

# Commercial Combined Policy Wording



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## Introduction

### Thank You for choosing Arch Insurance

#### Your Policy

The Policy is a legal contract and has been prepared according to Your instructions. The Policy comprises this Policy Wording, the Statement of Fact, the Schedule and any amendments or endorsements applicable.

Please read Your Policy documents carefully to ensure that:

1. all details are accurate;
2. the Policy meets Your needs;
3. You are familiar with Your obligations under the Policy; and
4. You understand the rights and remedies available to Us if You do not comply.

You should contact Your insurance agent/broker immediately if:

1. You have questions about any aspect of the insurance;
2. You require a printed copy of Your Policy documents;
3. any information recorded in the Policy documents is inaccurate;
4. any change takes places which might affect the Policy;
5. You are unable to comply with any term of the Policy; or
6. the Policy does not meet Your needs.

#### Policy terms and conditions

It is important that You are familiar with the terms of the Policy and what is required of You. In the event of Your non-compliance with any obligation, We are entitled by law and the Policy to exercise certain remedies. Depending on the particular term with which You have failed to comply, these remedies may include:

1. avoiding the Policy or any relevant variations or renewals;
2. terminating the Policy or applying different terms; and/or
3. refusing to pay, or reducing the amount to be paid on, a claim.

Further details as to Your obligations, and Our remedies for Your non-compliance, can be found within the Your Obligations Section, the General Conditions Section and the Conditions within each of the individual Sections of the Policy.

#### Steps to be taken if You cannot comply

If You are unable to comply with any term of the Policy, You should contact Us as soon as reasonably possible, through Your insurance agent/broker. All terms of the Policy shall remain effective unless You receive written confirmation of a variation from Us through Your insurance agent/broker.

#### Changes and cancellation

If You provide new information or request a change to the Policy, We will advise of any alterations which We require to terms, conditions and premium. No changes will take effect until We confirm them in writing.

If You wish to cancel the Policy, please refer to the General Conditions Section.

#### Our Promise to You

Our goal is to provide excellent service to all Our customers. We are dedicated to putting Our customers at the heart of everything that We do. Our products and services are designed to meet the needs and objectives of those customers operating professional businesses within Great Britain, Northern Ireland, Channel Islands and the Isle of Man.

Our Policy documents and communications are designed to support and enable Our customers to make informed decisions about Our financial products and services. This means providing information You need, at the right time, and presented in a way You can understand.

If You are unhappy with the service that You receive, please let Us know. We are committed to treating Our customers fairly and we want to continually improve Our services and products.

We take complaints seriously and aim to resolve Our customers' problems promptly. Information about how to complain is shown in the How to Complain Section of the Policy.

### **Do You need some additional support?**

We are committed to ensuring that Our customers receive additional support and guidance when they need it. We understand that vulnerability can affect anyone, and that it may be temporary or permanent. We can provide support by adjusting Our communication methods and processes if You need Us to. We also have dedicated support resources that can help You. If there are specific circumstances or requirements that You think we should be aware of, such as health issues, financial hardship, bereavement, or anything else, please contact Your insurance agent/broker or contact Us. You can find additional information here: [Vulnerable Customers - Arch Insurance](#)

### **Employers' Liability Certificates**

We will provide You with a Certificate of Employers' Liability Insurance (if that Section is operative) which identifies the companies insured by the Policy.

You must display an original copy of the Certificate at each of Your business premises where Your employees can easily see it, or make an electronic copy available to Your employees.

You should also retain the Certificate even after the Policy expires. It will help to identify the existence of the Policy in case it becomes necessary in future years.

## Making a Claim

To report or make a claim follow the instructions provided in the Claims Conditions: Your Obligations Section of the Policy under General Conditions. If You need additional assistance, please contact Your insurance agent/broker.

### TO MAKE A LEGAL EXPENSES CLAIM

This section is provided by ARAG Legal Expenses Insurance Company Limited (ARAG).

**Important information:** Please do not ask for help from a lawyer, accountant or anyone else before ARAG have agreed that You should do so. If You do, they will not pay the costs involved even if they accept the claim.

**Report Your claim:** Call ARAG on 0370 755 3111 available 24 hours a day, 7 days a week. Have Your ARAG policy number TS5/4726053 ready and You'll be asked about Your claim.

ARAG will assess the claim to ensure it is covered by Your policy, and, if it is, will send it to a lawyer who specialises in that type of claim. The lawyer will assess Your case and tell You how likely it is that You will win. If You are more likely than not to win, the lawyer will manage the case from start to finish.

Please note this is an overview of the claims process for guidance purposes only. ARAG's claims handlers can answer any questions You may have when they receive Your claim.

Alternatively, You can visit [claims.araginsurance.co.uk](https://claims.araginsurance.co.uk)

### ALL OTHER CLAIMS

To register a claim under any other Section You should email full details of the claim including Your Arch policy number to

[archonlineclaims@archinsurance.com](mailto:archonlineclaims@archinsurance.com)

or call

**0345 258 3881.**

You must comply with the Claims Conditions: Your Obligations requirements under the General Conditions Section of the Policy.

## Insurers

The Policy is formed of Sections which are underwritten separately by the companies indicated below (the “Insurers”). No company shall be responsible for the liability of any other company that insures or provides a service under this Policy.

<b>Legal Expenses Section</b>	<b>ARAG Legal Expenses Insurance Company Limited (ARAG)</b> <ul style="list-style-type: none"> <li>Registered Office: Unit 4a, Greenway Court, Bedwas, Caerphilly. CF83 8DW.</li> <li>Registered in England and Wales, Company number: 103274.</li> <li>Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.</li> <li>FCA register number: 202106.</li> </ul> Website: <a href="http://www.arag.co.uk">www.arag.co.uk</a>
<b>All other Sections</b>	<b>Arch Insurance (UK) Limited (Arch)</b> <ul style="list-style-type: none"> <li>Registered Office: 4<sup>th</sup> Floor, 10 Fenchurch Avenue, London EC3M 5BN.</li> <li>Registered in England and Wales, Company number: 4977362.</li> <li>Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.</li> <li>FCA register number: 229887.</li> </ul> Website: <a href="https://insurance.archgroup.com/business/international/uk/">https://insurance.archgroup.com/business/international/uk/</a> .

You can check this information on the Financial Conduct Authority register by visiting the FCA’s website [www.fca.org.uk/register](http://www.fca.org.uk/register) or by contacting the Financial Conduct Authority on 0800 111 6768. Information relating to the Prudential Regulation Authority can be found at [www.bankofengland.co.uk/pru](http://www.bankofengland.co.uk/pru)

## Risk Management Tools

As well as insurance, We believe in helping Our customers to manage the risks they face by offering practical solutions. That's why We automatically include Arch Risk Management benefits with Your Policy.

### Arch Risk Management (applicable if shown as selected on Your Schedule)

Arch Risk Management is a simple to use, online system to help business professionals in the management and control of Health & Safety, Human Resource, Business Continuity and Driving at Work. This service provides access to a comprehensive library of specimen documents, templates and self-assessments, including an 'ask the expert' helpline service. As a business owner You will be able to:

1. Ensure Your business is up to date and compliant with current industry specific legislation to protect You and Your employees
2. Understand the purpose and potential impact on Your company and directors of 'The Corporate Manslaughter and Homicide Act'
3. Keep abreast of legislative changes and matters important to Your business via Our regular news alerts and updates

You will have access to a range of online risk management services, designed to assist You to effectively manage workplace safety and staff employment.

Features include:

1. Business Continuity
2. Health & Safety Management
3. Human Resources Support
4. E-Learning

To activate Your Risk Management Services visit [www.archriskmanagement.co.uk](http://www.archriskmanagement.co.uk) and follow the login instructions provided. Alternatively You can email Us with Your policy number [riskmanagementservices@archriskmanagement.co.uk](mailto:riskmanagementservices@archriskmanagement.co.uk) or call Us on 01268 795757.

### E-Learning

This is a web-based, health and safety training system that enables both large and small companies to fulfil their safety training requirements online with greater ease. This diverse system can be accessed securely at any time by Your chosen employees as well as Your administrator who has full control over the running of Your account online.

Course subjects include

Health & Safety Management	Slips, Trips and Falls	Working at Height
Manual Handling	Accident Reporting	Electricity
Risk Assessment	Asbestos Management	Noise
Confined Spaces	Fire Safety	Transport
Chemical Safety (CoSHH)	First Aid	Health & Safety Law

Each training session lasts between 25 – 45 minutes and includes multiple choice self-tests at the end of each training module. The answers to these questions are recorded. The administrator will have full access to the training record of each employee at their fingertips. The employee will get a certificate certifying their competence when they successfully pass the test.

All the courses are fully accredited by leading industry experts like RoSPA, CIPD and NOS (National Occupational Standards) which governs NVQ qualifications. Qualifying candidates will be able to claim credits against NVQ qualifications that they are pursuing.



## Legal Helplines and Tools

Under the Legal Expenses Section, Your Policy includes access to the following helplines and online tools from ARAG Legal Expenses Insurance Company Limited (ARAG).

You can contact ARAG' UK-based call centre 24 hours a day, seven days a week during the Period of Insurance. However, they may need to arrange to call You back, depending on the enquiry. To help ARAG check and improve their service standards, they may record all calls. When phoning, please quote Your ARAG policy number TS5/4726053.

ARAG will not accept responsibility if the helpline services are unavailable for reasons they cannot control.

### Legal Advice Helpline 0370 755 3111

Advice can be provided on any commercial legal problem affecting Your Business under the laws of the United Kingdom of Great Britain and Northern Ireland, any European Union country, the Isle of Man, the Channel Islands, Switzerland and Norway.

Wherever possible, the Legal Advice helpline aims to provide immediate advice from a qualified legal adviser. However, if this is not possible, they will arrange to call You back at a time to suit You.

Advice on the laws of England and Wales can be provided 24 hours a day, 365 days a year. Beyond this jurisdiction, or for very specialist legal matters, ARAG will refer You to one of their specialist advisers.

Specialist advice is provided 9am-5pm, Monday to Friday, excluding public and bank holidays. If calls are received outside of these times, ARAG will arrange to call You back.

### Tax Advice Helpline 0370 755 3111

Advice can be provided on any tax matters affecting the Business, under UK law.

This service is provided 9am-5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, ARAG will arrange to call You back.

### Counselling Helpline 0117 934 2121

ARAG will provide the Insured Person (and any members of their immediate family who permanently live with them) with a confidential counselling service over the phone if they are aged 18 or over (or aged between 16 and 18 and in full-time employment). This includes, where appropriate, onward referral to relevant voluntary and/or professional services. Any costs arising from the use of these referral services will not be paid by ARAG.

The counselling service helpline is open 24 hours a day, seven days a week.

### Identity Theft Helpline 0344 848 7071

If Your directors or their spouses/civil partners are resident in the United Kingdom or the Channel Islands, ARAG will provide them with detailed guidance and advice over the phone about being or becoming a victim of identity theft.

This helpline is open 8am-8pm, seven days a week.

### Employment Manual - Visit [www.arag.co.uk/customer/business-legal-expenses-insurance/employment-manual/](http://www.arag.co.uk/customer/business-legal-expenses-insurance/employment-manual/)

The ARAG Employment Manual offers comprehensive, up to date guidance on employment law. To view it, please visit [www.arag.co.uk/customer/business-legal-expenses-insurance/employment-manual/](http://www.arag.co.uk/customer/business-legal-expenses-insurance/employment-manual/)

If You'd like notifications of when updates are made to the Employment Manual, please email ARAG at [employmentmanual@arag.co.uk](mailto:employmentmanual@arag.co.uk) quoting Your ARAG policy number TS5/4726053.

### ARAGBusinesslaw Visit [www.aragbusinesslaw.co.uk](http://www.aragbusinesslaw.co.uk)

Visit [www.aragbusinesslaw.co.uk](http://www.aragbusinesslaw.co.uk) to access the free online law guide and download legal documents to help Your Business. Developed by solicitors and tailored by You using ARAG' smart document builders, You can create ready-to-sign contracts, agreements and letters in minutes.

Register using the voucher code DASBARC100 to gain access to a range of free documents.



## General Definitions

The following General Definitions apply to the whole Policy. Each time We use one of the words or phrases listed below it will have the same meaning wherever it appears in Your Policy, unless We state otherwise. A defined word or phrase will start with a capital letter each time it appears, except in headings and titles. If there is a conflict between a General Definition and a definition applicable to a specific Section, the definition in the Section will apply.

### Asbestos

Asbestos, asbestos fibres or particles or derivatives of asbestos, including products or materials containing asbestos, asbestos fibres or particles or derivatives of asbestos.

### Buildings

Structures at the Premises including the following items:

1. Entirely Self-Contained Buildings, outbuildings, extensions, annexes, gangways, canopies, temporary buildings or conveniences which:
  - a. are built of brick, stone, concrete, metal or other non-combustible materials; and
  - b. are roofed with slates, tiles, concrete or metal (fixed on timber joists where appropriate), with no more than 20% of the total roof area, inclusive of all extensions, annexes, canopies and outbuilding, being covered with felt or asphalt or other mineral material elements on timber;unless You have notified Us otherwise and the information is shown in the Schedule and/or Your Statement of Fact.
2. fixed boilers and associated heating apparatus including fuel tanks and associated pipework, fixed photovoltaic and solar panels, ducting, cables, wires, aerials, masts, satellite dishes, substations and associated control gear and accessories.
3. glass and sanitary ware.
4. landlords' fixtures and fittings.
5. underground pipes, drains, sewers, cesspits, septic tanks and cables.
6. fixed signs, lamp posts, electric vehicle charging points (excluding detachable accessories) and street furniture.
7. walls (not otherwise forming part of the structure of a building), gates, fences, landscaping planters, ornamental features, statues, pools, yards, leisure/play areas, car parks, roads, bridges, pavements, walkways, terraces, drives, forecourts and similar surfaces all constructed of solid materials.
8. fixed closed circuit television equipment.

For the purpose of this definition only, Entirely Self-Contained Building shall mean a structure designed to maintain a high level of fire safety within its own boundaries, without reliance on adjoining buildings. Each building or part thereof is independently compartmentalised using fire-resisting materials.

### Business

The business specified in the Schedule and including:

1. maintenance and repair (but not redevelopment) of Your Premises;
2. maintenance and repair of vehicles and plant owned and used by You;
3. the provision and management of canteen, social, sports, educational and welfare organisations for the benefit of Your Employees;
4. the provision of fire, security, first aid, medical and ambulance services for the benefit of Your Employees; and

5. Your participation in exhibitions within the Territorial Limits.

#### Caused By

Factually and legally resulting from the specified event, incident or state of affairs in that:

1. the resulting event, incident, state of affairs, injury, damage or loss would not have occurred but for the specified event, incident or state of affairs; and
2. the specified event, incident or state of affairs was a real, efficient and direct cause of the resulting event, incident, state of affairs, injury, damage or loss.

#### Connected With

Relating to the specified event, incident or state of affairs, in that:

1. the specified event, incident or state of affairs was a direct or indirect cause of the related event, incident, state of affairs, injury, damage or loss;
2. the specified event, incident or state of affairs wholly or partly contributed to the related event, incident, state of affairs, injury, damage or loss; and/or
3. the specified event, incident or state of affairs increased the risk of the related event, incident, state of affairs, injury, damage or loss occurring.

#### Damage/Damaged

A sudden and accidental loss or destruction of or physical change to Property, adversely affecting its use or value and requiring the Property to be replaced, reinstated or repaired. Not including changes:

1. which may be addressed by routine cleaning, sanitisation, servicing or maintenance; or
2. comprising a defect inherent in Property.

#### Data Storage Materials

Materials or devices used for the storage or representation of Electronic Data.

Including, but not limited to, disks, tapes, CD-ROMs, DVDs, memory sticks, memory cards or other materials or devices.

#### Electronic Data

Facts, concepts or information converted to a form usable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment. Including programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

#### Employee

A person working for You in connection with the Business and whilst under Your control and supervision. Including any:

1. person under a contract of service or apprenticeship with You;
2. labour master or labour-only subcontractor or person supplied by any of them;
3. self-employed person;
4. person under a work experience scheme;
5. person hired or borrowed by You from another employer;
6. driver or operator of hired-in plant;
7. non-executive director;

## General Definitions

8. voluntary worker;
9. person working under a community service order; or
10. outworker or home worker.

### Epidemic Disease

A widespread occurrence or outbreak of:

1. an illness or disease;
2. specific health-related behaviour; and/or
3. other health-related event;

with a frequency which clearly exceeds normal expectancy.

### Excess

The first amount of each claim as shown in the Schedule or any applicable endorsement for which You shall be responsible. Where applicable the Excess will be deducted after the application of the Average Condition.

### Flood

Damage which is Connected With or comprises;

1. flood;
2. flood Connected With storm;
3. inundation by the sea;
4. rainwater induced runoff;
5. bursting or overflowing of wastewater, drainage or sewage pipes or systems due to storm, tempest or flood;
6. escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal or dam.

### Government Action

Martial law, confiscation, nationalisation, requisition or destruction of Property by or under the order of a government or public or local authority.

Any action taken in controlling, preventing, suppressing or in any way relating to War.

### Hot Works

Work involving the application or generation of flames, heat or sparks other than by using an electrically operated soldering iron.

### Hot Works Risk Assessment

A written risk assessment which must be conducted whenever Hot Works are carried out by You, Your Employees or contractors. The assessment must:

1. specifically consider whether Hot Works are necessary or if a safer alternative working method can be adopted; and
2. identify appropriate safety measures to be complied with by a party conducting such Hot Works.

**Injury**

Accidental human bodily injury comprising death, illness, disease or medically recognised psychiatric condition including nervous shock.

**Loss of Data**

Physical, electronic or other loss, destruction, alteration or loss of use, whether permanent or temporary, of or damage to data of whatsoever nature, in whole or in part.

Including, but not limited to, loss of data Caused By loss or damage to computers and electronic equipment or Data Storage Materials.

**Money**

A generally accepted means of payment or exchange, excluding digital money and cryptocurrency.

**Pandemic Disease**

An outbreak of Epidemic Disease in more than one community or region.

**Period of Insurance**

The period specified in the Schedule.

**Policy**

The following documents which together comprise the contract of insurance:

1. this Policy Wording;
2. the Statement of Fact;
3. the Schedule; and
4. any amendments and endorsements.

**Pollution**

Seepage, pollution or contamination of buildings or other structures or of water, land or the atmosphere.

Loss, damage or injury Caused By such seepage, pollution or contamination.

**Premises**

The plot of land comprising the risk address specified in the Schedule and/or the Statement of Fact occupied by You for the purpose of the Business.

**Property**

Material property.

**Risk Requirements**

Requirements imposed on You as detailed in a Survey Risk Improvement Report issued following a survey of Your Premises and/or contract sites.

**Sabotage**

A subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence a government and/or to put the public in fear for such purposes.

**Silica**

Silicon dioxide, silica particles, silica dust, crystalline silica, non-crystalline (amorphous) silica, quartz and silica in any other form including substances containing silica either alone or when combined with other substances.

**Schedule**

The schedule in force and forming part of the Policy.

**Statement of Fact**

The record of the information that You provided to Your insurance agent/broker upon which Your insurance is based.

**Subjectivity**

Any requirement subject to which the Policy has been issued or renewed under General Condition: Subjectivity.

**Sum Insured**

The Sum Insured specified for each item in the Schedule.

**Tenant**

A person or entity who occupies the Premises or part of the Premises under a written lease agreement with You.

**Territorial Limits**

The United Kingdom, Channel Islands and the Isle of Man other than offshore.

**Transit**

Movement by road, rail or inland waterway from one address to another within the Territorial Limits, including loading, unloading and temporary storage.

**Unattended Vehicle**

Any conveyance, vehicle or trailer owned or operated by You where neither You or any person authorised by You are able to keep the conveyance, vehicle or trailer under observation and able to observe and reasonably prevent any attempt to interfere with it.

**Unoccupied**

A Building or part of a Building which is:

1. not physically occupied or in use by:
  - a. You for the purposes of the Business; or
  - b. Your Tenant for the purposes of their business or residence;
2. undergoing or awaiting refurbishment, redevelopment, renovation or demolition.

For the purposes of this Definition:

1. periodic visits to comply with the terms of an inspection condition; and or
2. visits by contractors or any agent acting on behalf of You or Your Tenant;

shall not be regarded as 'physical occupancy or in use' and the Building or part of the Building shall be deemed Unoccupied.

**War**

War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution or military or usurped power.

**We, Us, Our**

The relevant Insurer of the particular Section as set out in the section of the Policy headed Insurers.

**You, Your, Insured**

The persons or entities named in the Schedule as the Policyholder.

## Interpretation

### In this Policy

1. Reference to a statute, order or regulation includes reference to that instrument as revised or replaced.
2. Reference to an entity created by statute, order or regulation includes a successor to that entity.
3. Words importing the singular include the plural and vice versa.
4. Reference to persons includes corporate and unincorporated entities.
5. Reference to a gender includes all genders.
6. If a term, condition, exclusion or endorsement or part of the Policy is invalid or unenforceable, the remainder of the Policy will remain in full force and effect.
7. Headings are for reference only and must be disregarded when interpreting the Policy.



## Your Obligations

### General Policy Obligations

The obligations listed below apply to all sections of the Policy and must be complied with throughout the Period of Insurance. If You fail to comply in any respect, We shall not pay a claim which is Connected With Your non-compliance.

#### Electric Vehicle Charging Points

For electric vehicle charging points, You must ensure that:

1. regular inspections of charging points are undertaken by a competent person in accordance with the manufacturer's recommendations;
2. written records of inspections are maintained for at least the previous three years;
3. in the event of damage in the immediate vicinity of or to the charging point, or suspected malfunction, access to the charging point is prevented until repairs have been completed and passed an inspection by a competent person.

#### Felt Roof

You must ensure that any roof at the Premises covered with felt, asphalt or other mineral material element on timber is inspected on an annual basis by a competent roofing contractor and any recommendations regarding safety, maintenance, repairs and/or replacement are implemented immediately.

If such roof has not been inspected within the last 12 months one should be carried out immediately.

#### Fire safety

Unless an appropriately qualified professional fire risk assessor has carried out a fire risk assessment within the last 5 years:

You must:

1. Within 60 days of the inception of the Policy, appoint a competent person to make a suitable and sufficient fire risk assessment which identifies the preventive and protective measures which should be taken to ensure that the Premises and Employees of the Business are safe.
2. Update the fire risk assessment whenever there is a significant change in the environment at the Premises and in any event at least once a year.
3. Obtain and keep a written record of each fire risk assessment and provide it to Us on request.
4. Implement and maintain all preventive and protective measures which are recommended by the most recent fire risk assessment.
5. Maintain all fire extinguishing equipment and appliances on the Premises in good working order.
6. Comply in all respects with the fire safety duties which apply to You under:
  - a. Part 2 of The Regulatory Reform (Fire Safety) Order 2005;
  - b. the Fire Safety (Scotland) Regulations 2006; or
  - c. the Northern Ireland Fire Safety Regulations (Northern Ireland) 2010.

### Hot Works

Hot Works are dangerous. The circumstances in which the following Hot Works Obligations apply shall include:

1. ad-hoc maintenance, installation or repair performed at Your Premises (either by You, Your Employees, contractors or by other third parties); and
2. all Hot Works performed away from the Premises.

This Obligation shall not apply to routine production or manufacturing processes in connection with Your Business, to which You should apply specific risk assessments and controls.

Whenever Hot Works are carried out by You or on Your behalf, You will ensure that:

1. A Hot Works Risk Assessment is carried out before the commencement of the Hot Works and adhered to;
2. You keep a written record of the Hot Works Risk Assessment and provide it to Us on request; and
3. The following minimum safety measures are complied with by whichever person undertakes the Hot Works:
  - a. a minimum of two fire extinguishers in full working order of a type and capacity suitable for surrounding combustible materials, or a hydraulic hose reel, will be provided in the area of the Hot Works;
  - b. a suitably experienced person other than the person using the Hot Works equipment will be appointed to act as a specific fire watch to look out for an outbreak of fire;
  - c. upon completion of each instance of Hot Works, a continuous examination must be made for signs of smouldering or combustion in the area of the Hot Works; and
  - d. a watch must be kept for a minimum of 30 minutes after the cessation of the Hot Works.

### Intruder Alarm

Throughout the Period of Insurance, You must ensure that:

1. Any intruder alarm system at the Premises is always maintained and effective.
2. You and each keyholder maintain the secrecy of codes and the security of keys and all devices for the operation of any intruder alarm system.

Following notification of an activation of any intruder alarm system or interruption of any of the means of communication used to transmit signals, a keyholder must:

1. Attend the Premises as soon as possible.
2. Remain at the Premises if the alarm cannot be reset.
3. Advise Us as soon as possible and in any event no later than 10.00am on the next working day if:
  - a. police attendance in response to alarm signals/calls from the intruder alarm system may be withdrawn or the level of response reduced or delayed;
  - b. notice has been given imposing a requirement for the abatement of a nuisance;
  - c. the intruder alarm system and/or means of communication to transmit signals from such installation cannot be returned to or maintained in full working order.

You also must comply with any requirements in relation to the intruder alarm system attached by endorsement.

You will not, without Our prior written consent, carry out or permit any alteration or change to:

1. the intruder alarm system;
2. the means of communication used to transmit signals from the intruder alarm system;
3. the Premises, to the extent that it might impede the operation or maintenance of the intruder alarm system;

## Your Obligations

4. procedures agreed with Us for police or any other response to an activation of the intruder alarm system; or
5. the maintenance contract for the intruder alarm system.

### Key Security

Unless We agree otherwise in writing, whenever the Premises are left unattended You must ensure that:

1. keys for the Premises, other than to key operated window locks, are removed from the Premises or secured in a locked safe;
2. keys to window locks are removed and hidden from view when the locks are in use;
3. keys and other setting or unsetting devices for any intruder alarm are removed from the Premises when the Premises are left unattended.

### Photovoltaic and Solar Panels

For the purposes of this Obligation only, the following definition applies:

Competent Contractor means:

1. a Microgeneration Certification Scheme (MCS) accredited contractor; or
2. a contractor who has sufficient technical knowledge and experience appropriate to the type of installation and equipment, to include both Alternating Current (AC) and Direct Current (DC), and having membership of a United Kingdom Accredited Service (UKAS) registration scheme operated by a recognised professional body, such as the National Inspection Council for Electrical Contracting (NICEIC), National Association of Professional Inspectors and Testers (NAPIT), Electrical Contractors Association (ECA) or Electrical Contractors Association of Scotland (SELECT).

You must ensure that:

1. photovoltaic and/or solar panel installations, including electrical supply, cables, batteries and associated fittings, at the Premises are:
  - a. installed in accordance with manufacturers' guidelines and product specifications by a Competent Contractor; and
  - b. inspected, tested, serviced and maintained:
    - i. by You; and
    - ii. by a Competent Contractor;as required by:
    - i. legislation and industry best practice guidelines; and
    - ii. the manufacturer's guidelines, product specifications and installer's recommendations;
      1. at the frequency specified, whichever is the most frequent; and
      2. any remedial works required or recommended are carried out immediately;
2. You maintain a log of all inspections, testing, servicing and maintenance and keep such details for at least 24 months in a safe place. You must provide a copy of such details to Us upon request, in the event of a claim;
3. the installation, cables and associated fittings are protected by overcurrent devices such as circuit breakers;
4. the location of the DC isolating switch is detailed on the Premises Fire Risk Assessment and Site Plans, so that it can be quickly and easily located by the Fire Brigade/emergency services in the event of an emergency; and

5. there is an advisory sign outside the property identifying to firefighters/first aiders the presence of photovoltaic and solar panels.

### Security (Level 1)

Unless We agree otherwise in writing, Your Buildings must be kept secure and You must ensure that:

1. the existing security measures as declared by You and accepted by Us in a survey, Statement of Fact or presentation, are maintained in full operation at all times;
2. if, at the commencement of cover, Your existing security measures do not include the following protections, You must implement them within 30 days, and put them into full and effective operation whenever the Premises are closed for business or left unattended:
  - a. on timber final exit doors or other external timber doors and on internal doors giving access to any part of the Premises not occupied solely by You or to any adjoining premises (excluding sliding doors and fire exit doors);
  - b. if single leaf, a mortice deadlock which has five or more levers and/or conforms to BS3621 specification for thief resistant locks with matching steel box striking plate;
  - c. if double leaf:
    - i. on the first closing leaf, flush or barrel bolts, the latter at least 200mm (8") long or key operated locks or bolts fitted top and bottom;
    - ii. on the second closing leaf, a mortice deadlock which has five or more levers and/or conforms to BS3621 specification for thief resistant locks with matching steel box striking plate, or a substantial padlocking bar and high-quality closed shackle padlock with a minimum of five levers, or high security cylinder mechanism;
  - d. if single or double leaf and also outward opening, hinge bolts fitted top and bottom;
3. external aluminium or UPVC doors (excluding sliding and fire exit doors) are fitted with either:
  - a. cylinder operated mortice pivot bolt lock (similar to the Adams Rite MS1950 series locks) including anti-turn cylinder collar, and if double leaf, flush bolts on the first closing leaf; or
  - b.
    - i. a multi-point lock assembly meeting PAS 3621; or
    - ii. a multi-point lock assembly having at least three moving fastening points operated by a handle and secured by either:
      1. a lock cylinder meeting the 3 Star level of TS 007;
      2. a lock cylinder approved by Sold Secure as meeting the Diamond level of SS312; or
      3. a lock cylinder meeting BS EN 1303 at Key Security Grade 5, Attack Grade D;
4.
  - a. on steel final exit doors and all sliding final exit doors a substantial padlocking bar and high-quality closed shackle padlock with minimum of five levers or mortice hook bolt lock which has five or more levers and/or conforms to BS3621 specification for thief resistant locks with matching steel box striking plate;
  - b. on all other steel doors and all other sliding doors (excluding sliding patio doors) substantial padlocking bar and a high-quality closed shackle padlock with minimum of five levers or high security cylinder mechanism fitted externally or substantial padlocking bar and high-quality open shackle padlock with minimum of five levers or high security cylinder mechanism fitted internally;

- c. on sliding patio doors:
  - i. a manufacturer's patent key-operated locking system which engages boltwork into the doorframe either at the top and bottom of the opening section of each door or into the side frame in at least three points (in the latter case all hook or shoot bolts must be mushroom headed); or
  - ii. two key-operated patio door locks fitted internally one at the top and one at the bottom of each opening section;
- 5. any door officially designated as a fire exit by the fire authority must be secured only by devices agreed by the fire officer. This may be by means of a suitable lock for use in emergency escape situations and it must not be possible for the lock to be operated by breaking or removing glazing either in the door itself or in a window immediately adjacent to the door and there must be hinge bolts fitted top and bottom of outwards opening doors;
- 6. on opening basement and ground floor windows and fanlights and on other opening windows fanlights and skylights which are accessible from roofs balconies canopies fire escapes or downpipes:
  - a. key-operated window locks with the keys removed when in operation; or
  - b. solid steel bars not less than 16mm (5/8") diameter and not more than 125mm (5") apart securely fixed to the brickwork or masonry surrounding the window; or
  - c. lockable steel expanded metal window gates or weld mesh grilles; or
  - d. shutters that are used to cover the whole of the window opening;
- 7. where installed, roller shutters where no other inner door is being protected including such roller shutters that contain wicket doors or equivalent, a manufacturer's standard recommended locking device for that type of roller shutter.

### Unoccupancy

If a Building or a part of a Building becomes Unoccupied, You must notify Us immediately in accordance with the Change of Risk Condition and, after an Unoccupied period of 30 consecutive days or more, You must:

- 1. ensure that gas, water and electricity services are switched off at the mains (unless electricity is needed to maintain a fire or intruder alarm system in operation);
- 2. remove accumulations of combustible materials, such as trade waste;
- 3. remove combustible materials which continue to accumulate, such as junk mail, once a week;
- 4. secure the Unoccupied Building or part of the Building against unlawful entry by locking all gates, fences and other accessways;
- 5. secure the Unoccupied Building or part of the Building against unlawful entry by closing and locking all doors and windows and putting all security protections in place;
- 6. carry out and document a weekly, thorough inspection of the Unoccupied Building or part of the Building. You must evaluate the physical condition and state of security of:
  - a. Buildings (both internally and externally); and
  - b. gates, fences and other accessways;and immediately repair or arrange to be repaired any defects found; and
- 7. maintain and retain, for a period of not less than 24 months, a written record of each weekly internal and external inspection, to include but not limited to:
  - a. details of inspected parts;
  - b. condition thereof;
  - c. any defects found;

## Your Obligations

- d. remedial action taken or to be taken; and
  - e. when and by whom the inspection was conducted;
- all to be made available to Us on Our request.

## Waste

You must ensure that:

1. all oily, greasy or impregnated rags, wipes and/or used cleaning cloths which remain in the buildings after Business operations cease for the day are kept in metal lidded metal receptacles and the contents of the receptacles removed from the Premises at least once a week;
2. all other combustible trade refuse is removed from the buildings at the end of each working day;
3. all waste or refuse outside the buildings is stored in;
  - a. lidded non-combustible containers; or
  - b. metal skips kept at least 5 metres from any buildings or other property;

and removed from the Premises when the containers or skips are full.

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## General Exclusions

The following General Exclusions apply to the whole Policy. They should be read in conjunction with any Exclusions which apply to individual Sections of the Policy.

Unless expressly provided to the contrary, We shall not pay for loss or liability Connected With or comprising any of the following.

### Asbestos

Actual or suspected exposure to or inhalation of Asbestos.

Repair, removal, replacement, recall, rectification, reinstatement or management of Property (whether or not required by statute) Connected With the presence or suspected presence of Asbestos.

### Cyber

Programming or operator error by You or any person.

Failure of external network.

Program code, programming instruction or a set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations whether involving self-replication or not. Including, but not limited to, trojan horses, worms and logic bombs.

Unauthorised access to computer or other equipment or component or system or item which processes, stores, transmits or retrieves data.

Failure of computer data processing equipment or media, microchip, integrated circuit or similar device or other equipment or system for processing, storing or receiving data or computer software due to an inability to recognise, capture, save, retain or to process correctly a calendar date.

Hoax or threat of any of the above.

### Epidemic or Pandemic Disease

Not applicable to the Employers' Liability, Public and Product Liability Sub-Sections, Legal Expenses or Terrorism Sections.

Epidemic Disease or Pandemic Disease or their actual or suspected transmission or the fear or threat (whether actual or perceived) of an Epidemic or Pandemic Disease.

### Excess

The Excess specified for each item in the Schedule.

### Fines and Penalties

Penalties, fines, liquidated damages, penalty clauses, aggravated, restitutionary, punitive or exemplary damages or additional damages Caused By the multiplication of compensatory damages or non-compensatory damages.

### Nuclear and Radioactive Risks

Actual or suspected exposure to ionising radiation or contamination by radioactivity from radioactive matter.

Repair, removal, replacement, recall, rectification, reinstatement or management of Property (whether or not required by statute) Connected With the presence or suspected presence of ionising radiation, radioactivity or radioactive matter.



**Other Insurance**

Not applicable to the Legal Expenses Section which contains specific terms.

Any claim for loss which is also covered wholly or partly under another insurance policy except for any excess beyond the amount which would have been covered under such other insurance had the Policy not been taken out.

**Premium Payment**

Any claim unless You have paid the premium. If We have agreed that You may pay the premium using an instalment facility, We shall not pay any claim unless Your instalment payments are up to date.

**Silica**

Actual or suspected exposure to or inhalation of Silica.

Repair, removal, replacement, recall, rectification, reinstatement or management of Property (whether or not required by statute) Connected With the presence or suspected presence of Silica.

**Sonic Bangs**

Pressure waves Connected With aircraft or other aerial devices travelling at sonic or supersonic speeds.

**Terrorism**

Not applicable to the Terrorism Section which contains specific terms.

Action, threat of action, or attempt at action, by individual(s) or group(s) of individuals or body or organisation(s), whether acting alone, on behalf of, or in concert with any other body, organisation, or government, where such action, threat, or attempt is designed to influence, intimidate, or coerce, a government or international governmental organisation or the population or a section of the population, or a community, and the action, threat, or attempt, is made for the purpose of advancing a political, religious, or ideological cause.

Including, but not limited to:

1. the use of violence against a person;
2. the causing of loss of, or damage to, Property;
3. acts which endanger a person's life;
4. acts involving the use of biological or chemical materials or weapons, or a nuclear device, nuclear material, or radioactive substance;
5. acts which create a risk to the health of an individual, the public, or a section of the public; and
6. acts designed or intended to interfere with, disrupt, or cause the malfunction of, electronic or mechanical equipment.

**War and Government Action**

1. War.
2. Government Action.
3. Civil commotion in Northern Ireland.

## General Conditions

The following General Conditions apply to the whole Policy. They should be read in conjunction with any Conditions which apply to individual Sections of the Policy.

### Cancellation by Us

We may cancel the Policy for any reason by giving You 30 days' written notice.

We may also cancel the Policy with immediate effect if:

1. We have reason to suspect that You or someone acting on Your behalf has committed fraud or made a misrepresentation to Us;
2. the premium has not been paid or there has been a default under an instalment or linked credit agreement; and/or
3. You have not complied with a Subjectivity by the required date.

We shall send notice of cancellation to You at the most recent postal or email address which We have on file.

### Cancellation by You

You may cancel the Policy at any time during the Period of Insurance by sending written notification to Your insurance agent/broker or to Us.

### Cancellation: refund of premium

If the Policy is cancelled, We shall return a premium which is proportionate to the number of days remaining before the expiry of the Period of Insurance, subject to the application of any minimum premium.

We shall not return any premium if:

1. We have reason to suspect that You or anyone acting on Your behalf has committed fraud or made a deliberate or reckless misrepresentation to Us; and/or
2. during the Period of Insurance You have made a claim or notified circumstances which might give rise to a claim.

If You later make a claim for loss occurring prior to cancellation, We shall deduct the amount of the premium returned from the payment of any claim.

### Change of Risk

You must notify Us immediately if, during the Period of Insurance, any of the following relevant events occur:

1. information which You provided or confirmed to Us before the commencement of the Period of Insurance ceases to be substantially correct;
2. Your interest in the Business ceases or is transferred to another person or entity;
3. there is a change in the ownership of the Business;
4. the Business becomes subject to an insolvency proceeding; and/or
5. demolition, construction, ground works or excavations are carried out on a site adjoining the Premises.

If You are in doubt as to whether an event is a relevant event, You should disclose it to Us.

Upon notification of a relevant event listed in this Condition, We may, at Our absolute discretion, cancel, suspend or alter the terms of the Policy or increase the premium with effect from the relevant event.

If You fail to notify Us of a relevant event, We shall not pay any claim which is Connected With the relevant event.

### Choice of Law and Jurisdiction

The appropriate law as set out below will apply unless You and Us agree otherwise:

1. The law applying to that part of the United Kingdom, Channel Islands or the Isle of Man in which You normally live or (if applicable) the first named Policyholder lives; or
2. in the case of a business, the law applying in that part of the United Kingdom, Channel Islands or the Isle of Man where it has its principal place of business; or
3. should neither of the above be applicable, the law of England and Wales will apply.

All disputes arising out of or in connection with the Policy will be subject to the exclusive jurisdiction of the Courts of the part of the United Kingdom or the Courts of the Channel Islands or of the Isle of Man, as applicable, whose law is deemed to apply in 1, 2 or 3 above.

### Claims Conditions: Our Rights

If We agree to pay a claim under this Policy, We shall have the right to:

1. enter or take possession of the Premises where the Damage or loss occurred;
2. take possession and salvage of insured Property;
3. take over the defence and settlement of a claim brought against You;
4. conduct a subrogated recovery in Your name.

If, during the settlement of a claim, We make a payment which includes the applicable Excess, You will reimburse Us for that amount.

We may at any time free ourselves from further liability for a claim by paying the relevant Sum Insured, Indemnity Limit, any applicable sub-limit specified in the Policy or a lesser amount for which a claim can be settled, after deducting any payments already made. We shall pay costs and expenses incurred with Our prior consent up to the date of such payment.

### Claims Conditions: Your Obligations

Your claim will not be paid unless You comply with each of the following requirements:

1. You must tell Us as soon as reasonably practicable if You become aware of any facts or circumstances which may give rise to a claim against You;
2. You must tell the Police as soon as reasonably practicable if You become aware of any Damage which You know or suspect is Caused By a criminal act;
3. You must tell Us as soon as reasonably practicable if any written or verbal claim is intimated or made against You;
4. You must notify Us with full details of any claim, in writing and at Your own expense, within:
  - a. 7 days of becoming aware of any Injury, Damage or loss which You know or suspect is Caused By a criminal act; and
  - b. 30 days of becoming aware of any other Injury, Damage or loss.
5. You must forward to Us unanswered any written communications which relate to claims or possible claims against You, including letters of claim, writs, summons and other legal proceedings;
6. You must provide all the assistance, co-operation, evidence and information which We reasonably require Connected With any claim and/or subrogated recovery;
7. You must take all reasonable action to prevent and minimise existing and future loss; and
8. You must not admit, deny, negotiate or settle any claim without Our prior written consent.

### Contracts (Rights of Third Parties) Act

A person or entity not a party to the Policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce a term of the Policy.

### Fair Presentation

Part 2 of the Insurance Act 2015 requires You to make a fair presentation of the risk before the commencement of the cover and the agreement of any variations or renewals.

A fair presentation of the risk includes, but is not limited to:

1. ensuring that every material representation as to a matter of fact is substantially correct;
2. ensuring that every material representation as to a matter of expectation or belief is made in good faith; and
3. disclosing to Us every material circumstance which You know or ought to know.

If You are in doubt as to any aspect of Your duties under the Insurance Act 2015, You should speak to Your insurance agent/broker.

If You are in doubt as to the materiality of a representation or circumstance, You should disclose it to Us.

If You fail to make a fair presentation of the risk, the Insurance Act 2015 entitles Us to exercise remedies which include:

1. avoiding the Policy or any relevant variations or renewals;
2. applying different terms; and/or
3. reducing the amount to be paid on a claim.

If We avoid the Policy We shall usually return the premium unless Your conduct has been deliberate or reckless.

### Fraud

If You or anyone acting on Your behalf:

1. makes a false, fraudulent or exaggerated claim;
2. supports a claim with false or fraudulent documents, devices or statements, even if the claim itself is genuine; and/or
3. makes a claim for loss which was deliberately Caused By You or anyone acting on Your behalf

We shall, at Our absolute discretion:

1. refuse to pay the whole of the claim;
2. recover from You any sums which We have already paid in connection with the claim; and/or
3. terminate the Policy with effect from the date when the fraud was committed.

We shall not refund any premium if We know or have reasonable grounds to suspect that fraud has been committed.

### Language

The contractual terms conditions exclusions and other information relating to this Policy will be in the English language.

### Non-assignment

You may not assign or transfer any rights under the Policy without Our prior written consent.

### Reasonable Precautions

Your claim will not be paid unless, throughout the Period of Insurance and at the date of loss or Damage, You have:

1. taken all reasonable precautions to prevent loss;
2. maintained all Property insured by the Policy in a good state of repair;
3. taken reasonable care in selecting, training and supervising Employees and sub-contractors;
4. complied with all applicable statutory requirements, manufacturers' recommendations and other regulations relating to the use, inspection and safety of Property and persons; and
5. taken immediate steps to make good or remedy any defect or danger which becomes apparent and implemented additional precautions as the circumstances may require.

### Sanctions

It is a condition of this Policy that the provision of any cover, the payment of any claim and the provision of any benefit shall be suspended, to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us to any sanction, prohibition or restriction under any:

1. United Nations' resolution(s); or
2. the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Such suspension shall continue until such time as We would no longer be exposed to any such sanction, prohibition or restriction.

### Sanctions and Financial Crime Documentation

For the purposes of this General Condition only, Sanctions and Financial Crime Laws and Regulations means any trade or economic sanctions, or financial crime laws, regulations, requirements, prohibitions or restrictions under United Nations' resolution(s) or the laws or regulations of the European Union, United Kingdom or United States of America.

Notwithstanding any other terms in this Policy to the contrary, including any sanctions conditions:

1. You must, upon any reasonable request in writing, provide to Us or Your insurance agent, all documentation reasonably required by Us or Your insurance agent:
  - a. to satisfy Us; or
  - b. to satisfy Your insurance agent; or
  - c. to demonstrate to any regulator or other authority, that Your Business does not expose Us, Your insurance agent or You to any sanction, prohibition or restriction under Sanctions and Financial Crime Laws and Regulations;
2. If You fail to comply in any respect with the requirements of this General Condition, the following remedies will apply, in addition to any remedies under any other provisions of this Policy, including any sanctions conditions:
  - a. We will be freed from all obligations under this Policy; and
  - b. We will have no liability to You or any other party in connection with this Policy; and
  - c. You will not be entitled to any return of premium and/or the premium will remain payable by You;
3. You must exercise best efforts to comply with the requirements of this General Condition. You will not be deemed to have breached this General Condition if You have been unable to comply with it for reasons outside Your control.

### Subjectivity

If We have notified You or Your insurance agent/broker that the Policy is issued or renewed subject to any of the following requirements:

1. You;
  - a. providing Us with any additional information requested;
  - b. completing any actions agreed between You and Us;
  - c. allowing Us to complete any actions agreed between You and Us;
2. You allowing Us access to the Premises Your contract sites, any third party location where Your Property may be stored and/or the Business to carry out survey(s) within 60 days of the inception or renewal date, unless We agree otherwise in writing;
3. You complying with the Risk Requirements within the timescales specified;

and You do not complete these requirements by the required date(s) then We may at Our absolute discretion:

1. modify the premium;
2. issue a mid-term amendment to the Policy or Section terms Conditions and Exclusions;
3. exercise Our right to cancel the Policy; or
4. leave the Policy or Section terms Conditions and Exclusions and the premium unaltered.

We will contact You with Our decision and where applicable, specify the date(s) by which any action(s) agreed need to be completed by You and/or any decision by Us will take effect. If the premium, terms or conditions are amended by Us then You will have fourteen (14) days to accept or reject the revised basis of insurance.

If You elect to reject the revised basis of premium terms and conditions then You shall be entitled to a proportionate refund of premium for the unexpired period of cover provided that no claim has been made or notified during the current Period of Insurance.

If We exercise Our right to cancel the Policy then You shall be entitled to a proportionate refund of premium for the unexpired period of cover provided that no claim has been made or notified during the current Period of Insurance.

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

Except in so far as they are expressly varied by this Condition all of the terms, conditions exclusions and limits of the Policy and of the Sections of the Policy shall continue to apply until We advise You otherwise.

### Value Added Tax (VAT)

All payments under the Policy will be exclusive of VAT unless You are unable to reclaim VAT from HM Revenue and Customs.

## Property

This Section is only operative if specified in the Schedule

### Property: Definitions

The following definitions apply to the Property Section only. They should be read in conjunction with the General Definitions at the start of the Policy.

#### Contents

Property excluding Buildings, Tenant Improvements and Stock, and including the following items:

1. machinery, plant, fixtures and fittings.
2. patterns, models, moulds, plans and designs.
3. Office Computers and Software up to £5,000 unless specified separately on the Schedule.
4. the cost of materials and clerical labour and computer time expended in reproducing computer system records for an amount not exceeding £25,000,
  - a. excluding expenses Connected With production of information to be recorded, and
  - b. not for the value of the information contained.
5. Money up to an amount not exceeding £2,000 in total.
6. the contents of fuel tanks for an amount not exceeding £2,000 in total.
7. tobacco, wines and spirits held for business entertainment purposes for an amount not exceeding £1,000 in total.
8. rare books or works of art for an amount not exceeding £1,000 any one article or £2,000 in total.
9. personal effects (other than motor vehicles) belonging to the partners, directors, and Employees up to an amount not exceeding £5,000 for any one person.

