

POLICY TERMS & CONDITIONS



RETAIL INSURANCE POLICY

Discount Insurance

Introduction

Thank **you** for choosing Discount Insurance for **your** Retail Insurance **policy**. **We** aim to provide **you** the best value cover and protection **you** may need for **your property**.

This **policy** wording sets out the terms and conditions of **your** insurance protection. Please refer to **your** certificate and statement of fact for full details of the level of cover provided, which together with this document shall form **your** insurance contract.

We recommend that **you** keep a copy of **your policy** certificate for **your** records.

This insurance has been arranged by Discount Insurance, a trading name of Arthur J. Gallagher Insurance Brokers Limited, which is authorised and regulated by the Financial Conduct Authority. Registered Office: Spectrum Building, 7th Floor, 55 Blythswood Street, