## Choice of Law and jurisdiction

In the absence of any agreement to the contrary, the laws of England and Wales will apply and this policy will be subject to the exclusive jurisdiction of the courts of England unless, at the beginning of the **period of insurance**, **you** are either:

- a) a resident of; or
- b) a business with its registered office or principal place of business is situated in;

Scotland, Northern Ireland, the Channel Islands or the Isle of Man, in which case (in the absence of agreement to the contrary) the law of that country, crown protectorate or dependency will apply and this policy will be subject to the exclusive jurisdiction of the courts of that country, crown protectorate or dependency.

## Privacy Notice

### Information we process

**You** should understand that information **you** provide, have provided and may provide in future will be processed by **us**, in compliance with UK data privacy laws for the purpose of providing insurance, handling claims and/or responding to complaints.

### Information containing personal and sensitive personal information

Information **we** process may be defined as personal and/or sensitive personal information. Personal information is information that can be used to identify a living individual e.g. name, address, driving licence or national insurance number. Personal information is also information that can identify an individual through a work function or their title.

In addition, personal information may contain sensitive personal information; this can be information about **your** health and/or any criminal convictions.

**We** will not use personal and/or sensitive personal information except for the specific purpose for which **you** provide it and to carry out the services as set out within this notice.

### Collecting electronic information

If **you** contact **us** via an electronic method, **we** may record **your** internet electronic identifier i.e. **your** internet protocol (IP) address. **Your** telephone company may also provide **us** with **your** telephone number.

### How we use your information

**Your** personal and/or sensitive personal information may be used by **us** in a number of ways, including to:

- arrange and administer an application for insurance;
- manage and administer the insurance;
- investigate, process and manage claims; and/or
- prevent fraud.

### Who we share your information with

**We** may pass **your** personal and/or sensitive personal information to industry related third parties, including authorised agents; service providers; reinsurers; other insurers; legal advisers; loss adjusters; and claims handlers.

**We** may also share **your** personal and/or sensitive personal information with law enforcement, fraud detection, credit reference and debt collection agencies and within the MS Amlin Group of companies to:

- assess financial and insurance risks;
- recover debt;
- to prevent and detect crime; and/or
- develop products and services.

**We** will not disclose **your** personal and/or sensitive personal information to anyone outside the MS Amlin Group of companies except:

- where **we** have **your** permission;
- where **we** are required or permitted to do so by law;
- to other companies who provide a service to **us** or **you**; and/or
- where **we** may transfer rights and obligations under the insurance.

## Why it is necessary to share information

Insurance companies share claims data to:

- ensure that more than one claim cannot be made for the same personal injury or property damage;
- check that claims information matches what was provided when the insurance was taken out;
- act as a basis for investigating claims when **we** suspect that fraud is being attempted; and/or
- respond to requests for information from law enforcement agencies.

## The transferring of information outside the European Economic Area

In providing insurance services, **we** may transfer **your** personal and/or sensitive personal information to other countries including countries outside the European Economic Area. If this happens **we** will ensure that appropriate measures are taken to safeguard **your** personal and/or sensitive personal information.

## Access to your information

**You** have a right to know what personal and/or sensitive personal information **we** hold about **you**. If **you** would like to know what information **we** hold, please contact the MS Amlin Data Privacy Officer at the address listed within this notice, stating the reason for **your** enquiry. **We** may write back requesting **you** to confirm **your** identity, **we** may also charge a fee of £10 for processing **your** enquiry.

If **we** do hold information about **you**, **we** will:

- give **you** a description of it;
- tell **you** why **we** are holding it;
- tell **you** who it could be disclosed to; and
- let **you** have a copy of the information in an intelligible form.

If some of **your** information is inaccurate, **you** can ask **us** to correct any mistakes by contacting **our** MS Amlin Data Privacy Officer.

## Providing consent to process your information

By providing **us** with **your** personal and/or sensitive personal information, **you** consent to **your** information being used, processed, disclosed, transferred and retained for the purposes set out within this notice.

If **you** supply **us** with personal information and/or sensitive personal information of other people, please ensure that **you** have fairly and fully obtained their consent for the processing of their information. **You** should also show this notice to the other people.

**You** should understand that if **you** do not consent to the processing of **your** information or **you** withdraw consent, **we** may be unable to provide **you** with insurance services.

## Changes to this Notice

**We** keep **our** privacy notice under regular review. This notice was last updated on the 20<sup>th</sup> October 2015.

## Contacting us

If **you** have any questions relating to the processing of **your** information, please write to:

The MS Amlin Data Privacy Officer, The Leadenhall Building, 122 Leadenhall Street, London EC3V 4AG. **You** can also email: [dataprivacyofficer@msamlin.com](mailto:dataprivacyofficer@msamlin.com). For information about the MS Amlin Group of companies please visit [www.msamlin.com](http://www.msamlin.com)

## How to make a complaint

**Our** aim is to ensure that all aspects of **your** insurance are dealt with promptly, efficiently and fairly. At all times **we** are committed to providing **you** with the highest standard of service.

If **you** have any questions or concerns about **your** policy or the handling of a claim **you** should, in the first instance, contact **your** broker or **us**.

In the event that **you** remain dissatisfied and wish to make a complaint, **you** can do so at any time. Making a complaint does not affect any of **your** legal rights. **Our** contact details are:

**Post:** Complaints, MS Amlin Underwriting Limited, The Leadenhall Building, 122 Leadenhall Street, EC3V 4AG.  
**Telephone:** +44 (0) 207 7746 1300  
**Fax:** +44 (0) 20 7746 1001  
**Email:** [complaints@msamlin.com](mailto:complaints@msamlin.com)  
**Website:** [www.msamlin.com](http://www.msamlin.com)

If **your** complaint cannot be resolved within two weeks, or if **you** have not received a response within two weeks **you** are entitled to refer the matter to Lloyd's. Lloyd's will then conduct a full investigation of **your** complaint and provide **you** with a written final response. Lloyd's contact details are:

**Post:** Complaints, Lloyd's, Fidentia House, Walter Burke Way Chatham Maritime, Chatham, Kent ME4 4RN  
**Telephone:** +44 (0) 20 7327 5693  
**Fax:** +44 (0) 20 7327 5225  
**Email:** [complaints@lloyds.com](mailto:complaints@lloyds.com)  
**Website:** [www.lloyds.com](http://www.lloyds.com)

Details of Lloyd's complaints procedures are set out in a leaflet "Your Complaint – How We Can Help" available at [www.lloyds.com/complaints](http://www.lloyds.com/complaints) and are also available from the above address.

If **you** remain dissatisfied after Lloyd's has considered **your** complaint, or if **you** have not received a written final response within eight weeks from the date **your** complaint was received, **you** may be entitled to refer **your** complaint to the Financial Ombudsman Service who will independently consider **your** complaint free of charge. Their contact details are:

**Post:** The Financial Ombudsman Service, Exchange Tower, London E14 9SR  
**Telephone:** (Fixed): 0800 0234567 Tel (Mobile): 0300 1239123  
Tel (Outside UK): +44 (0) 20 7964 0500  
**Fax:** +44 (0)20 7964 1001  
**Email:** [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
**Website:** [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Alternatively, if you have bought a product or service online you may have the right to register your complaint with the European Commission's on-line dispute resolution (ODR) platform. The ODR platform will redirect your complaint to the appropriate alternative dispute resolution body.

For further details visit <http://ec.europa.eu/odr>

Please note:

- **You** must refer **your** complaint to the Financial Ombudsman Service within six months of the date of Lloyd's final response.
- The Financial Ombudsman Service will normally only consider a complaint from private individuals or from a business that has an annual turnover of less than 2 million Euros and fewer than 10 employees.



## Employers' Liability Tracing Office (ELTO)

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

1. Certain information relating to **your** insurance policy including, without limitation:
  - a) the policy number(s);
  - b) employers' names and addresses (including subsidiaries and any relevant changes of name);
  - c) dates of cover;
  - d) employer's reference numbers provided by Her Majesty's Revenue and Customs; and
  - e) Companies House reference numbers (if relevant)

will be provided to the Employers' Liability Tracing Office (ELTO) and added to an electronic database (database).
2. This information will be made available by us to ELTO in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure by Insurers Instrument 2011. This information will have regular periodic updating and certification and will be audited on an annual basis.
3. The database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers carrying on or who carried on business in the UK and who are covered by the employers' liability insurance of their employers (claimants):
  - a) to identify which insurer (or insurers) provided employers' liability cover during the relevant periods of employment; and
  - b) to identify the relevant employers' liability insurance policies.
4. The database will be managed by ELTO.
5. The database and the data stored on it may be accessed and used by claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

## Contracts (Rights of Third Parties) Act 1999

A person or company who was not party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this policy but this condition does not affect any right or remedy of a third party which exists or is available other than by virtue of this Act and any later amendment to it.

## Sanction limitation

This policy will not provide any insurance cover or benefit and **we** will not pay any sum if doing so would mean that **we** are in breach of any sanction, prohibition or restriction imposed by any law or regulation applicable to **us**.

## Tax

There may be circumstances where taxes may be due that are not paid via **us**. If this occurs then it is **your** responsibility to ensure that these are paid direct to the appropriate authority.

## Monetary values

Monetary values in this wording are shown in bold to help **you** identify them quickly.

# General definitions

**Certain words in the policy have specific meanings. These meanings are defined below. The words defined carry the same meaning wherever they appear in the policy, unless varied by a definition in a particular section, and are printed in bold to help you identify them.**

**Certain additional words are also defined at the beginning of the individual sections in which they are used and to which they have a particular relevance.**

## **Bodily injury**

- a) Death, injury, illness or disease;
- b) mental injury, anguish or nervous shock sustained by any person as a result of actual or threat of bodily injury, death, illness or disease; and
- c) false arrest, false imprisonment and false eviction.

## **Buildings**

- a) Buildings (being built mainly of brick, stone, concrete or other non-combustible materials unless otherwise stated in the schedule);
- b) landlords' fixtures and fittings in and on the buildings;
- c) outside buildings, extensions, annexes, gangways;
- d) walls, gates and fences, foundations, yards, hoardings, car parks, roads, pathways and loading bays around and pertaining to the **premises**;
- e) telephone, gas, water and electricity meters, pipes and cables including property which **you** are responsible for which is underground and/or in adjoining yards or roadways and which partly or wholly serve to supply the **premises**;
- f) drains and sewers within the perimeter of the **premises** but only to the extent they are **your** responsibility; and
- g) irrigation equipment including pumps tanks and pipes forming part of an irrigation system.

## **Business**

The business specified in the schedule conducted solely from within the **territorial limits**, including:

- a) the ownership repair and maintenance of the **premises**;
- b) the provision of first aid but **we** will not cover any first aid provided by any qualified medical practitioner or nurse;
- c) private work undertaken by **your employees** with **your** consent for any of **your** directors, partners or senior officials;
- d) the provision and management of sports social and welfare organisations by **you** for the benefit of the **your employees**;
- e) the sale or supply of food and drink to **employees** or visitors.

# General definitions

## Business hours

The period during which the **premises** are actually occupied by **you** and/or **your employees** for **business** purposes.

## Computer virus

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 whatsoever nature.

**Computer virus** includes but is not limited to “Trojan Horses”, “worms”, and “time or logic bombs”.

## Contents

Machinery, plant, fixtures and fittings, tenants’ improvements, alterations, decorations, improvements, internal and external glass being part of the **buildings** not owned by **you** but for which **you** are responsible and office equipment.

## Damage

Loss or destruction of or damage to the property insured as stated in the schedule and used by **you** in connection with the **business**.

## Declared value

**Your** assessment of the cost of **reinstatement** of the **buildings** in a condition equal to but not better or more extensive than when new at the level of costs applying at the start of the **period of insurance** (ignoring any increase in costs which may operate subsequently) together with allowance if required for:

- a) the additional cost of **reinstatement** to comply with public authority requirements;
- b) professional fees; and
- c) debris removal costs.

## Denial of service attack

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. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

## Employee

- a) Any person under a contract of service or apprenticeship with **you**;
- b) any self-employed person working on a labour only basis under your control or supervision;
- c) any person who is hired to or borrowed by **you**;
- d) any person engaged under a work experience or training scheme;
- e) any labour master or person supplied by him;
- f) any prospective employee who is undergoing practical work experience whilst being assessed by **you** as to their suitability for employment;
- g) any voluntary worker; or

# General definitions

- h) any outworker or homeworker employed under a contract to personally carry out any work,

whilst working for and under **your** control or supervision in connection with the **business**.

## Excess

The amount for which **you** are responsible for each claim or loss as specified in the schedule or in the policy.

## Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes, stores or retrieves data, whether **your** property or not.

## Limit of liability

The maximum amount **we** will pay for any one loss or series of losses arising from the same original incident.

## Money

Cash, bank and currency notes, postal and money orders, bankers' drafts, cheques, giro cheques, giro drafts, national giro payment orders, travellers cheques, crossed warrants, bills of exchange, securities for money, postage revenue, current postage stamps and unused postal franking machine units, national insurance and holiday with pay stamps, stamped national insurance and holiday with pay cards, national savings certificates, national savings stamps, saving stamps, war bonds, premium savings bonds, franking machine impressions, credit company sales vouchers, luncheon vouchers, trading stamps, VAT invoices, travel vouchers, travel tickets, airline tickets, uncrossed dividend warrants, consumer redemption vouchers, gift tokens, certificates of deposit and credit cards.

## Other property

Any other items of property which are not defined which **you** have advised to **us** and **we** have specified on the schedule.

## Period of insurance

The period of insurance stated in the schedule.

## Phishing

any access or attempted access to data or information made by means of misrepresentation or deception.

## Pollution

Any pollution or contamination by naturally occurring or man-made substances, forces or organisms or any combination of them, whether permanent or transitory and however occurring. This definition excludes pollution or contamination by asbestos.

## Premises

The **buildings** and the land inside the boundaries at the property address shown in **your** schedule occupied by **you** for the purpose of the **business**.

## Products

Anything sold, supplied, altered, constructed, repaired, serviced, designed, tested, installed or processed by or on **your** behalf including containers, packaging or labelling and which is not in **your** possession at the time of the occurrence.

# General definitions

## Property insured

**Contents, specified goods and stock** at the **premises** and **other property** anywhere within the **territorial limits** (unless specifically excluded) and as more fully described in the schedule and all belonging to **you** or for which **you** are responsible but **we** will not cover:

- a) property which is more specifically insured; and
- b) unless specifically notified to and accepted by **us** as insured:
  - i) land, piers, jetties, bridges, culverts or excavations; and
  - ii) livestock, growing crops or trees unless they form part of the contents.

## Reinstatement

a) the rebuilding or replacement of property lost or destroyed which, provided **our** liability is not increased, may be carried out in any manner suitable to **you** or on another site; or

b) the repair or restoration of property damaged,

in either case to a condition equal to but not better or more extensive than its condition when new.

## Specified goods

- a) tobacco, cigarettes, cigars;
- b) wines and spirits;
- c) jewellery, precious metals or stones;
- d) video equipment
- e) DVD's, CD's and computer games.

## Stock

Stock and materials in trade, work in progress and finished goods, being **your** property at the **premises**, or held by **you** in trust for which **you** are responsible.

Excluding:

- a) money;
- b) jewellery;
- c) precious stones;
- d) explosives;
- e) stock more specifically insured.

## Sum insured

The maximum amount **we** will pay for each item insured under any section or sub-section.

## Territorial limits

Great Britain, Northern Ireland the Channel Islands or the Isle of Man.

# General definitions

## Terrorism

- a) Acts of persons acting on behalf of or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of Her Majesty's government in the United Kingdom or any other legitimate government or accepted (illegitimate) government.
- b) Any action in controlling, preventing, suppressing, retaliating against or responding to any act or preparation for action or threat of action described in a) above.

## Unoccupied

Any **building** or part of any **building** which is empty or not in use by **you** or **your** tenant for more than 30 consecutive days.

## Virus or Similar Mechanism

Program code, programming instruction or any set of instructions intentionally constructed with the ability to **damage**, interfere with or otherwise adversely affect computer programs, data files or operations, whether involving self-replication or not. The definition of virus or similar mechanism includes but is not limited to Trojan horses, worms and logic bombs.

## We/us/our/ourselves

Insurer(s) named in the policy schedule and Capital Markets Underwriting Limited, who are authorised to underwrite and administer **your** policy on their behalf

## You/your/Insured

- a) The policyholder named in the schedule.
- b) Any associated or subsidiary company of the insured provided it has been notified to and agreed by **us**.
- c) At your request:
  - i) any director or **employee** while they are acting on behalf of or in course of their employment or engagement with you for liability for which you would have been entitled to cover under this policy if the claim against that person had been made against you;
  - ii) any officer, member or **employee** in their respective capacities of your social, sports or welfare organisation or fire, first aid or ambulance service;
  - iii) any of your directors, partners or senior officials for private work carried out by any **employee** for them with your consent; and
  - v) your personal representatives (in the event of your death) for liability incurred by you, provided that if cover is extended to any party described in paragraphs i) to iii) above that party will be bound by the terms of this policy so far as they can apply and in any event our liability will not exceed the **limit of liability**

# General conditions

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**These are the conditions of the cover and apply throughout your policy. There may be additional conditions under each section of cover and in any attaching endorsements. If you do not comply with these conditions you may not receive payment for a claim or you may lose all right to cover under your policy or to receive payment for a claim.**

**If you are unsure about any of these conditions or whether you need to notify us about any matter, please contact Capital Markets Underwriting Ltd.**

## 1. Adjustment of premium

If the premium has been calculated on estimates given by **you**, **you** must keep an accurate record of all relevant particulars which must be available to **us** for inspection.

Within a reasonable time after the end of each **period of insurance**, **you** will supply to **us** an accurate statement in the form required so that the premium for that period can be calculated and the difference paid by or returned to **you**.

If **you** do not supply a statement within a reasonable time after the end of the **period of insurance**, **we** will be entitled to charge an additional premium for that **period of insurance**.

## 2. Average

- a) if at the time of **damage** the **declared value** (or sum insured) of the **property insured** by each item is less than the cost of **reinstatement** at the start of the **period of insurance**, then **our** liability for any **damage** will be limited to the proportion that the **sum insured** bears to the cost of **reinstatement**; and
- b) for **stock** or any other item listed in the schedule, if at the time of **damage** the **sum insured** on any of these items is less than the value of the property covered by the item (or for any item on rent, less than the amount of rent during the period to which the item relates), then **you** will be considered as being the insurer for the difference and will bear a rateable share of the loss accordingly. The amount payable by **us** will be proportionately reduced.

If it is stated in the schedule that average does not apply at the time of the **damage**, the maximum amount payable will be the **sum insured** for that item.

## 3. Cancellation – our rights

**We** may cancel the policy or any section by giving 30 days' notice in writing by registered letter to **you** at **your** last known address and in this case **you** will be entitled to a proportionate return of premium for the unexpired term of the policy (other than in circumstances where **we** invoke the Fraudulent claims condition).

Reasons **we** may decide to cancel **your** policy include if:

- a) there is a material change in **your business**;
- b) there is reasonable suspicion of fraud or where there has been a breach of **your** duty of fair presentation;
- c) the information that forms the basis of this contract changes;
- d) **You** do not co-operate or supply information or documentation that **we** request which materially affects our ability to process the policy or **our** ability to defend **our** interests;



# General conditions

- e) following a survey at any of **your** properties or sites **we** have required **you** to make risk improvements and **you** have not completed these within a reasonable period of time advised by **us**;
- f) the premium has not been paid;
- g) threatening or abusive behaviour or the use of threatening or abusive language, intimidation or bullying of **our** staff or suppliers;
- h) not exercising **your** duty of care as required under the Maintenance and reasonable precautions condition contained in this policy and failing to put this right when **we** ask **you** by sending **you** seven days written notice to **your** latest address.

Where a claim has been made during the current **period of insurance**, the full annual premium will still be payable despite cancellation of cover and **we** reserve the right to deduct this from any claim payment.

## 4. **Change in circumstances or alteration to the risk**

If **you** would like to make changes to **your** policy please contact Capital Markets Underwriting Limited.

If **you** are aware of any material changes to the information provided or if **you** become aware of any material changes **you** must tell **us** about those changes. **You** must take care when answering any questions **we** ask by ensuring that all information provided is accurate and complete.

If **you** need to change the information **you** have given **us** please contact Capital Markets Underwriting Limited as soon as reasonably practicable on becoming aware of that change.

Examples where **we** would need **you** to notify **us** of a change:

- If any sums insured **you** have declared to **us** have increased or decreased;
- There is a change to the business **you** undertake that **we** do not know about;
- **You** move premises or make alterations to the **premises you** occupy;
- The security and fire protections **you** have declared to **us** change;

These are just some examples and there may be other circumstances **we** would want **you** to tell **us** about. If **you** are in any doubt, please contact Capital Markets Underwriting Limited directly as failure to notify **us** of any changes could lead to **your** policy being cancelled, or a claim rejected or not fully paid.

If **you** are unsure whether a change to the information **you** have given **us** is material please contact Capital Markets Underwriting Limited.

In addition **you** must notify **us** of any alteration to the information provided at the start or renewal occurring during the **period of insurance** at which time **we** may apply an additional premium or other additional terms or conditions.

# General conditions

## 5. Interest clause

**We** agree to automatically note the interest of any other party if requested to do so by **you**, to any of the **buildings** and which attached before the happening of any **damage**, but only to the extent that the interest is not otherwise insured and provided that their identity is disclosed in writing to **us** by **you** in the event of **damage**.

## 6. Maintenance and reasonable precautions

Unless otherwise agreed by **us**, **you** will at **your** own expense:

- a) take all reasonable precautions to prevent or reduce **damage**;
- b) cease any activity which may give rise to liability under this policy;
- c) maintain all buildings, furnishings, ways, works machinery, caravans and vehicles in good condition;
- d) exercise care in the selection and supervision of **employees**;
- e) remedy any defect or danger as soon as reasonably practicable after discovery and in the meantime take additional precautions as the circumstances may require; and
- f) comply with all statutory requirements and other safety regulations imposed by any authority

## 7. Remedies following a breach in your duty of fair presentation

A non-disclosure or misrepresentation is “deliberate or reckless” if:

- a) in the case of a misrepresentation, **you** knew it was untrue or misleading, or did not care whether it was untrue or misleading
- b) in the case of a non-disclosure, **you** knew that the matter to which the non-disclosure related was material to **us**, or did not care whether or not it was material to **us**.

The burden will be on **us** to prove all matters set out in this condition.

### **Deliberate or reckless breach of the duty of fair presentation**

If **you** deliberately or recklessly breach **your** duty of fair presentation of the risk this policy will be avoided from its start date and no premium will be returned.

### **Breach of the duty of fair presentation which is neither deliberate nor reckless**

If **your** breach of the duty of fair presentation of the risk was neither deliberate nor reckless, and had **we** known the information which led to the breach from the start of the policy or at the time of its renewal, **we**:

- a) **would not have entered into the contract:**  
**we** will:
  - i) charge an additional premium calculated from the start of the **period of insurance** (the amount charged will be proportionate with the increase in risk);
  - ii) apply additional terms from the date **we** discover the breach;

# General conditions

Provided **you** have paid the additional premium **we** requested and agreed in writing to the additional terms, **we** will also:

- a. pay any valid claims notified to **us** before the date of the discovery of the breach, including any valid claim which led to the discovery of the breach;
- b. continue to cover **you** on the revised basis for the remaining **period of insurance**, but **we** may not continue insuring **you** once the policy reaches its renewal date.

However there may be certain circumstances where **we** will cancel the policy from the start date. These circumstances will include where the breach means **we** or **our** parent company will suffer reputational harm in either the insurance market, the media or amongst **our** customers or trading partners.

If **we** do cancel **your** policy from the start date because of the above all premiums paid will be returned.

b) **would have applied different terms**

**we** will apply those different terms from the date of the discovery. Any claims already made will not be affected by **our** discovery;

c) **would have charged a higher premium**

**we** will charge an additional premium calculated from the start of the policy.

Any claims already made will not be affected by **our** discovery;

d) **would have applied different terms and charged a higher premium**

**we** will charge the additional premium (calculated from the start of the policy) and apply additional terms from the date of discovery. Any claims already made will not be affected by **our** discovery.

**We** or **your** insurance agent will write to **you** if **we** intend to apply one of the above proportional remedies.

## 8. Survey

If **we** require a survey of the risk covered by this policy as a condition of providing cover but the survey has not been completed before the policy documents have been issued, **you** must comply with any risk improvements required as a result of the survey within the agreed time limits specified by **us**.

**We** reserve the right to cancel, suspend or alter the terms applying to any part of this policy for which cover has been provided if, as a result of the survey, the risk or any part of it is in **our** opinion unacceptable to **us**.

# General conditions

## 9. Unoccupied property

### A. Notification

**We** must be notified in writing by e-mail, letter or fax, as soon as practicable of any **unoccupied building** or **unoccupied** portion of a **building** that becomes occupied or any occupied **building** which becomes **unoccupied** or partially **unoccupied**.

### B. Security

For an **unoccupied premises** **you** must take the following steps:

- i) the gas, electricity (other than power required for an intruder or fire alarm system) and water supplies are turned off at the mains and all water pipes, apparatus and tanks are drained down (unless the central heating system is kept running to maintain a temperature of 5 degrees centigrade) during the period 1<sup>st</sup> October to 31<sup>st</sup> March. Where sprinkler systems are installed and water supplies must be maintained, heating must be maintained at a minimum temperature of 5 degrees centigrade;
- ii) **buildings** must be secured against unlawful entry by closing and locking doors and windows and setting any security and alarm systems;
- iii) the **premises** and yards must be clear of all waste materials and redundant contents;
- iv) the letter box must be permanently sealed shut or a non-combustible receptacle is permanently fixed to the letter box;
- v) the **premises** must be inspected both internally and externally at least once a week by a responsible person to ensure that there is no deterioration in the fabric of the **buildings** and that compliance with conditions i) - iv) above continues.

Following notification as described in A Notification above, and/or a breach of your duty in complying with B – Security as described above, **we** will have the right to impose additional terms, conditions and exclusions and charge a suitable additional premium which will be paid by **you** if required.

### C. Theft damage to buildings

Where **unoccupied** buildings are insured under Section B– Buildings, **we** will pay **you** for **damage** to the buildings at the **premises** for which **you** are responsible by theft or attempted theft but not **damage**:

- i) caused to any property other than **buildings**;
- ii) caused by any person lawfully on the **premises**; or
- iii) more specifically insured by **you** or on **your** behalf.

The maximum amount **we** will pay is **£50,000** in any one **period of insurance**.

# General conditions

## 12. **Waiver of average**

- a) Average has been waived under this policy on the proviso that **you** carry out regular valuations utilising qualified RICS members at intervals of not more than 3 years and the sums insured are adjusted accordingly.
- b) If **you** do not carry out regular valuations as required in a) above then General condition 2 - Average will apply in the event of a claim.

# Claims conditions

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## 1. Arbitration

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid it may be referred to an arbitrator who is jointly appointed. Whether **we** or **you** bear the costs of the arbitration, or these are shared by **us** and **you** will be determined at the discretion of the arbitrator. Alternatively, depending on the size of **your business**, **you** may be able to refer **your** case to the Financial Ombudsman Service (FOS). In either case, this will not affect **your** right to take action against **us** over the disagreement.

## 2. Claims Co-operation

**You** must provide all help and assistance and co-operation required by **us** in connection with any claim.

## 3. Claims Procedures

Things **you** must do:

**You** must comply with the following conditions. If **you** fail to do so, **we** may not pay **your** claim, or any payment could be reduced.

- a) **You** must notify **us** as soon as reasonably practicable giving full details of what has happened.
- b) **You** must provide **us** with any other information **we** may require.
- c) **You** must forward **us** as soon as reasonably practicable, if a claim for liability is made against **you**, any letter, claim, writ, summons or other legal document **you** receive.
- d) **You** must inform the police as soon as reasonably practicable following any loss caused by malicious acts, violent disorder, riots or civil commotion, theft, attempted theft or lost property.
- e) **You** must not admit liability or offer or agree to settle any claim without **our** written permission.
- f) **You** must take, or allow others to take, practical steps to prevent further **damage** or **bodily injury**, recover property lost and otherwise minimise the claim.

## 4. Discharge of liability

Where in **our** opinion, the **limit of liability** or the **sum insured** of any claim may exceed the available **limit of liability** or **sum insured** **we** will be entitled at **our** discretion, to discharge **our** liability by paying the available **limit of liability** or **sum insured** to **you** or on **your** behalf and pay defence costs up to the date of that payment. In this situation, if at the time of payment **we** are conducting the defence of the claim, **we** will also relinquish that conduct.

## 5. Excess

Where stated in the schedule **you** will be responsible for paying an **excess** in relation to each claim made by **you** under this policy.

## Claims conditions

### 6. Fraudulent claims

If **you** or anyone acting on **your** behalf makes a fraudulent claim under **your** policy, including providing fraudulent information or documentation, **we** may:

- a) refuse to pay the claim;
- b) seek to recover any of costs already incurred by **us** relating to the fraudulent claim;
- c) also have the option to cancel the policy from the date of the discovery of the fraud; and
- d) keep any premium paid to **us**.

This will not affect claims already made unless they too were fraudulent.

If **your** policy covers more than one insured and a fraudulent claim is made by one of those insureds, **we** will treat that claim in accordance with the above, but the rights of the other insured(s) under the policy will not be affected.

### 7. Multiple insureds

The most **we** will pay is the relevant amount shown the schedule.

If more than one insured is named in the schedule, the total amount **we** will pay will not exceed the amount **we** would be liable to pay to any one of **you**.

**You** agree that the insured named in the schedule, if there is more than one insured named in the schedule the first of them, is authorised to receive all notices and agree any changes to the policy.

### 8. Other Insurance

If the **damage** or liability which is being claimed for under this policy is covered by any other insurance **we** will not pay more than **our** proportionate share.

### 9. Salvage

**We** may enter the **premises** where **damage** has occurred and take possession of or require to be delivered to **us** any **property insured** and deal with it in a reasonable manner but the property may not be abandoned to **us**.

### 10. Subrogation

**We** are entitled to:

- a) take over and conduct the defence or settlement of any claim in **your** name or on **your** behalf at **our** discretion;
- b) take steps to enforce rights against any other party before or after payment is made by **us**.

## General exclusions (what is not covered)

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This policy does not cover the following.

1. **Asbestos** *Not applicable to Section A - sub-section 9 - Employers' liability*

any loss, demand, claim or suit arising out of or related in any way to asbestos or asbestos containing materials.

2. **Cyber terrorism**

digital or cyber risks, that is:

a) any loss caused by or contributed to, by, or arising from or occasioned by or resulting from:

i) the alteration, modification, distortion, corruption of or **damage** to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part of it whether tangible or intangible (including but without limitation any information or programs or software); or

ii) any alteration, modification, distortion, erasure or corruption of data processed by any computer or other equipment or component or system or item;

whether **your** property or not, where the loss is caused by a **virus or similar mechanism, phishing or hacking or denial of service attack,**

or

b) any legal liability or financial loss or expense, including but not limited to consequential loss, caused by or contributed to, by, or arising from or occasioned by or resulting from a **virus or similar mechanism, phishing or hacking or denial of service attack.**

3. **Date recognition**

**damage** caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

But **we** will cover later **damage** resulting from an insured cover, providing **damage** is covered elsewhere in the policy.

4. **Excess**

**we** will not cover the excess shown in **your** schedule.

5. **Northern Ireland - civil commotion**

civil commotion in Northern Ireland. **Damage** is excluded regardless of any other cause, event or intervention that contributes concurrently or in any sequence to the **damage**.



## General exclusions (what is not covered)

### 6. Radioactive contamination

**bodily injury**, disablement or **damage** to any property, or any resulting loss or expense or any legal liability caused by, contributed to or arising from:

- a) ionising radiations from 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 or contaminating properties of any nuclear installation, reactor or other nuclear assembly or its nuclear components ; or
- c) any weapon of war employing atomic or nuclear fission or fusion or other like reaction or radioactive force or matter.
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this exclusion d) will not apply to radioactive isotopes other than nuclear fuel when those isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other peaceful purposes.

When applying to Section A - sub-section 9 – Employers liability this exclusion will only apply to an **employee** when **you** have, under a contract of agreement agreed to:

- i) cover another party; or
- ii) assume the liability of another party,

for **bodily injury**.

### 7. Terrorism

**damage** or financial loss or expense, occasioned by or happening through or following **terrorism**. In any action suit or other proceedings where **we** allege that any **damage** is not covered by this policy the burden of proving that **damage** is covered will be upon **you**.

This exclusion will apply to all sections of this policy, other than Section A - sub-section 9 - Employers' liability to the extent that it is necessary to comply with the minimum requirements of the law in the United Kingdom of Great Britain and Northern Ireland, including the Channel Islands and the Isle of Man, relating to compulsory insurance of liability to **employees** and provided that the maximum limit for any one loss or series of losses arising from one source or original cause will not exceed **£5,000,000**.

### 8. War

any event which is the result of any of the following, or anything connected with any of the following, whether or not the event has been contributed to by any other cause or event:

- a) war, hostile or warlike action in time of peace or war (whether or not declared) including action in hindering, combating or defending against an actual, impending or expected attack;
  - i) by government or sovereign power (legal or illegal) or by any authority maintaining or using military, naval or air forces, or any other armed forces or militia; or
  - ii) by military, naval or air forces, or any other armed forces or militia; or
  - iii) by an agent of any government, power, authority or force;

## General exclusions (what is not covered)

- b) any weapon of war employing nuclear or radioactive force or contamination whether in time of peace or war (whether or not declared), whether or not its discharge was accidental;

This exclusion will not apply to **damage** or **consequential loss** occasioned by the detonation of munitions of war or their parts within one thousand (1000) metres of the **premises** provided that the presence of munitions does not result from a state of war current at the time of detonation.

- c) insurrection, rebellion, or action taken by government authority in hindering, combating, or defending against an occurrence, seizure or destruction.

## Section A – Automatic cover

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### Sub-section 1 – Contents and stock

#### Additional definitions (What words mean)

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section.*

#### Insured events

1. Fire, lightning, explosion of boilers of gas used for domestic purposes only;
2. Explosion;
3. Aircraft or other aerial devices or articles dropped from them;
4. Earthquake;
5. Riot, civil commotion, strikers, locked-out workers or person taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation;
6. Malicious damage;
7. Storm or flood;
8. Escape of water from any tank, apparatus or pipe;
9. Impact by any road vehicle or animal;
10. Theft or attempted theft;
11. Accidental damage

#### Personal Possessions

Household contents at the **premises** comprising of household goods, works of art, audio and visual equipment, clothing, luggage ,sports equipment, gold and silver articles, watches, jewellery, cups, trophies or furs.

#### Specified Item

Property described and for which a **sum insured** is stated in the schedule.

### What is covered

We will pay for **damage** to the **property insured** used in connection with the **business** at the **premises** by any of the **insured events** occurring during the **period of insurance**.

#### Limit of liability (what we will pay)

We will pay the value of the **property insured** at the time of the **damage**, or for the amount of the **damage**, or at **our** option reinstate or replace the **property insured** or any part of it in accordance with the Basis of claims settlement condition applicable to this section.

The amount **we** will pay will not exceed the **sum insured** stated in the schedule for each item insured. However, for **specified goods**, unless otherwise agreed and stated in the schedule the **sums insured** is as follows:

- |    |                                      |                                |
|----|--------------------------------------|--------------------------------|
| a) | tobacco, cigarettes, cigars          | <b>£1,000</b> for any one loss |
| b) | wines and spirits                    | <b>£1,000</b> for any one loss |
| c) | jewellery, precious metals or stones | <b>£2,500</b> for any one loss |
| d) | audio and visual equipment           | <b>£1,500</b> for any one loss |
| e) | DVD's, CD's and computer games       | <b>£1,000</b> for any one loss |

## Section A – Automatic cover

### Additional Cover – automatically included

#### 1. Blinds, awnings, canopies and signs

We will pay for **damage** to external blinds, awnings, canopies and signs for which **you** are responsible up to **£1,500** for any one loss.

#### 2. Cash registers and scales

We will pay for **damage** (other than mechanical or electrical breakdown or disturbance in order, arrangement or functioning) to cash registers and scales provided that the property has been included in the **sum insured** for **contents**.

#### 3. Clearing of drains

We will pay for expenses necessarily incurred in clearing, cleaning or repairing drains, gutters, sewers and the like for which **you** are responsible as a result of **damage** under this sub-section.

The maximum **we** will pay is **£5,000** for any one loss.

#### 4. Customers goods

If **you** have intimated to **your** customers that **you** have accepted responsibility for **damage** to their goods or goods for which they may be legally responsible and which are temporarily in **your** custody and control, **we** agree that all such goods will be considered insured by this policy as **stock** unless they are more specifically insured elsewhere.

#### 5. Exhibitions and trade fairs

We will pay for **damage** to the **property insured** for a period not exceeding 15 consecutive days whilst at any exhibition or trade fair premises and while in transit to and from them in the **territorial limits**.

The maximum **we** will pay is **£5,000** for any one loss.

We will not cover theft or attempted theft from unattended vehicles.

#### 6. Fire brigade charges

We will pay for the costs **you** incur charged by the local authority for extinguishing fire or fire-fighting provided that these costs are necessary and reasonable.

## Section A – Automatic cover

### 7. Fire brigade damage to gardens

**We** will pay for costs necessarily incurred in reinstating or repairing landscaped gardens and grounds following **damage** caused by fire brigade equipment or personnel attending the **premises** to combat fire.

The maximum **we** will pay is **£10,000** in any one **period of insurance**.

### 8. Fire extinguishing expenses and alarm resetting expenses

**We** will pay the costs incurred by **you** for refilling, recharging or replacing any:

- a) portable fire extinguishing appliances;
- b) local fire suppression system;
- c) fixed fire suppression system;
- d) sprinkler installation; and
- e) sprinkler heads,

solely because of insured **damage**.

For this cover to operate the equipment described in a)-e) above must be maintained in accordance with the manufacturer's instructions.

**We** will also pay for the costs **you** incur in resetting fire and intruder alarms and closed circuit television systems.

Costs recoverable from the maintenance company or the fire service are excluded from this cover.

### 9. Loss of metered services

**We** will pay for charges that **you** are responsible for, if water, electricity, heating oil or gas is accidentally discharged from a metered system providing service to the **premises**. The maximum **we** will pay is **£25,000** for any one loss.

General condition 1. Average does not apply to this cover.

**We** will not pay **you** for the charges **you** are responsible for if the **premises** are **unoccupied**.

### 10. Lottery equipment

**We** will pay for **damage** to lottery equipment, for which **you** are responsible provided the property has been included in the **contents sum insured**.

## Section A – Automatic cover

### 11. Other locations

We will pay for **damage** to **contents** and **stock** from the **insured events** of this sub-section whilst at the homes of directors or **employees** anywhere within the **territorial limits** and whilst in transit to and from any buildings. The maximum **we** will pay is **£5,000** for any one loss and a total maximum of **£10,000** in any one **period of insurance**.

### 12. Outside catering

We will pay for **damage** to **stock** and **contents** occurring in any building where **you** are providing outside catering. The maximum **we** will pay is **£2,000** any one loss.

### 13. Portable equipment away from the premises

We will pay for **damage** to equipment that is designed to be carried on or by a person consisting of:

- i) laptops, palmtops notebooks and tablet personal computers;
- ii) personal digital assistants and smartphones;
- iii) removable vehicle satellite navigation systems and digital cameras;
- iv) printers, projectors, broadband modems and other devices which connect to other portable computer equipment

anywhere within the European Union, the Isle of Man, the Channel Islands, Iceland, Norway and Switzerland.

But **we** will not cover:

- i) mobile devices where the sole or primary function of the device is to make/send and receive telephone calls and SMS message.
- ii) damage caused by theft or attempted theft
  - A) from any unattended vehicle where all doors and windows have not been locked;
  - B) from a vehicle not garaged in a locked building or secured in a fully enclosed yard or compound when left overnight ;
  - C) where **you, your** partners or any **employee** is involved;
- iii) whilst kept in an **unoccupied** property, unless kept in a locked safe, drawer or cupboard;
- iv) **damage** whilst in an airport or aircraft unless carried as hand luggage

The maximum **we** will pay is **£2,500** for any one loss after the application of the **excess** which will be **£250**.

## Section A – Automatic cover

### 14. Professional fees

**We** will pay for architects, surveyors, legal and consulting engineers fees necessarily incurred with **our** written consent in the reinstatement or repair of the **property insured** as a result of **damage**.

**We** will not cover any costs or expenses for preparing any claim.

The most **we** will pay for any item is the item **sum insured** shown in **your** schedule.

### 15. Radio and television masts

**We** will pay for **damage** to radio and television receiving aerials satellite aerials and their fittings or masts at the **premises**.

### 16. Removal of debris

**We** will pay for the costs necessarily incurred by **you** with **our** written consent in:

- a) removing the debris from;
- b) dismantling or demolishing;
- c) shoring up or propping; and
- d) boarding up,

the portion or portions of the **property insured damaged**.

**We** will not cover costs or expenses:

- i) incurred in removing debris except from the site of the **damaged property insured** and the area immediately adjacent to the site;
- ii) arising from **pollution or contamination** of property not covered by this section.

The maximum **we** will pay for any loss is **£25,000**.

### 17. Seasonal stock increase

Any **sum insured** for **stock** is increased in each **period of insurance** by:

- a) 30% for the months of November, December and January; and
- b) 30% for a period of 14 days before and after any bank holiday where it does not fall within November, December or January.

## Section A – Automatic cover

### 18. Temporary removal

**We** will pay for **damage** to **contents** whilst temporarily removed for cleaning, renovation, repair or similar purposes and to deeds, documents and plans whilst temporarily removed elsewhere and in transit within the **territorial limits** from the **insured events** of this sub-section. The maximum **we** will pay is 20% of the **sum insured** shown for **contents** in the schedule for any one loss or **£100,000**, whichever is the lesser amount.

However, **we** will not cover:

- a) motor vehicles and motor chassis licensed for normal road use; or
- b) property more specifically insured.

### 19. Theft damage to buildings

Where there is no building insurance under this policy **we** will pay for **damage** (except for fire) to that part of the **premises** containing the **property insured** directly resulting from theft or attempted theft provided that **you** are the owner of the **premises** or are liable for the **damage**. The maximum **we** will pay is **£25,000** in total in any one **period of insurance**.

### 20. Theft of garden furniture and ornaments

**We** will pay for theft of garden furniture, ornamental stones or fountains owned by **you** or for which **you are** responsible from the **premises**. The maximum **we** will pay is **£3,000** for any one loss.

### 21. Theft of keys

**We** will pay the reasonable costs necessarily incurred in replacing external door locks at the **premises** following the loss of keys by:

- a) theft from the **premises** or registered office or from the home of; or
- b) theft following hold-up whilst the keys are in the personal custody of,

**you** or any principal, director, partner or **employee** authorised to hold keys provided that the maximum amount payable in any one **period of insurance** doesn't exceed **£2,500**.

### 22. Third party storage locations

**We** will pay for **damage** to **contents** or **stock** from the **insured events** of this sub-section whilst at third party storage locations within the territorial limits. The maximum **we** will pay is **£5,000** at any one location and **£20,000** in any one **period of insurance**.

### 23. Trace and access

**We** will pay for the reasonable costs incurred in locating the source of an escape of water or fuel from any tank, apparatus or pipe on the **premises** and subsequent making good of **damage** caused as a consequence of locating the source. The maximum **we** will pay is **£50,000** for any one loss.



## Section A – Automatic cover

### 24. Undamaged stock and loss on re-sale

In the event of:

- a) undamaged **stock** deteriorating and/or being condemned or otherwise becoming unusable; or
- b) the enforced sale of **stock** which you are obliged under contract to accept from any other party but are unable to use,

resulting solely from **damage** covered under this sub-section, **we** will cover the amount of the loss incurred by **you** less the value of any salvage.

### 25. Underground services

**We** will pay for accidental **damage** not otherwise excluded to underground water, gas, oil, drain or sewer pipes and underground electricity or telephone cables which extend from the **premises** to the public mains and for which **you** have responsibility for repair or reinstatement.

### 26. Value added tax (VAT) cover

**We** will pay for VAT, paid by **you**, which is not subsequently recoverable. Provided that:

- a) **your** responsibility for VAT arises solely as a result of the reinstatement or repair of the **property insured** following **damage**;
- b) **we** have paid or have agreed to pay for the **damage**;
- c) **our** liability does not include amounts payable by **you** as penalties or interest for non-payment or late payment of VAT; and
- d) **you** have taken all reasonable precautions to insure adequately for VAT liability at the start of this policy and at each subsequent renewal date.

For the purpose of any average condition, reinstatement costs will be exclusive of VAT.

**Our** liability may exceed the **sum insured** for the **property insured** where the excess amount is solely for VAT.

## Section A – Automatic cover

### Optional additional covers – only included if shown as insured in your schedule

#### 1. Personal possessions

We will pay for **damage** to:

- a) pedal cycles and other personal possessions belonging to any guest, partner, director or **employee** of **yours**;
- b) **personal possessions** belonging to **you** or a member of **your** family residing at the **premises**.

Provided that the following levels of security are in operation whenever the **premises** occupied by **you** or a family member for residential purposes are left unattended:

- i) the final exit door is fitted with either
  - A. for timber or steel framed doors a mortice deadlock that has 5 or more levers and matching box striking plate which conforms to BS 3621; or
  - B. a rim latch deadlock that conforms to BS 3621
- ii) aluminium or UPVC framed doors or accessible windows are to be fitted with integral cylinder key operated mortice deadlocks

However:

- i) **we** will not pay for the cost of replacing any undamaged item or part of item that forms part of a matching set or suite;
- ii) **we** will only provide cover where there is no other insurance cover in force; and
- iii) **we** will pay up to **£1,500** for any one person, for any one loss of an article, collection, pair or set other than for pedal cycles where the limit is **£150** for any one loss.

#### 2. Specified all risks

We will pay for **damage** to **specified item(s)** stated in the schedule within the **territorial limits** excluding:

- a) **damage** to:
  - i) valuables, coins, manuscripts, rare books, plans, patterns, models, moulds, designs or documents of title;
  - ii) tobacco goods, wines or spirits;
  - iii) **money** or securities for **money**, gaming machines, juke boxes, vending or beverage machines;
  - iv) production machinery requiring statutory inspection;

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- v) **stock**;
- vi) mainframe computers or data processing equipment;
- vi) glass;
- b) **damage to specified items** resulting from theft or attempted theft whilst contained in any unattended vehicle. Unless:
  - i) the **specified item** is:
    - a. stored in a locked boot (if there is one); and
    - b. all vehicle doors, windows and access points are closed and locked; and
    - c. any security devices are set to operate; and
    - d. all keys to the doors and ignition removed to a place of safety.
  - ii) during the hours of 9.00pm to 6.00am the vehicle is:
    - a. in a securely locked building or guarded security park; and
    - b. all vehicle doors, windows and access points are locked; and
    - c. all keys to the doors and ignition removed to a place of safety.
- c) **specified items** carried on the outside of the vehicle or in any open sided vehicle by theft, storm or flood;
- d) depreciation.

## Section A – Automatic cover

### Conditions (Action you or we must take)

Included here are the conditions of the insurance that **you** need to meet as **your** part of this contract. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment may be reduced.

#### 1. Automatic reinstatement of sum insured

Following **damage**, the sums insured by this policy will be automatically reinstated from the date of the **damage**, unless written notice is given to the contrary either by **us** or by **you**, provided that following reinstatement **you** will:

- a) pay any additional premium as may be requested for reinstatement from the date of reinstatement; and
- b) apply any additional protective devices at the **premises** which **we** may reasonably require.

#### 2. Basis of claims settlement

##### Computer Records

**We** will pay for the cost of the materials together with the cost of clerical labour and computer time expended in reproducing computer records and not for the value to **you** of the information contained in them and **we** will not cover any expenses in connection with the production of information to be recorded in computer records up to a maximum of **£10,000** for any one loss and in total in any one **period of insurance**.

##### Indemnity

The basis upon which **we** will calculate the amount **we** will pay for any claim for professional fees, debris removal, pedal cycles and personal effects and **stock** will be:

- a) the cost of replacement or repair of the property **damaged**, to a condition as good as, but not better or more extensive than, its condition immediately before the **damage**, or at **our** option:
- b) the value of the **property insured** immediately before the loss.

##### Reinstatement

following **damage** to the **property insured**, except for professional fees, debris removal, pedal cycles and personal effects, computer records and **stock**, the basis upon which **we** will calculate the amount **we** will pay for any claim will be the reinstatement of the property **damaged**, provided that:

- a) where the **property insured** is:
  - i) lost or destroyed, **we** will pay for its rebuilding or replacement by similar property in a condition as good as, but not better or more extensive than, its condition when new.

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- ii) **damaged, we** will pay for the replacement or repair of the damaged portion to a condition as good as, but not better or more extensive than, its condition when new.

However, **we** will not pay more than **we** would have done if the property has been completely destroyed.

- b) the work of reinstatement:
  - i) may be carried out on another site and in a manner suitable to **your** needs.  
However, **our** liability must not be increased.
  - ii) must begin and be carried out as quickly as possible.

The maximum **we** will pay under this section in any one **period of insurance** will not exceed:

- a. the **sum insured** on each item; or
- b. the total **sum insured**,

or any other maximum amount payable or the **limit of liability** specified in this section or the schedule.

### 3. **Contract price**

If a sale contract is cancelled entirely due to **damage** to **stock** sold by **you** that is not delivered and is still **your** responsibility the amount **we** will pay **you** will be based on the contract price. The value of all stock where the sale contract is cancelled following **damage** will also be settled on this basis.

### 4. **Designation**

For the purpose of determining the heading under which any property is insured **we** agree to accept the designation under which property has been entered in **your** books.

### 5. **Stock racking**

All stock stored below ground level or in basements must be raised on racking, stillages, pallets or the like to allow at least 150 millimetres of air space between the stock and floor level and further all stock on the ground level should be similarly raised to allow at least 100 millimetres of air space between the stock and floor level.

### 6. **Subrogation waiver**

Following a claim under this section **we** agree to waive any rights, remedies or relief which **we** might have become entitled by subrogation against:

- a) any company standing in relation of parent to subsidiary (or subsidiary to parent) to **you**;
- b) any company which is a subsidiary of a parent company of which **you** are a subsidiary.

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In each case as defined by current law at the time of the **damage**.

### 7. **Waste**

**You** must ensure that:

- a) all oily and/or greasy waste and used cleaning cloths which remain in the **buildings** overnight are kept in metal receptacles with metal lids and removed from the **building** at least once a week;
- b) all combustible trade waste and refuse is:
  - i) swept up daily and kept in bags or bins; and
  - ii) are removed from the **buildings** every night; and
  - iii) removed from the **premises** at least once a week;

### 8. **Workmen and alteration to the premises or business**

Workmen and tradesmen are allowed in or about the **premises** for maintenance purposes and for undertaking minor repairs and alterations without affecting this insurance, but **we** have accepted this insurance on the basis of information supplied and cover under this policy will cease if:

- a) there are changes to the **premises**, the building in which it is located or to the **business** which may increase the risk of **damage**, liability, accident or **bodily injury**;
- b) there are changes in the occupancy or use of the **premises**;
- c) **your** interest in the **premises** or the **business** ceases; or
- d) the **business** is wound up, carried on by a liquidator or receiver or permanently discontinued

unless **you** have notified **us** within a reasonable time and **we** have agreed to these changes in writing.

## What is not covered

**We** will not cover **you** for:

- 1) **damage** caused by or consisting of:
  - a) an existing or hidden defect in the property;
  - b) gradual deterioration or wear and tear;
  - c) frost or change in the water table level;
  - d) faulty design of the **property insured** or faulty materials used in its construction;
  - e) faulty workmanship, operating error or omission by **you** or any **employee**;

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- f) the bursting of:
  - i) a boiler;
  - ii) other equipment

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

However, **we** will cover **you** for any following **damage** which results from a cause not otherwise excluded.

### 2) **damage** caused by or consisting of:

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

However, **we** will cover **you** for:

- i) **damage** not otherwise excluded which itself results from an **insured event** or any other accidental cause;
- ii) any following **damage** which itself results from a cause not otherwise excluded.

### 3) **damage** caused by **pollution**.

However, **we** will cover **you** for **damage**, not otherwise excluded, to the **property insured** caused by:

- a) **pollution** which results from an **insured event**;
- b) a **insured event** which results from **pollution**.

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- 4) **damage** caused by or consisting of:
- a) normal settlement of new structures;
  - b) acts of fraud or dishonesty;
  - c)
    - i) disappearance;
    - ii) unexplained or inventory shortage;
    - iii) misfiling, misplacing of information or clerical error.
- 5) **damage** to:
- a) gates;
  - b) fences;
  - c) moveable property in the open
- by:
- i) wind;
  - ii) rain, hail, sleet or snow;
  - iii) flood;
  - iv) dust.
- 6) **damage** by fire to the **property insured** resulting from its undergoing any process involving the application of heat.
- 7) **damage** to the **property insured** resulting from its undergoing any process of:
- a) production or packaging;
  - b) treatment, testing or commissioning;
  - c) servicing or repair.
- However, **we** will cover **you** for **damage** if it is caused by fire or explosion.
- 8) **damage** while the **building** is **unoccupied** caused by:
- a) escape of water from any tank, apparatus or pipe
  - b) malicious persons.
- However, **we** will cover **you** for **damage** if it is caused by fire or explosion.
- 9) **damage** to:
- a) china, earthenware, marble or other fragile objects (not including **stock**);
  - b) a structure caused by its own collapse or cracking.
- However, **we** will cover **you** for **damage** if it results from an **insured event** and is not otherwise excluded.



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- 10) **damage** to:
- a) property in the course of construction including materials for use in the construction;
  - b)
    - i) livestock;
    - iii) growing crops or trees
- unless specifically stated as insured in the Schedule.
- 11) **damage** caused by theft or attempted theft:
- a) by any person lawfully in the **premises**;
  - b) where **you** or **your** partners, directors or **employees** or any member of **your** household are involved
  - c) from any building or part of any building not capable of being locked.
- 12) **damage** to property more specifically insured.
- 13) the **excess**.
- 14) indirect losses.

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### Sub-section 2 – Business interruption

#### Additional definitions

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section.*

#### Annual rent receivable

The **rent receivable** during the 12 months immediately before the date of the **damage**.

#### Consequential loss

Loss resulting from interruption of or interference with the **business** carried on by **you** at the **premises** following **damage** to property used by **you** at the **premises** for the purpose of the **business**.

#### Declaration

A declaration of the **gross profit** earned during the financial year most nearly concurrent with the **period of insurance** (plus any increase by the amount by which the **gross profit** may have been reduced during the financial year solely following a loss giving rise to a claim for loss of **gross profit**) which must be:

- i) provided to **us** not later than six months after the expiry of each **period of insurance**; and
- ii) confirmed by **your** professional accountants.

#### Estimated gross profit

The amount **you** declare to **us** as representing the **gross profit** which **you** anticipate will be earned by the **business** during the financial year most nearly concurrent with the **period of insurance** (proportionately increased where the **maximum indemnity period** exceeds 12 months).

#### Gross profit

The amount of the **turnover** (net of discounts allowed), closing stock and work in progress less the amount of the opening stock, work in progress and specified working expenses.

N.B. For the purpose of this definition **gross profit** is as defined but the words and expressions used will have the meaning attached to them in **your** usual accounting methods, due provision being made for depreciation of stock and work in progress.

#### Indemnity period

The period beginning with the loss and ending not later than the **maximum indemnity period** after that during which the results of the **business** will be affected following the loss.

**However for the Notifiable disease additional cover the following definition applies:**

the period during which the results of the **business** will be affected following the loss, discovery or accident beginning:

- a) in the case of a) and d) with the date of the loss or discovery; or
- b) in the case of b) and c) with the date from which the restrictions on the **premises** are applied and ending not later than the **maximum indemnity period** after that.

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### For the Lottery win by your employees additional cover:

the period during which the **business** results are affected due to an **employee** or group of **employees** resigning from their posts within **your business** as a direct result of their securing a win in a **lottery**, starting from the date of their first departure.

### Lottery

- a) UK National Lottery prize draws including scratchcards.
- b) UK National Football Pools (Littlewoods and Vernons).
- c) Euro Millions lottery.
- d) Irish National lottery.
- e) UK Premium Bond prize draws.

### Maximum indemnity period

The **indemnity period** stated in the schedule, other than under the Notifiable Disease and the Lottery win by your employees additional covers where it is 3 months.

### Notifiable disease

Illness sustained by any person resulting from:

- a) food or drink poisoning; or
- b) any human infectious or contagious disease (excluding Acquired Immune Deficiency Syndrome (AIDS)) an outbreak of which the competent local authority has stipulated will be notified to them.

### Rate of rent payable

The percentage that the **rent payable** bears to the **standard turnover**.

### Rent payable

means the amount of the rent payable by **you** for the lease of **your premises** within the **territorial limits** for the purpose of the **business**.

### Rent receivable

The money paid or payable to **you** by **tenants** for accommodation and services provided in the course of the **business** at the **premises**.

### Specified working expenses

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

### Standard rent receivable

The **rent receivable** during that period in the 12 months before the date of the **damage** which corresponds with the **indemnity period**.

**We** will adjust the figures as necessary to provide for trends or special circumstances affecting the **business** before or after the **damage** or which would have affected the **business** had the **damage** not occurred.

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### Standard turnover

The **turnover** during that period in the 12 months immediately before the date of the **damage** which corresponds with the **indemnity period** to which adjustments will be made as necessary to provide for the trend of the **business** and for variations in or other circumstances affecting the **business** had the **damage** not occurred, so that the figures adjusted represent as nearly as may be reasonably practicable the results which but for the **damage** would have been obtained during the relative period after the **damage**.

### Turnover

The money paid or payable to **you** for goods sold or delivered and for services rendered in course of the **business** at the **premises**.

## What is covered

For each item in the schedule, **we** will pay **you** for any interruption or interference with the **business** resulting from **damage** to property used by **you** at the **premises** for the purpose of the **business** occurring during the **period of insurance** caused by an **insured event** and provided that **damage** is not excluded under section 1.

The maximum **we** will pay for any one loss is:

- a) for any Item - the **sum insured** stated in the schedule;
- b) in total during the **period of insurance** - the total **sum insured** unless stated otherwise in the schedule.

## Property cover

**We** will not provide **you** with any cover under this section unless:

- a) there is in force at the time of the **damage**, an insurance policy covering **your** interest in the **property insured** at the **premises** for the **damage**; and
- b)
  - i) payment has been made or liability admitted for the **damage**; or
  - ii) payment would have been made or liability would have been admitted for **damage** but for the exclusion of losses below a stated amount.

## Claims - basis of settlement A – Gross profit

The insurance by this item is limited to loss of **gross profit** not exceeding the **limit of liability** due to:

- a) reduction in **turnover**; and
- b) increase in cost of working

and the amount payable will be:

1. for reduction in **turnover**, the sum produced by applying the rate of **gross profit** to the amount by which the **turnover** during the **indemnity period** will following the **damage** fall short of the **standard turnover**
2. for increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **turnover** which but for that expenditure would have taken place during the **indemnity period** following the **damage** but not exceeding the total of:
  - a) the sum produced by applying the rate of **gross profit** to the amount of reduction avoided; plus

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- b) 25% of the **sum insured** by this item (but not more than **£250,000**)

less any sum saved during the **indemnity period** for the charges and expenses of the **business** payable out of **gross profit** as may cease or be reduced following the **damage**.

Additional increased cost of working (if insured) is limited to additional expenditure following the **damage** in excess of the amount recoverable under clause b) above, necessarily and reasonably incurred to maintain the **business** during the **indemnity period**.

### Claims - basis of settlement B – Additional cost of working

The insurance by this item is limited to additional cost of working due to additional expenditure and costs necessarily and reasonably incurred in order to minimise any interruption or interference with the **business** during the **indemnity period** but not exceeding the **sum insured** stated in the schedule.

### Claims - basis of settlement C – Rent receivable

The insurance by this item is limited to loss of **rent receivable** due to:

- a) reduction in **rent receivable**; and  
b) increase in cost of working,

and the amount payable will be:

1. for reduction in **rent receivable**, the amount by which **rent receivable** during the **indemnity period** will because of the **damage** fall short of the **standard rent receivable**;
2. for increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **rent receivable** which but for that expenditure would have taken place during the **indemnity period** because of the **damage** but not exceeding:
  - a) the amount of reduction in **revenue** avoided;
  - b) plus 25% of the sum insured by this item (but not more than **£250,000**),

less any sum saved during the **indemnity period** for the charges and expenses of the **business** payable out of **rent receivable** as may cease or be reduced because of the **damage**.

However, if the sum insured by this item is less than the **annual rent receivable** (proportionately increased where the maximum indemnity period exceeds 12 months) the amount payable will be proportionately reduced.

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### Claims - basis of settlement D – Rent payable

The insurance by this item is limited to loss of **rent payable** due to:

- a) loss of **rent payable**; and
- b) increase in the cost of working,

and the amount payable will be:

1. for loss of **rent payable**, the amount produced by applying the **rate of rent payable** by which the **turnover** during the **indemnity period** will because of the **damage** fall short of the **standard turnover**;
2. for **increase in cost of working**, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **turnover** which but for that expenditure would have taken place during the **indemnity period** because of the **damage** but not exceeding the reduction in **turnover** avoided,

less any sum saved during the **indemnity period** for the **rent payable** as may cease or be reduced because of the **damage**.

However, if at the commencement of the **damage** the **declared value** for **rent payable** shown in the schedule is less than the sum produced by applying the rate of **rent payable** to the **standard turnover** (or to a proportionately increased multiple where the **maximum indemnity period** exceeds twelve months the amount payable to **us** will be proportionately reduced.

Wherever reference is made to **gross profit** within this section, it will also be considered to read “**rent payable**”.

### Additional cover – automatically included

We will pay **you** for:

#### 1. **Alternative Accommodation**

the reasonable expenditure **you** incur to provide comparable accommodation to **you** or any member of **your** family permanently residing at the **premises** at the time of the **damage** including any incidental removal costs and expenses.

We will not cover:

- a) any costs incurred without **our** consent;
- b) any costs payable once the **premises** become habitable again or for longer than the **indemnity period** of 24 months from the date of **damage**, whichever is sooner.

The maximum **we** will pay for any one loss is **£25,000**.

#### 2. **Boilers**

**consequential loss** following **damage** to boilers or other equipment in which internal pressure is due to steam only on the **premises**.

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### 3. Failure of utilities

**consequential loss** following any **damage** arising at any:

- a) generating station or sub-station of the electricity supply undertaking;
- b) land based premises of the gas supply undertaking or of any natural gas producer linked directly with it;
- c) water works or pumping station of the water supply undertaking; or
- d) land based premises of the telecommunications undertaking,

from which **you** obtain electricity, gas, water or telecommunications services, all in the **territorial limits**.

This additional cover does not cover;

- i) **consequential loss** brought about by the deliberate act of any supply authority nor by the exercise of any the authority of its power to withhold or restrict supply or by drought; or
- ii) following any failure which does not involve a total stop of supply for at least 30 minutes.

### 4. Loss of attraction

**consequential loss** as a result of **damage** to property within a 1 mile radius of **your premises** not covered by any prevention of access cover, that reduces the **turnover you** would have received but for the **damage**.

Provided that **we** will not be liable for the first 7 days of any interference with the **business**.

### 5. Lottery win by your employees

any additional expense **you** incur to prevent or limit a reduction in income during the **indemnity period** due to an **employee** or group of **employees** resigning from their posts within **your business** as a direct result of their securing a win in a **lottery**, including but not limited to:

- a) recruitment and additional overtime costs; and
- b) the cost of employing temporary staff for amounts in excess of permanent full time rates of payment.

**We** will not cover **you** unless:

- i) the **employee** or group of **employees** resign within fourteen days from the date of the successful **lottery** win; and
- ii) the amount won by any one **employee** is not less than **£100,000**.

**We** will not pay under this additional cover more than **£50,000** in any one **period of insurance**.

## Section A – Automatic cover

### 6. **Notifiable disease, vermin, defective sanitary arrangements, murder and suicide**

**consequential loss** following:

- a)
  - i. any occurrence of a **notifiable disease** at the **premises** or due to food or drink supplied from the **premises**;
  - ii. any discovery of an organism at the **premises** likely to result in the event of a **notifiable disease**;
  - iii. any **notifiable disease** within a radius of twenty five miles of the **premises**;
- b) the discovery of vermin or pests at the **premises** which causes restrictions on the use of the **premises** on the order of the competent local authority;
- c) any accident causing defects in the drains or other sanitary arrangements at the **premises** which causes restrictions on the use of the **premises** on the order of the competent local authority; or
- d) any murder or suicide at the **premises**.

#### **Conditions**

1. For the purpose of this additional cover **premises** will mean only those locations stated in the **premises** definition. If this policy includes an additional cover which deems **damage** at other locations to be insured, the additional cover will not apply to this additional cover.
2. **We** will not be liable for any costs incurred in the cleaning, repair, replacement, recall or checking of property.
3. **We** will only be liable for the loss arising at those **premises** which are directly affected by the loss, discovery or accident.

### 7. **Prevention of access**

**consequential loss** as a result of **damage** to property within the a one mile radius of the **premises** which prevents or hinders the use of the **premises** or access to it. The maximum **we** will pay for any one loss will not exceed the total of the **sum insured** (or 133⅓% of the estimated amounts) or any **limit of liability** shown in the schedule.

### 8. **Prevention of access – non damage**

**your** financial losses and other items specified in the schedule, resulting solely and directly from an interruption to **your business** caused by an incident within a one mile radius of **your premises** which results in a denial of access or hindrance in access to **your premises** during the **period of insurance**, imposed by any civil or statutory authority or by order of the government or any public authority, for more than 24 hours.

### 9. **Professional accountants**

the reasonable charges payable by **you** to **your** professional accountants for producing any particulars or details or any other proofs, information or evidence as may be required by **us** under the terms of this policy and reporting that the particulars or details are in accordance with **your** books of account or other business books or documents.



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The amount payable under this additional cover together with the amount payable under this section will not exceed the **limit of liability**.

### 10. Rent of residential property

loss of rent including the cost of reletting and any additional expenditure incurred, in the event that **buildings** occupied solely or partly for residential purposes suffer **damage** and no sum insured on rent for the residential portions has been allocated.

For the purposes of the cover by this extension **indemnity period** means the maximum period of three years from the date of the **damage** for which **we** will be liable to pay any loss;

This clause will also cover **you** for any expenditure incurred in the provision of comparable accommodation for the benefit of any lessee to comply with the requirements of the lease.

**We** will not pay under this provision more than **£25,000** for any loss.

### 11. Suppliers - specified

**consequential loss** as a result of **damage** at the premises of suppliers detailed in the schedule. The maximum **we** will pay for any one loss is as specified in **your** schedule.

### 12. Suppliers - unspecified

**consequential loss** as a result of **damage** at any supplier's premises within member countries of the European Union, the Isle of Man, the Channel Islands, Norway, Iceland and Switzerland. The maximum **we** will pay for any one loss is **£25,000**.

### 13. Temporary removal

**consequential loss** as a result of **damage**:

- a) to computer systems, other records, machinery and plant (but not motor vehicles) removed for cleaning, renovation, repair or other similar purposes, patterns, models, moulds, plans and designs whilst temporarily removed from the **premises** and in transit by road, rail or inland waterway to and from the **premises**.

**We** will not be liable for any loss arising from delay or loss of use of the conveying road or rail vehicle or waterborne craft.

- b) to plans, deeds, briefs, manuscripts, books, documents and office records whilst temporarily removed within the **territorial limits**.

The maximum **we** will pay for any one loss is **£25,000**.

### 14. Transit

**consequential loss** as a result of damage to **your** property whilst in transit by road, rail or inland waterway within the **territorial limits**. The maximum **we** will pay for any one loss is **£25,000**.

**We** will not be liable for any loss arising from delay or loss of use of the conveying road or rail vehicle or waterborne craft.

## Section A – Automatic cover

### 15. Tronc payments

the estimated reduction of tronc payments during the **indemnity period** following **damage**:  
Provided that:

- a) **your employees** have a contractual right to a precise proportion of the money sourced from tips and receive no more or less than they are contractually entitled to and National Insurance contribution payments are made for these;
- b) **you** (or a troncmaster acting on **your** behalf) maintains records of tronc payments to **your employees**.

The amount **we** will pay will be based on the estimated reduction of tronc payments during the **indemnity period** including adjustments 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 **damage** or which would have affected the **business** had the **damage** not occurred, so that the figures adjusted represent as nearly as may be reasonably practicable the results which but for the **damage** would have been obtained during the relative period after the **damage**. The maximum **we** will pay is **£25,000** for any one loss.

### Conditions (Action you or we must take)

**Included here are the conditions of the insurance under this section that you need to meet as your part of this policy. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced.**

#### 1. Alteration

The insurance by this section will be cancelled if:

- a) the **business** is wound up, carried on by a liquidator or permanently discontinued; or
- b) **your** interest ceases otherwise than by death

at any time after the start of this policy unless **we** agree it may continue.

#### 2. Automatic reinstatement after a loss

Unless **you** tell **us** otherwise in writing, **our** liability will not be reduced by the amount of any loss and **you** agree to pay the appropriate additional premium for this automatic reinstatement of cover.

#### 3. Books of account

**You** must ensure that **your** books of account and other business books or records in which **you** record customer accounts are kept in fire resisting safes or cabinets when not in use.

## Section A – Automatic cover

### 4. Declaration for gross profit

If the declaration (adjusted as above and proportionately increased where the **maximum indemnity period** exceeds twelve months):

- a) is less than the **estimated gross profit** for the relative **period of insurance**, we will allow a pro rata return of premium not exceeding 50% of the premium;
- b) is greater than the **estimated gross profit** for the relative **period of insurance**, you will pay a pro rata additional premium.

### 5. Departments

If the **business** is conducted in departments and their trading results can be calculated separately, clauses a) and b) of the item on **gross profit** will apply separately to each department affected.

### 6. Payments on account

Payments on account will be made at **our** discretion during the **indemnity period** if requested.

### 7. Premium adjustment

#### Gross profit basis of settlement

The first and annual premiums for **gross profit** are provisional and are based on the **estimated gross profit** for the financial year most nearly concurrent with the **period of insurance**.

Within six months of the expiry of each **period of insurance**, you will give **us** a declaration of the **gross profit** earned during the financial year most nearly concurrent with the **period of insurance** as confirmed by **your** auditors.

If any loss has occurred giving rise to a claim for loss of **gross profit**, we will increase the declaration for the purpose of premium adjustment by the amount by which the **gross profit** was reduced during the financial year solely following the loss.

### 8. Renewal

You will before each renewal tell **us** the **estimated gross profit** for the financial year most nearly concurrent with the next **period of insurance**.

### 9. Removal of computer disks and tapes

You must ensure that copies of all computer disks, tapes or other recording materials are made each day and the copies removed from the **premises** and kept at a secure location on a daily basis.

### 10. Uninsured standing charges

If any standing charges of the **business** are not insured by this section (having been deducted in arriving at the **gross profit**), then in calculating the amount recoverable as increase in cost of working that proportion only of any additional expenditure will be brought into account which the **gross profit** bears to the sum of the **gross profit** and the uninsured standing charges.

## Section A – Automatic cover

### What is not covered

All exclusions stated under sub-section 1 Contents and stock (other than **consequential loss**) also apply to this sub-section; In addition **we** will not cover **you** for:

1. deliberate falsification of business records;
2. the connivance of any **employee**;
3. erasure or distortion of information on computer systems or other records:
  - i) due to the presence of a magnetic flux or whilst mounted in or on any machine or data processing apparatus unless caused by **damage** to the said machine or apparatus;
  - ii) due to defects in records;
4. mislaying or misfiling of tapes and records, clerical errors or omissions.

## Section A – Automatic cover

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### Sub-section 3 – Money

#### Additional definitions (what words mean)

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section.*

##### Insured person

**You** or any director, principal, partner or **employee**.

##### Non-negotiable instruments

Crossed cheques, crossed girocheques, crossed bankers drafts, crossed money orders, used national insurance stamps, national savings certificates, credit company sales vouchers, V.A.T. purchase invoices and unexpired units in franking machines.

#### What is covered

**We** will cover **you** following physical loss or destruction of or damage to:

- a) **money**;
  - i) in transit in **your** personal custody or in the custody of any authorised **employee** or in a bank night safe;
  - ii) on the **premises** during **business hours**;
  - iii) on the **premises** out of **business hours** contained in locked safe(s);
  - iv) on the **premises** out of **business hours** not contained in locked safe(s);
  - v) in **your** home or in the home of any authorised **employee**.
- b) **non-negotiable instruments**;
- c) safes or strongrooms which normally contain **money** caused by theft or attempted theft;
- d) (optional cover)  
**money** which belongs to **your** partners, directors or employees personally up to **£250** in total in any one **period of insurance**;
- e) any container, case, bag or waistcoat used for the carriage of money; or
- f) any stamp franking machine used for **your business**.

occurring within the **territorial limits** provided that the maximum **we** will pay for any Item does not exceed the specified **limit of liability** against each item shown in the schedule.

## Section A – Automatic cover

### Additional cover – automatically included

#### 1. Debit or credit cards

**We** will cover costs necessarily incurred by **you** and any of **your** principals, partners, directors or **employees** for the purpose of the **business** as a direct result of a credit card, charge card, debit card or bank card being lost or stolen and it being fraudulently used by someone other than **you** or any of **your** principals, partners, directors or **employees**.

Provided that upon discovery **you** report the loss of the card to the issuing company as soon as reasonably practicable.

**We** will not cover **you** for credit cards, charge cards, debit cards or bank cards for:

- a) loss by any failure to comply with the terms under which the card was issued;
- b) losses arising after 48 hours from discovery of the loss of the card;
- c) losses covered in whole or in part by any other insurance, but if the amount of cover under any other policy is inadequate **we** will pay the difference up to the limit shown below;
- d) claims arising from unauthorised use of a credit card by any member of **your** family;
- e) loss due to confiscation or detention;
- f) losses caused by depreciation or shortages caused by errors or omissions.

The maximum **we** will pay is:

- i) **£1,000** for any one loss of a business card;
- ii) **£500** for any one loss of a personal card.

#### 2. National lottery scratch cards

**We** will cover loss or damage of National Lottery Scratch Cards whilst:

- a) within **your premises** during **business hours**, or
- b) contained in a locked safe.

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

#### 3. Pay as you go mobile phone vouchers

**We** will cover loss or damage of Pay As You Go Mobile Phone Vouchers:

- a) within **your premises** during **business hours**, or
- b) contained in a locked safe.

## Section A – Automatic cover

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

### Conditions

**Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.**

#### 1. Key security

Whenever **your premises** are closed for **business** all keys or notes of the combination codes of safes or strong rooms must be removed from **your premises** unless the **premises** are still occupied by **you** or any of **your** authorised **employees**. When keys are on the **premises** they must be kept in a secure place away from the safes or strongrooms.

#### 2. Money in transit

a) Whenever **money** or **negotiable money** exceeds:

- i) **£2,500** up to **£5,000** it must be accompanied by at least 2 responsible adults;
- ii) **£5,000** up to **£8,000** it must be accompanied by at least 3 responsible adults;
- iii) **£8,000** up to **£12,000** it must be accompanied by at least 4 responsible adults;
- iv) **£12,000** as stated in the schedule.

b) Private transport is used for amounts of **money** or **negotiable money** in transit greater than **£2,500** where the distance exceeds half a mile.

c) All persons engaged in the transit of money are able-bodied adults.

d) The times of transit routes and conveyances used should be varied as far as possible.

#### 3. Record keeping

**You** will keep a daily record of the amount of **money** at **your premises** contained in safes or strong rooms and in transit. This record must be kept in a separate secure place and will need to be produced to support a claim under this section.

#### 4. Transit by post

The maximum **we** will pay for loss of **money** in transit by post is **£25** per packet while in transit by unregistered post;

## Section A – Automatic cover

### What is not covered

**We** will not be liable under this section for:

1. loss or damage due to the dishonesty of any of **your** directors partners or **employees** unless discovered within 10 working days of it happening;
2. loss or damage due to error or omission in receipts payments or accounting practice;
3. the use of any form of payment which proves to be counterfeit, false, fraudulent, invalid, uncollectible or irrecoverable for any reason;
4. any loss which is not directly connected to the loss or damage of **money**;
5. loss or damage to **money** belonging to the Post Office;
6. theft or attempted theft from the **premises** or any authorised person's private dwelling unless involving forcible and violent entry or exit, or actual or threatened hold up, assault or violence.
7. loss or theft from an unattended vehicle.



## Section A – Automatic cover

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### Sub-section 4 – Personal accident assault

#### Additional definitions (what words mean)

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section.*

#### Insured person

**You** or any director, principal, partner or **employee**.

#### Medical expenses

The cost of medical, surgical or other remedial attention, treatment or appliances given or prescribed by a qualified member of the medical profession and all hospital, nursing home or ambulance charges plus professional counselling costs.

#### What's covered

If an **insured person** suffers **bodily injury** as described below caused solely or directly as a result of robbery or attempted robbery in the course of the **business we** will pay the **insured person** or his/her legal personal representative the relevant sum specified below

- a) bodily injury which within 24 months of its occurrence is the sole and direct cause of:
  - i) **£10,000** death
  - ii) **£10,000** loss of one or more limbs by physical separation at or above the wrist or ankle or total and permanent loss of use of one or both hands or feet; or
  - iii) **£10,000** total and irrevocable loss of sight in one or both eyes rendering the **insured person** blind in at least one eye and being beyond remedy by surgical or other treatment.
- b) **£10,000** **bodily injury** not resulting in loss of limbs or sight as defined in a) ii) or a) iii) above which is the sole and direct cause of the **insured person** being totally disabled and prevented from attending to any business or occupation with proof satisfactory to **us** that the disablement has continued for 12 months from its occurrence and will in all probability continue for the remainder of the **insured person's** life.
- c) **£100\*** **bodily injury** which is the sole and direct cause of the **insured person** being totally disabled and prevented from attending to a substantial part of their usual occupation.
- d) **£50\*** **bodily injury** which is the sole and direct cause of the **insured person** being partially disabled and prevented from attending to a substantial part of their usual occupation.

\*per week, payable monthly

## Section A – Automatic cover

### Limit of liability (how much we will pay)

We will pay:

- a) the compensation stated in the table above with the weekly benefit being paid monthly;
- b) up to a maximum of 2 years from the date that disablement started for compensation relating to benefits 7 and 8.

Where **we** pay compensation for benefits a) or b):

- a) any weekly benefit being paid for the same injury will stop; and
- b) this insurance will end for the **insured person**.

**We** will not pay any amount in excess of the maximum accumulation limit of **£1,000,000** for any one accident.

If the total amount of all units of compensation payable exceed the maximum accumulation limit, the compensation payable to each **insured person** will be proportionately reduced until the total of all compensation payable does not exceed the maximum accumulation limit.

### Additional cover – automatically provided

#### 1. Medical expenses

If an **insured person** suffers **bodily injury** caused solely or directly as a result of robbery or attempted robbery in the course of the **business we** will reimburse **medical expenses** reasonably and necessarily incurred for the treatment of insured **bodily injury** up to **£250** for any one **insured person**.

#### 2. Damage to clothing and personal effects

In the event of **damage** to the clothing and/or personal effects (but **we** will not cover jewellery watches and personal **money**) of an **insured person** as a result of robbery or attempted robbery in the course of the **business we** will pay for **damage** up to **£500** for any one **insured person**.

### Conditions (action you or we must take)

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.

#### 1. Examinations

- a) The **insured person** will, as often as required and at **our** expense, submit to examination by a medical practitioner of **our** choice.
- b) **We** will be entitled to conduct a post mortem examination at **our** own expense in the event of the death of an **insured person**.

#### 2. Minimising loss

The **insured person** must take all practical steps to minimise any **bodily injury**.

## Section A – Automatic cover

### 4. Transferring your rights under this policy

This section is not assignable and no person except **you**, or in the case of **your** death **your** legal personal representative, will have any right against **us** either as assignee or transferee of any interest or any right to receive monies payable either before or after loss and whether admitted or not or in any other case.

### What is not covered

**We** will not be liable for:

1. the first **£100** of each claim or for **bodily injury** arising outside of the **territorial limits**;
2. any claims relating to persons under the age of 16 or over the age of 70;
3. claims relating to **employees** who were under the influence of or being treated for alcohol or drugs (other than those taken with a medical prescription, not being treatment for drug addiction).

## Section A – Automatic cover

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### Sub-section 5 – Breakage of plain, plate or sheet glass and sanitaryware

#### Additional definitions (what words mean)

##### Glass

Fixed plain or wired glass and mirrors at the **premises**.

##### Sanitaryware

Fixed baths, wash hand basins, pedestals, bidets, shower trays, sinks, splashbacks, lavatory pans and cisterns at the **premises**.

#### What is covered

**We** will replace **glass** or **sanitaryware** for which **you** are responsible at the **premises**, in the event of breakage or at **our** option pay the cost of replacement. **We** are not obliged to replace or pay for the replacement of any property exactly but only as nearly as circumstances permit. The most **we** will pay is the amount shown in **your** schedule for any one loss.

#### Additional cover – automatically included

**We** will also pay for:

- a) **damage** to window frames or framework, shutters or blinds following breakage of **glass**;
- b) the cost of replacing window alarm foil lettering or painting or other ornamental work attached to the **glass**;
- c) **damage** to goods incidental to the **business** caused by breakage of fixed **glass** in display windows;
- d) removing or replacing the fixtures and fittings necessarily incurred to replace the **glass**;
- e) the cost of necessary boarding up pending repair or replacement.

#### What is not covered

**We** will not cover:

1. **damage** to **glass** or **sanitaryware** in any portion of the **premises** which is **unoccupied**;
2. **damage** to **glass** or **sanitaryware** forming part of **your stock**;
3. **damage** to **glass** by workmen carrying out alterations or repairs at the **premises**;
4. **damage** to **glass** in vending machines, light fittings or signs;
6. **damage** to **glass** or **sanitaryware** already **damaged** at the commencement of cover;
7. scratching or chipping of **glass** unless it extends through the complete fabric of the **glass**;
8. **damage** to **glass** in vehicles;
9. **damage** that is covered under any other section of this policy.

## Section A – Automatic cover

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### Sub-section 6 – Goods in transit

#### Additional definitions (what words mean)

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section.*

#### Property

Merchandise and goods (including tools), used in connection with the **business** which are either owned by **you** or **your** responsibility.

#### What is covered

**We** will pay **you** for **damage** to **property** shown in the schedule whilst in or on or being loaded into or onto or unloaded from any motor vehicle (excluding trailers) owned by or operated under **your** direct control within the **territorial limits**.

The most **we** will pay is the amount shown in **your** schedule for any one loss.

#### Additional cover – automatically included

##### 1. Ancillary equipment

**We** will pay **you** for **damage** to **your** own sheets, ropes, chains, toggles or packaging materials while carried on any vehicle.

The most **we** will pay for any one vehicle is **£10,000** for any one loss.

**We** will replace sheets as new if **you** prove that these were not more than one year old at the time of the **damage**.

##### 2. Debris removal costs

The additional costs necessarily incurred in removing debris, consequent upon **damage** to the **property** in **transit**.

The most **we** will pay is **£10,000** for any one loss and in total in any one **period of insurance**.

##### 3. Personal belongings

**We** will pay **you** for **damage** to **you** or **your** driver's personal belongings in or from any vehicle **you** own. The most **we** will pay is **£500** for any one loss.

##### 4. Reloading costs

**We** will pay **you** for the additional costs necessarily incurred in:

- a) reloading **property** which has fallen from the conveying vehicle; or
- b) re-securing **property** where there is a dangerous movement of the load,

The most **we** will pay is **£10,000** for any one loss and in total in any one **period of insurance**.

## Section A – Automatic cover

### 5. Substituted vehicles

We will pay **you** for **damage to property in transit** arising out of the use of any vehicle substituted by **you** whilst **your** own vehicle is undergoing service or repair, up to an amount not exceeding the **sum insured** applicable to the vehicle undergoing service or repair in total for all claims or series of claims, arising out of any one original cause.

### 6. Tools

We will pay **you** for **damage to tools** in or from any vehicle **you** own and while temporary stored during transit. We will not pay for more than **£250** for any one claim and **£1,000** during any one **period of insurance**.

### 7. Transfer costs

The additional costs necessarily incurred in transferring **property** to another vehicle and carrying to the original destination, consequent upon fire or overturning or collision of the conveying vehicle,

The most we will pay is **£10,000** for any one loss and in total in any one **period of insurance**.

## Conditions (action you or we must take)

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.

### 1. Automatic reinstatement of sum insured

Following **damage**, the sums insured by this policy will be automatically reinstated from the date of the **damage**, unless written notice is given to the contrary either by **us** or by **you**, provided that following reinstatement **you** will pay any additional premium as may be requested for reinstatement from the date of reinstatement.

### 2. Reasonable care

**You** must:

- a) only employ reliable and competent drivers; and
- b) take all reasonable measures to:
  - i) prevent **damage**;
  - ii) secure loads properly;
  - iii) maintain any vehicle in accordance with current law;
  - iv) ensure any vehicle is suitable for the purpose for which it is to be used;
- c) allow **us** access to examine any vehicle which **you** operate or premises from which **you** operate.

## Section A – Automatic cover

### What is not covered

We will not be liable under this section for:

1. an existing hidden defect, defective insulation or labelling.
2. **damage** due to natural deterioration;
3. the deterioration of goods carried in frozen, chilled or insulated condition due to faulty stowage or incorrect setting or operation of the equipment or variations in temperature;
4. **damage to property** arising as a result of packing which was inadequate to withstand normal handling during transit or from overloading of the vehicle;
5. any loss which is not directly connected to loss of **property** in transit, loss of market or **damage** due to delay;
6. loss or death of or injury to living creatures;
7. **damage to money** and **non-negotiable instruments**, precious stones, jewellery, bullion, wines, spirits and other alcoholic drinks, temperature controlled goods, tobacco, cigars, cigarettes, rare books, works of art, antiques, non-ferrous metals, furs and curios, explosives and hazardous substances, computer hardware and software, clocks and watches that do not contain gold, silver or precious stones, electronic, audio and visual equipment;
8. spillage, leakage, fermentation, taint, contamination, mechanical or electrical breakdown of any goods or merchandise, unless directly due to fire or accident to the carrying vehicle or due to theft or attempted theft;
9. theft or attempted theft from any unattended vehicle that **you** or **your employee** owns or leases unless:
  - a) the vehicle, trailer or semi-trailer is securely closed and locked at all points of access;
  - b) between the hours of 9pm and 6am:
    - i) the vehicle, trailer or semi-trailer is securely closed and locked at all points of access and is kept within a securely locked building; or
    - ii) in enclosed premises which are securely locked or have a watchman in constant attendance.

## Section A – Automatic cover

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### Sub-section 7 – Deterioration of frozen stock

#### Additional definitions (what words mean)

*The following words will have the same meaning wherever they appear in this sub-section of the policy or in the schedule or any endorsements relating to this sub-section. To help identify these words they will appear in bold in the sub-section wording. Please also refer to the General definitions section.*

#### Appliance

Any frozen food cabinet, deep freezer, cold room, cold store, refrigerator or chilled unit on the **premises**.

#### Stock

Stock on the **premises** owned by **you** or for which **you** are responsible.

#### What is covered

Refrigerated **stock** is covered against **damage** at the **premises** as a result of deterioration or putrefaction caused by:

- a) a rise or fall in temperature as a result of:
  - i) breakdown of or **damage** to the **appliance**; or
  - ii) non-operation of any thermostatic or automatic controlling devices connected to the **appliance**;
- b) accidental failure of the public supply of electricity not occasioned by the deliberate act of the supply authority;
- c) accidental failure of the electrical installation connecting the **appliance** to the public supply;
- d) action of refrigerant fumes escaping from the **appliance**.

#### Limit of liability (how much we will pay)

The maximum **we** will pay in any one **period of insurance** will not exceed the **sum insured** shown for each item specified in the schedule.



## Section A – Automatic cover

### Condition (actions that you or we agree to take)

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.

#### 1. Age of appliance

If an **appliance** is more than 5 years old at the start of the period of insurance it must be maintained regularly by a suitably qualified independent electrical engineer.

#### 2. Automatic reinstatement of sum insured

In the event of a loss the sums insured will be automatically reinstated by the amount of the loss provided that **you** pay the appropriate additional premium for the reinstatement of sums insured.

### What is not covered

**We** will not pay for **damage**:

1. caused by any deliberate act by **you** or any director partner or **employee** of **yours**;
2. due to faulty packaging or stowage;
3. falling within the **excess**;
4. wear and tear, deterioration or gradually developing flaws or defects in the **appliance**;
5. failure to correctly set any temperature controls;
6. **appliances** 10 years old or over at the time of loss.

## Section A – Automatic cover

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### Sub-section 8 – Public and products liability

#### Additional definitions (what words mean)

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section.*

#### Clean up

- a) Testing for or monitoring of **pollution**.
- b) Cleaning up, removing, containing, treating, detoxifying or neutralising **pollution**.

#### What is covered

**We** will pay the amount of damages which **you**, or any of the additional persons insured are liable to pay as a result of accidental:

- a) **bodily injury** to any person;
- b) **damage** to material property;
- c) obstruction, trespass, nuisance or interference with any right of way, air, light or water
- d) wrongful arrest, detention, imprisonment or eviction of any person, malicious prosecution or invasion of the right of privacy,

during the **period of insurance** in connection with **your business** occurring:

- i) within the **territorial limits**;
- ii) elsewhere in the world other than the United States of America or Canada arising out of business visits by directors or non-manual **employees** ordinarily resident in the **territorial limits**.
- iii) anywhere in the world and caused by any **products** after they have ceased to be in **your** custody or control.

The maximum **we** will pay for the cover provided under a) – d) above is shown in **your** schedule.

**We** will in addition cover **your** legal liability for claimants' costs in connection with the cover provided above apart from any claim brought in the United States of America or Canada or any territory within their jurisdiction where the limit of liability will be the maximum amount payable including **costs and expenses**.

## Section A – Automatic cover

### Additional cover – automatically included

#### 1. Contractual liability

**We** will cover liability assumed by **you** under a contract or agreement which would not have attached in the absence of that contract or agreement. But only if the sole conduct and control of any claim is vested in **us** and bound by the terms, conditions and exclusions of this subsection and the policy as a whole.

**We** will not cover any person or entity falling within the definition of **you/your** other than as stated under a) for any contractual liability unless that liability would have attached in the absence of any contract or agreement.

#### 2. Cross liabilities cover

Any person, firm, company or organisation covered by this section, is entitled to cover as if a separate policy had been issued to each, but the total amount payable by **us** on behalf of all, will not exceed the **limit of liability** in any circumstances.

#### 3. Data Protection Act 1998

**We** will cover **you** for **your** liability to pay damages arising from proceedings brought against **you** under section 13 of the Data Protection Act 1998 for damage or distress caused in connection with the **business** during the **period of insurance** provided that **you** are:

- a) a registered user in accordance with the terms of the Act;
- b) not in business as a computer bureau.

The total amount payable including all legal fees and defence costs under this additional cover for all claims occurring during any one **period of insurance** is limited to **£250,000**.

The cover provided by this additional cover will not apply to:

- i) any damage or distress caused by any deliberate act or omission by **you** the result of which could reasonably have been expected by **you** having regard to the nature and circumstances of such act or omission;
- ii) any damage or distress caused by any act of fraud or dishonesty; the costs of rectifying, rewriting or erasing data;
- iii) liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person;
- iv) the payment of fines or penalties.

#### 4. Defective Premises Act

**We** will pay the amount of damages for which **you** are liable and claim costs as a result of accidental **bodily injury** or **damage** to material property, occurring during the **period of insurance** arising out of premises **you** have disposed of but had previously owned in connection with the **business**.

**We** will not cover **damage** to the land or premises disposed of or in connection with the cost of rectifying any defect or alleged defect in them.

**We** will not cover any liability which **you** are covered under any other insurance policy.

## Section A – Automatic cover

### 5. Defence costs

**We** will in cover **you** for all costs of legal representation reasonably incurred with **our** written consent at any:

- a) coroner's inquest or other inquiry for any death;
- b) proceedings in any court (other than in the defence of any criminal proceedings brought or in an appeal against conviction arising from proceedings) for any act or omission causing or relating to any loss;
- c) other costs reasonably incurred with **our** written consent in relation to any matter which is covered under "What is covered".

### 6. Employees', directors' and visitors' personal belongings

**We** will pay the amount of damages for which **you** are liable as a result of **damage** to **employees'**, directors, and visitors' vehicles and personal belongings which are in **your** custody or control.

**We** will not provide cover where property is:

- a) loaned, leased, hired or rented to **you**;
- b) stored for a fee or other consideration by **you**; or
- c) in **your** custody or control for the purposes of being worked upon.

### 7. Hired or rented premises

**We** will cover **you** for legal liability for **damage** to premises (including fixtures and fittings) within the **territorial limits** which are hired, rented or loaned to **you** in connection with the **business**.

**We** will not provide cover for:

- i) the first **£250** of compensation, costs for **damage** caused other than by fire or explosion;
- ii) liability imposed on **you** solely by reason of the terms of any hiring or renting agreement;
- iii) **damage** caused by fire or any other peril, where under the terms of any hiring or renting agreement **you** are requested to take out specific insurance.

### 8. Indemnity to principals and others

**We** will cover **you** under the terms of this section:

- a) **your** legal personal representative in the event of **your** death for liability **you** have incurred;
- b) any principal with whom **you** have entered into an agreement to the extent required by that agreement but only for liability for which **you** would have been entitled to cover under this section if the claim had been made against **you**;

## Section A – Automatic cover

- c) any director, partner or **employee of yours** for liability for which **you** would have been entitled to cover under this section if the claim had been made against **you**;

Provided that:

- i) any person described in a)-c) above is not covered under any other policy;
- ii) any principal / person(s) will, as though they were **you**, be subject to the terms of this section in so far as they can apply;
- ii) **our** total liability to all parties including **you** and any person in a) through c) above will not exceed the **limit of liability**.

### 9. Legionellosis

Regardless of the Pollution or contamination exclusion under this section **we** will pay for **your** legal liability to pay damages and claimant's costs for any claim or claims first made against **you** during the **period of insurance** resulting from **bodily injury** caused by the discharge, release or escape of Legionella or other airborne pathogens within the **territorial limits** from water tanks, water systems, air conditioning plants and cooling towers, including any form of water or air cooling or heating systems, provided that:

- a) **We** will not pay more than the amount stated in the schedule for any one loss or series of losses arising from one original source or cause and for all claims arising during the **period of insurance**, it being understood that this total limit is separate from any other amount provided within this section;
- b) there will be no cover for any claims made against **you** where the event giving rise to the claim happened before the retroactive date (if any) specified in the schedule.

### 10. Loading and Unloading

Regardless of anything contained in the exclusions under this sub section and provided that **you** are not more specifically insured under any other policy **we** will cover **you** for **bodily injury** or **damage** arising during the act of loading or unloading a motor vehicle or the bringing to or taking away of a load from the vehicle in the course of the **business**.

### 11. Motor contingency liability

Regardless of anything contained in the exclusions under this section **we** will cover **you** and no other person in the terms of this section for the use of any vehicle not the property of or provided by **you** and being used in the course of the **business**.

**We** will not be liable for:

- a) **damage** to any vehicle;
- b) **bodily injury** or **damage** arising while any vehicle is being driven by **you**.

**We** will not be liable if **you** are entitled to cover under any other insurance.

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### 12. Overseas personal liability

**We** will cover **you** and at **your** request any director partner or **employee** of **yours** or any family member accompanying them while temporarily outside the **territorial limits** in connection with the **business** against legal liability as described in this section incurred in a personal capacity.

Provided that this cover does not apply:

- a) to liability arising out of the ownership or tenure of any land or building;
- b) where cover is provided by any other insurance.

### 13. Payment for court attendance

**We** will compensate **you** at a rate of:

- a) **£750** per day for any director or partner;
- b) **£500** per day for any **employee**;

for each day that **we** request attendance at court as a witness in connection with a claim, for which an award of damages is paid or may be payable under this section.

### 14. Personal legal liability to the public

Provided there is no other insurance in force, **we** will pay **you** and at **your** request any director, partner or **employee** of **yours** or any family member, as a private individual for any amounts **you** or (at **your** request) any director, partner or **employee** of **yours** or any family member become legally liable to pay as damages for **bodily injury** or property **damage** caused by an accident occurring anywhere in the world, other than the United States of America or Canada during the **period of insurance**.

This additional cover excludes:

- a) **bodily injury** to **you** or any director, partner or **employee** of **yours** or any family member;
- b) **bodily injury** arising from an infectious disease or condition;
- c) **damage** to property owned by or in charge or control of **you** or any director, partner or **employee** of **yours** or any family member;
- d) damages arising out of any profession, occupation, business or employment;
- e) legal liability which **you** have assumed under contract and which would not otherwise have attached;
- f) damages arising out of **the** ownership, possession or use of:
  - i) any motorised or horse drawn vehicle other than:
    - 1) domestic gardening equipment used within the **premises**; and

## Section A – Automatic cover

- ii) 2) pedestrian controlled gardening equipment used elsewhere.  
any power operated lift;
- iii) any aircraft or watercraft other than manually operated rowing boats, punts or canoes;
- iv) any animal other than cats, horses or dogs which are not designated as dangerous under the Dangerous Dogs Act 1991.
- g) any liability for criminal acts.

### 15. Public car park liability

In the event that there is no other insurance in place, **we** will cover **you** for **your** liability for **bodily injury** or **damage** caused to vehicles left in any garage or parking place belonging to **you** or under **your** control.

Provided that:

- a) any covered garage or parking place is not used by **you** for any motor trade purposes;
- b) disclaimer notices in terms approved of by **us** are prominently displayed in any covered garage or parking place; and
- c) no cover is given for:
  - i) loss of motor vehicle accessories by theft unless the motor vehicle is stolen at the same time;
  - ii) **damage** arising whilst any motor vehicle is being driven by **you** or any **employee**;
- iii) the first **£250** of any claim for **damage**

### 16. Pollution and contamination clean up

Where this section provides cover against liability caused by or arising from **pollution or contamination** happening within the **territorial limits** the cover will include **clean up** and legal costs to the extent not already included within that cover.

Provided that the cover provided by this clause does not:

- a) include clean up in or on any property, land, watercourse or body of water owned leased or rented by **you**;
- b) include the cost of restoration or reintroduction of flora or fauna.

**We** will not pay more than the amount stated in the schedule for any one loss or series of losses arising from one original source or cause and for all claims arising during the **period of insurance**, it being understood that this total limit is part of and not separate to the amount provided within this section.

## Section A – Automatic cover

### 17. Shoplifting accusation

**We** will cover **your** legal liability arising from the wrongful accusation of shoplifting during the **period of insurance**.

The maximum **we** will pay is **£10,000** per claimant and **£50,000** in total in any one **period of insurance**.

## Condition (Actions you or we must take)

**Included here is the condition of the insurance that you need to meet as your part of this contract. If you do not meet this condition, we may need to reject a claim or a claim payment could be reduced.**

### 1. Legionella precautions

If **you** own or are responsible for water systems, water installations or cooling systems, a written risk assessment must be undertaken and controls put in place to prevent the growth of biological agents that may cause disease or illness.

### 2. General exclusion of cyber terrorism

General Exclusion 2. Cyber terrorism will not apply to this sub-section.

## What is not covered

**We** will not be liable under this section for:

1. legal liability arising from **you** owning, possessing or using any:
  - a) aircraft;
  - b) watercraft or hovercraft (except watercraft not exceeding 8 metres in length or any hand propelled boat or pontoon).
2. **We** will not cover claims caused by or arising from any services in, or on:
  - a) aircraft;
  - b) airport or airfield runways, manoeuvring areas or aprons, or any other parts of airports or airfields to which aircraft ordinarily have access.
3. **We** will not cover claims caused by or arising from any **products** which to **your** knowledge, are for use in or on any aircraft, hovercraft or device intended to travel through air or space.
4.
  - a) contractual liability in connection with **products**;
  - b) liability where the terms of any contract or agreement made by **you**, prevent **us** from taking over the full defence or settlement of the claim:
  - c) liquidated damages, or any contractual fines or amounts payable under



## Section A – Automatic cover

contractual penalty clauses.

5.
  - a) libel or slander;
  - b) false statement;
  - c) discrimination of any kind.
6.
  - a) caused by or arising from any deliberate act, error or omission
    - i) a where the results are intended or expected, or are reasonably foreseeable by **you**;
    - ii) by anyone other than you, so far as cover is requested for their own liability;
  - b) for **clean-up** costs in circumstances where **you** have knowingly
    - i) a deviated from any regulatory notice, order or protection ruling
    - ii) omitted to inspect, maintain or perform necessary repairs to plant or machinery for which **you** are responsible.
7. **bodily injury** sustained by any **employee** arising out of and in the course of their employment with **you**.
8. a dispute with, or proceedings brought by, any person for:
  - a) their existing, past or prospective contract of employment with **you**;
  - b) a breach of employment related legislation.
9. liquidated damages fines or penalties.
10. **We** will not cover claims caused by or arising from passing off or infringement of trade name, registered design, unregistered design, copyright or patent right.
11. claims arising out of the ownership, possession or use by or on **your** behalf of any mechanically propelled vehicle (or attached trailer) which is required by any road traffic legislation to be the subject of compulsory insurance or other security.

This exclusion will not apply for the loading or unloading of any vehicle or the delivery or collection of goods to or from any vehicle except where more specifically insured by any other policy.
12. legal liability arising in connection with any person while on or working from, or travelling by sea or air, to, from or between an offshore rig, platform or similar offshore installation.
13. claims for:
  - a) **pollution** occurring in the United States of America or Canada or any dependency or trust territory;
  - b) **pollution** occurring elsewhere unless caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.
14. legal liability arising out of arising out of **damage to products**;

## Section A – Automatic cover

15. claims caused by or arising from any breach of professional duty in relation to:
  - a) advice, instruction, consultancy, design, formula, specification, inspection, survey, valuation, certification or testing undertaken or given for a fee;
  - b) physical, mental or cosmetic treatment of any person (other than first aid treatment).
16. **damage** to property owned by **you** or which is held in **your** care, custody or control.

But **we** will cover:

  - a) premises which are leased, let, rented, hired or lent to **you**, as long as a tenancy or other agreement does not give rise to legal liability assumed by **you** under the express or intended terms of any contract or agreement that restrict **your** right of recovery, or increase **your** liability at law beyond that applicable in the absence of those terms;
  - b) premises including contents which are not owned or rented by **you**, where **you** are temporarily carrying out work in connection with the **business**;
  - c) **employees** or visitors vehicles or personal possessions while on the **premises**.
17. claims to pay any award of punitive, exemplary or aggravated damages or additional damages resulting from the multiplication of compensatory damages, by a court of law outside the **territorial limits**.
18. claims to pay any costs or expenses caused by or arising from any decision or requirement to recall or withdraw **products** from sale or use.
19. claims to rectify, remedy, repair, replace, re-apply, modify, investigate, access or remove **products**, or to make any refund.
20. legal liability or any allegation, claim, circumstances or proceedings for bodily injury or **damage** to property caused by or in connection with any **products**, which to **your** knowledge, are for export, either directly or indirectly, to the United States of America or Canada.

## Section A – Automatic cover

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### Sub-section 9 – Employers’ liability

#### Additional definitions (what words mean)

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section.*

#### Costs and expenses

- a) Claimants costs and expenses arising for any claim against **you** which may be covered under this sub-section.
- b) All cost and expenses incurred by **you** with **our** written consent for any claim against **you** which may be covered under this sub-section.

#### Principal

Employer who has engaged **you** to act on their behalf, under a contract for the performance of work by **you**, in connection with the **business**.

#### What is covered

**We** will cover the amount of damages which **you** are liable to pay for **bodily injury** to any **employee** resident in the **territorial limits**, caused during the **period of insurance** and arising out of and in the course of their employment by **you** in connection with the **business**.

**We** will in addition pay and be responsible for all **costs and expenses** incurred with **our** consent in defending any claim for damages.

#### Limit of liability (what we will pay)

- 1 The employers’ liability **limit of liability** shown in **your** schedule is the maximum **we** will pay for the total of all damages and claims costs and will apply to any one claim or series of claims by one or more of the **employee** arising from one occurrence.
2. The maximum **we** will pay for damages and **costs and expenses** payable for any one claim arising out of any one event or all events of a series from or due to one source or original cause and arising out of **terrorism** will not exceed **£5,000,000**.
3. The maximum **we** will pay for damages and **costs and expenses** payable for any one claim arising out of any one event or events of a series from or due to one source or original cause and arising out of or caused by the manufacture, mining, processing, distribution, testing, **remediation**, removal, storage, disposal, sale, use or exposure to asbestos or materials or products containing asbestos will not exceed **£5,000,000**.
- 3 For any claim or claims, **we** may at any time pay the **limit of liability** applicable, after deducting any amounts already paid, or any lesser amount for which a settlement can be made. **We** will not then be liable to make any further payment for the claim or claims.

#### Additional cover – automatically included

##### 1. Additional business activities cover

The cover under this section includes the following activities of the **business**:

## Section A – Automatic cover

- a) providing and managing amenities for the benefit and welfare of **employees**;
- b) owning, repairing, maintaining and decorating **your** own property or **premises you** use;
- c) providing and managing facilities primarily used for fire prevention, safety or security at **your premises**;
- d) maintaining and repairing vehicles and machinery owned or used by **you**;
- e) the sale or disposal of business assets;
- f) participating in exhibitions.

### 3. **Cross liabilities**

Where **you** comprise of more than one party **we** will treat each party as if a separate policy had been issued to each provided that nothing in this clause will increase **our** liability beyond the amount for which **we** would have been liable had this clause not applied.

### 4. **First aid and medical teams**

This section extends to cover any person under a contract of service or apprenticeship with **you** whilst acting as a member of **your** first aid or medical arrangements (but excluding medical practitioners) for liability for damages and legal costs to any other person under a contract of service or apprenticeship with **you** resulting from treatment given in connection with any **bodily injury** or disease sustained by that person and arising out of and in the course of the employment of that person by **you**.

### 5. **Overseas business trips and journeys**

If no other insurance is in force, at **your** request, the cover provided by this section will apply to the legal liability of any director or **employee** acting in a personal capacity during the course of a trip or journey arranged for the purpose of the **business** and will also include their spouse, civil partner or domestic partner and any children accompanying them.

### 6. **Payment for court attendance**

**We** will compensate **you** at a rate of:

- a) **£750** per day for any director or partner;
- b) **£500** per day for any **employee**;

for each day that **we** request **your** attendance at court as a witness in connection with a claim, for which an award of damages is paid or may be payable under this section.

### 7. **Principals liability**

At **your** request, **we** will cover the legal liability of any **principal** arising from the performance of **your** work for the **principal**.

**We** will not provide cover beyond the requirements of **your** contract with the **principal**.

## Section A – Automatic cover

### 8. Private work

This section applies to private work carried out by **your employees** for any director and/or executive of **yours**.

### 9. Solicitors' fees

**We** will also pay solicitors' fees incurred with **our** consent for:

- a) representation at any Coroner's Inquest or Fatal Inquiry for any death;
- b) defending in any Court of Summary Jurisdiction any proceedings for any act or omission causing or relating to any event which may be the subject of cover under this section.

### 10. Unsatisfied court judgements

**We** will at **your** request, pay any **employee** or their personal representative, the amount of damages and costs awarded to the person by a court of law for **bodily injury** against any company registered in or any individual domiciled in the **territorial limits** and which remains unpaid six months after the date of the judgment.

**We** will only provide cover if:

- a) the **bodily injury** was caused during the **period of insurance** to the **employee** arising out of and in the course of employment by **you** in the **business**;
- b) the judgment was obtained in a court within the **territorial limits**;
- c) there is no appeal outstanding;
- d) the **employee** or their personal representative assigns the amount awarded under the judgment to **us**.

### 11. Work overseas

The cover provided extends to apply for liability for **bodily injury** caused to an **employee** whilst temporarily engaged in non-manual work outside the **territorial limits**.

Provided that the **employee** is ordinarily resident within the **territorial limits**.

### 12. Working partners

**We** will treat as an **employee**, any working partner or proprietor of the **business** who suffers **bodily injury**:

- a) in the course of the **business** during the **period of insurance** and within the **territorial limits**; and
- b) caused by the negligence of another working partner, proprietor or **employee**.

## Section A – Automatic cover

### Conditions (action you or we must take)

These are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.

#### 1. **Right of recovery**

The cover provided under this section is in line with any law relating to the compulsory insurance of liability to persons employed within the **territorial limits**. **You** must repay to **us** all amounts **we** pay, which **we** would not have been liable to pay but for the law.

### What is not covered

We will not cover claims for:

1. **bodily injury** to any **employee** while **offshore**;
2. **bodily injury** to an **employee** where it is necessary to arrange compulsory motor insurance or security under any Road Traffic Legislation.

## Section A – Automatic cover

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### Prosecution defence costs applicable to sub-section 8 and sub-section 9

#### Additional definitions (what words mean)

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section.*

#### Applicable legislation

- a) Health and Safety at Work etc. Act 1974 including the Control of Substances Hazardous to Health Regulations 2002 concerning the risk from exposure to legionella;
  - b) Management of Health and Safety at Work Regulations 1999;
  - c) Corporate Manslaughter and Corporate Homicide Act 2007;
  - d) Health and Safety Inquiries (Procedure) Regulations 1975;
  - e) Protection from Harassment Act 1997,
- or similar legislation in force in the **territorial limits**; and
- f) Part II of the Consumer Protection Act 1987 and Part II of the Food Safety Act 1990.

#### Appointed advisor

The solicitor, accountant, mediator or other suitably qualified person, who has been appointed to act for an **insured person** in accordance with the terms of this section.

#### Costs and expenses

Reasonable legal costs, fees and disbursements reasonably and proportionately incurred by the **appointed advisor** on the **standard basis** and agreed in advance by **us**.

#### Insured person

- a) **You** and **your** directors, partners, managers, officers and the **employees** of **your business**.
- b) The estate, heirs, legal representatives or assigns of any persons mentioned in a) in the event of the person dying.
- c) Any other person who is contracted to perform work for **you**, who in all other respects **you** have arranged to insure on the same basis as **your** other **employees** and who performs work under **your** supervision.

## Section A – Automatic cover

### Reasonable prospects of success

In criminal prosecution claims where the **insured person**:

- i) pleads guilty, a greater than fifty per cent chance of the **insured person** successfully reducing any sentence or fine;
- ii) pleads not guilty, a greater than fifty per cent chance of that plea being accepted by the court.

### Standard basis

The basis of assessment of costs where the court only allows recovery of costs which are proportionate to the claim and which have been reasonably incurred.

## What is covered

- a) **We** will pay the **insured person's costs and expenses** up to **£1,000,000** in total (but up to the **sum insured** shown in the schedule for the Corporate Manslaughter and Corporate Homicide Act 2007); during the **period of insurance** for all claims related by time or original cause including the cost of appeals, for:
  - b) the defence of any criminal proceedings brought against **you** for an offence or breach, whether actual or alleged, of any **applicable legislation**;
  - c) any prosecution costs awarded against **you** arising from those proceedings described in a) above;
  - d) **costs and expenses** incurred with **our** consent for **your** legal representation at an inquiry ordered under any applicable legislation;
  - e) appeals against improvement and prohibition notices incurred with **our** consent.

Provided that:

1. the claim arises in connection with **your business** and occurs within the **territorial limits**;
2. the claim always has **reasonable prospects of success**; and
3. the prosecution or proceedings relate to an offence alleged to have been committed during the **period of insurance**.

## Conditions (action you or we must take)

Included here are the conditions of the insurance that **you** need to meet as **your** part of this contract. If **you** do not meet these conditions, **we** may need to reject a claim or a claim payment could be reduced.

### 1. **Acts of parliament, statutory instruments, civil procedure rules and jurisdiction**

All legal instruments and rules referred to within this section of the policy include equivalent legislation in Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any later amendment or replacement legislation.



## Section A – Automatic cover

### 2. Consent

The **insured person** must agree to **us** having sight of the **appointed advisor's** file relating to the **insured person's** claim. The **insured person** is considered to have provided consent to **us** or **our** appointed agent to have sight of the **appointed advisor's** file for auditing and quality and cost control purposes.

### 3. Freedom to choose an appointed advisor

- a) **We** will choose the **appointed advisor**; however, the **insured person** is free to choose an **appointed advisor** if they wish.
- b) Where the **insured person** wishes to exercise their right to choose, they must write to **us** (by e-mail, fax or letter) with their preferred representative's contact details. If the **insured person** does choose their own **appointed advisor**, the amount payable for their services will be on the basis of **our** standard terms of appointment for legal representation or other reasonable terms of appointment to which **we** agree, **our** agreement not to be unreasonably withheld.
- c) If the **insured person** dismisses the **appointed advisor** without good reason, or withdraws from the claim without **our** written agreement or if the **appointed advisor** refuses with good reason to continue acting for the **insured person**, cover will end with immediate effect.

### 4. Barrister's opinion

At any time **we** may seek an independent barrister's opinion as to the **reasonable prospects of success** in defending the prosecution.

If the opinion is that a "not guilty" plea does not have a **reasonable prospect of success** then **we** will advise **you** of that opinion.

Should **you** elect to continue with a "not guilty" plea then **we** will withdraw **our** support for the **insured person's** defence and be under no further obligation to cover **you** for any costs incurred from the date of **your** refusal to accept that opinion; unless **you** obtain an independent barrister's opinion at **your** own expense which contradicts the opinion that **we** have obtained; in which case **we** will ask the chairperson or vice-chairperson of the bar council to appoint a queen's counsel to give a final opinion, at **our** expense, as to the prospects of success in defending the prosecution.

If the opinion of the queen's counsel agrees with the **insured person's** barrister's opinion then **we** will continue to support the **insured person's** defence, but if it does not **we** will withdraw **our** support for the **insured person** and be under no further obligation to cover the **insured person's** costs incurred from the date of the queen's counsel final opinion.

This does not affect the **insured person's** right under the Arbitration clause contained within the Claims conditions section.

### 5. The insured person's responsibilities

An **insured person** must:

- a) tell **us** as soon as is practicably possible of anything that may make it more costly or difficult for the **appointed advisor** to resolve a claim in their favour;
- b) cooperate fully with **us**, give the **appointed advisor** any instructions **we** require, and keep them updated with progress of the claim and not hinder them;

## Section A – Automatic cover

- c) take reasonable steps to recover **costs and expenses** and pay them to **us**; and
- d) keep **costs and expenses** as low as reasonably possible.

### What is not covered

We will not cover **you** for:

1. **Costs and expenses incurred without consent**

**costs and expenses** incurred without **our** consent;

2. **Fines & penalties**

finer or penalties of any kind;

3. **Prior losses**

any actual or alleged act, omission or dispute happening before, or existing at the start of the policy, and which the **insured person** knew or ought reasonably to have known could lead to a claim; and

4. **Legal expenses insurance**

costs and expenses incurred as a result of any criminal proceedings, appeals or inquiries which arise independently of any legal liability **you** may have to pay damages.

## Section A – Automatic cover

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### Sub-section 10 – Books debts

#### Additional definitions (what words mean)

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section.*

#### Outstanding debit balances

The amounts outstanding in **your** records of individual sums owed to **you** by customers.

Where there are monthly declarations, the total declared under the last statement will be adjusted for:

- a) bad debts;
- b) amounts debited (or invoiced but not debited) and credited to customer accounts in the period between the date to which the statement applied and the date of **damage**; and
- c) any abnormal trade condition which had or could have a material effect on the **business**.

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

#### What is covered

**We** will cover interruption of or interference with the **business** following **damage** to **your** records of **outstanding debit balances** contained within the **premises**.

**We** will pay for any net **outstanding debit balances** which **you** are unable to recover from customers as a result of **damage** to the records and any additional expenditure incurred after the **damage** in tracing and establishing **outstanding debit balances**.

#### Limit of liability (what we will pay)

The maximum **we** will pay for loss of net outstanding debit balances and their associated additional expenditure and accountant's charges will not exceed the amount shown in the schedule, in any one **period of insurance**.

## Section A – Automatic cover

### Additional cover – automatically included

#### 1. Book debts temporarily removed from the premises

We will cover **you** for loss resulting from **damage** happening within the **territorial limits** to **your** books of account, other business books or records whilst temporarily removed to any premises occupied by persons acting on **your** behalf or whilst in transit.

Provided that **we** will not be liable to pay more than:

- a) the total **sum insured** stated in the schedule at the time of **damage**;
- b) the **sum insured** remaining after deduction for any other **damage** during the **same period of insurance**, unless **we** have agreed to reinstate the **sum insured**.

### Condition (actions that you or we agree to take)

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.

#### 1. Fire resisting storage

**You** must ensure that all **your** books of account or other business books or records in which **your** customers' accounts are shown are kept in fire resisting safes or cabinets when not in use.

#### 2. Monthly recording

At the end of each month **you** will record the total amount outstanding in customers' accounts and will maintain a separate record, in addition to the books of account, in a place other than the **premises**.

#### 3. Premium adjustment

Within 30 days of the end of each calendar month, **you** will advise **us** in writing of the total amount of **outstanding debit balances** as shown in **your** accounts. If **you** do not advise **us**, **we** will take the maximum **sum insured** as the total amount declared.

At the end of each **period of insurance** the actual premium will be calculated on the average amount insured i.e. the total of the amounts declared divided by the number of declarations. If the actual premium is greater than the first or annual premium paid, **you** will pay **us** the difference. If it is less **we** will refund the difference to **you** but only up to one half of the first or annual premium paid

## Section A – Automatic cover

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### Sub-section 11 – Computer hacker damage

#### Definitions (What words mean)

##### Hacker

A person who:

- a) breaks into computer systems in order to steal or change or destroy information as a form of cyber terrorism or
- b) enjoys the challenge of breaking into other computers without intending to cause deliberate harm.

#### What is covered

**We** will pay the reasonable and necessary expenses incurred by **you** with **our** written consent in replacing or repairing **your** website, intranet, network, computer system, programs, or data **you** hold electronically to the same standard and with the same contents as before it was damaged, destroyed, altered, corrupted, copied, stolen or misused if a **hacker**, during the **period of insurance**, causes **you** a **loss** by:

- a) damaging, destroying, altering, corrupting, or misusing **your** website, intranet, network, computer system, programs, or data **you** hold electronically; and/or
- b) copying or stealing any program or data **you** hold electronically,

#### Limit of liability (how much we will pay)

The most **we** will pay is **£25,000** for any one loss.

#### Additional cover – automatically included

At **your** request **we** will pay for the fees of:

- a) a public relations firm to assist **you** in re-establishing **your** business reputation; or
- b) a forensic consultant to establish the identity of the **hacker**; or
- c) a security consultant to review **your** electronic security and the cost of any reasonable security improvements.

The maximum **we** will pay for a)-c) above is **£50,000** in total in any one **period of insurance**.

## Section A – Automatic cover

### Conditions (action you or we must take)

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.

#### 1. Notifying us of a problem

**You** must contact Capital Markets Underwriting Limited upon **your** first awareness of:

- a) a problem which is likely to give rise to **your** website, intranet, network, computer system, programs or data **you** hold electronically being damaged, destroyed, altered, corrupted, copied, stolen or misused;
- b) **your** website, intranet, network, computer system, programs or data **you** hold electronically having been damaged, destroyed, altered, corrupted, copied, stolen or misused.

### Exclusions

**We** will not cover **you** for:

1. the **excess** as shown in the schedule.

## Section B – Buildings

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Optional section – covered only if shown in the schedule

### Additional definitions

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section.*

#### Insured events

1. Fire, lightning, explosion of boilers of gas used for domestic purposes only;
2. Explosion;
3. Aircraft or other aerial devices or articles dropped from them;
4. Earthquake;
5. Riot, civil commotion, strikers, locked-out workers or person taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation;
6. Malicious damage;
7. Storm or flood;
8. Escape of water from any tank, apparatus or pipe;
9. Impact by any road vehicle or animal;
10. Theft or attempted theft;
11. Accidental damage.

#### Tenant

The tenant or lessee(s) of the **building**.

### What is covered

We will pay for **damage** to the **buildings** at the **premises** by any of the **insured events** happening during the **period of insurance**.

### Additional Covers – automatically included

#### 1. Additions

The insurance extends to include alterations, additions and improvements to **buildings** anywhere in the **territorial limits** to the extent that they are not insured elsewhere in accordance with the following:

- a) cover under this extension in any one situation is limited to the value of the alterations, additions or improvements but not exceeding 10% of the **sum insured on buildings** or **£2,000,000** whichever is the lesser; and
- b) **you** must pay the appropriate additional premium from the date on which the items become **your** responsibility.

## Section B – Buildings

### 2. Additional metered electric, water or gas charges

The insurance covers additional metered electric, water or gas charges **you** incur as a result of **damage** by an insured cover to **buildings**. Provided that repairs are completed within 30 days of the **damage** being discovered.

**We** will calculate the amount to be paid by comparing the charge made by the water suppliers for the period during which the **damage** occurred with the charges for the previous period, adjusted for any relevant factors affecting **your** consumption of water during the periods concerned.

**We** will not pay more than **£25,000** in total for any one **period of insurance** excluding the cost or value of metered water or heating oil lost when the **premises** are **unoccupied** or not in use.

General condition 2. Average does not apply to this cover.

### 3. CCTV and alarm system equipment

**We** will pay for **damage** to any closed circuit television and alarm system equipment externally fixed to the **premises** constituting **your** property or for which **you** are responsible. The maximum **we** will pay is **£5,000** for any one loss.

### 4. Contracting purchaser's interest

In the event that **you** contract to sell the **buildings** the cover provided by this section is extended to the purchaser who completes the sale up to and until the date of completion of sale provided that the **buildings** are not otherwise insured.

### 5. Contract works

Cover for **buildings** includes any permanent or temporary works undertaken in performance of any contract, including all unfixed materials and goods delivered to or placed on or adjacent to the **premises** and intended for incorporation in the contract works, all for which **you** are responsible for under the terms of the contract up to an amount of **£100,000** for any one contract.

### 6. European community and public authorities (including undamaged property)

The insurance by each Item on **buildings** and **contents** extends to include the additional cost of **reinstatement** of any **damage** to the property insured and undamaged portions incurred solely by reason of the necessity to comply with European Union legislation regulations under Acts of Parliament or local authority bye-laws provided that:

- a) **you** receive the notice to comply after the **damage** occurs;
- b) the work of **reinstatement** is completed within twelve months of the date of the **damage** or within such further time as **we** may in writing allow;
- c) the total amount recoverable under any Item of this section for this additional cover will not exceed:
  - i) for the damaged property 15% of its sum insured;



## Section B – Buildings

- ii) for undamaged portions of the property (other than foundations) 15% of the total amount for which **we** would have been liable had the property been wholly destroyed; and
- d) the total amount recoverable under any Item of this section will not exceed its **sum insured**.

### 7. Fire extinguishing expenses and alarm resetting expenses

**We** will pay the costs **you** incur, where not recoverable from any local authority, for refilling, recharging or replacing any:

- a) portable fire extinguishing appliances;
- b) local fire suppression system;
- c) fixed fire suppression system;
- d) sprinkler installation;
- e) sprinkler heads,

solely because of **damage**.

For this cover to operate the equipment described in a)-e) above must be maintained in accordance with the manufacturer's instructions.

**We** will also pay for the costs **you** incur in resetting fire and intruder alarms and closed circuit television systems.

Costs recoverable from the maintenance company or the fire service are excluded.

### 8. Fly tipping

**We** will cover **you** for the costs that **you** necessarily and reasonably incur in clearing and removing any property illegally deposited in or around the **buildings**.

**You** will be responsible for the first **£1,000** of loss per incident. The maximum **we** will pay for this cover is **£10,000** for any one loss and **£25,000** during any one **period of insurance**.

### 9. Gas flooding systems

**We** will pay for **your** costs incurred in refilling the cylinders of gas flooding systems installed solely for the protection of the **buildings** provided that the discharge is accidental.

The maximum **we** will pay for for any one loss is **£50,000**.

## Section B – Buildings

### 10. Professional fees

**We** will pay for architects, surveyors', legal and consulting engineers' fees necessarily incurred with **our** written consent in the **reinstatement** or repair of the **buildings** as a result of **damage**.

**We** will not cover any costs or expenses for preparing any claim.

The maximum **we** will pay is shown in **your** schedule.

### 11. Radio and television masts

**We** will pay for **damage** to radio and television receiving aerials, satellite aerials and their fittings or masts installed at the **premises**. The maximum **we** will pay for this cover is **£5,000** for any one loss and **£10,000** during any one **period of insurance**.

### 12. Removal of vermin

**We** will cover the reasonable costs incurred by **you** where **you** are required by a local authority or similar body to have vermin removed from any **building**.

**Our** maximum liability under this extension will not exceed **£5,000** for any one loss and **£25,000** in total during any one **period of insurance**.

### 13. Removal of nests

**We** will cover **you** for the cost of removing wasps, bees (only where essential for honey bees) or hornets nests from the **buildings**.

**Our** maximum liability under this extension will not exceed **£1,000** for any one loss.

### 14. Reward following arson

**We** will pay up to **£5,000** (regardless of the number of people who may supply information) for information leading to an arson conviction in connection with a fire loss to the **buildings** insured by this section.