All being part of the Sum Insured for Contents.

#### Declared Value

Your declaration of the Reinstatement cost of a Building, Contents and/or Office Computers and Software at the commencement of the Period of Insurance, calculated in accordance with the Reinstatement Basis of this Section including its extensions and assuming that the Building, Contents and/or Office Computers and Software are destroyed.

#### Office Computers and Software

1. All computer equipment (including peripheral devices, interconnecting wiring, fixed disks, telecommunications equipment, computerised telephone systems, electronic access equipment and electronic point of sale systems) used for the storage and communication of electronically processed data including:
  - a. portable computer equipment at the Premises;
  - b. facsimile or photocopying machines;but shall not include within its meaning:
  - a. computer equipment controlling manufacturing processes;
  - b. computer equipment manufactured for sale or held as stock for sale;unless specified in the Schedule.



## Property

2. data carrying materials;
3. all current and backup computer software and programs held on hard disks or data carrying materials unless specifically described otherwise in the Schedule;
4. computer lock down plates security enclosures security cables and other similar devices;

all belonging to You or held by You in trust for which You are responsible but excluding any property which is more specifically insured.

### Perishable Goods

Goods normally placed in a refrigeration unit for preservation.

### Property Insured

Any of the following items:

1. Buildings;
2. Tenant Improvements;
3. Contents;
4. Office Computers and Software; and
5. Stock

which are specified in the Schedule and which belong to You or for which You are responsible.

### Reinstatement

The rebuilding, replacement, repair or restoration of Damaged items of Property Insured, including:

1. the removal of debris from the Premises or an immediately adjacent area;
2. the dismantling, demolition, propping, shoring up or boarding up of Damaged Property Insured; and
3. the replacement of Damaged Property Insured in the manner and to the standard which is necessary to comply with legislation, building regulations and/or by-laws;
4. architects' surveyors' legal and other professional fees necessarily incurred in the reinstatement of Damaged Property Insured but not for preparing any claim it being understood that the amount payable for such fees shall not exceed those authorised under the scale of charges of the respective professional bodies at the time of such Damage and that the liability for such Damage and fees shall not exceed in the aggregate the Sum Insured by each such item.

### Stock

Property comprising the following items:

1. materials in trade;
2. work in progress;
3. finished goods;
4. Office Computers and Software manufactured or held for sale up to the amount specified in the Schedule;
5. goods in trust.

### Tenant Improvements

Tenant improvements for which You are responsible.

## Property: Insuring Clause

We shall pay for Damage to Property Insured at the Premises occurring during the Period of Insurance.

Our liability will not exceed the lesser of:

1. the Sum Insured; or
2. any applicable sub-limit specified in the Policy, which will form part of the Sum Insured, unless stated otherwise.

The Sum Insured will not be reduced by the amount of any claim, provided that You accept any variation in the terms of the Policy and pay the additional premium that We may reasonably require.

## Property: Exclusions

Unless otherwise specified in the Schedule, We shall not make any payment under this Section for loss Connected With or comprising any of the following:

1. Consequential loss of any kind.
2. Damage which is Connected With or comprises:
  - a. an existing or hidden defect in Property;
  - b. gradual deterioration, wear and tear, rust, corrosion or erosion;
  - c. frost or change in the water table level;
  - d. faulty design or faulty materials used in the construction of Property;
  - e. faulty workmanship, error or omission by You or an Employee in the operation of Your machinery;
  - f. the bursting of a boiler or other equipment not being used for domestic purposes where the internal pressure is due to steam only and belongs to You or is under Your control;
  - g. insect, animal or vermin;
  - h. Property undergoing a process of production, packing, treatment, testing, commissioning, servicing, or repair;
  - i. shrinkage, evaporation or loss of weight;
  - j. dampness or dryness;
  - k. scratching;
  - l. mould or fungus;
  - m. change in temperature, colour, flavour, texture, or finish;
  - n. nipple or joint leakage or failure of welds;
  - o. cracking, fracturing, collapse or overheating of a boiler, vessel, machine or apparatus in which internal pressure is due to steam only and associated piping; and/or
  - p. mechanical or electrical breakdown or derangement of Propertyother than subsequent Damage Caused By a cause not otherwise excluded.
3. Damage which is Connected With or comprises:
  - a. acts of fraud or dishonesty by You or anyone acting on Your behalf or any Employee;
  - b. disappearance;
  - c. unexplained shortage or inventory shortage;

- d. misfiling, misplacing of information or clerical error;
- e. You voluntarily parting with the title or possession of any Property or rights to Property if induced to do so by any fraudulent scheme, trick, device, deception or false pretence;
- f. erasure or distortion of information on computer systems or other records; and/or
- g. theft or attempted theft:
  - i. other than Damage Caused By;
    - 1. forceful and violent entry or exit; or
    - 2. violence or threat of violence to You or any director, partner or Employee, or their families;
  - ii. of moveable Property in the open;
  - iii. from open sided buildings or buildings that cannot be secured or buildings that do not incorporate permanent foundations below ground level;
  - iv. from a Building, or the part of a Building, that is Unoccupied.
- 4. Damage to a structure which is Connected With or comprises;
  - a. its own collapse or cracking;
  - b. normal settlement of new structures.
- 5. Pollution except:
  - a. Damage comprising Pollution which is solely Caused By any of the following perils: fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, Flood, bursting, overflowing, discharging or leaking of water tanks, water apparatus or water pipes, sprinkler leakage or impact by a road vehicle or animal; or
  - b. Damage Caused By any of the above perils which itself is Caused By Pollution unless otherwise excluded.
- 6. Damage to that portion of the Property Insured:
  - a. undergoing a process involving the application of heat; and/or
  - b. Caused By its own self ignition, leakage of electricity, short circuiting, or over-running.
- 7. Damage to:
  - a. glass not being fixed glass forming part of the structure of the Building;
  - b. china, earthenware, marble or other fragile objects (not including Stock); and/or
  - c. glass while a Building is Unoccupied, unless Caused By fire, aircraft, explosion or earthquake.
- 8. Damage to:
  - a. livestock; or
  - b. growing crops or trees.
- 9. Damage to:
  - a. vehicles licensed for road use including accessories on or attached to them;
  - b. caravans or trailers;
  - c. railway locomotives or rolling stock;
  - d. watercraft or aircraft;

- e. Property in the course of construction including materials for use in the construction; and/or
  - f. piers, jetties, bridges, culverts or excavations;
- except where specifically stated as insured in the Schedule and the Damage is not otherwise excluded.
10. subsidence, landslip or heave:
- a. that commenced prior to the Period of Insurance;
  - b. Connected With settlement or movement of made up ground, coastal or river erosion;
  - c. Connected With construction, demolition, alteration or structural repair of any Buildings at the Premises;
  - d. of walls (not otherwise forming part of the structure of a building), gates, fences, pools, yards, car parks, roads, bridges, pavements, walkways, terraces, drives forecourts and similar surfaces, unless the structure of a building insured by this Section is Damaged by the same cause at the same time.
11. cessation of work, including due to Government Action, strikes, locked out workers, labour disturbances or malicious persons Connected With such events.
12. Damage to jewellery, precious stones, precious metals, bullion, furs, unless specifically mentioned in the Schedule as being insured.
13. theft or attempted theft, of Money or securities beyond the cover provided for Money under Contents.
14. Incidence of:
- a. inundation from the sea;
  - b. escape of water from the normal confines or any natural or artificial water course lake reservoir canal or dam;
- Connected With storm or tempest, except where Caused By Flood.
15. Incidence of
- a. felling, lopping or pruning of trees;
  - b. Damage to fences, gates and moveable Property in the open or open sided Buildings;
- Connected With storm or falling trees.
16. Damage Connected With
- a. escape of water;
  - b. malicious persons unless Caused By fire or explosion;
- from or at a Building that is Unoccupied or the part of a Building that is Unoccupied.
17. gradual emission or seepage from any fixed oil heating installation.
18. Damage to moveable property in the open Connected With wind, rain, hail, sleet, snow, Flood or dust.
19. electrical or magnetic disturbance or erasure of electronic readings.
20. solidification of molten material.
21. Property which is more specifically insured.

22. burning of waste, refuse or debris at the Premises by You or anyone acting on Your behalf or any Employee.
23. Damage Caused By anyone using any part of the Premises for the manufacture, cultivation, harvest or processing of drugs controlled under the Misuse of Drugs Act 1971 or Misuse of Drugs Regulations 2001.

## Property: Extensions

Subject to the terms of this Section, We shall also pay for loss occurring within the Territorial Limits during the Period of Insurance in the circumstances set out below.

In these Extensions, Insured Damage means Damage to Property by a cause which is not excluded by this Section.

### Asbestos

Notwithstanding the General Exclusion for Asbestos, if We pay for Insured Damage to Property Insured contaminated by it, We shall pay costs Caused By the Insured Damage and for which You are responsible for Asbestos debris removal. Our liability under this Extension shall be included within the Sum Insured.

### Capital Additions

We shall pay for Insured Damage to any:

1. alterations and additions which You have made to Buildings, Tenant Improvements and Contents at the Premises during the Period of Insurance within the six months preceding the occurrence of Damage; and
  2. Buildings which You have acquired or begun to occupy within 30 days of the occurrence of Damage
- provided that You pay any additional premium that We may reasonably require from the commencement of cover.

We shall not pay for appreciation in value.

Our total liability under this Extension will not exceed the lesser of 10% of the Sum Insured for Buildings, Tenant Improvements and Contents (as applicable) or £500,000 in any one Period of Insurance.

### Contract Sale Price

If an item of Stock which has been manufactured and sold to a customer, but not yet delivered, suffers Insured Damage at the Premises, and such Damage causes the customer to cancel the purchase, We shall pay the contract price of the Damaged Stock.

Our liability under this Extension will not exceed the Sum Insured for the relevant item of Stock.

### Documents and Books

If Your documents, deeds, manuscripts or business books sustain Insured Damage, We shall pay for the cost of the materials and clerical labour expended in reproducing such records.

Our total liability under this Extension will not exceed £25,000 in any one Period of Insurance, being part of the Sum Insured for Contents.

### Drain Clearance

If drains, sewers or gutters serving Buildings insured by this Section sustain Insured Damage, We shall pay for reasonable clearance costs which You incur with Our prior written consent.

Our total liability under this Extension will not exceed £25,000 in any one Period of Insurance, being part of the Sum Insured for Buildings.

### Emergency Services

We shall pay for Insured Damage to Property Insured Caused By the police, fire or ambulance service while attending to an emergency at the Premises.

Our total liability under this Extension will not exceed £25,000 in any one Period of Insurance, being additional to the Sums Insured.

### Fire Extinguishing Expenses

We shall pay for reasonable costs and expenses which You incur in refilling recharging or replacing any

1. portable fire extinguishing appliances;
2. local fire suppression system;
3. fixed fire suppression system;
4. sprinkler installation; or
5. sprinkler heads;

as a result of Damage insured by this Section.

We will not pay any costs and expenses recoverable from the maintenance company or fire service

You must maintain all such equipment in accordance with the manufacturer's instructions. If, in relation to any claim for fire extinguishing expenses, You fail to comply with this condition, We shall not pay any claim that is Connected With Your non-compliance.

Our total liability under this Extension shall not exceed £25,000 in any one Period of Insurance.

### Frozen Foods

If a Total Sum Insured for Frozen Foods is specified in the Schedule then notwithstanding Property: Exclusions 2, We shall pay for deterioration or putrefaction of Perishable Goods whilst stored in proprietary refrigeration units at the Premises, Caused By:

1. sudden stoppage of the refrigeration unit or process by reason of inherent fault or accidental means;
2. escape of refrigerant or refrigeration fumes;
3. accidental failure of the public electricity supply.

We shall not pay for:

1. loss Caused By wear, tear or deterioration of the refrigeration unit or other gradually operating cause;
2. loss Connected With any refrigeration unit:
  - a. older than 5 years at the start of the Period of Insurance unless the unit is subject to a maintenance or service agreement, either with the unit's manufacturers or suppliers, or an approved firm of refrigeration engineers;
  - b. powered by a motor in excess of 2 horsepower;
3. loss Caused By incorrect setting of thermostats or automatic controlling devices;
4. consequential loss;

## Property

5. loss Connected With the deliberate act of the public electricity supply authority, or the exercise of its power to withhold or restrict supply;
6. loss Connected With strikes or industrial disputes;
7. Damage insured by any other Section or policy.

Our liability under this Extension in respect of any one loss shall not exceed the Sum Insured per unit up to the Total Sum Insured, as specified in the Schedule.

### Illegal Cultivation of Drugs

Notwithstanding Property: Exclusion 23, We shall pay for Insured Damage to Property which is Caused By Your Tenant using any part of the Premises for the manufacture, cultivation, harvest or processing of drugs controlled under the Misuse of Drugs Act 1971 or Misuse of Drugs Regulations 2001.

Your Claim under this Extension will not be paid unless:

1. You obtain and retain written and verified references for all new Tenants, prospective Tenants or existing Tenants of less than a year, from a former landlord or sponsor;
2. You produce such written references if requested by Us in the event of a claim under this Extension;
3. You obtain and record details of any new Tenant's bank account and verify those details by receiving at least one payment from such account;
4. You carry out internal and external inspections of the Premises at least:
  - a. once every 3 months in respect of any residential tenancies; and
  - b. once every 12 months in respect of commercial tenancies;or as permitted under the tenancy agreement where more frequent inspections are specified;
5. You maintain and retain, for a period not less than 24 months, a written log of all inspections and You make that log available to Us on Our request;
6. You carry out a management check of the inspections log at least once every 6 months;
7. You obtain formal photo identification of any new residential Tenant.

Our liability under this Extension shall be included within the Sum Insured.

### Loss Minimisation

Following Damage at the Premises, We will pay for reasonable costs and expenses, which You incur with Our prior written consent, to provide necessary additional physical protection to prevent further Damage.

We will not pay:

1. more than the reduction in Damage avoided by the expenditure;
2. for costs otherwise incurred under General Condition - Reasonable Precautions;
3. more than £25,000 in total under this Extension in one Period of Insurance.

### Loss of Metered Utilities

We shall pay charges for which You are responsible if Insured Damage causes electricity, gas, water or oil to be accidentally discharged from a metered system which services the Premises.

Our total liability under this Extension shall not exceed £25,000 in any one Period of Insurance.



### Moulds Tools and Dies

We will pay for Insured Damage to moulds, tools and dies belonging to You or for which You are responsible whilst at any premises not in Your occupation, or in transit by road, rail or inland waterway.

Our total liability under this Extension shall not exceed £50,000 in any one Period of Insurance.

### Munitions

General Exclusions - War and Government Action, paragraph 1. (War) will not apply to Damage to Property Insured Caused By the detonation of munitions of war or parts thereof, at or within one mile of the Premises, provided that the presence of such munitions does not result from a state of War current at the time of the Damage.

### Other Locations

We will pay for Insured Damage to Contents and Stock:

1. whilst in the main building of the private residence of Your director or Employee, within the Territorial Limits; and
2. whilst in transit to and from the main building of such private residence and the Premises.

Our liability under this Extension shall not exceed £2,500 for each claim and £10,000 for all claims in one Period of Insurance.

### Rent Payable

If cover for Rent is specified in the Schedule and Insured Damage causes a Building or a part of a Building to become unfit for occupation, We will pay any Rent which You are legally obliged to pay while Your Building or part of Your Building is unfit for occupation as a result of Damage insured under this Policy during the period necessary to make the Building fit for occupation but not beyond the end of the Period of Insurance. The amount payable shall not exceed such proportion of the Sum Insured for Rent as the period necessary for reinstatement bears to the term of Rent insured stated in the Schedule.

### Replacement Locks

We shall pay for the reconfiguration or replacement of access cards, codes, fobs, keys or locks to external doors, windows, safes or strong rooms which are accidentally lost or stolen:

1. from the Premises;
2. from the home of a director or partner or authorised Employee; or
3. whilst in the custody of a director or partner or an authorised Employee.

Your claim will not be paid unless all access cards, codes, fobs, keys belonging to a safe or strong room are:

1. always kept in a secure place away from the safe or strong room; and
2. removed from the Premises while unattended.

Our total liability under this Extension will not exceed £5,000 in any one Period of Insurance.

### Seasonal Stock Increase

The Sum Insured for each item of Stock in the Schedule is increased by 25% or £500,000, whichever is the lower, during the months of November, December and January or for any other period selected by You and stated in The Schedule.

### Temporary Removal

We shall pay for Insured Damage to items of Buildings, Tenant Improvements or Contents which are temporarily removed from the Premises or in transit to or from the Premises for cleaning, renovation or repair.

We shall not pay for Damage to:

1. items which are insured under another insurance policy;
2. items which are removed from the Premises for more than 90 consecutive days; or
3. any motor vehicle or motor chassis licensed for normal road use.

We shall not pay for loss Connected With loss of information or Loss of Data.

Our liability under this Extension in any one Period of Insurance will not exceed £25,000 being part of the Sum Insured for the relevant item.

### Theft Damage to Buildings

We shall pay for the Damage Caused By theft or attempted theft to the Buildings (whether or not the Buildings are insured under this Policy) and Tenant Improvements if You are responsible for the repairs and the Damage is not insured under another insurance policy.

### Trace and Access

We shall pay reasonable costs and expenses which You incur with Our prior written consent as a result of Insured Damage:

1. to locate the source of an escape of water, fuel or oil from a fixed domestic water service or heating installation; and
2. to make good resulting Damage

We shall not pay:

1. for the cost of repair to the service or heating installation; or
2. where Damage results solely from a change in the water table level.

Our liability under this Extension will not exceed £25,000 in any one Period of Insurance, being part of the Sum Insured for Buildings.

### Trade Samples

We shall pay for Insured Damage to trade samples in Your control in the Territorial Limits or the European Economic Area, including while in transit thereto or therefrom.

We shall not pay for Damage

1. Caused By theft or attempted theft from Unattended Vehicles unless:
  - a. all security alarms, locks and other security devices or protections for the vehicle are put into operation; and
  - b. between 9pm and 6am, the Unattended Vehicle is:
    - i. garaged in a securely locked building of substantial nature; or
    - ii. a compound which has secure walls and/or fences and securely locked gates.

2. to property more specifically insured on this or another policy.

Our liability under this Extension shall not exceed £500 for each claim and £10,000 for all claims in one Period of Insurance.

#### **Undamaged Property**

We shall pay for the replacement of undamaged items of Property Insured which must be replaced for Reinstatement works to comply with legislation, building regulations and/or by-laws.

We shall not pay for foundations.

Our liability under this Extension will not exceed 15% of the cost of reinstating the undamaged item, assuming that it had been wholly destroyed, being part of the Sum Insured for Buildings.

#### **Underground Services**

We shall pay for Insured Damage to underground pipes, drains, sewers and cables for which You are responsible up to the point of connection to a public main.

Our total liability under this Extension will not exceed £25,000 in any one Period of Insurance, being part of the Sum Insured for Buildings.

## Property: Basis of Settlement

We shall calculate the amount payable under this Section according to the provisions below.

### Standard Basis

The Standard Basis applies to any Damaged item:

1. of Stock insured by this Policy;
2. of Property Insured identified on the Schedule or by endorsement to be subject to the Standard Basis.

We shall pay for the Reinstatement of a Damaged item of Property Insured to a condition substantially the same as, but not better or more extensive than, its condition at the time when the Damage occurred. If the market value of an item of Damaged Property at the time when the Damage occurred is less than the cost of Reinstatement, Our liability will not exceed the loss of market value Caused By the Damage.

### Reinstatement Basis

The Reinstatement Basis applies to any Damaged item of Buildings, Tenant Improvements, Contents and Office Computers and Software insured by this Policy, provided that You:

1. Reinstall the item to a condition which is at least equivalent to its condition when new, which may be in another manner and/or at another location;
2. commence and complete all Reinstatement works without unreasonable delay; and
3. provide Us with all information that We may reasonably require at any time during the Reinstatement works.

If the Reinstatement Basis applies, We shall pay for the Reinstatement of a Damaged item of Buildings, Tenant Improvements, Contents or Office Computers and Software insured by this Policy to a condition substantially the same as, but not better or more extensive than, the condition of the Damaged item when new.

### Day One Reinstatement Basis

The Day One Reinstatement Basis applies to any Damaged item of Buildings, Tenant Improvements, Contents or Office Computers and Software provided that a Declared Value is specified in the Schedule in relation to that item.

If the Day One Reinstatement basis applies, We shall pay for the Reinstatement of a Damaged item of Buildings, Tenant Improvements, Contents or Office Computers and Software including any increase in cost due to inflationary factors, up to the Sum Insured stated in the Schedule.

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 plus an allowance for Index Linking for the following Period of Insurance.

We will not pay under this Basis of Settlement Condition:

1. until You have incurred the cost of replacing or repairing the Property Insured;
2. if You or someone acting on Your behalf has insured the Property Insured under another policy which does not have the same basis of reinstatement; and
3. if You do not comply with any of the provisions of this Basis of Settlement Condition.

### Average

You must ensure that the Declared Value, or Sum Insured where no Declared Value applies, for each item of Property Insured is sufficient for Reinstatement, assuming that the item is destroyed and the Reinstatement cost for an item is calculated in accordance with the Reinstatement Basis of this Section including its extensions. The exception shall be Stock and any Property Insured identified on the Schedule or by endorsement to be subject to the Standard Basis, which will be calculated on the Standard Basis.

The amount that We shall pay will be reduced if:

1. the Declared Value for Property Insured on a Day One Reinstatement Basis is insufficient on the date when cover commences; or
2. the Sum Insured for any other item is insufficient by more than 15% on the date when the Damage occurs.

The reduction will be calculated by reference to the proportion which the premium charged for the relevant item bears to the premium that We would have charged for that item had We been provided with the correct Declared Value or Sum Insured. For example, if the premium charged was £5,000 for the relevant item and the premium that We would have charged for that item was £10,000, the amount of Our payment will be reduced by 50%, less any applicable Excess.

### Average Waiver

Average will not be applied to a claim for Damage to a Building provided that the following conditions are satisfied:

1. Your Sum Insured or Declared Value (as applicable) has been calculated in reliance upon a written professional valuation report;
2. You obtained the valuation report no more than 3 years before the Damage by instructing a suitably qualified and experienced professional member of the Royal Institute of Chartered Surveyors to undertake an appropriate valuation of the Building and apply the relevant recommendations in the current edition of the RICS guidance note Reinstatement Cost Assessment of Buildings;
3. No changes have subsequently been made to the Building which might affect the Reinstatement cost;
4. You have applied appropriate indexation from the date of the valuation;
5. At Our Request You provide Us with a copy of the valuation and any other information that We may reasonably require; and
6. You assign to Us any cause of action that You may have against the responsible surveyor.

### Seventy Two Hour Period

Damage Caused By storm, Flood or earthquake occurring within each and every separate period of 72 hours during the Period of Insurance will be deemed to be one loss in determining the application of the Excess.

## Property: Conditions

The following Conditions apply to this Section.

### Contractors

Contractors shall be permitted to work in the Buildings for the purposes of making repairs, minor additions and alterations or decorations.

### Index Linking

We shall apply appropriate indexation to the Declared Value (if applicable) and the Sum Insured throughout the Period of Insurance and adjust the renewal premium to reflect the revised amounts.

**Mortgagees Freeholders and Lessors**

Mortgagees, freeholders and lessors will not be prejudiced by an increase in the risk of Damage Caused By an act of negligence of a mortgagor, leaseholder, lessee or occupier of Buildings insured by this Section, provided that such increase in risk is without their prior knowledge or authority and We are notified immediately they become aware of such increase in risk.

**Non-Invalidation**

Where the risk of Damage is increased due to a circumstance(s) unknown to You and which You would not reasonably be expected to have known or beyond Your control, We shall not decline a claim Connected With such increased risk provided that:

1. on becoming aware of the increase You immediately give notice to Us; and
2. You pay such additional premium as We shall reasonably require.

**Other Interests**

The interest of parties supplying Property to You under a hiring, leasing or similar agreement is noted in this insurance, provided that:

1. their interest is not covered by another insurance policy; and
2. in the event of Damage, You immediately disclose to Us the nature and extent of any such interest.

**Reinstatement**

When We decide or are required to reinstate or replace any Property Insured You will at Your expense provide plans, documents, books and/or information which We require.

**Subrogation waiver**

We shall not enforce rights of subrogation against:

1. a company which is Your parent, subsidiary or a subsidiary of Your parent according to the relevant company law legislation current at the time of the Damage; or
2. any other party We agree in writing.

**Transfer of Interest**

The purchaser of a Building insured by this Policy will be entitled to the benefit of this Policy if:

1. at the time when Damage occurs, You have contracted to sell Your interest in the Building;
2. the Building is not otherwise insured against such Damage; and
3. the purchaser observes all the terms of this Policy as though they were You.

## Business Interruption

This Section is only operative if specified in the Schedule.

### Business Interruption: Definitions

The following definitions apply to the Business Interruption Section only. They should be read in conjunction with the General Definitions at the start of the Policy.

#### Actual Amount

The amount certified by Your external auditors or accountants as representing the Insurance Gross Profit, Gross Revenue or Rent Receivable (as applicable) paid or payable to You in the course of the Business during the most recently completed financial year prior to the commencement of the current Period of Insurance.

#### Annual Amount

The amount of Insurance Gross Profit, Gross Revenue or Rent Receivable (as applicable) which You earned during the twelve months immediately prior to the commencement of the Indemnity Period.

#### Contagious Disease

Any of the following human contagious diseases:

acute encephalitis, acute infectious hepatitis, acute meningitis, acute poliomyelitis, anthrax, botulism, brucellosis, cholera, diphtheria, enteric fever (typhoid or paratyphoid fever), food poisoning, haemolytic uraemic syndrome (HUS), infectious bloody diarrhoea, invasive group A streptococcal disease, Legionnaires' disease, Legionellosis, leprosy, malaria, measles, meningococcal septicaemia, mumps, plague, rabies, rubella, Severe Acute Respiratory Syndrome (SARS), scarlet fever, smallpox, tetanus, tuberculosis, typhus, viral haemorrhagic fever (VHF), whooping cough, yellow fever.

Coverage under this Section will not be provided for loss which is Connected With any other disease or condition, whatever its relationship with the diseases stated above.

The exclusion for Epidemic and Pandemic Disease applies to the Business Interruption Section. No payment will be made for loss which is Connected With a disease listed above to the extent that it represents Epidemic Disease or Pandemic Disease.

#### Estimated Amount

The amount declared by You at the commencement of the Period of Insurance representing the Insurance Gross Profit, Gross Revenue, or Rent Receivable (as applicable) which You anticipate will become paid or payable to You in the course of the Business during the Period of Insurance.

If the Maximum Indemnity Period exceeds twelve months, You must declare a proportionately increased amount.

#### Extension Event

Any Extension Event in the Sections Business Interruption: Extension Events (Damage) or Business Interruption: Extension Events (Non-Damage) and which is specified in the Schedule.

#### Gross Revenue

The amount paid or payable to You for goods sold and delivered and services rendered in the course of the Business at the Premises.

**Incident**

Either of the following occurrences taking place during the Period of Insurance:

1. Damage by a cause not excluded by the Property Section to Property used by You at the Premises for the purpose of the Business; or
2. an Extension Event which is specified in the Schedule.

**Indemnity Period**

The period beginning with the commencement of interruption to the Business Caused By an Incident and ending with whichever of the following events first occurs:

1. the results of the Business ceasing to be affected by the Incident;
2. the expiry of a reasonable time to effect reinstatement of Damaged Property and recover the position that You would have been in had the Incident not occurred; or
3. the expiry of the Maximum Indemnity Period.

**Insurance Gross Profit**

The Insurance Gross Profit stated in the Schedule or, if no sum is stated, the amount of Gross Revenue less:

1. material purchases (less discounts received and adjusted for the movement in stock);
2. carriage, packing and freight;
3. discounts allowed; and
4. bad debts.

The amount of opening and closing stocks (including work in progress) will be calculated in accordance with Your usual accounting methods.

**Maximum Indemnity Period**

The period specified in the Schedule, unless a shorter period is specified elsewhere in the Policy.

Unless stated otherwise, the Maximum Indemnity Period for a Non-Damage Extension Event will be 3 months.

**Outstanding Debit Balances**

The amount owed to You by Your customers which You are unable to collect because of Damage to Your accounts, business books or records stored within the Territorial Limits.

**Rate of Insurance Gross Profit**

The rate of Insurance Gross Profit which You earned during the most recently completed financial year prior to the commencement of the current Period of Insurance.

**Rent Receivable**

The amount paid or payable to You as rent and related service charges in the course of the Business at the Premises.

**Standard Gross Revenue**

The amount of Gross Revenue or Rent Receivable (as applicable) which You earned in the period during the twelve months immediately prior to the Damage which corresponds with the Indemnity Period.



## Business Interruption: Insuring Clause

We shall pay for loss Caused By interruption to the Business which arises solely and directly from an Incident.

Our liability will not exceed the lesser of:

1.
  - a. 133 1/3% of the Sum Insured for Insurance Gross Profit, Gross Revenue or Rent Receivable when the Cover is shown on the Schedule as being Estimated; or
  - b. 100% of the Sum Insured shown for each other Cover shown in the Schedule;
2. any applicable sub-limit specified in the Policy, which will form part of the Sum Insured, unless stated otherwise.

The Sum Insured will not be reduced by the amount of a claim, provided that You accept any variation in Policy terms and pay the additional premium that We may reasonably require.

## Business Interruption: Extension Events (Damage)

The occurrence of Damage to the Property listed below by a cause not excluded by the Property Section will constitute an Extension Event if specified in the Schedule.

### Customers and Suppliers

Damage to Property at a site within the Territorial Limits:

1. to which goods are physically supplied from the Premises; or
2. from which goods are physically supplied to the Business for use at the Premises;

excluding the premises of any supply undertaking from which You obtain gas, water, electricity or telecommunications services.

Our liability per claim under this Extension Event will not exceed the amount specified for this Extension in the Schedule or, if no amount is stated, the lesser of £100,000 or 10% of the Sum Insured.

### Property Away from the Premises

Damage to Property within the Territorial Limits which You own or for which You are responsible whilst:

1. at a location where You are carrying out work pursuant to a contract or agreement;
2. at a location where You are exhibiting goods;
3. stored in premises which You do not wholly or partly occupy;
4. being worked by a third party at its own premises; and/or
5. in Transit.

Our liability per claim under this Extension Event will not exceed the amount specified in the Schedule or, if no amount is specified, the lesser of £100,000 or 10% of the Sum Insured.

### Motor Vehicles

Motor vehicles which You own or for which You are responsible.

We shall not pay under this Extension for loss Connected With Damage to Property occurring:

1. at premises which You partially or wholly occupy; or
2. outside the Territorial Limits.

Our liability per claim under this Extension Event will not exceed the amount specified in the Schedule or, if no amount is specified, the lesser of £100,000 or 10% of the Sum Insured.

#### **Property Within One Mile of the Premises**

Damage to Property within one mile of the Premises which:

1. Causes the Premises to be closed; or
2. physically prevents customers from accessing the Premises.

Our liability per claim under this Extension will not exceed the amount specified in the Schedule or, if no amount is specified, the lesser of £100,000 or 10% of the Sum Insured.

#### **Property at Utility Supplier Premises**

Damage to Property at the premises of Your electricity, gas, water or land-based telecommunications supplier within the Territorial Limits from which supply is made to Your Premises.

Our liability per claim under this Extension will not exceed the amount specified in the Schedule or, if no amount is specified, the lesser of £100,000 or 10% of the Sum Insured.

### **Business Interruption: Extension Events (Non-Damage)**

Any of the occurrences listed below will constitute an Extension Event if specified in the Schedule, provided that it does not cause or contribute to loss, damage, injury or interruption (whether or not insured by the Policy) over an area exceeding three square miles.

#### **Disease, Infestation and Defective Sanitation**

A public authority order, Caused By any of the following events:

1. murder or suicide at the Premises;
2. customer illness Caused By food or drink supplied at the Premises;
3. an outbreak of Contagious Disease at the Premises or within one mile of the Premises;
4. the discovery of vermin or pests at the Premises; and/or
5. defects in the sanitary arrangements at the Premises Caused By a sudden and unexpected accident;

which compels Your Business to cease operating at the Premises.

We shall not pay under this Extension for loss:

1. to a Business which continues operating, including remotely or at other locations;
2. at any part of any Premises to which the order does not apply;
3. Connected With an order lasting less than 12 consecutive hours; or
4. comprising the costs of cleaning, repair, replacement, recall or checking of Property.
5. Connected With Legionellosis or Legionnaires disease unless You have complied at all times with the Health and Safety Executive Approved Code of Practice and guidance on regulations of "Legionnaires' disease. The control of legionella bacteria in water systems" or any supplementary replacement or amending Code of Practice.

Our total liability for all losses in any one Period of Insurance under this Extension will not exceed the amount specified in the Schedule or, if no amount is specified, the lesser of £100,000 or 10% of the Sum Insured.

### Essential Employees

Death or permanent disablement by external and accidental means which prevents any of Your principal directors or partners from attending to their usual duties on behalf of the Business.

Our total liability for all losses in any one Period of Insurance under this Extension will not exceed the amount specified in the Schedule or, if no amount is specified, £25,000.

### Failure of Utilities

The accidental failure of supply of electricity, gas, water or telecommunications at the terminal ends of Your supplier's feed to the Premises within the Territorial Limits.

We shall not pay for loss Connected With a failure of supply which:

1. is Caused By the deliberate act of the supplier, including the exercise of a power to withdraw or restrict the supply of services;
2. is Caused By industrial action;
3. is Caused By Damage to Property at Your supplier's premises;
4. lasts less than:
  - a. 4 consecutive hours for electricity, gas or water; or
  - b. 24 consecutive hours for telecommunications;
5. results in the deterioration of Stock or work in progress at the Premises.

Our liability per claim under this Extension will not exceed the amount specified in the Schedule or, if no amount is specified, the lesser of £50,000 or 10% of the Sum Insured.

### Local Emergency

The lawful order of an emergency service, Caused By an emergency within one mile of the Premises endangering life or Property, which prevents access to the Premises.

We shall not pay for loss:

1. Caused By a prevention of access which lasts less than 12 consecutive hours;
2. Caused By a public authority order which compels Your Business to cease operating at the Premises; or
3. comprising the costs of cleaning, repair, replacement, recall or checking of Property.

Our total liability for all losses in any one Period of Insurance under this Extension will not exceed the amount specified in the Schedule or, if no amount is specified, the lesser of £50,000 or 10% of the Sum Insured.

### Lottery Winner

We will pay reasonable expenses necessarily incurred by You to minimise interruption of or interference with the Business during the Affected Period due to the resignation of an employee or employees resulting from a monetary win from participation in the United Kingdom National Lottery, EuroMillions Lottery, Irish National Lottery or National Savings and Investment Premium Bonds prize draws or United Kingdom National Football Pools where the amount won is in excess of £100,000 per individual employee.

For the purpose of this clause "Affected Period" means the period during which the results of the Business are affected, beginning with the occurrence of the monetary win but not exceeding a period of 3 months.

We shall not make any payment under this Extension if the employee:

1. has been employed by You for a period of less than 12 consecutive months;
2. has served notice or has been served notice of termination of their employment with You prior to the monetary win;

3. has been absent from work due to sickness, disability or disciplinary suspension for a period of more than 4 weeks immediately prior to the monetary win;
4. works their full period of notice in accordance with their contract of employment with You.

Our total liability for all losses in any one Period of Insurance under this Extension will not exceed £25,000.

## Business Interruption: Basis of Settlement

We shall calculate the amount payable under this Section according to the provisions below.

### Book Debts

If Book Debts coverage is specified in the Schedule, We shall pay the difference between the Outstanding Debit Balances and the total amounts which, with the exercise of due care and skill, You are able to trace and collect. In calculating the amount payable We shall consider:

1. cash collection prior to the Incident;
2. debit and credit amounts owed and not passed through the books during the period between the last record and the commencement of the Indemnity Period; and
3. Your last record of amounts owed by customers.

We shall not pay for loss Connected With any of the following:

1. erasure or distortion of information on computer systems or other records;
2. deliberate falsification of business records;
3. mislaying or misfiling of tapes and records;
4. the deliberate act of the public supply undertaking in restricting or withholding electricity supply; or
5. dishonest or fraudulent acts by Your Employees.

Our liability per claim will not exceed the Limit specified in the Schedule.

### Gross Revenue

If Gross Revenue or Estimated Gross Revenue is specified in the Schedule as the Basis of Settlement, We shall pay the amount by which the Gross Revenue falls short of the Standard Gross Revenue during the Indemnity Period Caused By the Incident.

We shall also pay the additional expenditure necessarily and reasonably incurred by You solely to avoid or diminish a reduction in Gross Revenue Caused By the Incident during the Indemnity Period.

If You do not provide Us with a cost benefit business model to justify additional expenditure in advance of it being incurred, which is agreed in writing by Us, We may limit the amount payable to the loss thereby avoided.

### Insurance Gross Profit

If Insurance Gross Profit or Estimated Insurance Gross Profit is specified in the Schedule as the Basis of Settlement, We shall pay the sum produced by applying the Rate of Insurance Gross Profit to the amount by which the Gross Revenue falls below the Standard Gross Revenue during the Indemnity Period Caused By the Incident.

We shall also pay the additional expenditure necessarily and reasonably incurred by You solely to avoid or diminish a reduction in Insurance Gross Profit Caused By the Incident during the Indemnity Period.

If You do not provide Us with a cost benefit business model to justify additional expenditure in advance of it being incurred, which is agreed in writing by Us, We may limit the amount payable to the loss thereby avoided.

If You have deducted fixed charges of the Business from the calculation of Insurance Gross Profit, We shall calculate the amount payable for increase in cost of working by reference to the proportion which the Insurance Gross Profit bears to the sum of the Insurance Gross Profit and such fixed charges.

#### **Rent Receivable**

If Rent Receivable or Estimated Rent Receivable coverage is specified in the Schedule as the Basis of Settlement, We shall pay the amount by which the Rent Receivable falls short of the Standard Gross Revenue during the Indemnity Period Caused By the Incident.

We shall also pay the additional expenditure necessarily and reasonably incurred by You solely to avoid or diminish a reduction in Rent Receivable Caused By the Incident during the Indemnity Period.

If You do not provide Us with a cost benefit business model to justify additional expenditure in advance of it being incurred, which is agreed in writing by Us, We may limit the amount payable to the loss thereby avoided.

#### **Increase in Cost of Working Only**

If Increase in Cost of Working Only is specified in the Schedule, We shall pay additional expenditure necessarily and reasonably incurred by You solely to:

1. maintain essential administrative functions; and/or
2. minimise loss Caused By interruption to the Business Caused By the Incident;

during the Indemnity Period.

#### **Additional Increase in Cost of Working**

If Additional Increase in Cost of Working is specified in the Schedule, We shall pay expenditure in excess of Increase in Cost of Working which is necessarily and reasonably incurred by You solely to:

1. maintain essential administrative functions; and/or
2. minimise the interruption to the Business Caused By the Incident;

during the Indemnity Period.

### **Business Interruption: Settlement Conditions**

We shall apply the following Settlement Conditions when calculating the amount payable under this Section.

#### **Accumulated stocks**

When calculating the amount payable for Insurance Gross Profit, We shall take account of the effect of postponement in reduction in Gross Revenue by reason of the Gross Revenue being temporarily maintained from accumulated stocks of raw materials, work in progress or finished goods.

If You deplete accumulated stocks in order to minimise reduction in Gross Revenue during the Indemnity Period, and stock levels remain depleted at the end of the Indemnity Period, We shall pay the cost of restoring the affected stock levels even after the expiry of the Maximum Indemnity Period.

#### **Alternative Trading**

We shall take account of all amounts paid or payable to You in the course of the Business for:

1. goods sold;
2. accommodation provided; or services rendered;

at any location, including over the internet, during the Indemnity Period.

### Auditors and Professional Accountants

We shall pay the reasonable charges of Your external auditors and accountants which are incurred with Our prior written agreement to:

1. produce information that We require to investigate a claim; and/or
2. confirm that the information accords with Your business books.

We shall not pay for the production of information that is routinely available to You.

Our liability for all such charges Connected With a claim will form part of the Sum Insured or applicable lower limit.

### Average

The amount that We shall pay will be proportionately reduced if the Sum Insured for Insurance Gross Profit, Gross Revenue, Rent Receivable or Book Debts (as applicable- see the Schedule) is less than 85% of the Annual Amount or Outstanding Debit Balances (as applicable and proportionately increased where the Maximum Indemnity Period exceeds 12 months).

The reduction will be calculated by reference to the proportion which the premium charged for the relevant item bears to the premium that We would have charged for that item had We been provided with the correct Sum Insured. For example, if the premium charged was £5,000 for the relevant item and the premium that We would have charged for that item was £10,000, the amount of Our payment will be reduced by 50%, less any Excess applicable.

### Departmental Clause

If the Business is conducted in departments with ascertainable independent trading results, this Section will apply separately to each department affected by the Incident.

The most We shall pay for any claim, irrespective of the number of departments, is the Section Limit.

### Excess

We shall apply all terms of this Section before deducting the amount of the Excess specified in the Schedule to each and every claim.

### Multiple Extension Events

If interruption to the Business is Caused By two or more Extension Events operating concurrently or in series, Our liability in relation to the same loss will be limited to the higher of the two sub-limits applicable to a single Extension Event.

### New Business

If an Incident occurs within the first year of trading, We shall calculate the amount payable by proportionately increasing the amount of Gross Revenue, Rent Receivable or Insurance Gross Profit (as applicable) which was paid or payable to the Business before the commencement of the Indemnity Period.

In all cases We shall arrive at an adjusted amount which represents as closely as possible the results that the Business would have achieved during the Indemnity Period had the Incident not occurred.

### Payment on Account

We shall make claims payments on account during the Indemnity Period, provided that You have given Us sufficient information in advance to satisfy Us that such payments are reasonable and will result in a lower cost overall.

### Savings and Deductions

We shall reduce the amount of any payment to take account of:

1. costs of the Business which would have been paid or payable had the Incident not occurred excluding costs that have already been deducted for the calculation of Insurance Gross Profit;
2. amounts saved by the Business in consequence of the Incident during the Indemnity Period (not including depreciation charges) which would otherwise have contributed to the loss; and/or payments which You are entitled to receive from a material damage insurer in consequence of the Incident, including under this Policy, which reduce the loss.

### Subrogation waiver

We shall not enforce rights of subrogation against:

1. a company which is: Your parent, subsidiary or a subsidiary of Your parent according to the relevant company law legislation current at the time of the Damage; or
2. any other party We agree in writing.

### Trends and Circumstances

We shall take account of any trend, variation or circumstance affecting the Business before or after the commencement of the Indemnity Period which would have affected the Business had the Incident not occurred. An adjustment will be applied to Gross Revenue, Rate of Insurance Gross Profit and/or Savings and Deductions as appropriate.

We shall make an adjustment even if the trend, variation or circumstance arises from the same originating cause as the Incident.

The adjusted amount will represent as closely as possible the results which would have been obtained during the Indemnity Period had the Incident not occurred.

### Underestimates

If Your Estimated Gross Revenue, Estimated Rent Receivable or Estimated Insurance Gross Profit is less than 50% of the Actual Gross Revenue, Actual Rent Receivable or Actual Insurance Gross Profit, the Estimate will be treated as a Sum Insured. Your claim will be calculated accordingly with Average being applied.

### Underinsurance

We shall not make a payment under this Section for any loss Connected With Your failure to insure an item of Property for an amount which is adequate to reinstate it, or from the application of average or coinsurance to any claim.

## Glass

This Section is only operative if specified in the Schedule.

### Glass: Definitions

The following definitions apply to the Glass Section only. They should be read in conjunction with the General Definitions at the start of the Policy.

#### Breakage

Accidental fracture extending through the entire thickness of the Internal Glass or External Glass or Special Glass.

#### External Glass

Fixed plain sheet or plain plate glass in windows, doors, fanlights or skylights that form the external fabric of Buildings.

#### Glass

Any of the following items:

1. External Glass;
2. Internal Glass; and
3. Special Glass;

which are specified in the Schedule and which belong to You or for which You are responsible.

#### Internal Glass

Fixed plain sheet or plain plate glass in internal doors, partitions, furniture, display and show cases counters or shelves in Buildings.

#### Special Glass

Fixed baths, washbasins, pedestals, bidets, shower trays, sinks, lavatory pans and cisterns, shower trays and splash backs in Buildings.

### Glass: Insuring Clause

We shall pay for Breakage of Glass at the Premises occurring during the Period of Insurance.

We shall replace the Glass or, at Our option, pay the costs of replacement.

Our total liability will not exceed the limit specified in the Schedule or if no limit is specified, £5,000.

### Glass: Extensions

Subject to the terms of this Section, We shall also pay for any of the following losses which are Caused By Breakage of Glass at the Premises occurring during the Period of Insurance:

1. The reasonable costs which You incur to board up doors or windows, for an amount not exceeding £2500 any one occurrence.
2. The reasonable costs which You incur to repair or replace window frames, security fittings and/or alarm foil, for an amount not exceeding £1,000 any one occurrence.
3. Damage to lettering, embossing, beading, silvering or ornamental work, for an amount not exceeding £2,500 any one occurrence.
4. Damage to goods displayed unless Caused By theft or attempted theft for an amount not exceeding £1,000 any one occurrence.

If specified in the Schedule, We shall also pay for the reasonable costs which You incur to repair Damage to signs, for an amount not exceeding the Sum Insured specified in the Schedule.



## Glass: Exclusions

We shall not make any payment under this Section for loss Connected With or comprising any of the following:

1. Fire, lightning, explosion or storm.
2. Glass in light fittings, signs, stock, goods in trust, vehicles, vending machines, greenhouses or conservatories unless specified in the Schedule.
3. Defects in frames or framework.
4. Faulty or defective workmanship by You or any of Your Employees.
5. Scratching, wear and tear or gradual deterioration.
6. Mechanical or electrical breakdown of neon and illuminated signs and electrical light fittings.
7. Repair or alteration of Property which is not Glass.
8. Unoccupied Buildings or parts of Buildings.
9. Consequential loss.

## Money and Assault

This Section is only operative if specified in the Schedule.

### Money and Assault: Definitions

The following Definitions apply to the Money and Assault Section only. They should be read in conjunction with the General Definitions at the start of the Policy.

#### Assault Event

Actual or threatened physical violence taking place during theft or attempted theft of Money belonging to You which results in Injury.

#### Death or Disablement

Death, Loss of Sight, Loss of Limb, Temporary Partial Disablement, Temporary Total Disablement or Permanent Total Disablement occurring within 24 months of an Assault Event.

#### Business Hours

Your normal working hours and any other period when Your partners, directors or Employees are physically present at the Premises in connection with the Business.

#### Insured Person

You, Your partners and directors and Your Employees.

#### Loss of Limb

Physical separation of one or more limbs at or above the wrist or ankle or permanent and total loss of use of one or more hands arms legs or feet.

#### Loss of Sight

Total and permanent loss of all sight in one or both eyes.

#### Negotiable Money

Current coin, bank and currency notes, uncrossed postal and money orders, uncrossed bankers' drafts, uncrossed cheques and giro cheques, bills of exchange and securities for money, postage revenue, national insurance and holiday with pay stamps, national insurance and holiday with pay cards, war bonds and franking machine impressions, luncheon vouchers and trading stamps.