### 15. Sprinkler installation upgrading costs

**We** will pay you for the additional costs incurred following **damage** to the **buildings**, to upgrade an automatic sprinkler installation in order to meet current Loss Prevention Council Rules, provided that at the time of the **damage** the installation conformed with the rules current at the date of installation.

### 16. Subsidence

**We** will cover **you** for **damage** caused by subsidence, ground heave or landslip, but **we** will not cover:

- a) **damage** caused by or consisting of:
  - i) settlement or movement of made-up ground;
  - ii) coastal or river erosion;

## Section B – Buildings

- iii) defective design or workmanship or the use of defective materials; or
- iv) fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe;
- b) **damage** which originated before the start of this cover;
- c) **damage** resulting from:
  - i) demolition, construction, structural alterations or repair of any property at the **premises**; or
  - ii) groundworks or excavation at the **premises**.

### 17. Theft of fixed fabric of the building

**We** will pay **you** for theft of the fixed fabric of the **building**, where the **building** is shown as insured in the schedule.

### 18. Value added tax (VAT) cover

**We** will pay for VAT, paid by **you**, which is not subsequently recoverable.

Provided that:

- a) **your** responsibility for VAT arises solely as a result of the reinstatement or repair of the **buildings** following **damage**;
- b) **we** have paid or have agreed to pay for the **damage**;
- c) **our** liability does not include amounts payable by **you** as penalties or interest for non-payment or late payment of VAT;
- d) **you** have taken all reasonable precautions to insure adequately for VAT liability at the start of this policy and at each subsequent renewal date.

For the purpose of any average condition, reinstatement costs will be exclusive of VAT.

**Our** liability may exceed the **sum insured** for the **buildings** where the excess amount is solely for VAT.

## Section B – Buildings

### Conditions

Here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment may be reduced. In some circumstances your policy may not be valid.

#### 1. Automatic reinstatement of sum insured

Following **damage**, the sums insured by this policy will be automatically reinstated from the date of the **damage**, unless written notice is given to the contrary either by **us** or by **you**, provided that following reinstatement **you** will:

- a) pay any additional premium as may be requested for reinstatement from the date of reinstatement; and
- b) apply any additional protective devices at the **premises** which **we** may reasonably require.

#### 2. Basis of claims settlement

##### Reinstatement

The basis upon which **we** will calculate the amount **we** will pay for any claim for **damage** to the **buildings** will be the **reinstatement** of the property lost, destroyed or damaged, provided that:

- a) where the **building** is:
  - i) destroyed, **we** will pay for its rebuilding or replacement by similar property in a condition as good as, but not better or more extensive than, its condition when new.
  - ii) damaged, **we** will pay for the replacement or repair of the damaged portion to a condition as good as, but not better or more extensive than, its condition when new.

However, **we** will not pay more than **we** would have done had the property been completely destroyed.

- b) The reinstatement works:
  - i) may be carried out on another site and in a manner suitable to **your** needs should **you** elect to do so.  
  
However, **our** liability must not be increased.
  - ii) must begin and be carried out as quickly as reasonably practicable.

The maximum **we** will pay under this section in any one **period of insurance** will not exceed:

- a. the **sum insured**; or

## Section B – Buildings

- b. the total **sum insured**, or
- c. any other maximum amount payable or the **limit of liability** specified in this section or the schedule.

### 3 Designation

For the purpose of determining the heading under which any property is insured **we** agree to accept the designation under which that property has been entered in **your** books.

### 4. Flat roof

**You** must ensure that:

- a)
  - i) any flat felted roof, or any part of one, of the **premises** will be inspected by a professionally qualified builder or property surveyor;
  - ii) any guttering is checked for blockages or defects by a competent person  
  
at least once every 2 years and any defect identified is repaired as soon as reasonably practicable.
- b) a record of all inspections is made and retained by **you**.

### 5. Green energy efficiency

Where following **damage** insured by this policy **you** elect with **our** written consent to rebuild the **premises** in a manner that aims to reduce potential harm to the environment or improve energy efficiency **we** agree to pay any additional rebuilding costs which may include but not be limited to the upgrading of taps, showers, urinals, toilets, grey water and rainwater systems, air conditioning and building cooling systems, ventilation systems, provision of hot water and heating systems, lighting and the provision of green roofs, provided that:

- a) **we** will not pay any additional costs for work **you** had already planned to be carried out before the **damage**;
- b) if **our** liability is reduced by the application of any terms or conditions of this policy **our** liability under this clause will similarly be reduced;
- c) **we** will not pay any additional costs for replacing undamaged property;
- d) if **you** elect not to rebuild the **premises** then this clause will not apply;
- e) **you** elect to work to a “Greening” standard where applicable, being the Building Research Establishment’s Environmental Assessment Methodology (BREEAM); and
- f) The maximum **we** will pay for any one event is 10% of the amount that **we** would have paid but for the existence of the clause or up to £500,000 whichever is less.

## Section B – Buildings

### 6. Waste

**You** must ensure that:

- a) all oily and/or greasy waste and used cleaning cloths which remain in the **buildings** overnight are kept in metal receptacles with metal lids and removed from the **building** at least once a week;
- b) all combustible trade waste and refuse is:
  - i) swept up daily and kept in bags or bins;
  - ii) removed from the **buildings** every night;
  - iii) removed from the **premises** at least once a week;

### 7. Workmen and alteration to the premises or business

Workmen and tradesmen are allowed in or about the **premises** for maintenance purposes and for undertaking minor repairs and alterations without affecting this insurance, but **we** have accepted this insurance on the basis of information supplied and cover under this policy will cease if:

- a) there are changes to the **premises**, the building in which it is located or to the **business** which may increase the risk of **damage**, liability, accident or **bodily injury**;
- b) there are changes in the occupancy or use of the **premises**;
- c) **your** interest in the **premises** or the **business** ceases; or
- d) the **business** is wound up, carried on by a liquidator or receiver or permanently discontinued

unless **you** have notified **us** within a reasonable time and **we** have agreed to these changes in writing.

**The following condition only applies if shown in the schedule.**

#### 1. Day one reinstatement

For each item of **buildings** to which this clause applies (as stated in the schedule):

- a) the first and annual premiums are based upon the **declared value** as stated in the schedule.
- b) **you** must notify **us** of the **declared value** at the start of each **period of insurance**.

If **you** fail to notify **us** of the **declared value** at the start of any **period of insurance**, **we** will use the last **declared value** notified to **us** for the following **period of insurance**.

If, at the time of the **damage**, the **declared value** is less than the cost of **reinstatement** of the **buildings**, at the start of the **period of insurance**, **our** liability for any **damage** will be limited

## Section B – Buildings

to that proportion which the **declared value** bears to the cost of **reinstatement** of the **buildings**.

**We** will not cover **you**:

- i) until **you** have incurred the cost of replacing or repairing the property;
- ii) if **you**, or someone acting on **your** behalf, have insured the property under another policy which does not have the same basis of reinstatement; or
- iii) if **you** do not comply with any of the provisions of this clause;

However the sums insured will be limited to 115% of the **declared values** stated in the schedule.

- iv) The maximum **we** will pay for each separate **premises** subject to this clause is as stated in the schedule.

### What is not covered

**We** will not cover **you** for:

- 1) **damage** caused by or consisting of:

- a) an existing or hidden defect in the property;
- b) gradual deterioration or wear and tear;
- c) frost or change in the water table level;
- d) faulty design of the **buildings** or faulty materials used in its construction;
- e) faulty workmanship, operating error or omission by **you** or any **employee**;
- f) the bursting of:
  - i) a boiler;
  - ii) other equipment

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

However, **we** will cover **you** for any following **damage** which results from a cause not otherwise excluded.

- 2) **damage** caused by or consisting of:

- a)
  - i) corrosion, rust or rot;
  - ii) shrinkage, evaporation or loss of weight;
  - iii) dampness or dryness;
  - iv) scratching;
  - v) vermin or insects;
- b) change in:

## Section B – Buildings

- i) temperature;
  - ii) colour;
  - iii) flavour;
  - iv) texture or finish;
- c) i) nipple or joint leakage or failure of welds;
- ii) cracking, fracturing, collapse or overheating of a boiler, vessel, machine or apparatus in which internal pressure is due to steam only and any associated piping.

However, **we** will cover **you** for:

- i) **damage** not otherwise excluded which itself results from an **insured event** or any other accidental cause;
  - ii) any following **damage** which itself results from a cause not otherwise excluded.
- 3) **damage** caused by **pollution**.

However, **we** will cover **you** for **damage**, not otherwise excluded, to the **buildings** caused by:

- b) **pollution** which results from an **insured event**;
  - b) a **insured event** which results from **pollution**.
- 4) **damage** caused by or consisting of:
- a) normal settlement of new structures;
  - b) acts of fraud or dishonesty;
  - c) i) disappearance;
  - ii) unexplained or inventory shortage;
  - iii) misfiling, misplacing of information or clerical error.
- 5) **damage** to:
- a) gates;
  - b) fences;
  - d) moveable property in the open
- by:
- i) wind;
  - ii) rain, hail, sleet or snow;
  - iii) flood;
  - iv) dust.
- 6) **damage** by fire to the **buildings** resulting from its undergoing any process involving the application of heat.
- 7) **damage** while the **building** is **unoccupied** caused by:
- a) escape of water from any tank, apparatus or pipe



## Section B – Buildings

b) malicious persons.

However, **we** will cover **you** for **damage** if it is caused by fire or explosion.

8) **damage** to:

a) china, earthenware, marble or other fragile objects (not including **stock**);

b) a structure caused by its own collapse or cracking.

However, **we** will cover **you** for **damage** if it results from an **insured event** and is not otherwise excluded.

9) **damage** to:

a) property in the course of construction including materials for use in the construction;

b) i) livestock;  
ii) growing crops or trees

unless specifically stated as insured in the Schedule.

10) **damage** caused by theft or attempted theft:

a) by any person lawfully in the **premises**;

b) where **you** or **your** partners, directors or **employees** or any member of **your** household are involved

c) from any building or part of any building not capable of being locked.

11) **damage** to property more specifically insured.

12) the **excess**.

13) indirect losses.

## Section C – Personal accident

This section is included automatically

### Additional definitions (what words mean)

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section.*

**Bodily injury** (this replaces the General definition of bodily injury).

Injury caused by:

1. accidental, violent, external and visible means; or
2. exposure to the elements following a misfortune to any aircraft, vessel or vehicle in which an **insured person** is travelling, but **we** will not cover any illness or disease

occurring within 24 months from the date of the accident when the injury is caused.

**Insured person**

1. **You**; and
2. **your** partners, directors or proprietors.

### What is covered

If any **insured person**, independently of any other cause, suffers **bodily injury** during the **period of insurance**, **we** will pay the benefit shown below.

Benefits	Bodily injury causing	One unit of benefit
1.	Death.	£10,000
2.	Total and permanent loss of sight in one or both eyes.	£10,000
3.	Total and permanent loss of hearing in one or both ears.	£10,000
4.	Total and permanent loss of speech.	£10,000
5.	Loss of one or more limbs.	£10,000
6.	Any other permanent disablement which lasts without interruption for more than 12 months from the date of the incident and prevents the <b>insured person</b> from pursuing any occupation.	£10,000
7.	Temporary total disablement entirely preventing the <b>insured person</b> from engaging in or giving attention to their usual occupation.	£100 per week
8.	Temporary partial disablement which prevents the <b>insured person</b> from attending to a substantial part of their usual occupation.	£50 per week
9.	medical expenses necessarily incurred in the treatment of the <b>insured person</b> Reimbursement up to	50% of items 1-6 and 25% of Items 7 and 8.

## Section C – Personal accident

### Limit of liability (how much we will pay)

We will pay:

- a) the compensation stated in the table above with the weekly benefit being paid at four weekly intervals;
- b) up to a maximum of 2 years from the date that disablement started for compensation relating to benefits 7 and 8.

Where we pay compensation for benefits 1-6:

- c) any weekly benefit being paid for the same injury will stop; and
- d) this insurance will end for the **insured person**.

We will not pay any amount in excess of the maximum accumulation limit of **£1,000,000** for any one accident.

If the total amount of all units of compensation payable exceed the maximum accumulation limit, the compensation payable to each **insured person** will be proportionately reduced until the total of all compensation payable does not exceed the maximum accumulation limit.

### Additional cover – automatically included

#### 1. Disappearance

If during the **period of insurance** an **insured person** goes missing and sufficient evidence is produced to confirm that the **insured person** sustained an injury likely to have caused death, it will be presumed after 12 months that death has occurred. However if the **insured person** is later found alive, any amount already paid will be refunded to **us**.

#### 2. Hi-jack, kidnap or unlawful detention

If at the operative time during the **period of insurance** an **insured person** is hi-jacked, kidnapped or unlawfully detained we will pay **£500** for each day, or any part of it, that the **insured person** is detained up to a maximum period of 30 days for any one loss.

## Section C – Personal accident

### Conditions (actions that you or we agree to take)

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.

#### 1. Examinations

- a) The **insured person** will, as often as required and at **our** expense, submit to examination by a medical practitioner of **our** choice.
- b) **We** will be entitled to conduct a post mortem examination at **our** own expense in the event of the death of an **insured person**.

#### 2. Minimising loss

The **insured person** must take all practical steps to minimise any **bodily injury**.

#### 3. Transferring your rights under this policy

This section is not assignable and no person except **you**, or in the case of **your** death **your** legal personal representative, will have any right against **us** either as assignee or transferee of any interest or any right to receive monies payable either before or after loss and whether admitted or not or in any other case.

### What is not covered

This section excludes the following:

1. **bodily injury** sustained while under the influence of or due wholly or partly directly or indirectly to the taking of alcohol or drugs, other than drugs taken as directed and prescribed by a qualified and registered medical practitioner;
2. the treatment of drug addiction;
3. **bodily injury** caused or contributed to by the **insured person** engaging in or taking part in armed forces service or operations;
4. **bodily injury** resulting from an **insured person's** own criminal act or taking part in civil commotion;
5. **bodily injury** resulting from an **insured person** taking part in or practising for:
  - a) abseiling, boxing, caving, hunting, ice hockey, judo, martial arts, polo, pot-holing, professional sports, sub aqua diving, water skiing, speed or time trials, winter sports or wrestling;
  - b) flying and aerial activities of any kind other than as a fare paying passenger (not carrying out any duties in connection with the flight) in a properly certified or licensed aircraft constructed to carry passengers;
  - c) mountaineering or rock-climbing which would normally necessitate the use of ropes or guides; or
  - d) racing of any kind other than on foot or swimming where there are no obstacle courses involved;

## Section C – Personal accident

6. **bodily injury** resulting from the use by an **insured person** of:
  - a) a motorcycle (as driver or passenger); or
  - b) fixed power driven woodworking machinery;
7.
  - a) the first 14 days of disablement;
  - b) the first 28 days of disablement resulting from playing any type of football, rugby or field hockey;
8. **bodily injury** arising from:
  - a) any pre-existing defect, infirmity, medical condition or chronic or recurring ailment of which an insured person is aware or could reasonably be expected to have been aware; or
  - b) pregnancy or childbirth;
9. **bodily injury** resulting solely in the inability to take part in sports or pastimes;
10. an **insured person** committing or attempting to commit suicide, self- inflicted **bodily injury**, or the **insured person** being in a state of insanity;
11. **bodily injury** sustained by any **insured person** under 16 or over 75 years of age at the start of the **period of insurance**;
12. **bodily injury** caused by or contributed to by the actual or threatened malicious use of pathogenic or poisonous, biological or chemical materials;
13. wilful exposure to danger except in an attempt to save human life.

## Section D – Loss of licence – automatically included

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### Additional definitions (What words mean)

*The following words will have the same meaning wherever they appear in this section or in the schedule or any endorsements relating to this section. To help identify these words they will appear in bold in the section wording. Please also refer to the General definitions section.*

#### Licence

The justices licence in force for the retail sale of excisable liquors at the **premises** and issued in accordance with the following core legislation as appropriate to the location of the **premises** or any subsequent amending or replacing legislation:

- a) The Licensing Act 1964 (England and Wales); or
- b) The Licensing (Scotland) Act in 1976.

#### Loss of licence

- a) Forfeiture due to licencing regulations; or
- b) refusal to renew by the licencing authority  
due to causes beyond **your** control.

### What is covered

Following **loss of licence we** will pay **you** for the amount of depreciation in value of **your** interest in the **premises** or the **business**.

**We** will also pay for all costs and expenses **you** incur with **our** written consent in connection with any appeal against any forfeiture, suspension or withdrawal of the **licence**.

### Limit of liability (How much we will pay)

The maximum **we** will pay in any one **period of insurance** is the **limit of liability** stated in the schedule.

Should there be more than one insured, as stated in the schedule, **we** will cover each in terms of this section as if the other was not included as an insured provided that the total amount payable does not exceed the **limit of liability**.

## Section D – Loss of licence – automatically included

### Conditions (actions that you or we agree to take)

Included here are the conditions of the insurance that you need to meet as your part of this contract. If you do not meet these conditions, we may need to reject a claim or a claim payment could be reduced. In some circumstances your policy may not be valid.

You must give us written notice within forty-eight hours of receiving information whether oral or written of:

1. **Action against the licence holder**

any action against the licence holder, manager, tenant or other occupier of the **premises** for any breach of the licensing law, or any other matter where the integrity of the person concerned is brought into question.

2. **Change in tenancy**

a change in tenancy or management of the **premises**;

3. **Complaints**

complaints about the **premises** or about the conduct or control of the **business**.

4. **Endangering the licence**

any objection to renewal of the **licence**, or any other reason which could endanger the **licence** or its renewal;

5. **Transfer to the licence**

any transfer or proposed transfer of the **licence**;

### What is not covered

We will not pay where:

1. **you** can obtain statutory compensation for **loss of licence**;
2. where the **loss of licence** arises out of:
  - a) any town or country planning, improvement or redevelopment;
  - b) compulsory purchase or surrender;
  - c) reduction or redistribution of licences;
  - d) a change in the law.

## Section E – Business Legal Expenses

### Business Legal Cover

This section is provided by Arc Legal Assistance Limited

### Legal Advice Line Service

Capital Markets Underwriting Business Legal Cover provides access to a 24 hour, 365 days a year legal advice line service.

You can use the service to seek legal advice on any legal problem that you have concerning your business, for example, employment queries, contract disputes or data protection or health & safety laws etc. The list is endless. The advice line is staffed by qualified lawyers who will confirm the advice in writing if you wish.

### Employment Disputes

As a condition of the business legal cover, you must seek authorisation from the advice line before dismissing an employee or making any significant changes to the employee's terms and conditions of employment.

**If you fail to seek and/or follow the advice of the advice line, in the event that an employee makes a claim against you, you may not be covered under this insurance.**

### Claims Notification

To notify us of a claim under the business legal cover, you should telephone the legal advice line. The advice line will discuss the problem with you and, if appropriate, arrange for a claim form to be sent to you. Claim forms are only available by contacting the advice line.

Nobody wants to become involved in legal action if it can be avoided. Most disputes can be resolved amicably if the right course of action is followed at an early stage. By contacting the advice line as soon as you are aware of a potential dispute and by following our advice, you will know what your legal position is and what course of action you should take next.

### TO CONTACT THE LEGAL ADVICE LINE TELEPHONE

**Telephone 0344 770 1040**

**AND QUOTE**

**“Capital Markets Underwriting Business  
Legal Cover”**

**You should notify us of any potential claim immediately. If you do not notify us within 180 days of you first becoming aware of a potential claim you will not be covered.**

**This insurance only covers legal costs incurred by Irwin Mitchell Solicitors or their agents appointed by us until court or tribunal proceedings are issued.**

### Definitions

- **“Aggregate Limit of Liability”** shall mean the maximum amount payable under this Section of Cover in any one Period of Insurance. **The Aggregate Limit of Liability is £500,000.**
- **“Appointed Representative”** shall mean Irwin Mitchell Solicitors or their agents appointed to act for the Assured by Arc.
- **“Arc”** shall mean Arc Legal Assistance Limited who administers this insurance on behalf of Underwriters.