#### Non-Negotiable Money

Crossed warrants, crossed cheques, crossed giro drafts, crossed postal and money orders, crossed bankers drafts, crossed national giro bank cash cheques, premium bonds, savings bonds, stamped national insurance cards, national savings certificates, VAT purchase invoices and credit card sales vouchers all belonging to You or for which You have responsibility.

#### Temporary Partial Disablement

Disablement which temporarily prevents the Insured Person from pursuing a substantial and essential part of their normal occupation.

**Permanent Total Disablement**

Disablement which after 24 months from the Assault Event prevents a Person Insured from pursuing any occupation

**Temporary Total Disablement**

Disablement which temporarily entirely prevents an Insured Person from pursuing all parts of their normal occupation in the Business.

**Money: Insuring Clause**

We shall pay You for Damage to Money occurring during the Period of Insurance within the Territorial Limits at the Premises, in transit, in a bank night safe or at the private residence of any Insured Person.

We shall not pay more than the Limit stated in the Schedule or specified in any Extension to this Section.

**Money: Exclusions**

We shall not pay for Damage to Money which is Connected With:

1. fraud or dishonesty of any director, partner or Employee, unless discovered and reported to the police and Us in writing within 7 days of the Damage occurring;
2. use of any form of payment which proves to be counterfeit false, invalid, uncollectable or irrecoverable for any reason;
3. errors or omissions;
4. an Unattended Vehicle;
5. forgery, fraudulent alteration or substitution, fraudulent use of a computer or electronic transfer; or
6. any:
  - a. safe outside Business Hours;
  - b. gaming machine, vending machine or automated teller machine or cash dispensing machine;unless specified in the Schedule.

**Money: Extensions**

The following Extensions shall apply subject to all other terms Conditions limits and Exclusions of the Policy.

**Associated Damage**

We shall pay You for Damage to

1. any cases bags containers belts or waistcoats owned by You or for which You are responsible being used for carrying Money Caused By theft or attempted theft of Money up to a limit of £1,000 any one occurrence;
2. clothing and personal effects belonging to You or any Person Insured Caused By theft or attempted theft of Money up to a limit of £500 any one person; and
3. safes and strong rooms Caused By theft or attempted theft of Money up to a limit of £10,000 any one occurrence.

We shall pay You for the cost of changing locks or lock mechanisms on doors, windows, safes and strong rooms at the Premises to maintain security following theft of keys from the Premises or from Your home or the home of any Insured Person, up to a limit of £1,000 any one occurrence.

**Contingent Security Company Cover**

We shall pay You for Damage to Money which occurs while the Money is in the custody of any security company with which You have a contract if You are unable to recover the Money from them.

We shall not provide cover under this Extension unless You:

- 1. provide Us with a copy of Your contract with the security company;
- 2. obtain Our written agreement before any changes are made to the contract; and
- 3. comply with the terms of the contract.

**Money: Conditions**

**Accompaniment Limits**

We will not pay any claim for Damage to Negotiable Money in transit if You have failed to fulfil the following accompaniment requirements.

Whenever Negotiable Money is in transit, it is to be accompanied by at least the following numbers of authorised persons aged between 18 and 65, unless varied in the Schedule

Amount of Negotiable Money in transit at any one time	Accompaniment Requirement
Up to £3,000	1 person
Over £3,000 up to £6,000	2 persons
Over £6,000 up to £12,000	3 persons
Over £12,000	Approved security company

The maximum amount we shall pay under this Section is the limit stated in the Schedule

**Records and Key Security**

We shall not pay any claim unless

- 1. a complete record of all Money held by You is kept in a secure place other than in any safe or other receptacle containing Money;
- 2. keys to safes or strongrooms are
  - a. always kept in a secure place away from the safe or strong room; and
  - b. removed from the Premises when the Premises are left unattended;
- 3. all security devices to protect the Premises are properly fitted and put into full operation outside Business Hours.

## Assault: Insuring Clause

We shall pay the benefits specified below in respect of Death or Disablement to an Insured Person Caused By an Assault Event during the Period of Insurance.

In addition, We shall pay medical expenses up to £500 in total for any one Assault Event.

## Assault: Exclusions

We shall not be liable in respect of any Death or Disablement Connected With pregnancy or any pre-existing physical or mental condition.

## Assault: Basis of Settlement

We shall calculate the amount payable under this Section according to the provisions below.

### Temporary Partial Disablement or Temporary Total Disablement

We shall pay the benefits of:

1. £100 per week in respect of Temporary Total Disablement;
2. £50 per week in respect of Temporary Partial Disablement:  
either:
  - a. once the total amount has been agreed; or
  - b. at Your request, at the end of each consecutive four week period of disablement. Such payments shall commence no sooner than four weeks after We have received written notice of an Assault Event.

We shall not pay any further benefit after:

1. the expiry of two years from the date of the Disablement;
2. any payment for Death, Loss of Sight, Loss of Limb or Permanent Total Disablement in respect of the same Assault Event;

whichever occurs first.

### Death, Loss of Sight, Loss of Limb or Permanent Total Disablement

We shall pay the benefit of £10,000 in respect of Death, Loss of Sight, Loss of Limb or Permanent Total Disablement. Once we have paid, the Insured Person shall cease to be covered under this Section.

## Assault: Conditions

### Medical advice and examinations

We shall not pay a claim unless, following the Assault Event, the Insured Person:

1. immediately consults a qualified medical practitioner and acts upon such medical advice as is given as soon as reasonably practicable; and
2. submits to medical examination at Our expense as often as reasonably required.

### Death

In the event of the death of an Insured Person Caused By an Assault Event, We shall be entitled to request a post-mortem at Our own expense.

## Goods in Transit

This Section is only operative if specified in the Schedule.

### Goods in Transit: Definitions

The following Definitions apply to the Goods in Transit Section only. They should be read in conjunction with the General Definitions at the start of the Policy.

#### Clothing and Personal Effects

Personal possessions belonging to You or Your driver and worn or carried during Transit excluding cash, bank notes, credit cards, watches and jewellery.

#### Property Insured

General merchandise connected with the Business which You own or for which You are responsible.

#### Reinstatement

The replacement, repair or restoration of Damaged items of Property Insured.

#### Tools

Tools, tool kits or test equipment which You own or are hired by You or used by You in connection with the Business and for which You are responsible.

#### Transit

Movement by road, rail, inland waterway or sea from one address to another within the Territorial Limits. Including loading, unloading and temporary storage.

#### Vehicle

A motor vehicle and/or trailer and/or container which You own or operate in connection with the Business.

## Goods in Transit: Insuring Clause

We will pay You for Damage to Property Insured whilst in Transit within the Territorial Limits during the Period of Insurance.

Our liability will not exceed the limit or sublimit stated in the Schedule and/or the Policy, which will form part of the Sum Insured.

The Sum Insured will not be reduced by the amount of any claim, provided that You accept any variation in the terms of the Policy and pay the additional premium that We may reasonably require.

## Goods in Transit: Exclusions

We shall not make any payment under this Section for loss Connected With or comprising any of the following:

1. Damage which is Connected With or comprises
  - a. defective or inadequate packing, insulation or labelling, delay, inadequate documentation, disappearance or unexplained inventory shortage;
  - b. evaporation or ordinary leakage;
  - c. vermin, insects, wear and tear, inherent vice, latent defect or gradual deterioration;
  - d. pollution or contamination;
  - e. an existing or hidden defect;
  - f. loss of market, indirect or consequential loss;
  - g. vibration, denting, scratching or bruising;
  - h. mechanical or electrical breakdown, derangement, defect or failure.

2. Shortage in weight.
3. Damage which is Connected With or comprises deterioration or variation in temperature unless Caused By fire, theft or overturning or collision of the carrying vehicle.
4. Damage which is Connected With
  - a. Confiscation, requisition or destruction by order of government or public authority;
  - b. Riot, civil commotion, strikes, lockouts or labour disturbances.
5. Damage
  - a. occurring outside the Territorial Limits; or
  - b. not connected with the Business.
6. Damage to
  - a. Jewellery, precious stones, watches, clocks, gold and silver articles, furs or curios.
  - b. wines, spirits, perfumes and tobacco products.
  - c. audio visual equipment.
  - d. computer hardware and software.
  - e. rare books.
  - f. works of art.
  - g. money, bullion or non-ferrous metals.
  - h. living creatures.
  - i. Explosives.

unless such Property is specified in the Schedule as being insured by this Section and the Damage is not otherwise excluded.

7. Property in Transit for hire or reward.

## Goods in Transit: Extensions

Subject to the terms of this Section, We shall also pay for loss occurring within the Territorial Limits during the Period of Insurance in the circumstances set out below.

### Additional Expenses

We shall pay for costs and expenses which You reasonably incur with Our prior written consent to:

1. transfer Property Insured to another vehicle or trailer or deliver it to its original destination or return it to its place of dispatch following collision or overturning of the conveying vehicle or trailer;
2. reload Property Insured to the conveying vehicle or trailer following accidental discharge; and/or
3. remove debris and clear the site following Damage to Property Insured.

Our liability under this Extension will not exceed the higher of £5,000 any one claim or the amount stated in the Schedule.

### Clothing and Personal Effects

We shall pay for Damage to Clothing and Personal Effects Caused By an accident involving a Vehicle.

Our liability under this Extension will not exceed the higher of £500 any one claim or the amount stated in the Schedule.

**Property on Approval with Customers**

We shall pay for Damage to Property Insured while:

1. in Transit to or from Your customers' premises on approval; or
2. on approval at the customers premises anywhere within the Territorial Limits.

We shall not pay for Damage to the Property Insured when in use.

Our liability under this Extension will not exceed £10,000 for any one claim.

**Property on Demonstration**

We shall pay for Damage to Property Insured whilst:

1. in Transit to or from the Premises for the purpose of demonstration; or
2. at the premises where the demonstration takes place within the Territorial Limits.

We shall not pay for Damage to Property Insured while being demonstrated.

Our liability under this Extension will not exceed £10,000 for any one claim.

**Substitution of Vehicles Specified on Schedule**

We shall pay for Damage to Property Insured Connected With the use of a substitute vehicle where a Vehicle individually specified in the Schedule is:

1. out of use for maintenance, repair or official vehicle testing; or
2. permanently substituted, provided that the substitution has occurred within the 21 days preceding the Damage.

**Tarpaulins, Sheets and Ropes**

We will pay for Damage to sheets, ropes, chains, tarpaulins, toggles or packing materials owned by You or for which You are responsible while carried on any Vehicle.

If the tarpaulins were not more than one year old at the time of Damage, We will replace them to a condition equivalent to, but not better than, their condition when new.

Our liability under this Extension will not exceed £500 for any one Claim.

**Tools**

We will pay for Damage to Tools in Transit.

Our liability under this Extension will not exceed £500 any one claim and £1,000 in any one Period of Insurance.

**Travellers' Samples**

We will pay for Damage to travellers' samples:

1. in or on a Vehicle; or
2. whilst temporarily removed from a Vehicle and kept in a stockroom, hotel or private dwelling house provided that they remain in the custody or control of You or Your Employee, partner or director.

Our liability under this Extension will not exceed the higher of £2,500 any one claim or the amount as stated in the Schedule.



## Goods in Transit: Basis of Settlement

### Average

The amount that We shall pay will be reduced if the Limit and/or Sum Insured for any item is insufficient by more than 15% on the date when the Damage occurs.

The reduction will be calculated by reference to the proportion which the premium charged for the relevant item bears to the premium that We would have charged for that item had We been provided with the correct Limit or Sum Insured. For example, if the premium charged was £5,000 for the relevant item and the premium that We would have charged for that item was £10,000, the amount of Our payment will be reduced by 50%, less any applicable Excess.

### Basis of Settlement

We shall pay for the Reinstatement of a Damaged item of Property Insured to a condition substantially the same as, but not better or more extensive than, its condition at the time when the Damage occurred.

If the market value of an item of Damaged Property at the time when the Damage occurred is less than the cost of Reinstatement, Our liability will not exceed the loss of market value Caused By the Damage.

## Goods in Transit: Conditions

The obligations listed below apply to the Goods in Transit Section and must be complied with throughout the Period of Insurance. They should be read in conjunction with Your Obligations and the General Conditions Sections of the Policy.

If You fail to comply in any respect, We shall not pay a claim which is Connected With Your non-compliance.

### Vehicle Safety

You must:

1. secure loads properly and safely;
2. maintain all Vehicles in a roadworthy condition in accordance with current law;
3. ensure that all Vehicles are suitable for the purpose for which they are used; and
4. allow Us access to inspect Your Vehicles and/or Premises upon request.

### Vehicle Security and Protection

You must ensure that any security device fitted to the Vehicle is maintained in accordance with the instructions of the manufacturer and installer.

For any Unattended Vehicle You must ensure that:

1. all security alarms, locks and other security devices or protections are put into operation; and
2. at all times between 9pm and 6am, the Unattended Vehicle is:
  - a. garaged in a securely locked building of substantial nature; or
  - b. contained in a compound which has secure walls and/or fences and securely locked gates.

In the event of a claim Connected With non-compliance with one or more of the requirements of this Condition, We agree to provide cover under this Section provided that You will bear 20% of the cost of each claim and subject to a minimum contribution by You of £500 for each claim, in addition to the Excess.

## Liability

This Section is only operative if specified in the Schedule. The Employers' Liability, Public Liability and Product Liability Sections are sub-Sections of the Liability Section. Each is only operative if specified in the Schedule.

### Liability: Definitions

The following Definitions apply to the Employers' Liability, Public Liability and Product Liability (Liability Sections only. They should be read in conjunction with the General Definitions at the start of the Policy.

### Costs and Expenses

The costs and expenses You are legally liable to pay to a claimant in connection with a claim made against You which is insured by this Section.

The necessary and reasonable costs and expenses incurred with Our prior written consent to investigate, adjust, defend or settle a claim made against You which is insured by this Section.

The necessary and reasonable costs and expenses incurred with Our prior written consent for representation in proceedings:

1. before a court of summary jurisdiction where it is alleged that You have committed a breach of statutory duty causing Injury;
2. where it is alleged that You have committed an offence under the Health and Safety at Work Act 1974 or similar legislation relating to the health, safety or welfare of Employees;
3. where it is alleged that You have committed an offence under Part II of the Consumer Protection Act 1987 or regulations made under the Act;
4. where it is alleged that You have committed an offence under Part II of the Food Safety Act 1990;
5. where it is alleged that You have committed an offence under the Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation; or
6. before a Coroner's Court or Fatal Accident Inquiry in respect of a death.

Subject to the Costs and Expenses Conditions.

### Offshore

Activity of any nature taking place between the moment of embarkation onto a conveyance at the point of departure from land until the moment of disembarkation from such conveyance at the point of return to land.

### Products Supplied

Any product or thing including packaging containers instructions and labels sold, supplied, erected, repaired, altered, treated, installed, tested, serviced or delivered by or through You in the course of the Business.

### Terrorism

Any act of any person or organisation involving:

1. the causing occasioning or threatening of harm of whatever nature and by whatever means;
2. putting the public or any section of the public in fear;

in circumstances in which it is reasonable to conclude that the purpose of the person or organisation is wholly or partly of a political, religious, ideological or similar nature.

## Liability: Extensions

The following Extensions apply to the Employers' Liability, Public Liability and Product Liability Sections.

### Court Attendance

If We require any of the following people to attend court as a witness Connected With a claim which is insured by this Section, We shall pay for each day on which attendance is required:

1. Your directors or partners: £750
2. Your Employees: £250

### Cross Liabilities

If the Policy is issued in joint names of more than one party, We shall pay each party as if a separate policy had been issued to each of them provided that Our total liability will not exceed the Indemnity Limit under this Section.

### Cyber

The General Exclusion for Cyber will not exclude cover under this Section for Injury.

### Indemnity to Others

Where You would have been entitled to indemnity under this Section if the claim had been made against You, We shall also indemnify the following additional persons:

1. Your personal representatives in the event of Your death; and
2. at Your request:
  - a. Your directors, partners or Employees;
  - b. an officer committee or member of Your canteen, social, sports, educational or welfare organisations and fire, security, first aid, medical or ambulance services in their capacity as such;
  - c. Your directors or senior officials for private work undertaken by an Employee for their benefit;

Provided that:

1. each person listed above must observe the terms of this Policy as though they were You;
2. We shall retain sole conduct and control of any claim;
3. Our total liability under this Extension will not exceed the Indemnity Limit.

### Indemnity to Principal

Notwithstanding the Contractual Liability Exclusion if applicable, under the Employers' Liability and Public Liability Sub-Sections We shall also indemnify a Principal for whom You carry out work in the course of Your Business for liability Caused By Your performance of the work but not:

1. for loss or damage to Property which You are required to insure in joint names under the terms of a contract;
2. for liquidated damages or any penalty clause;
3. under the Employers Liability sub-section unless the person is an Employee of Yours;
4. for loss or damage against which You are required to effect insurance under the terms of the Joint Contracts Tribunal Standard of Building Contract 1963 Edition Clause 19 (2) (a) 1980 Edition Clause 21.2.1 or any subsequent amendments thereof or any form of contract requiring a similar indemnity; Where indemnity is granted to any Principal We will treat each Principal and You as though a separate Policy had been issued to each of them provided that the total amount of indemnity payable to all parties shall not exceed the Indemnity Limit of any sub-section of this Section.

Provided that:

1. the Principal must observe the terms of this Policy as though they were You;
2. We shall retain sole conduct and control of any claim;
3. Our total liability under this Section will not exceed the Indemnity Limit.

For the purpose of the extension Principal means the other party to a contract or agreement for whom You are undertaking work or service or providing a Products Supplied where such party is responsible for setting out the terms of the contract or agreement.

## Liability: Conditions

The following Conditions apply to the Employers' Liability, Public Liability and Product Liability Sections.

### Bona Fide Sub-Contractors

We will not pay for liability Connected With the performance of works by a sub-contractor unless, before any works are carried out:

1. You take reasonable steps to satisfy yourself that the sub-contractor has sufficient technical knowledge and experience appropriate to the type of work to be carried out;
2. You obtain written evidence that the sub-contractor has a Public Liability and Employers' Liability insurance policy;
  - a. with an indemnity limit of not less than:
    - i. £5,000,000 in respect of Public Liability Insurance;
    - ii. £10,000,000 in respect of Employers' Liability Insurance;
  - b. which covers the work to be undertaken;
  - c. which contains an indemnity to principal clause; and
  - d. which remains in force throughout the duration of the sub-contractors contract with You.
3. You maintain and retain, for a period no less than 24 months, a log of all such written evidence, including the name of the insurer and the number of the policy, to be made available to Us on Our request; and
4. You confirm that the sub-contractor takes steps to comply with any Hot Works provisions in the Policy.

### Costs and Expenses

Our liability for all Costs and Expenses payable in any one Period of Insurance will not exceed:

1. in relation to proceedings relating to any alleged offence under the Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation, the lesser of £1,000,000 (which will form part of the Indemnity Limit) or the Indemnity Limit; or
2. in relation to proceedings relating to all other offences, the lesser of £5,000,000, (which will form part of the Indemnity Limit) or the Indemnity Limit.

We shall not pay for the Costs and Expenses of:

1. proceedings Connected With the deliberate act or omission of You or an Employee;
2. proceedings relating to improvement or prohibition notices, remedial or publicity orders or steps required to be taken by such orders; or

### 3. public inquiry.

We shall not pay for costs which You are ordered to pay to a prosecution authority.

## Employers' Liability

This Section is only operative if specified in the Schedule.

### Employers' Liability: Insuring Clauses

The maximum We shall pay, including Costs and Expenses, for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence is the Indemnity Limit as specified in the Schedule or the limit specified in the Insuring Clause, whichever is the lesser.

#### Accidental Injury

We shall pay for all sums which You are legally liable to pay as damages and Costs and Expenses for accidental Injury sustained by an Employee provided that the Injury:

1. is caused during the Period of Insurance;
2. arises out of and in the course of their employment by You in connection with the Business; and occurs:
  - a. within the Territorial Limits;
  - b. elsewhere in the world for temporary visits by Employees normally resident within the Territorial Limits.

#### Asbestos, Radiation, Silica, Terrorism

Notwithstanding the General Exclusions for Asbestos, Nuclear and Radioactive Risks, Silica and Terrorism, this Section will cover Injury Caused By Asbestos, Silica, Terrorism or actual or suspected exposure to ionising radiation or contamination by radioactivity from radioactive matter.

The maximum We shall pay, including Costs and Expenses, for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence is £5,000,000.

#### Injury to Working Partners

We shall treat as an Employee any working partner or proprietor of the Business who suffers Injury Caused By the negligence of another working partner, proprietor or Employee while both are working in the course of the Business.

#### Unsatisfied Court Judgments

If an Employee or their personal representative obtains a court judgment against a third party for damages for Injury, and that judgment remains unpaid for six months, We shall at Your request pay to the Employee or their personal representative the amount of unpaid damages and awarded costs.

Provided that:

1. the Injury occurred during the Period of Insurance and arose out of and in the course of the Employee's employment by You in the course of the Business;
2. the judgment was given within the Territorial Limits against a third party operating from within the Territorial Limits;
3. there is no appeal outstanding; and
4. the Employee or personal representative assigns to Us the right of action to claim damages and costs from the third party.

## Employers' Liability: Exclusions

Save as necessary to comply with the minimum requirements of the law within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands relating to the compulsory insurance of Your liability to Employees, We shall not pay for liability Connected With or comprising any of the following:

### Motor Liability

Injury to an Employee which is Caused By Your use of a vehicle on a road while the Employee is:

1. being carried in or upon a vehicle; or
2. entering or getting on to, or alighting from, a vehicle.

### Offshore Work

Work undertaken or operations located Offshore.

### Overseas Actions

Any action or recovery brought or commenced outside the Territorial Limits.

### Overseas Subsidiaries, Branches and Representatives

Claims brought against You in any country outside the United Kingdom, Channel Islands or Isle of Man in which:

1. an associated or subsidiary company of Yours;
2. a branch office or representative of Yours with power of attorney;

is registered, located or resident, unless We have given Our prior agreement in writing.

### Statutory Liabilities

Any amount payable under Workmen's Compensation Social Security or Health Insurance legislation.

## Employers' Liability: Conditions

### Cancellation

Following cancellation of the Policy, any certificates of Employers' Liability insurance will also be cancelled from the date on which cancellation of the Policy becomes effective. You must not display copies of the certificates at the Premises or provide them to any person.

### Right of Recovery

This section is deemed to comply with the law relating to the compulsory insurance of Your liability to Employees in Great Britain, Northern Ireland, the Channel Islands and the Isle of Man. You must repay to Us all sums paid by Us that We would not have been liable to pay but for the provisions of such law.

## Public Liability

This Section is only operative if specified in the Schedule.

### Public Liability: Insuring Clauses

The maximum We shall pay, including Costs and Expenses, for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence is the Indemnity Limit as specified in the Schedule or the limit specified in the Insuring Clause, whichever is the lesser.

We shall pay Costs and Expenses in addition to the Indemnity Limit except for any claim brought in the United States of America or Canada, where the Indemnity Limit will include Costs and Expenses.

#### Accidental Loss

We shall pay for all sums which You are legally liable to pay as damages and Costs and Expenses for accidental:

1. Injury;
2. Damage to Property; and/or
3. nuisance, trespass, obstruction, loss of amenities or interference with right of way light air or water if also involving Injury or Damage to Property;

occurring during the Period of Insurance in connection with the Business; and arises from work being undertaken:

1. within the Territorial Limits;
2. within the European Union for temporary visits by any person normally resident within the Territorial Limits; or
3. elsewhere in the world for temporary visits to undertake non-manual work by any person normally resident within the Territorial Limits.

#### Contingent Motor

We shall pay for all sums which You are legally liable to pay as damages for accidental Injury or Damage to Property Caused By a motor vehicle that You do not own, provide, loan, lease, hire or rent being used in the course of the Business within the Territorial Limits.

We shall not pay for loss which is Connected With:

1. Damage to the vehicle or Property carried in or on it;
2. an accident involving a driver using the vehicle with Your general consent who, to Your knowledge, does not hold a licence to drive the vehicle; or
3. liability which is covered by another insurance policy.

#### Data Protection

We shall pay for all sums which You are legally liable to pay to a private person as damages in proceedings brought against You for alleged breach of:

1. Sections 168 and 169 of the Data Protection Act 2018; or
2. Article 82 of Regulation (EU) 2016/679 (General Data Protection Regulation)

occurring in the course of the Business during the Period of Insurance provided that You have registered or applied to register with the Information Commissioner's Office and the application has not been refused or withdrawn.

The maximum We shall pay, including Costs and Expenses, for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence and in any one Period of Insurance is £250,000.

The indemnity provided by this Insuring Clause will not apply to:

1. liability Caused By a 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;
2. liability for distress or loss of personal data unless also involving Injury;
3. the costs of rectifying rewriting or erasing data;
4. liability Connected With the recording, processing or provision of data for reward or to determine the financial status of a person;
5. liability to an Employee;
6. liability which is covered by another insurance policy;
7. Information Commissioner's Office or Data Subject Access Request investigation costs; or
8. the payment of fines or penalties.

#### **Defective Premises Act**

We shall pay for all sums which You are legally liable to pay as damages for Injury or Damage to Property under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975. We shall not pay for liability:

1. incurred before You have disposed of the premises;
2. Connected With defective workmanship;
3. for the costs of remedying a defect or alleged defect in the premises disposed of by You; or
4. covered by another insurance policy.

#### **Employee and Visitor Belongings**

We shall pay for all sums which You are legally liable to pay as damages for Damage to Your visitors' or Employees' vehicles or personal belongings which are in Your custody or control.

We shall not pay for liability Connected With Property that is:

1. loaned, leased, hired or rented to You;
2. stored for a fee or other consideration; or
3. in Your custody or control for the purposes of being worked upon.

The maximum We shall pay, including Costs and Expenses, for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence and any one Period of Insurance is £5,000.

#### **Leased or Rented Premises**

Notwithstanding the Custody and Control Exclusion, We shall pay for all sums which You are legally liable to pay as damages 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 shall not pay for liability:

1. comprising the first £500 for Damage caused other than by fire or explosion;
2. imposed on You solely by reason of the terms of a hiring or renting agreement;
3. Connected With fire or any other peril against which a hiring or renting agreement specifies that insurance is taken out by You; or
4. Caused By the illegal activities of persons lawfully on Your Premises.



### Overseas Personal Liability

We shall pay You and, at Your request, Your directors, partners and Employees for legal liability incurred in a personal capacity whilst temporarily outside the Territorial Limits in connection with the Business.

We shall not pay for liability:

1. incurred in respect of any manual work whilst in the United States of America or Canada;
2. Connected With the ownership or occupation of land or buildings; or
3. covered by another insurance policy.

### Terrorism

Notwithstanding the General Exclusion for Terrorism, this Section will cover Injury Caused By Terrorism.

The maximum We shall pay, including Costs and Expenses, for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence is £2,000,000 or the Indemnity Limit, whichever is the lesser.

### Public Liability: Exclusions

We shall not pay for liability Connected With or comprising any of the following.

#### Aircraft, Watercraft and Mechanically Propelled Vehicles

The ownership possession or use by You or on Your behalf of:

1. aircraft, spacecraft, aerial device or hovercraft;
2. waterborne vessels other than hand propelled watercraft not exceeding 20 feet in length; or
3. motor vehicles, trailers or plant in circumstances where compulsory insurance or security is required by road traffic legislation, other than the loading or unloading of any such vehicle, trailer or plant where indemnity is not provided by another insurance policy.

#### Burning Waste

Burning of waste, refuse or debris at or away from the Premises.

#### Contractual Liability

Liability solely due to a contract or agreement unless such liability would have attached in the absence of such contract or agreement.

#### Custody and Control

Damage to Property:

1. belonging to or held on trust by You or another party carrying out work on Your behalf;
2. leased, let, rented, hired or lent to You or which is the subject of a bailment to You; or
3. required to be insured in joint names under the terms of a contract.

#### Defects in Land

The cost of remedying a defect or alleged defect in land or premises sold or disposed of by You or for reduction in its value.

#### Employees

Injury to an Employee.

**Financial Loss**

Pecuniary loss which is not Caused By Injury or Damage.

**Hazardous Activities**

1. Work carried out which might affect the safety or operation of:
  - a. aircraft, spacecraft or aerial device;
  - b. marine craft, offshore installations, refineries or chemical works;
  - c. airport or aerodrome runways, manoeuvring areas or aprons, or those parts of airports or aerodromes to which aircraft have access;
  - d. nuclear installations or electrical generation equipment;
  - e. railways or tramways.
2. or work on or at:
  - a. computer installations or computer rooms;
  - b. any tower, steeple, chimney shaft, blast furnace, dam, canal, viaduct, bridge or tunnel;
  - c. quarries, collieries or mines;
  - d. any dock, pier, wharf, breakwater or sea wall;
  - e. or transits by sea or air to or from any offshore installation.

unless notified to and agreed by Us in writing.

**Hazardous Substances**

Hazardous substances including polychlorinated biphenyls, perfluorooctanoic acid, perfluorooctanesulfonic acid, methyl tert-butyl ether and polyfluoroalkyl substances.

**Hot Works away from Your Premises**

Hot Works undertaken away from Your Premises by You or on Your behalf unless You comply with the requirements shown under Your Obligations Hot Works or as amended by endorsement, and all other requirements, conditions, precautions or obligations contained in the Policy Connected With Hot Works.

**Overseas Subsidiaries, Branches and Representatives**

Claims brought against You in any country outside the United Kingdom, Channel Islands or Isle of Man in which:

1. an associated or subsidiary company of Yours;
2. a branch office or representative of Yours with power of attorney;

is registered, located or resident, unless We have given Our prior agreement in writing.

**Pollution**

Pollution occurring:

1. in the United States of America or Canada;
2. 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.

Provided that for liability for which indemnity is not excluded above, all Pollution which arises out of one incident will be deemed to have occurred at the time such incident takes place.

The maximum We shall pay for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence and in any one Period of Insurance is the Indemnity Limit.

**Products Supplied**

Products Supplied after they have ceased to be in Your custody or control other than food or drink provided as a service at Your Premises to Employees or visitors.

**Professional Advice and Services**

Professional advice, instruction, consultancy, design, formula, specification, inspection, certification, testing or treatment performed or provided by You or on Your behalf for a fee or in circumstances where a fee would normally be charged.

**Property Being Worked Upon**

Loss of, Damage to or the cost of refund for that part of Property upon which You are or have been working where the loss, Damage or cost of refund is the direct result of such work.

**Product Liability**

This Section is only operative if specified in the Schedule.

**Product Liability: Insuring Clause**

We shall pay for all sums which You are legally liable to pay as damages and Costs and Expenses for accidental:

1. Injury;
2. Damage to Property;

occurring during the Period of Insurance and Caused By Products Supplied from within the Territorial Limits, but not Products Supplied by You in or for delivery or use in the United States of America or Canada.

Our total liability for all claims, regardless of the number of claims or claimants, in any one Period of Insurance will not exceed the Indemnity Limit as specified in the Schedule.

We shall pay Costs and Expenses in addition to the Indemnity Limit except for any claim brought in the United States of America or Canada, where the Indemnity Limit will include Costs and Expenses.

**Product Liability: Exclusions**

We shall not pay for liability Connected With or comprising any of the following.

**Contractual Liability**

Liability solely due to a contract or agreement unless such liability would have attached in the absence of such contract or agreement.

**Custody and Control**

Damage to Property:

1. belonging to or held on trust by You or another party carrying out work on Your behalf;
2. leased, let, rented, hired, lent or bailed to You; or
3. required to be insured in joint names under the terms of a contract.

**Employees**

Injury to an Employee.

**Financial Loss**

Pecuniary loss which is not Caused By Injury or Damage.

**Hazardous Activities**

Products Supplied which might affect the safety or operation of:

1. aircraft, spacecraft or aerial device;
2. marine craft, offshore installations, refineries or chemical works;
3. airport or aerodrome runways, manoeuvring areas or aprons, or those parts of airports or aerodromes to which aircraft have access;
4. nuclear installations or electrical generation equipment;
5. railways or tramways;

unless notified to and agreed by Us in writing.

**Hazardous Substances**

Products Supplied containing hazardous substances including polychlorinated biphenyls, perfluorooctanoic acid, perfluorooctanesulfonic acid, methyl tert-butyl ether and polyfluoroalkyl.

**Overseas Subsidiaries, Branches and Representatives**

Claims brought against You in any country outside the United Kingdom, Channel Islands or Isle of Man in which:

1. an associated or subsidiary company of Yours;
2. a branch office or representative of Yours with power of attorney;

is registered, located or resident, unless We have given Our prior agreement in writing.

**Pollution**

Pollution occurring:

1. in the United States of America or Canada;
2. 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.

Provided that for liability for which indemnity is not excluded above, all Pollution which arises out of one incident will be deemed to have occurred at the time such incident takes place.

The maximum We shall pay for any claim or series of claims (regardless of the number of claimants) Connected With one occurrence and in any one Period of Insurance is the Indemnity Limit.

**Products Exported to the USA and Canada**

Products Supplied directly or indirectly to the United States of America or Canada.

**Professional Advice and Services**

Professional advice, instruction, consultancy, design, formula, specification, inspection, certification, testing or treatment performed or provided by You or on Your behalf other than in connection with the sale or supply of Products Supplied.

**Replacement, Removal, Repair**

Loss of or damage to Products Supplied.

The costs of recalling, removing, repairing, altering, replacing, rectifying, reinstating, modifying Products Supplied or in making a refund for Products Supplied.

## Legal Expenses

This Section is only operative if specified in the Schedule.

**Certain words have specific meanings for the purpose of this Section, these are shown below. General Definitions, General Conditions and General Exclusions also apply to the Legal Expenses Section.**

ARAG Legal Expenses Insurance Company Limited (ARAG) is the underwriter and provides the insurance for this Section. To make sure that You get the most from Your ARAG cover, please take time to read this Section, which explains the insurance cover available to You. Please follow the procedures throughout the Policy and in particular those applying to insured incident **Employment disputes and compensation awards**.

If You wish to speak to Us about:

- Legal Advice: You can get telephone legal advice on any legal issue affecting Your Business.
- Insurance Claims: You can report a claim 24/7.
- Tax Advice: dedicated tax advisers can provide advice on tax issues affecting Your Business.

Please phone us on **0370 755 3111**. We will ask You about Your legal issue and if necessary call You back to deal with Your query.

- Crisis Containment: You can get assistance 24/7. Please phone Us on **0344 893 9314**.

### Our agreement for the Legal Expenses Section

We agree to provide the insurance described in this Section for You (or where specified, the Insured Person) in respect of any insured incident arising in connection with the Business, in return for payment of the premium and subject to the terms, conditions, exclusions and limitations set out in this Policy, provided that:

1. Reasonable Prospects exist for the duration of the claim
2. the Date of Occurrence of the insured incident is during the Period of Insurance, or
3. during the currency of a previous equivalent legal expenses insurance policy, provided that:
  - a. the previous legal expenses insurance policy required You to report claims during its currency
  - b. You could not have notified a claim previously as You could not have reasonably been aware of the insured incident
  - c. cover has been continuously maintained in force
  - d. any claim that should have been covered under a previously operative legal expenses insurance policy will not be covered by Us, and
  - e. the available Indemnity Limit shall be limited to the lesser of the sums payable under this or Your previous policy
4. any legal proceedings will be dealt with by a court, or other body which We agree to, within the Countries Covered, and
5. the insured incident happens within the Countries Covered.

### What We will pay under the Legal Expenses Section

We will pay an Appointed Representative, on Your behalf, Costs and Expenses incurred following an insured incident, and any compensation awards that We have agreed to, provided that:

1. the most We will pay in respect of all claims resulting from one or more event arising at the same time or from the same originating cause, for Costs and Expenses and compensation awards claims, is £500,000
2. the most We will pay for the total of all compensation awards under insured incident **Employment disputes and compensation awards** 2. **Compensation awards** in any one Period of Insurance shall not exceed £1,000,000
3. the most We will pay in Costs and Expenses is no more than the amount We would have paid to a Preferred Law Firm or tax consultancy. The amount We will pay a law firm (where acting on Your behalf) is currently £100 per hour. This amount may vary from time to time

4. in respect of an appeal or the defence of an appeal, You must tell us as soon as possible and within the statutory time limits allowed that You want to appeal. Before We pay the Costs and Expenses for appeals, We must agree that Reasonable Prospects exist
5. for an enforcement of judgment to recover money and interest due to You after a successful claim under this Section, We must agree that Reasonable Prospects exist
6. where an award of damages is the only legal remedy to a dispute and the cost of pursuing legal action is likely to be more than any award of damages, the most We will pay in Costs and Expenses is the value of the likely award
7. in respect of insured incident **Legal defence 6. Jury service and court attendance**, the maximum We will pay is the Insured Person's net salary or wages for the time that the Insured Person is attending court or tribunal, less any amount You, the court or tribunal pays, and
8. in respect of insured incident **Crisis containment** the maximum We will pay in respect of all claims resulting from one or more event arising at the same time, or from the same originating cause, is £25,000.

### What We will not pay under the Legal Expenses Section

1. In the event of a claim, if You decide not to use the services of a Preferred Law Firm or tax consultancy, You will be responsible for any costs that fall outside the ARAG Standard Terms of Appointment and these will not be paid by Us.
2. If You are registered for VAT, We will not pay the VAT element of any Costs and Expenses.

### Definitions applicable to the Legal Expenses Section

The following definitions apply to this Section and shall keep the same meaning wherever they appear in this Section. They should also be read in conjunction with the general definitions of this Policy. If there is a conflict between a definition in this Section and a definition elsewhere in this Policy, the definition in this Section will apply.

**Appointed Representative** – The Preferred Law Firm, law firm, tax consultancy, accountant or other suitably qualified person We appoint to act on the Insured Person's behalf.

**ARAG Standard Terms of Appointment** – The terms and conditions (including the amount We will pay to an Appointed Representative) that apply to the relevant type of claim, which could include a conditional fee agreement (no-win, no-fee). Where a law firm is acting on Your behalf, the amount We will pay is currently £100 per hour. This amount may vary from time to time.

### Costs and Expenses

1. All reasonable, proportionate and necessary costs chargeable by the Appointed Representative and agreed by Us in accordance with the ARAG Standard Terms of Appointment.
2. The costs incurred by opponents in civil cases if an Insured Person has been ordered to pay them or the Insured Person pays them with Our agreement.

### Countries Covered

1. For insured incidents **Legal defence (excluding 5. Statutory notice appeals and 7. Disciplinary hearings), Contract disputes, Debt recovery, and Personal injury**: The United Kingdom of Great Britain and Northern Ireland, the European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia and Herzegovina, Gibraltar, Iceland, Liechtenstein, North Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey.
2. For all other insured incidents: The United Kingdom of Great Britain and Northern Ireland, the Isle of Man, and the Channel Islands.

### Date of Occurrence

1. For civil cases (other than as specified under (3) to (8) below), the date of the event that leads to a claim. If there is more than one event arising at different times from the same originating cause, the Date of Occurrence is the date of the first of these events. (This is the date the event happened, which may be before the date You or an Insured Person first became aware of it.)
2. For criminal cases, the date the Insured Person began, or is alleged to have begun, to break the law.
3. For insured incident **Legal defence 5. Statutory notice appeals**, the date when the Insured Person is issued with the relevant notice and has the right to appeal.
4. For insured incident **Legal defence 7. Disciplinary hearings**, the date the Insured Person first became aware of the formal investigation or disciplinary hearing against them.
5. For insured incident **Statutory licence appeal**, the date when You first became aware of the proposal by the relevant licensing or regulatory authority to suspend, alter the terms of, refuse to renew or cancel Your licence, mandatory registration or British Standard Certificate of Registration.
6. For insured incident **Tax protection**, the date when HM Revenue & Customs, or the relevant authority, first notifies You of its intention to carry out an enquiry. For VAT or Employer Compliance Disputes, the date the dispute arises during the Period of Insurance following the issue of an assessment, written decision or notice of a civil penalty.
7. For insured incident **Crisis containment**, the date the negative publicity relating to Your Business first occurred.
8. For insured incident **Employment restrictive covenants**, the date You first became aware (or should reasonably have been aware), of the breach or prospective breach of covenant (whichever is first).

### Employer Compliance Dispute

A dispute with HM Revenue & Customs concerning Your compliance with Pay As You Earn, Social Security, Construction Industry or IR35 legislation and regulations.

### Identity Theft

The unlawful use of Your identity to obtain credit, financial products, goods or services

The theft or unauthorised use of the identity of Your directors and/or their spouses/civil partners.

### Insured Person

1. You and the directors, partners, managers, Employees and any other individuals declared to Us by You.
2. A person contracted to work for You who works for You on the same basis as Your Employees, and performs that work under Your supervision and direction.

### PR Crisis

Negative publicity in local, regional or national media (print, online, television or radio), or negative social media comment, which requires managing to protect Your Business' reputation.

### Preferred Law Firm

A law firm, barrister or tax expert We choose to provide legal or other services. These specialists are chosen as they have the proven expertise to deal with the Insured Person's claim and must comply with Our agreed service standard levels, which We audit regularly. They are appointed according to the ARAG Standard Terms of Appointment.

### Reasonable Prospects

1. For civil cases (other than insured incidents Crisis containment, Social media defamation and Corporate identity theft), the prospects that the Insured Person will recover losses or damages or a reduction in tax or National Insurance liabilities (or obtain any other legal remedy that We have agreed to, including an enforcement of judgment) or make a successful defence, must be at least 51%. A Preferred Law Firm or tax consultancy on Our behalf, will assess whether there are Reasonable Prospects.
2. For criminal cases, and insured incidents Crisis containment, Social media defamation and Corporate identity theft, there is no requirement for there to be prospects of a successful outcome.



3. For civil and criminal appeals the prospects of a successful outcome must be at least 51%.

### Tax Enquiry

A written notice of enquiry, issued by HM Revenue & Customs, to carry out an Income Tax or Corporation Tax compliance check which either:

1. includes a request to examine any aspect of Your books and records; or
2. advises of a check of Your whole tax return.

### VAT Dispute

A dispute with HM Revenue & Customs following the issue of an assessment, written decision or notice of a civil penalty relating to Your VAT affairs.

## Insured incidents applicable to the Legal Expenses Section

Employment disputes and compensation awards

### 1. Employment disputes

#### What is covered:

Costs and Expenses to defend Your legal rights:

1. before the issue of legal proceedings in a court or tribunal
  - a. following the dismissal of an Employee; or
  - b. where an Employee or ex-Employee has contacted ACAS ('Advisory, Conciliation and Arbitration Service') to commence the Early Conciliation procedure; or
2. in unfair dismissal disputes under the ACAS Arbitration Scheme; or
3. in legal proceedings in respect of any dispute relating to:
  - a. a contract of employment with You; or
  - b. an alleged breach of the statutory rights of an Employee, ex-Employee or prospective Employee under employment legislation.

#### What is not covered:

A claim relating to the following:

1. unless equivalent legal expenses insurance was continuously in force before:
  - a. any dispute where the originating cause of action arises within the first 90 days of the start of this Section;
  - b. any dispute with an Employee who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of this Section, if the date of occurrence was within the first 180 days of the start of this Section and the dispute relates directly to the same matter(s) which gave rise to that warning;
  - c. any notice of redundancy or alleged redundancy or unfair selection for redundancy which occurs within the first 180 days of the start of this Section
2. Employee internal disciplinary or grievance procedures
3. damages for personal injury
4. Transfer of Undertakings Regulations (TUPE) or the Transfer of Employment (Pension Protection) Regulations
5. pursuing Your legal rights.

### 2. Compensation awards

#### What is covered:

In respect of a claim We have accepted under insured incident **Employment disputes and compensation awards 1.**

**Employment disputes** We will pay:

1. any basic and compensatory award; and/or

2. an order for compensation or damages following a breach of Your statutory duties under employment legislation.

Provided that:

1. in cases relating to performance and/or conduct, You have throughout the employment dispute either:
  - i. followed the ACAS Code of Disciplinary and Grievance Procedures; or
  - ii. followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
  - iii. sought and followed advice from Our legal advice service (telephone 0370 755 3111)
2. for an order of compensation following Your breach of statutory duty under employment legislation, You have at all times sought and followed advice from Our legal advice service since the date when You should have known about the employment dispute (telephone 0370 755 3111)
3. for any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, You have sought and followed advice from Our legal advice service before starting any redundancy process or procedure with employees (telephone 0370 755 3111)
4. any sum of money in settlement of a dispute is awarded by a court, tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by default, or is payable under settlement approved in writing in advance by Us.

Please note that the total amount payable by Us for all compensation awards and sums of money in settlement of a dispute, in aggregate and in any one Period of Insurance is £1,000,000.

#### **What is not covered:**

A claim relating to the following:

1. Any compensation award relating to the following:
  - a. trade union activities, trade union membership or non-membership;
  - b. pregnancy or maternity rights, paternity, parental or adoption rights;
  - c. health and safety related dismissals brought under section 44 of the Employment Rights Act 1996;
  - d. statutory rights in relation to trustees of occupational pension schemes.
2. Non-payment of money due under a contract.
3. Any award ordered because You have failed to provide relevant records to Employees under National Minimum Wage legislation.
4. A compensation award or increase in a compensation award relating to failure to comply with a current or previous recommendation made by a tribunal.
5. A settlement agreed and payable following conciliation under the ACAS Early Conciliation procedure.

### **3. Employee civil legal defence**

#### **What is covered:**

Costs and Expenses to defend the Insured Person's (other than Your) legal rights if:

1. an event arising from their work leads to civil action being taken against them under legislation for unlawful discrimination; or
2. civil action is being taken against them as trustee of a pension fund set up for the benefit of Your Employees.

Please note that We will only provide cover for an Insured Person (other than You) at Your request.

### **4. Service occupancy**

#### **What is covered:**

Costs and Expenses to recover possession of premises owned by You, or for which You are responsible, from Your Employee or ex-Employee.

#### **What is not covered:**

Any claim relating to defending Your legal rights, other than defending a counter-claim that is an insured incident under this Section.

## Legal defence

For each of the following sections of Legal defence cover 1. to 7. below, You must request Us to provide cover for the Insured Person:

### 1. Criminal pre-proceedings cover

#### What is covered:

Costs and Expenses to defend the Insured Person's legal rights prior to the issue of legal proceedings, when dealing with the Police, Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer where it is alleged that the Insured Person has or may have committed a criminal offence.

Provided that:

1. for claims relating to the Health and Safety at Work etc Act 1974, the Countries Covered shall be any place where the Act applies.

Please note that We will only cover criminal investigations and/or prosecutions which arise in direct connection with the activities of the Business shown in the policy schedule. Please see Our agreement.

#### What is not covered:

A claim relating to the following:

1. any criminal investigation or enquiry by, with or on behalf of HM Revenue & Customs
2. investigations due to alleged infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

### 2. Criminal prosecution defence

#### What is covered:

Costs and Expenses to defend the Insured Person's legal rights following an event which leads to the Insured Person being prosecuted in a court of criminal jurisdiction.

Provided that:

1. for claims relating to the Health and Safety at Work etc Act 1974, the Countries Covered shall be any place where the Act applies.

Please note that We will only cover criminal investigations and/or prosecutions which arise in direct connection with the activities of the Business shown in the Policy schedule. Please see Our agreement.

#### What is not covered:

A claim relating to prosecution due to alleged infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

### 3. Data protection

#### What is covered:

Costs and Expenses to defend the Insured Person's legal rights if civil action is taken against the Insured Person for compensation under data protection legislation, when handling personal data in their capacity as a data controller and/or a data processor by:

1. An individual. We will also pay any compensation award in respect of such a claim.
2. A data controller and/or data processor, which arises out of, or relates to, a claim made by an individual for compensation against that data controller and/or data processor. Please note that We will not pay any compensation award in respect of such a claim.