## Section E – Business Legal Expenses

- “**Assured**” shall mean the person, persons, partnership, firm, company, body corporate, trust or association stated in the Schedule including all partners, Officers, Employees, trustees or committee members of such Assured but in that capacity only.
- In the event of the death or incapacity of the Assured who is an individual, the estate, heirs, legal representatives or assigns
- (as the case may be) of that Assured shall be entitled to receive indemnity or benefit under this Section of Cover as if it or they were that Assured.
- “**Award**” shall mean the award of compensation which the Assured must pay as a result of
  - i) Judgment in a claim under the Legislation in relation to Employment, or
  - ii) Judgment in a claim under section 22 or 23 of the Data Protection Act 1984 concerning the inaccuracy, loss, destruction or unauthorised disclosure of data, or
  - iii) The Assured's out-of-court settlement of a claim under (i) or (ii) above to which Underwriters have given their written consent

other than

- i) Anything due under the contract of Employment, or
  - ii) Any payment made for or in recognition of redundancy, or
  - iii) Any additional, protective or special award, or
  - iv) Any compensatory award specified in a reinstatement or re-engagement order or made by reason of the Assured's failure to provide written reasons for a dismissal, or
  - v) Any interim relief or other interim payment.
- “**Business**” shall mean any business activity of the Assured specified in the Schedule and carried on in the Territory.
  - “**Claim**” shall mean any claim made under this Section of Cover for any benefit provided by this insurance.
  - “**Claim Limit of Liability**” shall mean the maximum amount payable under this Section of Cover arising from any one Event. **The Claim Limit of Liability is £100,000.**
  - “**Computer**” shall mean any computer or other electronic data processing device, equipment or system, any hardware, software, programme, instruction, data or component utilised or intended to be utilised in or by any such item, or any actual or intended function of or process performed by any of them.
  - “**Dispute**” shall mean any situation involving a disagreement with or action by someone in which the Assured's legal rights need to be protected by legal proceedings or accounting practice.
  - “**Employee**” shall mean any individual who was or is or may become subject to a contract of service or apprenticeship with anyone named or identified in the Schedule as the Assured, or with any partner therein or trustee or committee member thereof.
  - “**Employment**” shall mean any actual, alleged or attempted employment of the Employee in the course of the Business.
  - “**Enforcement Notice**” shall mean an improvement notice or a prohibition notice within the respective meanings given by sections 21 and 22 of the Health and Safety at Work etc. Act 1974.
  - “**Event**” shall mean any Dispute, accident or other event which produces a Claim or Claims.
  - “**Insolvent**” shall mean that the Assured is unable to pay its debts when they are due, or its total assets are less than its total financial obligations and its financial affairs are under legal control.
  - “**Legal Advice Service**” shall mean the legal advice service provided by Arc on behalf of Underwriters which may be contacted by telephoning **0344 770 1040.**
  - “**Legal Expenses**” shall mean reasonable legal fees up to the hourly rate shown in the Arc fee scale ruling at the time the Adviser is instructed, costs and other expenses which are paid by Underwriters or properly charged by the Appointed Representative in relation to the Claim. Anything more than is allowed on the Standard Basis must be paid by the Assured.
  - “**Legislation**” shall mean any statute, order, rule or regulation having the force of law in the Territory. Every reference in this Section of Cover to Legislation (whether or not specified) is deemed to mean that Legislation inclusive of any other Legislation by which it is supplemented, amended or re-enacted.
  - “**Officer**” shall mean any director, officer, manager, partner or trustee of the Assured.
  - “**Opponent's Costs**” shall mean the Assured's opponent's legal costs which it is liable to pay in a civil action.)

## Section E – Business Legal Expenses

- “Period of Insurance” shall mean the period for which Underwriters have agreed to provide this insurance, as shown in the Schedule.
- “Right of Action” shall mean
  - i) Any need of the Assured to respond to a claim or legal proceedings made, brought, commenced or threatened against it, or
  - ii) Any right the Assured has to pursue legal action.
- “**Standard Basis**” shall mean the basis for charging costs
  - i) In England and Wales under Order 62, Rule 12 of the Rules of the Supreme Court 1965, or
  - ii) in Scotland under Chapter II (in Ordinary Proceedings) or Chapter IV (in Summary Cause Proceedings) of the Act of Sederunt (Fees of Solicitors in the Sheriff Court) (Amendment and Further Provisions) 1993
- “**Territory**” shall mean the United Kingdom, Channel Islands and the Isle of Man.
- “**Underwriter/s**” shall mean Inter Partner Assistance, The Quadrangle, 106-118 Station Road, Redhill, Surrey, RH1 1PR

### Insuring Clauses

(The heading of each clause is for ease of identification only)

Underwriters hereby agree to insure the Assured subject to the terms, limitations, exclusions and conditions of this Section of Cover as well as those general terms, limitations, exclusions and conditions contained within the certificate of insurance to which this Section of Cover attaches.

If the Assured makes a valid Claim under any of the insuring clauses and based on the Right of Action of which the Assured first becomes aware during the Period of Insurance, Underwriters will:

- i) At their expense do what is explained in each insuring clause,
- ii) Take, or defend or represent the Assured in, any reasonable legal proceedings (including making or defending an appeal) which are necessary because of any action under the operative insuring clauses. These legal proceedings must take place within the Territory,
- iii) Pay on behalf of the Assured its irrecoverable Legal Expenses and Opponent's Costs arising from any action under the insuring clauses,
- iv) Pay to the Assured who is an individual, compensation for his or her attendance as a witness (at the request of the Appointed Representative and necessary because of any action under the insuring clauses) or as a juror at any court, tribunal, arbitration or hearing. Such compensation will be paid at the rate of up to £100 per witness/juror per day of attendance (or part thereof) and is limited in respect of any one Claim to a total of £5,000 for all such witnesses/jurors.

Each half or full day of such attendance shall be calculated on the following basis:

- a) The period of absence from work shall include the time taken to travel to and from the hearing
- b) The period of absence from work shall be calculated to the nearest half day, taking an eight hour to be a whole day for this purpose and the maximum period for which a Claim can be made in respect of any one day
- c) For full-time Employees, one whole days salary or wages equals 1/250th of the Employees annual salary or wages at the time of such attendance
- d) For the part-time Employees, the salary or wages for the period of absence from work shall bear the same proportion of their weekly salary or wages as the period of absence bears to their normal working week for the Assured.

#### 1. Employment

Underwriters will

- a) Represent or defend the Assured's civil rights in any Dispute it has with the Employee and arising from:
  - i) Employment, or
  - ii) Any actual or alleged breach of the Legislation in relation to Employment;
  - iii) Pay on the Assured's behalf any Award in favour of the Employee and arising from Employment.

## Section E – Business Legal Expenses

### 2. Health and Safety

Underwriters will represent or pursue the Assured's rights in appealing against any Enforcement Notice served on it in relation to the Business.

### 3. Property

Underwriters will represent, pursue or defend the Assured's rights in owning, occupying or using any land or building for the purposes of the Business, other than in respect of any

- a) Review of any rent or service charge, or
- b) Land or building being let or otherwise made available by the Assured to any person, or
- c) Dispute between the Assured and any government department or statutory or local authority, or
- d) Dispute arising from mining or other subsidence, ground swell or heave, or
- e) Prosecution of the Assured.

### 4. Taxation

Underwriters will represent, pursue or defend the Assured's rights if any government department in the Territory

- a) Makes any official investigation into the Assured's liability to taxation on income, profits or gains of the Business, or
- b) Is in Dispute with the Assured concerning its liability to Value Added Tax or its responsibility to comply with or apply the Legislation concerning the assessment, collection or recovery of Value Added Tax

other than in respect of the Assured's prosecution or to the extent of anything done or to be done:

- i) After any matter first becomes referred to or dealt with by any Special Office of the Inland Revenue, or the Investigation Division or Collection Investigation Unit of H.M. Customs and Excise, or
- ii) In an official investigation before the government department has first expressed its written dissatisfaction with the books and records the Assured is required to produce for in-depth examination, or
- iii) Before the commencement of Value Added Tax enforcement proceedings against the Assured, or
- iv) Only because of some earlier official investigation into the Assured's affairs or some earlier Value Added Tax enforcement proceedings against the Assured, or
- v) In preparing, challenging, appealing, or otherwise processing any tax computation, assessment, demand or payment which the Assured would necessarily deal with notwithstanding that official investigation or dispute.

### 5. Data Protection

Underwriters will

- a) Represent or pursue the Assured's rights in appealing (in accordance with Section 13 of the Data Protection Act 1984) against
  - i) Any refusal by the Registrar of Data Protection of an application, or
  - ii) Any notice served on the Assured

which is mentioned in that section and arises in relation to the Business;

- b) Represent or defend the Assured's rights in any Dispute to which it is a party and arising from any actual or alleged breach of the Data Protection Act 1984 in relation to the Business, other than in respect of the Assured's prosecution,
- c) Pay on the Assured's behalf any Award made in respect of the Dispute referred to in (b) above.

### 6. Statutory License

Underwriters will represent or pursue the Assured's rights in appealing (in accordance with the applicable Legislation) against any refusal, non-renewal, revocation, suspension, or compulsory amendment of any licence, permit or other authorisation necessarily issued to the Assured for any purpose of the Business by any person acting in the exercise of a statutory power or duty, other than in respect of any

## Section E – Business Legal Expenses

- a) Such authorisation required to be held by the individual present in or on any means of transport in order to drive it or otherwise control its movement, or
- b) Enforcement Notice, or
- c) Matters governed by the Data Protection Act 1984, or
- d) inquiry or hearing concerning the Assured's actual or alleged professional duty, or any appeal or judicial review arising from such an inquiry or hearing, or
- e) Prosecution of the Assured.
- f) Of the following trades:
  - i) Gaming, Gambling and Nightclubs
  - ii) Gentlemen's Clubs and other venues providing entertainment in the form of Lap Dancing, Table Dancing, Pole Dancing and/or where striptease and/or erotic dance is regularly performed.
  - iii) Fairgrounds and Amusement Arcades

### 7. Prosecution

Underwriters will represent or defend the Assured's rights if it is prosecuted in a court of criminal jurisdiction, other than because of

- a) The ownership, possession or use of any vehicle, aircraft, hovercraft or watercraft, or
- b) Seepage, pollution or contamination of any kind
- c) A prosecution under the Health & Safety at Work etc. Act 1974.

### 8. Personal Injury

Underwriters will pursue the rights of an, Officer of the Assured to compensation following their death or personal injury caused by another person or organisation during the normal course of the Director or Officer's employment by the Assured, other than because of an accident or incident caused by, or the responsibility of the Assured.

## Exclusions

(The heading of each clause is for ease of identification only)  
Underwriters shall not be liable in respect of:

### 1. Other Insurance

Anything for which indemnity is (or would be but for this insurance) available from any other source.

### 2. Dishonest, Fraudulent or Malicious Conduct

The Assured's defence in any Claim or legal proceedings arising from its actual or alleged dishonesty, fraud or malicious conduct, unless legal proceedings are brought against the Assured but are dismissed, successfully defended or find that the Assured did nothing dishonest, fraudulent or malicious.

### 3. Disputes Between Assured's

Any Claim arising from a Dispute between any two or more Assured's in relation to their common partnership, trust or committee.

### 4. Bodily Injury / Property Damage and Professional Services

The Assured's defence in any civil claim or legal proceedings brought in respect of its actual or alleged legal liability for

- 1) Loss, destruction or loss of use of or damage to any property, or
- 2) Death of or bodily injury to any person, or
- 3) Breach of any duty owed by the Assured in providing any professional service or (other than as the Officer) as a director or officer of any company.

## Section E – Business Legal Expenses

### 5. Dispute Over Insurance

Any Dispute about this insurance, or between the Assured and Arc or Underwriters or any other insurer about the way in which any insurance claim should be settled or the amount of the settlement.

### 6. Libel, Slander and Intellectual Property Rights

Any Claim arising from actual or alleged defamation, malicious falsehood or infringement of any intellectual property rights.

### 7. Damages, Fines and Penalties

Any damages (other than the Award), fine or penalty.

### 8. Legal Expenses

Legal Expenses to which Underwriters have not agreed in writing or are incurred by a lawyer or other professional adviser not appointed by Arc.

### 9. Circumstances Known at Inception

Any Claim based on the Right of Action (or any circumstance which might lead to the Right of Action) of which the Assured was or should have been first aware outside the Period of Insurance.

### 10. "Year 2000"

Any consequence of any failure of the Computer (by whomsoever owned or operated) to recognise or respond to, correctly and effectively, any particular date or period of time (continuous or otherwise).

### 11. Radioactive Contamination or Explosive Nuclear Assemblies

Any Claim brought about by or contributed to by or consequent upon

- i) Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
- ii) Any legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from

- i) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- ii) The radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

### 12. Reasonable Care

Any consequence of the Assured's failure in relation to the Business to

- i) Enter into and reply to correspondence with reasonable care and promptness, or
- ii) Keep and retain all necessary books, records and accounts with reasonable care and in an appropriate manner, or
- iii) Prepare and issue or submit all notices, accounts and returns in the manner and within the period required by the Legislation.

### 13. Wrongful Acts

Any Claim arising from something the Assured did, knowing it to be wrongful or ignoring that possibility.

## Section E – Business Legal Expenses

### 14. Appointment of Solicitor

Arc will appoint Irwin Mitchell Solicitors or their agents as the Legal Representative to act for the Assured. Legal Expenses incurred by a legal adviser other than the Legal Representative are not covered under this insurance until court or tribunal proceedings are issued.

#### Conditions

(The heading of each condition is for ease of identification only)

##### 1. Claims Conditions

- a) It is a condition precedent to Underwriters' liability to meet the Claim that the Assured
  - i) Shall notify any potential claims immediately to Underwriters or certainly within 180 days of the Assured first becoming aware of any Event or Right of Action which may give rise to a claim
  - ii) Gives Underwriters, as soon as possible, all the information, documents and assistance they need to deal with that Claim,
  - iii) Gives Underwriters its reasons if it wishes to appeal
  - iv) seeks and follows the advice of the Legal Advice Service before the Assured takes any action for the purpose of:
    - a) Dismissing the Employee for any reason, or
    - b) Making any intended significant variation in the Employee's terms and conditions of Employment,
  - v) Forwards to Underwriters, immediately upon receipt, every form IT1, IT2 and IT3 issued by the Employment Tribunal to the Assured.
- b) The Assured must
  - i) Try to limit the effect of anything which may lead to a Claim,
  - ii) Try to limit any loss and costs which it may wish to recover and any Legal Expenses arising from any Claim it makes,
  - iii) Notify Underwriters as soon as it receives any offer to settle a Dispute or action, or any offer of a payment into court. Underwriters may stop supporting the Claim if the Assured makes, accepts or rejects any such offer without Underwriters' agreement. If the Assured does accept any such offer and this limits the Legal Expenses Underwriters are able to recover or makes the Assured liable for Opponent's Costs, Underwriters may refuse to pay the irrecoverable Legal Expenses and Opponent's Costs which arise,
  - iv) Give Underwriters written details of everything they ask for.
- c)
  - i) Underwriters must have accepted the Claim in writing before they can deal with it.
  - ii) Underwriters will accept the Claim when they are satisfied that
    - a) They have all the information that they need, and
    - b) The Assured can identify any person with whom it is in Dispute, and it is reasonable for the Assured to pursue or defend its legal rights taking into account a reasonable estimate of the Assured's total Legal Expenses and the Assured will probably achieve a worthwhile result.
  - iii) Underwriters may withdraw their acceptance of the Claim and stop providing benefit for it if
    - a) The Assured no longer has both a reasonable case and a reasonable chance of a worthwhile result, or
    - b) The Assured acts wrongly or unreasonably in dealing with anything to do with the Claim, or
    - c) The Appointed Representative stops dealing with them Claim for any reason, or
    - d) The Assured becomes Insolvent and is unlikely to receive and keep any worthwhile personal benefit by continuing with its action, even if it is successful.

If Underwriters do withdraw acceptance, they will still pay for all benefits the Assured was entitled to get up to that time.

  - iv) If the Assured withdraws its Claim or stops or discontinues its action without Underwriters' agreement, it must pay all Legal Expenses and Opponent's Costs which arise before it withdraws, stops or discontinues

## Section E – Business Legal Expenses

- d) When Underwriters are considering whether to accept the Claim or to withdraw from it, or the cost or value of any benefit, they will take into account the opinion of the Appointed Representative. If the Assured disagrees with Underwriters' decision, it may then agree with Underwriters to use arbitration.

In all cases Underwriters will advise the Assured in writing of their decision on the Claim.

- e)
- i) Underwriters shall appoint a lawyer or other suitably qualified person working for them to represent, pursue or defend the Assured's rights.
  - ii) The Assured must give the Appointed Representative full details of the Event and the Claim and any other information the Assured is asked for. The Assured must make sure that the Appointed Representative keeps Underwriters fully up to date with the progress of the action and lets Underwriters see the papers if they request them.
  - iii) Unless the Assured has Underwriters' written permission, it must not make any arrangement with the Appointed Representative about the Legal Expenses.
  - iv) The Assured must give Underwriters all the Appointed Representative's bills as soon as it receives them. If Underwriters request it, the Assured must confirm that any bill for Legal Expenses is correct, or instruct the Appointed Representative to have that bill and any demand for Opponent's Costs officially confirmed as being charged on the Standard Basis.

### 2. Fraudulent Claims

If a Claim is false or fraudulent in any way, this Section of Cover shall (unless Underwriters otherwise agree) be void and the Assured will not be entitled to any benefit under this Section of Cover for that Claim or for any other Claim.

### 3. Multiple Assured's

Underwriters' liability under any and all contracts of insurance evidenced or deemed to be evidenced by this Section of Cover shall be the liability so specified in this Section of Cover as applicable to any one such contract and shall not (except as so specified) be varied or deemed varied because of the number or type of Assured's or Claims under this Section of Cover.

### 4. Recoveries

The Assured must do everything possible to recover all Legal Expenses and any payment made by Underwriters to the Assured for his or her attendance as a witness at any court, tribunal, arbitration or hearing. Any recoveries will be applied in the following sequence

- a) any Legal Expenses and Opponent's Costs incurred by the Assured over and above the relevant Limit of Liability which would otherwise have fallen within the terms and conditions of this Section of Cover,
- b) The total Legal Expenses, Opponent's Costs and any payment for the attendance as a witness paid by Underwriters;

The total amount recovered is to be applied, as far as it will go, to items a) and b) in that order, and the Assured and Underwriters are to make whatever settlement is necessary between them to reflect this.

### 5. Notice

Notice under this Section of Cover shall be deemed duly given:

- a) To Underwriters if made in writing to Arc Legal Assistance Limited at PO Box 8921, Colchester, CO4 5YD
- b) To the Assured if sent by post to the last known address of that Assured.

### 6. Cancellation

Underwriters can cancel this insurance by giving at least 30 days written notice to the Assured.

## Section E – Business Legal Expenses

### 7. Arbitration

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

All costs of the arbitration will be paid by the person the arbitrator's decision goes against. If the decision is not clearly made against either the Assured and the Underwriters, the arbitrator will decide how the Assured and the Underwriters will share the costs. This policy does not cover the arbitration costs.

If arbitration is used, it does not affect the Assured's right to take legal action or any other remedy.

### 8. Law of Contract

The contract for this insurance is governed by English law and is subject to the exclusive jurisdiction of the English courts.

### 9. Language

The language for contractual terms and obligations will be English.

### Data Protection Act

The details of the Assured, the Assured's insurance cover and claims will be held by Arc and or the Underwriters for underwriting, processing, claims handling and fraud prevention subject to the provisions of the Data Protection Act 1998

### Customer Care

Our aim is to get it right, first time, every time. If We make a mistake, We will try to put it right promptly. If You are unhappy with the service that has been provided, You should contact Us at the address below. We will always confirm to You, within five working days, that We have received Your complaint. Within four weeks You will receive either a final response or an explanation of why the complaint is not yet resolved plus an indication of when a final response will be provided. Within eight weeks You will receive a final response or, if this is not possible, a reason for the delay plus an indication of when a final response will be provided. After eight weeks, if You are not satisfied with the delay You may refer Your complaint to the Financial Ombudsman Service. You can also refer to the Financial Ombudsman Service if You cannot settle Your complaint with Us or before We have investigated the complaint if both parties agree. Further information about the service and eligibility is available at <http://www.financial-ombudsman.org.uk>.

#### Our contact details are:

Arc Legal Assistance Ltd  
PO Box 8921  
Colchester  
CO4 5YD  
Tel 0120 661 5000  
Email [customerservice@arclegal.co.uk](mailto:customerservice@arclegal.co.uk)

#### The Financial Ombudsman Service contact details are:

Financial Ombudsman Service  
Exchange Tower  
London  
E14 9SR  
Tel 0800 023 4567  
Email [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)



## Section E – Business Legal Expenses

### Compensation

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if We or the Underwriters are unable to meet their obligations, Your entitlement to compensation will depend on the circumstances of the claim. Further information about compensation scheme arrangements and eligibility is available at <http://www.fscs.org.uk/>

### Authorisation

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if We or the Insurer are unable to meet their obligations, Your entitlement to compensation will depend on the circumstances of the claim. Further information about compensation scheme arrangements and eligibility is available at <http://www.fscs.org.uk/>

### Claims Procedure

The Assured notify Arc immediately, and certainly within 180 days of them first becoming aware of any actual or potential Dispute by telephoning the Legal Advice Service on **0344 770 1040** and quoting “Capital Markets Underwriting Business Legal Cover”. Arc will handle all Claims under this Section of Cover on behalf of Underwriters.

### Legal Helpline

The helpline service may be used to discuss any business legal problem concerning the Assured. Simply telephone **0344 770 1040** and ask for the legal helpline quoting “Capital Markets Underwriting Business Legal Cover”. The service is here to help you. Do not hesitate to make full use of it.

**In particular if something you are proposing to do may result in a claim under this Section of Cover, such as dismissing an Employee, you must use the helpline first.**

To ensure that an accurate record is maintained your telephone call may be recorded.