Provided that:

1. in respect of insured incident Legal defence 3. Data protection (a), any sum of money in settlement of a dispute is awarded by a court under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in advance by Us.

Please note that We will not cover the cost of fines imposed by the Information Commissioner, or any other regulatory and/or criminal body. Please see Exclusions applicable to The Legal Expenses Section: 3 Court awards and fines.

**What is not covered:**

A claim relating to the following:

1. the loss, alteration, corruption or distortion of, or damage to stored personal data, or
2. a reduction in the functionality, availability, or operation of stored personal data

where either 1. or 2. above have resulted from hacking (unauthorised access), malicious or negligent transfer (electronic or otherwise) of a computer program that contains any malicious or damaging code, computer virus or similar mechanism.

#### 4. Wrongful arrest

**What is covered:**

Costs and Expenses to defend the Insured Person's legal rights if civil action is taken against the Insured Person for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the Period of Insurance.

#### 5. Statutory notice appeals

**What is covered:**

Costs and Expenses to defend the Insured Person's legal rights in an appeal against the imposition or terms of any statutory notice issued under legislation affecting Your Business.

**What is not covered:**

A claim relating to the following:

1. an appeal against the imposition or terms of any statutory notice issued in connection with Your licence, mandatory registration or British Standard Certificate of Registration
2. a statutory notice issued by an Insured Person's regulatory or governing body.

#### 6. Jury service and court attendance

**What is covered:**

An Insured Person's absence from work:

1. to perform jury service
2. to attend any court, tribunal or at the request of the Appointed Representative.

The maximum We will pay is the Insured Person's net salary or wages for the time that they are absent from work less any amount You, the court or tribunal, have paid them.

We will reimburse You for net salary or wages that You have paid the Insured Person for that time, less any amount they have been paid by, or can recover from, the court or tribunal.

**What is not covered:**

Any claim if You or the Insured Person are unable to prove the loss.

#### 7. Disciplinary hearings

**What is covered:**

Costs and Expenses to defend the Insured Person's legal rights if an event results in a disciplinary case brought against the Insured Person by the relevant authority.

## Statutory licence appeal

### What is covered:

Costs and Expenses for an appeal to the relevant statutory or regulatory authority, court or tribunal following a decision by a licensing or regulatory authority to suspend, or alter the terms of, or refuse to renew, or cancel Your licence, mandatory registration or British Standard Certificate of Registration.

### What is not covered:

A claim relating to the following:

1. the original application or renewal application of a statutory licence, mandatory registration or British Standard Certificate of Registration
2. the ownership, driving or use of a motor vehicle.

## Contract disputes

### What is covered:

Costs and Expenses for a contractual dispute arising from an agreement or an alleged agreement which has been entered into by You or on Your behalf for the purchase, hire, sale or provision of goods or of services.

Provided that:

1. the amount in dispute exceeds £200 (incl VAT)
2. if the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £200 (incl VAT)
3. if the dispute relates to money owed to You, a claim under the policy is made within 90 days of the money becoming due and payable.

### What is not covered:

A claim relating to the following:

1. a dispute arising from an agreement entered into prior to the start of this Section if the Date of Occurrence is within the first 90 days of the start of this Section, unless equivalent legal expenses insurance was in force immediately before
2.
  - a. a dispute relating to an insurance policy, other than when Your insurer refuses Your claim
  - b. the sale, purchase, terms of a lease, licence, or tenancy of land or buildings. However, We will cover a dispute with a professional adviser in connection with these matters
  - c. a loan, mortgage, pension, guarantee or any other financial product. However, We will cover a dispute with a professional adviser in connection with these matters
3. a dispute with an Employee or ex-Employee which arises out of, or relates to, a contract of employment with You. (Please refer to insured incident Employment disputes and compensation awards.)
4. a dispute which arises out of the:
  - a. sale or provision of computer hardware, software, systems or services; or
  - b. the purchase or hire of computer hardware, software, systems or services tailored by a supplier to Your own specification
5. the recovery of money and interest due from another party, other than disputes where the other party indicates that a defence exists
6. a dispute arising from a breach or alleged breach of professional duty by an Insured Person.

## Debt recovery

### What is covered:

Costs and Expenses for a dispute relating to the recovery of money and interest due from the sale or provision of goods or services, including enforcement of judgments.

Provided that:

1. the debt exceeds £200 (incl VAT)
2. a claim is made within 90 days of the money becoming due and payable

3. We have the right to select the method of enforcement, or to forego enforcing judgment if We are not satisfied that there are, or will be, sufficient assets available to satisfy judgment.

**What is not covered:**

A claim relating to the following:

1. any debt arising from an agreement entered into prior to the start of the Section if the debt is due within the first 90 days of the start of this Section, unless equivalent legal expenses insurance was in force immediately before
2.
  - a. the settlement payable under an insurance policy
  - b. the sale, purchase, terms of a lease, licence, or tenancy of land or buildings
  - c. a loan, mortgage, pension, guarantee or any other financial product. However, We will cover a dispute with a professional adviser in connection with these matters
3. a dispute which arises out of the supply, hire, sale or provision of computer hardware, software, systems or services
4. the recovery of money and interest due from another party where the other party indicates that a defence exists
5. any dispute which arises from debts You have purchased from a third party.

**Property protection****What is covered:**

Costs and Expenses for a civil dispute relating to physical property which is owned by You, or is Your responsibility following:

1. any event which causes physical damage to such physical property; or
2. a legal nuisance (meaning any unlawful interference with Your use or enjoyment of Your land, or some right over, or in connection with it); or
3. a trespass.

Please note that You must have, or there must be reasonable prospects of establishing You have, the legal ownership or right to the physical property that is the subject of the dispute.

**What is not covered:**

A claim relating to the following:

1. a contract You have entered into (please refer to insured incident Contract disputes)
2. physical property which is in Transit or which is lent or hired out
3. goods at premises other than those occupied by You unless the goods are at the premises for the purpose of installations or use in work to be carried out by You
4. mining subsidence
5. defending Your legal rights but We will cover defending a counter-claim that is an insured incident under this Section
6. a motor vehicle owned or used by, or hired or leased to an Insured Person (other than damage to motor vehicles where You are in the business of selling motor vehicles)
7. the enforcement of a covenant by or against You.

**Personal injury****What is covered:**

At Your request, Costs and Expenses for an Insured Person's and their family members' legal rights following a specific or sudden accident that causes the death of, or bodily injury to them.

**What is not covered:**

A claim relating to the following:

1. any illness or bodily injury that happens gradually

2. psychological injury or mental illness unless the condition follows a specific or sudden accident that has caused physical bodily injury
3. defending an Insured Person's or their family members' legal rights other than in defending a counter-claim
4. clinical negligence.

### Tax protection

#### What is covered:

Costs and Expenses for:

1. A Tax Enquiry
2. An Employer Compliance Dispute
3. A VAT Dispute.

Provided that:

1. You have taken reasonable care to ensure that all returns are complete and correct and are submitted within the statutory time limits allowed.

Please note that We will only cover tax claims which arise in direct connection with the activities of the Business shown in the Policy schedule. Please see Our agreement.

#### What is not covered:

A claim relating to the following:

1. a tax avoidance scheme
2. any failure to register for Value Added Tax or Pay As You Earn
3. any investigation or enquiries by, with or on behalf of HM Revenue & Customs Special Investigations Section, Special Civil Investigations, Criminal Investigations Unit, Criminal Taxes Unit, under Public Notice 160 or by the Revenue & Customs Prosecution Office
4. any claim relating to import or excise duties and import VAT
5. any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

### Tenancy disputes

#### What is covered:

Costs and Expenses for a civil dispute between You and Your landlord, relating to premises leased or rented by You.

#### What is not covered:

A claim relating to the following:

1. the negotiation, review or renewal of the lease or tenancy agreement
2. a dispute arising from rent or service charges.

### Crisis containment

#### What is covered:

Costs and Expenses in the event of a PR Crisis:

1. We will provide advice and guidance over the phone about Your PR Crisis. Please call Us on 0344 893 9314 (open 24 hours a day, seven days a week).
2. following a call to Us, if You and We agree that additional help is required to manage Your PR Crisis, We will provide appropriate assistance which may include specialist legal and public relations support.

Provided that:

1. We will not pay more than £25,000 for any claim in respect of a PR Crisis
2. You have sought and followed advice from Us.

**What is not covered:**

A claim relating to the following:

1. any claim that could reasonably be dealt with through Your customer service or standard complaints procedures
2. any PR Crisis related to or arising from an event affecting the whole profession or industry.

**Employment restrictive covenants****1. Pursuit of a breach of covenant****What is covered:**

Costs and Expenses to pursue a civil action against an Employee or ex-Employee where they are in breach, or are about to be in breach, of a covenant which restricts them:

1. from providing services to or soliciting Your customers; or
2. enticing other Employees to leave Your employment.

Provided that:

1. the restrictive covenant(s) is expressly incorporated within the Employee's or ex-Employee's contract of employment with You
2. the Employee or ex-Employee has signed their contract of employment
3. the restrictive covenant does not exceed 12 months
4. You have not breached the Employee's or ex-Employee's contract of employment

**What is not covered:**

A claim relating to the following:

1. any dispute where the Date of Occurrence arises within the first 90 days of the start of this Section, unless equivalent legal expenses insurance was in force immediately before
2. any claim relating to a restrictive covenant applying to an Employee or ex-Employee transferred to the Business under the Transfer of Undertakings Regulations (TUPE)
3. defending Your legal rights (please refer to insured incident Employment restrictive covenants 2. Business defence), other than the defence of a counter-claim that is an insured incident under this Section

**2. Business defence****What is covered:**

Costs and Expenses in a dispute between You and a third party business, where the third party alleges that You have breached their legal rights protected by an employment restrictive covenant contained within a contract of employment between the third party and their Employee or ex-Employee.

Provided that:

1. the Employee or ex-Employee is now Your Employee or prospective Employee.

**What is not covered:**

A claim relating to any covenant other than an employment restrictive covenant contained within a contract of employment between Your Employee or prospective Employee and their former or current employer.

**Social media defamation****What is covered:**

Following defamatory comments made about an Insured Person on a social media website, We will pay Costs and Expenses to provide a formal written request that the comments are removed from the website:

We will write one letter to the provider of the social media website.

Where the authors' identity is known, We will also write one letter to the author.



**What is not covered:**

Any claim where the Insured Person is not aged 18 years or over.

**Corporate identity theft****What is covered:**

Costs and Expenses following an Identity Theft. We will assign a personal caseworker who will provide an individual action plan to help regain the stolen identity. We will pay:

- 1. For You**
  - a. Costs and Expenses to defend Your legal rights in a dispute with debt collectors or any party taking legal action against You, arising from or relating to the Identity Theft
  - b. the costs incurred for phone calls, faxes or postage to communicate with the police, credit agencies, financial service providers, other creditors or debt-collection agencies
  - c. the cost of replacement documents to help restore Your credit status.
- 2. For Your directors and/or their spouses/civil partners**
  - a. Costs and Expenses to reinstate the stolen identity, including costs for the signing of statutory declarations or similar documents
  - b. Costs and Expenses to defend the affected individual's legal rights in a dispute with debt collectors or any party taking legal action against them, arising from or relating to the Identity Theft
  - c. loan-rejection fees and any re-application administration fee for a loan when the original application has been rejected
  - d. the costs incurred for phone calls, faxes or postage to communicate with the police, credit agencies, financial service providers, other creditors or debt-collection agencies
  - e. the cost of replacement documents to help restore the stolen identity and the affected individual's credit status.

Provided that:

1. Where the Identity Theft relates to Your directors and/or their spouses/civil partners, the affected individual(s) must contact the Identity Theft helpline as soon as possible and follow the advice given
2. You and the affected individual(s) must notify Your banks and building societies as soon as possible
3. You must tell Us if You or Your directors and/or their spouses/civil partners have previously suffered Identity Theft
4. You and the affected individual(s) must take all reasonable action to prevent continued unauthorised use of the stolen identity
5. You must request Us to provide cover for Your directors and/or their spouses/civil partners
6. You must have adequate security systems to protect Your Business
7. We will not pay for losses that are not directly covered by this Section e.g. reimbursement of unlawfully obtained funds belonging to You or Your directors and/or their spouses/civil partners.

**What is not covered:**

A claim relating to the following:

1. fraud committed by anyone entitled to make a claim under this Section
2. losses for anyone other than You, Your directors and their spouses/civil partners

**Exclusions applicable to the Legal Expenses Section**

We will not pay for the following:

**Late reported claims**

Any claim reported to Us more than 180 days after the date the Insured Person should have known about the insured incident.

**Costs We have not agreed**

Costs and Expenses incurred before Our expressed acceptance.

**Court awards and fines**

Fines, penalties, compensation or damages which the Insured Person is ordered to pay by a court or other authority, other than compensation awards covered under insured incidents Employment disputes and compensation awards 2. Compensation awards, and Legal defence 3. Data protection.

**Legal action we have not agreed**

Legal action an Insured Person takes which We or the Appointed Representative have not agreed to, or where the Insured Person does anything that hinders Us or the Appointed Representative.

**Intellectual property rights**

Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.

**Wilful acts**

Any wilful act or omission of an Insured Person deliberately intended to cause a claim under this Section.

**Franchise or agency agreements**

Any claim relating to rights under a franchise or agency agreement entered into by You.

**A dispute with ARAG**

Any claim under this Section for a dispute with Us or another Insurer under this Policy. For disagreements with Us about the handling of a claim, refer to Conditions applicable to the Legal Expenses Section: 8 Arbitration.

**Shareholding or partnership disputes**

Any claim relating to a shareholding or partnership share in the Business.

**Judicial review, coroner's inquest or fatal accident inquiry**

Costs and Expenses arising from or relating to judicial review, coroner's inquest or fatal accident inquiry.

**Bankruptcy**

Any claim where either at the start of, or during the course of a claim:

1. You are declared bankrupt
2. You have filed a bankruptcy petition
3. You have filed a winding-up petition
4. You have made an arrangement with Your creditors
5. You have entered into a deed of arrangement
6. You are in liquidation
7. part or all of Your affairs or property are in the care or control of a receiver or administrator.

**Defamation**

Any claim relating to written or verbal remarks that damage the Insured Person's reputation, other than where cover is provided under insured incident Social media defamation.

**Litigant in person**

Any claim where an Insured Person is not represented by a law firm, barrister or tax expert.

## Conditions applicable to the Legal Expenses Section

### Your representation

1. On receiving a claim, if legal representation is necessary, We will appoint a Preferred Law Firm or tax consultancy as Your Appointed Representative to deal with Your claim. They will try to settle Your claim by negotiation without having to go to court.
2. If the appointed Preferred Law Firm or tax consultancy cannot negotiate settlement of Your claim and it is necessary to go to court and legal proceedings are issued or there is a conflict of interest, then You may, if You prefer, choose a law firm or tax expert of Your own choice to act as the Appointed Representative. We will choose the Appointed Representative to represent You in any proceedings where We are liable to pay a compensation award.
3. If You choose a law firm as Your Appointed Representative who is not a Preferred Law Firm or tax consultancy, We will give Your choice of law firm the opportunity to act on the same terms as a Preferred Law Firm or tax consultancy. However if they refuse to act on this basis, the most We will pay is the amount We would have paid if they had agreed to the ARAG Standard Terms of Appointment. The amount We will pay a law firm (where acting on Your behalf) is currently £100 per hour. This amount may vary from time to time.
4. The Appointed Representative must co-operate with Us at all times and must keep Us up to date with the progress of the claim.

### An Insured Person's responsibilities

1. An Insured Person must co-operate fully with Us and the Appointed Representative.
2. An Insured Person must give the Appointed Representative any instructions that We ask them to.

### Offers to settle a claim

1. An Insured Person must tell Us if anyone offers to settle a claim and must not negotiate or agree to any settlement without Our expressed consent.
2. If an Insured Person does not accept a reasonable offer to settle a claim, We will not pay further Costs and Expenses.
3. We may decide to pay an Insured Person the reasonable value of the claim that the Insured Person is claiming or is being claimed against them, instead of starting or continuing legal action. In these circumstances an Insured Person must allow Us to take over and pursue or settle a claim in their name. An Insured Person must allow Us to pursue at Our own expense and for Our benefit, any claim for compensation against any other person and an Insured Person must give Us all the information and help We need to do so.

### Assessing and recovering costs

1. An Insured Person must instruct the Appointed Representative to have Costs and Expenses taxed, assessed or audited if We ask for this.
2. An Insured Person must take every step to recover Costs and Expenses and court attendance and jury service expenses that We have to pay and must pay Us any amounts that are recovered.

### Cancelling an appointed representative's appointment

If the Appointed Representative refuses to continue acting for an Insured Person with good reason, or if an Insured Person dismisses the Appointed Representative without good reason, the cover We provide will end at once, unless We agree to appoint another Appointed Representative.

### Withdrawing cover

1. If an Insured Person settles a claim or withdraws their claim without Our agreement, or does not give suitable instructions to the Appointed Representative, We can withdraw cover and will be entitled to reclaim any Costs and Expenses We have paid.

2. If during the course of a claim Reasonable Prospects no longer exist, the cover We provide will end at once. We will pay any Costs and Expenses and compensation awards We have agreed to, up to the date cover was withdrawn.

### Expert opinion

If there is a disagreement between an Insured Person and Us on the merits of the claim or proceedings, or on a legal principle, We may suggest the Insured Person obtains, at their own expense, an opinion on the matter from an independent and appropriate expert. The expert must be approved in advance by Us and the cost expressly agreed in writing between the Insured Person and Us. Subject to this, We will pay the cost of getting the opinion, if the expert's opinion indicates that it is more likely than not that the Insured Person will recover damages (or obtain any other legal remedy that We have agreed to) or make a successful defence. This does not affect the Insured Person's rights under Conditions applicable to The Legal Expenses Section: 8 Arbitration.

### Arbitration

If there is a disagreement about the handling of a claim and it is not resolved through Our internal complaints procedure the Financial Ombudsman Service may be able to help. This is a free complaint resolution service for eligible complaints. (Details available from [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk))

Alternatively, there is a separate arbitration process available that can be used to settle any dispute with Us. The arbitrator will be a jointly agreed barrister, solicitor or other suitably qualified person. If there is a disagreement over the choice of arbitrator, We will ask the Chartered Institute of Arbitrators to decide. The arbitrator will decide who will pay the costs of the arbitration. For example, costs may be split between the parties or one party may pay all the costs.

### Fraudulent claims

We will, at Our discretion, void the policy (make it invalid) from the date of claim, or alleged claim, and/or We will not pay the claim if:

1. a claim the Insured Person has made to obtain benefit under this Section is fraudulent or intentionally exaggerated, or
2. a false declaration or statement is made in support of a claim.

### Keeping to the policy terms

An Insured Person must:

1. Keep to the terms and conditions of this Policy
2. Take reasonable steps to avoid and prevent claims
3. Take reasonable steps to avoid incurring unnecessary costs
4. Send everything We ask for, in writing, and
5. Report to Us full and factual details of any claim as soon as possible and give Us any information We need.

### Other insurances

If any claim covered under this Section is also covered by another policy, or would have been covered if this Section did not exist, We will only pay Our share of the claim even if the other insurer refuses the claim.

## Business All Risks (Specified Items)

This Section is only operative if specified in the Schedule.

### Business All Risks (Specified Items): Definitions

The following Definitions apply to this Section only.

#### Defined Peril

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, earthquake, subterranean fire, storm, tempest, Flood, escape of water from a tank apparatus or pipe, impact by a road vehicle or animal, theft or attempted theft.

#### Geographical Limits

The following if specified in the Schedule:

1. the Premises
2. anywhere in the Territorial Limits including the Premises
3. anywhere in the Territorial Limits including the Premises and the countries of the European Union
4. anywhere in the World

#### Property Insured

As detailed in the Schedule.

#### Responsible Person

You or a person authorised by You to be responsible for the security of the Premises

### Business All Risks (Specified Items): Insuring Clause

We shall pay You for Damage occurring during the Period of Insurance to Property described in the Schedule provided the Damage occurs within the Geographical Limits as detailed in the Schedule.

The Sums Insured under each item are separately subject to Average.

#### Limit of Liability

We shall not pay more than the Sum Insured shown against each item in the Schedule.

### Business All Risks (Specified Items): Basis of Settlement

We shall pay an amount equal to the cost of repair, reinstatement or replacement of the property to a condition and specification substantially the same as its condition when new, up to the Sum Insured.

Provided that repair, reinstatement or replacement has been effected.

## Business All Risks (Specified Items): Exclusions

We shall not pay for:

1. consequential loss;
2. Damage Connected With:
  - a. inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table, Your own faulty or defective design or materials;
  - b. faulty or defective workmanship, operational error or omission on the part of You or Your Employees;but this shall not exclude subsequent Damage which itself results from a cause not being an excepted cause under this Section or otherwise excluded.
3. Damage Connected With:
  - a. corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
  - b. change in temperature or atmospheric or climatic conditions;
  - c. mechanical or electrical breakdown or derangement of the Property Insured in which such breakdown or derangement originates;but this shall not exclude:
  - a. such Damage which itself results from a Defined Peril or from another cause not being an excluded cause under this Section or otherwise excluded;
  - b. subsequent Damage which itself results from a cause not being an excluded cause under this Section or otherwise excluded.
4. Theft from an Unattended Vehicle or trailer vehicle, unless:
  - a. all doors and windows and other means of access are securely fastened and locked;
  - b. all valuable items are locked in secure compartments and hidden from view;
  - c. any security devices for protection of the vehicle are put into full and effective operation; and
  - d. outside of Your usual trading hours the vehicle is parked within a secure compound or locked within a secure garage.
5. Damage Connected With:
  - a. acts of fraud or dishonesty by Your Employees;
  - b. unexplained disappearance, unexplained or inventory shortage misfiling or misplacing of information;
  - c. a process of fitting, testing, servicing, repair, renovation or adjustment;
  - d. You voluntarily parting with the title or possession of any Property or rights to Property if induced to do so by any fraudulent scheme, trick, device, deception or false pretence.

## Business All Risks (Specified Items): Conditions

### Automatic Reinstatement

Unless We advise You to the contrary, the Sum Insured by this Section shall not be reduced by the amount of a loss. In return, You undertake to pay the extra premium We require.

### Average

The amount that We shall pay, for each item in the Schedule, will be proportionately reduced if the Sum Insured is insufficient when the Damage occurs.

The reduction will be calculated by reference to the proportion which the premium charged for the relevant item bears to the premium that We would have charged for that item had We been provided with the correct Sum Insured. For example, if the premium charged was £5,000 for the relevant item and the premium that We would have charged for that item was £10,000, the amount of Our payment will be reduced by 50%, less any applicable Excess.

### Intruder Alarm System

This Condition shall only apply if it is specified in the Schedule.

For the purpose of this Condition only the following definitions apply:

#### Damage

Loss, destruction of or damage to the Property Caused By fire, explosion, riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances, malicious persons and theft

#### Intruder Alarm System

an electrical installation to detect and indicate the presence, entry or attempted entry of an intruder into Protected Premises

#### Protected Premises

the Premises or those portions of the Premises protected by the Intruder Alarm System as required by Us

#### Responsible Person

You or someone authorised by You to be responsible for the security of the Premises

#### Keyholder

You or a person or key holding company authorised by You who must be available at all times to accept notification of faults or alarm signals relating to the Intruder Alarm System attend and allow access to the Premises

We shall not pay You for Damage Connected With Your failure to ensure that:

1. the Premises are protected by an Intruder Alarm System and means of communication to transmit signals from the Intruder Alarm System, which is designed, installed and maintained as agreed by Us.
2. the Protected Premises has at least one Responsible Person in attendance:
  - a. unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation;
  - b. if the police have withdrawn their response to alarm calls;unless We agree otherwise.
3. in the event of notification of activation of the Intruder Alarm System, or interruption of any of the means of communication during a period that the Intruder Alarm System is set, a Keyholder shall attend the Premises as soon as reasonably possible in order to confirm the security of the Premises and reset the

Intruder Alarm System in its entirety. If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to transmit signals are not in full operation, a Keyholder must remain at the Premises, unless We agree otherwise in writing.

4. You advise Us as soon as possible and not later than 10.00am on Our next working day:
  - a. that police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed;
  - b. of notice from a Local Authority or Magistrate imposing a requirement for abatement of nuisance;
  - c. that the Intruder Alarm System and the means of communication used to transmit signals from such installation cannot be returned to or maintained in full working order;and that You comply with Our subsequent requirements.
5. there is no alteration or substitution of;
  - a. any part of the Intruder Alarm System;
  - b. the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System;
  - c. the means of communication used to transmit signals from the Intruder Alarm System;
  - d. the procedures agreed with Us for police or other response to activation of the Intruder Alarm System;
  - e. the maintenance contract;without Our written agreement.
6. You and each Keyholder must maintain secrecy of codes and security of keys and setting/unsetting devices for the operation of the Intruder Alarm System. All keys and other setting/unsetting devices for the Intruder Alarm System must be removed from the Premises when they are left unattended.
7. The Intruder Alarm System shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or other such company as agreed by Us.
8. You appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company contracted to maintain the Intruder Alarm System and with the police if they so require.

#### Theft Protections

We shall not pay You for claims under this Section for Damage at the Premises outside Business Hours Connected With Your failure to ensure that all fastenings and protections on the Premises at the commencement of this insurance and all additional fastening and protections which have been stipulated by Us are maintained during the currency of this Policy.



## Loss of Licence

This Section is only operative if specified in the Schedule.

### Loss of Licence: Definitions

The following Definitions apply to the Loss of Licence Section only.

#### Licence

A licence granted in respect of Premises specified in the Schedule under the Licensing Act 2003 or any subsequent legislation for the sale of alcohol.

#### Loss of Licence

Temporary or permanent:

1. forfeiture of a Licence; or
2. refusal to renew a Licence

by the licensing authority occurring during the Period of Insurance and Caused By circumstances beyond Your control.

### Loss of Licence: Insuring Clause

We shall pay the reduction in market value of Your interest in;

1. the Premises; or
2. the Business (whichever is the lesser);

Caused By a Loss of Licence.

We will also pay the costs which You reasonably incur with Our written consent to appeal against a Loss of Licence.

Our liability will not exceed the Sum Insured for Loss of Licence which is specified in the Schedule.

### Loss of Licence: Exclusions

We shall not make any payment under this Section if:

1. You are entitled to obtain payment of compensation under any legislation or Byelaw in respect of the refusal to renew the Licence; and/or
2. The Loss of Licence is Connected With:
  - a. a town planning improvement or redevelopment;
  - b. a change in law;
  - c. compulsory purchase or surrender; or
  - d. a reduction or redistribution of Licences by the Licensing Authority.

### Loss of Licence: Obligations

The obligations listed below apply to the Loss of Licence Section and must be complied with throughout the Period of Insurance. They should be read in conjunction with the Your Obligations and Conditions section of the Policy. If You fail to comply in any respect, We shall not pay a claim which is Connected With Your non-compliance.

1. You must notify Us in writing immediately and supply such additional information and give assistance as We may reasonably require if You become aware of any:
  - a. complaint Connected With the Business and/or Premises;
  - b. legal proceedings of any nature against the licence holder, manager of the Business, tenant or occupier of the Premises where the honesty, moral standing, sobriety, character or reputation of the person concerned is called into question;
  - c. change in the tenancy of the Premises;
  - d. change in the management of the Business;

- e. transfer or proposed transfer of the Licence;
  - f. alteration in the purpose for which the Premises is used;
  - g. objection to renewal or other circumstances which may endanger the Licence or its renewal.
- 2. In the event of the death, bankruptcy or incapacity, desertion of the Premises or criminal conviction of the licence holder, tenant, manager or occupier, You must at Our reasonable request appoint a suitable replacement to whom the Licence may be transferred or a new licence may be granted.
- 3. In the event of the Licence being forfeited or refused renewal, You must:
  - a. give written notice to Us within 48 hours of receiving knowledge of such event stating the grounds upon which the licence was forfeited or refused renewal;
  - b. give Us all assistance that We may reasonably require for the purpose of an appeal against such forfeiture or refusal to renew and allow Our solicitors and Us full discretion in the conduct of such proceedings;
  - c. apply for the grant of a new Licence which will enable You to continue the Business with a minimum of interruption;
  - d. provide a statement of loss together with any supporting information or declaration that We may reasonably require; and
  - e. allow Us free access to the Premises and the books and accounts of the Business as may be necessary for ascertaining the value of any loss.

## Terrorism

This Section is only operative for selected Premises when specified as operative in the Schedule.

### Terrorism: Definitions

The following Definitions apply to the Terrorism Section only. They should be read in conjunction with the General Definitions at the start of the Policy. If there is a conflict between a definition in this Section and a definition elsewhere in Your Policy, the definition in this Section will apply.

#### Claim Preparation Costs

All fees, costs and expenses necessarily and reasonably incurred:

1. by You, or on Your behalf; and
2. with Our prior written agreement;

for the preparation, presentation, certification, negotiation or verification of a Specified Claim.

#### Damage/Damaged

A loss or destruction of or physical change to Property, adversely affecting its use or value and requiring the Property to be replaced, reinstated or repaired. Not including changes:

1. which may be addressed by routine cleaning, sanitisation, servicing or maintenance; or
2. comprising a defect inherent in Property.

#### Occurrence

A loss or series of losses Caused By an act of Terrorism, for the same purpose or cause, sustained by You during any period of 72 consecutive hours.

No period of 72 consecutive hours may extend beyond the Period of Insurance unless You first sustain Damage by Terrorism during the Period of Insurance and within the said 72 consecutive hours, nor shall any period of 72 consecutive hours commence prior to the Period of Insurance.

#### Property Insured

As defined in the Property Section.

#### Specified Claim

A claim:

1. in excess of £50,000; and
2. for which We have accepted liability.

#### Terrorism

An act or series of acts including the use of force or violence and actual or attempted Sabotage, of a person or group of persons, whether acting alone or in connection with an organisation, committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear.

## Terrorism: Insuring Clause

We shall pay for:

1. Damage to Property Insured (as defined in the Property and Business All Risks (Specified Items) Sections) Caused By an Occurrence of Terrorism;
2. interruption to the Business Caused By Damage Caused By an Occurrence of Terrorism to Property used by You at the Premises for the purpose of the Business;
3. interruption to the Business Caused By an Occurrence of a Terrorism Extension;

provided that the Occurrence of Terrorism takes place during the Period of Insurance and within the Territorial Limits.

We shall settle claims consistently with the terms of the Property, Business All Risks (Specified Items) and Business Interruption Sections of the Policy, as appropriate, and Our liability for Damage to Property and interruption shall not exceed;

1. the relevant Sum Insured on each item; or
2. any other maximum amount payable or limit of liability specified in any operative extension, other than
  - a. Customers and Suppliers;
  - b. Property Away from the Premises;
  - c. Property Within One Mile of the Premises;
  - d. Property at Utility Supplier Premises;

which are deemed to not apply to this Section (as alternative extensions apply within this Section);

as specified under the Property, Business All Risks (Specified Items) and Business Interruption Sections.

## Terrorism: Exclusions

We shall not pay for loss Connected With or comprising any of the following.

### Chemical and Biological Emissions

Chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind.

### Confiscation, Seizure, Illegal Trade

Confiscation, nationalisation, requisition, detention, embargo, quarantine, seizure, legal or illegal occupation or the order of a public authority which deprives You of the use or value of Your Property, acts of contraband, illegal transportation or trade.

### Cyber

Loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of an electromagnetic weapon.

This exclusion does not apply to loss Caused By the use of an electronic system to fire, launch or control a weapon or missile.

This exclusion is additional to the General Exclusion for Cyber.

### Land and Land Values

Damage to land or reduction in the value of land.

## Terrorism

### Malicious Persons

Vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion.

### Microorganisms

Bacteria, microorganism, mould, mildew, fungus, spores or virus.

### Nuclear Risk

Nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.

### Pollution

Seepage or discharge of pollutants or contaminants, including but not limited to solid, liquid, gaseous or thermal irritant, contaminants or toxic or hazardous substances or any substances the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

### Prevention or Control of Terrorism

Measures taken to prevent, suppress or control actual or potential Terrorism.

### Unexplained Loss

Mysterious disappearance or unexplained loss.

### Weapons

Atomic, chemical, biological, bio-chemical, electromagnetic, fission, laser, radiological or thermonuclear weapons, or weapons of mass destruction.

## Terrorism: Extensions

Subject to the terms of this Section, We shall also pay for loss occurring during the Period of Insurance in the circumstances set out below.

### Brand Rehabilitation

Following interruption to the Business Caused By an Occurrence of Terrorism at or within one mile of the Premises, We shall pay the reasonable costs which You incur to hire a professional advertising and/or public relations consultant, for up to 60 days, solely to mitigate loss which is insured by this Section.

Our total liability under this Extension shall not exceed a maximum of 10% of the Sum Insured for Insurance Gross Profit, Estimated Insurance Gross Profit, Gross Revenue, Estimated Gross Revenue, Rent Receivable, and/or Estimated Rent Receivable or £500,000, whichever is the lesser, such amount to form part of the Sum Insured.

### Claims Preparation Costs

Notwithstanding General Conditions: Claims Conditions – Your Obligations, We shall pay for Claim Preparation Costs provided that:

1. We shall have the right to review and audit all documentation relating to the costs;
2. the Claim Preparation Costs are not otherwise covered under the Policy;

3. Our total liability under this Extension shall not exceed:

- a. the lesser of 10% of the value for any one Specified Claim or £50,000 for any one claim for Claim Preparation Costs; or
- b. £100,000 for all claims for Claim Preparation Costs in total in any one Period of Insurance.

#### **Court Attendance**

We shall pay You reasonable costs and expenses which You incur, with Our prior written consent, to attend court or any tribunal, arbitration, adjudication, mediation or other hearing in connection with a claim under this Policy.

Our total liability under this Extension shall not exceed £50,000 in any one Period of Insurance.

#### **Damage at Premises of Customers and Suppliers**

We shall pay for interruption to the Business Caused By Damage Caused By an Occurrence of Terrorism to Property at a site within the Territorial Limits:

1. to which goods are physically supplied from the Premises; or
2. from which goods are physically supplied to the Business for use at the Premises.

Excluding the premises of any supply undertaking from which You obtain gas, water, electricity or telecommunications services.

Our total liability under this Extension for all Occurrences in the Period of Insurance shall not exceed 10% of the Sum Insured for Insurance Gross Profit, Estimated Insurance Gross Profit, Gross Revenue, Estimated Gross Revenue, Rent Receivable and/or Estimated Rent Receivable or £2,500,000 whichever is the lesser.

#### **Damage to Property of Telecommunications Supplier**

We shall pay for interruption to the Business Caused By Damage to the Property of Your land-based telecommunications supplier within the Territorial Limits Caused By an Occurrence of Terrorism, which causes a failure of supply to Your Premises.

We shall not pay for interruption lasting less than 4 consecutive hours.

Our total liability under this Extension for all Occurrences in the Period of Insurance shall not exceed 10% of the Sum Insured for Insurance Gross Profit, Estimated Insurance Gross Profit, Gross Revenue, Estimated Gross Revenue, Rent Receivable and/or Estimated Rent Receivable or £2,500,000 whichever is the lesser.

#### **Damage to Property of Utility Supplier**

We shall pay for interruption to the Business Caused By Damage to the Property of Your electricity, gas or water supplier within the Territorial Limits Caused By an Occurrence of Terrorism, which causes a failure of supply to Your Premises lasting more than 24 hours.

Our total liability under this Extension for all Occurrences in the Period of Insurance shall not exceed 10% of the Sum Insured for Insurance Gross Profit, Estimated Insurance Gross Profit, Gross Revenue, Estimated Gross Revenue, Rent Receivable and/or Estimated Rent Receivable or £2,500,000, whichever is the lesser.

#### **Damage to Your Property Away from the Premises**

We shall pay for interruption to the Business Caused By Damage Caused By an Occurrence of Terrorism to Property which You own or for which You are responsible whilst stored in premises which You do not wholly or partly occupy.

We shall not pay for loss Connected With Damage to Property occurring:

1. at premises which You partially or wholly occupy;
2. outside the Territorial Limits; or

3. when the Property suffering Damage is not insured for the cost of reinstatement.

Our total liability under this Extension for all Occurrences in the Period of Insurance shall not exceed £500,000.

#### Looting

We shall pay for Damage by looting to Property Insured at the Premises following an Occurrence of Terrorism during the Period of Insurance.

#### Loss of Attraction

We shall pay for interruption to the Business Caused By:

1. an Occurrence of Terrorism within one mile of the Premises to a location that constitutes an attraction to the Business; and
2. which causes a loss of custom to the Business Caused By a reduction in customers visiting the area.

We shall not pay for interruption lasting less than 48 consecutive hours.

Our total liability for all losses under this Extension for all Occurrences in the Period of Insurance shall not exceed 20% of the Sum Insured for Insurance Gross Profit, Estimated Insurance Gross Profit, Gross Revenue, Estimated Gross Revenue, Rent Receivable and/or Estimated Rent Receivable or £1,000,000, whichever is the lesser.

#### Pollution and/or Contamination Clean Up

Notwithstanding the Exclusions for Land and Land Values, and Pollution, We shall pay for Damage to Property Insured Caused By Pollution if:

1. such Damage is Caused By an Occurrence of Terrorism during the Period of Insurance; and
2. the Property Insured contains chemical, biological, radiological or mineral agents which are stored or used in processes conducted on the Premises.

Where 1. and 2. above apply, We shall also pay for reasonable and necessary costs and expenses which You incur with Our prior consent for clean-up within the perimeter of the Premises.

Provided that:

1. on the date of loss there is no nuclear reactor or nuclear fuel on the Premises; and
2. You tell Us of any other loss, Damage, or Injury Caused By Pollution clean-up.

Our total liability under this Extension for all claims in one Period of Insurance shall not exceed £2,500,000.

The reasonable and necessary clean-up costs and expenses shall not be considered in determining the value of the Property Insured.

#### Prevention of Access

We shall pay for interruption to the Business Caused By an Occurrence of Terrorism within one mile of the Premises, which causes a competent civil or military authority to make an order preventing access to the Premises.

We shall not pay for loss:

1. Caused By a prevention of access which lasts less than 24 consecutive hours;
2. Caused By an order which compels Your Business to cease operating at the Premises; or
3. comprising the costs of cleaning, repair, replacement, recall or checking of Property.

Our total liability for all losses under this Extension in any one Period of Insurance shall not exceed 20% of the Sum Insured for Insurance Gross Profit, Estimated Insurance Gross Profit, Gross Revenue, Estimated Gross Revenue, Rent Receivable and/or Estimated Rent Receivable or £2,500,000, whichever is the lesser.

#### **Threat or Hoax**

We shall pay for interruption to the Business Caused By the threat or hoax of an Occurrence of Terrorism affecting an area less than 2 square miles, which causes a competent civil or military authority to make an order which:

1. prevents access to the Premises;
2. requires evacuation of the Premises; or
3. requires an emergency lockdown of the Premises.

If the threat or hoax occurs at the Premises or is made directly to You or Your Tenant, We shall pay for loss which occurs without the order of an emergency service provided that You report the threat or hoax to an emergency service as soon as reasonably practicable and the emergency service confirms in writing that a report was made.

We shall not pay for interruption lasting less than 4 hours.

Our total liability for all losses under this Extension in any one Period of Insurance shall not exceed 20% of the Sum Insured for Insurance Gross Profit, Estimated Insurance Gross Profit, Gross Revenue, Estimated Gross Revenue, Rent Receivable and/or Estimated Rent Receivable or £1,000,000, whichever is the lesser.



## How to Complain

If You have an enquiry about this Policy, please contact Your insurance agent/broker who arranged the Policy for You.

Our aim is to ensure that all aspects of Your insurance are dealt with promptly, efficiently and fairly. We are committed to providing the highest standard of service at all times.

If You have cause to make a complaint You can do so at any time by following the steps outlined below.

### How to make a complaint to Arch

You can contact Us at:

Email: [complaints@archinsurance.com](mailto:complaints@archinsurance.com)

Call: 0333 207 2268 (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK)

Post: Complaints Manager  
Arch Insurance (UK) Limited  
4<sup>th</sup> Floor, 10 Fenchurch Avenue  
London EC3M 5BN

Or You can complete an online complaint form at:

<https://insurance.archgroup.com/business/international/customer-complaints/>

### How to make a complaint to ARAG

For complaints relating to the Legal Expenses Section, including complaints relating to the helplines and online tools, please contact:

Email: [customer-relations@arag.co.uk](mailto:customer-relations@arag.co.uk)

Call: 0344 893 9013 (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK)

Post: Customer Relations Department  
ARAG Legal Expenses Insurance Company Limited  
Unit 4a, Greenway Court  
Bedwas, Caerphilly CF83 8DW

Further information is available from ARAG at:

[www.arag.co.uk/complaints](http://www.arag.co.uk/complaints)

### If Your complaint is not resolved

If Arch or ARAG do not succeed in resolving Your complaint, or if You have not received a final response within eight weeks or of the complaint being made, You may have the right to refer Your complaint to the Financial Ombudsman Service (FOS). You must do this within six months of receiving Our final response letter.

### Contact details for the FOS are:

Call: 0800 023 4567 (calls to this number are free from “fixed lines” in the UK)

or 0300 123 9123 (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK)

## How to Complain

Post: The Financial Ombudsman Service  
Exchange Tower  
London E14 9SR

Web: [www.financial-ombudsman.org.uk/make-complaint](http://www.financial-ombudsman.org.uk/make-complaint)

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. You can find more information on the FOS at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

Following this complaints procedure does not affect Your right to take legal action.

## Financial Services Compensation Scheme

Arch Insurance (UK) Limited and the insurers of this Policy are covered by the Financial Services Compensation Scheme (FSCS).

If We are unable to meet Our obligations, You may be entitled to compensation from the scheme, depending on the type of insurance and the circumstances of the claim.

Call: 020 7741 4100 or 0800 678 1100 (calls to this number are free from “fixed lines” in the UK)

Further information is available from the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk)

## Privacy Notices

### Arch Privacy Notice

Arch Insurance (UK) Limited (“Arch”) is committed to safeguarding the privacy and security of all personal information held by Us. This notice explains who We are, the types of personal information We hold, how and why We use it, who We share it with, how long We keep it and Your data protection rights. Further details can be found within Our full privacy notice which is available on Our group website [www.archgroup.com/privacy-policy](http://www.archgroup.com/privacy-policy)

#### Who We are

Arch is part of the Arch Capital Group Ltd. group of companies and is registered with the Information Commissioner’s Office, registration number Z2421416. Arch is the Data Controller of the information You provide to Us for the products and services We provide to You.

Further information about Arch can be found at Our website listed above.

#### What personal information we collect about You

We will collect personal information which may include Your name, telephone number, email address, postal address, occupation, date of birth, prior insurance history (including previous claims), details of the insurance product or service You wish to use and payment details (including bank account number and sort code). We may collect credit and anti-fraud information such as Your credit history.

We may also need to request and collect sensitive personal information about You, such as details of relevant criminal offences and convictions or Your medical history. We will only collect and process sensitive personal data where it is critical for the delivery of a product or service and without which the product or service cannot be provided.

#### How and why We use Your personal information

We will use Your personal information to:

- Provide quotations and set up Your Policy.
- Manage Your Policy and provide the products or services You have requested.
- Process claims, including the defence or prosecution of legal claims, and to investigate and prevent fraud.
- Develop new products and services.
- Undertake statistical analysis.

We may process Your personal information for the following reasons:

- For the purpose of managing Your insurance and any claims You make.
- It is necessary to meet the terms of an insurance contract with You or a third party on Your behalf.
- It is necessary to meet an obligation We have by law.
- It is in Our or a third party’s legitimate interest, such as to prevent and detect fraud, performing data analytics for risk modelling purposes and for any sale, merger or takeover of all or part of Arch.

#### How We collect Your personal information

We may collect information about You from various sources, including:

- You or a representative such as a family member, Your insurance broker or employer.
- Other insurance companies or their representatives.
- Credit reference agencies.
- Anti-fraud databases or sanctions lists providers.
- Government agencies such as HM Revenue & Customs and the Driver and Vehicle Licensing Agency.
- Publicly available sources such as court judgments and electoral registers.
- Third-party service providers (such as a loss adjustor) or any third parties involved with a claim.

### Who do We share Your personal information with?

We may share Your information with:

- Third parties who help Us deliver Our products and services to You. This can include claims handlers, loss adjusters, legal representatives and data-storage providers.
- Your insurance broker.
- Other insurers and reinsurers.
- Credit reference bureaus and other financial firms involved in any financial payments.
- National anti-fraud databases and fraud prevention agencies including the Claims and Underwriting Exchange and the Motor Insurers Anti-Fraud and Theft Register.
- Auditors, regulators, police or law enforcement bodies and statutory or regulatory authorities, including but not limited to the Employer's Liability Tracing Office and the Motor Insurers' Bureau
- Companies within the Arch Capital Group Ltd group of companies to help deliver Our products and services.

When We use third parties to deliver Our products and services, Your personal information will only be used for the provision and administration of the services provided to You. We require third parties to take all steps which are reasonably necessary to ensure that Your data is treated securely and in accordance with this notice.

The data We collect about You may be transferred to, and stored at, a destination outside of the United Kingdom ("UK") or the European Economic Area ("EEA"). We will ensure that such transfers of personal information are protected by appropriate contractual clauses and that the transfer of information complies with all relevant data protection laws.

### How long We keep Your personal information for

We will not keep Your personal information for any longer than is necessary for the purpose for which it was provided, unless We are required to by law.

We will normally keep information for at least seven years after the termination or cancellation of a product, contract or service that We provide. In certain cases, We will keep Your information for longer, particularly for types of insurance for which a claim could potentially be made by You or a third party at a future date, even after Your contract with Us has ended.

### Your rights relating to Your personal information

Under data protection law You have several data protection rights. These include the right to request a copy of Your personal information, request to have Your information updated or corrected, request to have Your information deleted (right to be forgotten), object to how We are using Your information (including Our legitimate interests mentioned above), or request to have Your information sent directly to a third party.

These rights may not apply in all cases or there might be restrictions to how these apply. If You wish to exercise any of Your rights, please contact Our Data Protection Officer whose contact details are below.

If You have any concerns about how We may use or have used Your personal information, please contact Us and We will try to resolve Your concerns. You may also contact the UK Data Protection Regulator - the Information Commissioner's Office, whose details can be found on their website [www.ico.org.uk](http://www.ico.org.uk).

### How to contact Us

You can contact Us for any data protection queries by email: [DPO@archinsurance.com](mailto:DPO@archinsurance.com) or by writing to The Data Protection Officer, Arch Insurance (UK) Limited, 4th Floor, 10 Fenchurch Avenue, London, EC3M 5BN.

## ARAG Privacy Notice

### Legal Expenses Section

We process Your personal information in accordance with Our Privacy Notice. You can find Our Privacy Notice online at [www.arag.co.uk/data-legal/privacy-notice/](http://www.arag.co.uk/data-legal/privacy-notice/).

Alternatively You can make a request for a printed copy to be sent to You by contacting [dataprotection@arag.co.uk](mailto:dataprotection@arag.co.uk).



**Arch UK Regional Division**

Arch Insurance (UK) Limited, 4th Floor, 10 Fenchurch Avenue, London EC3M 5BN – (FCA Register No 229887)  
authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the  
Prudential Regulation Authority.

Commercial Combined – Online - Policy Wording

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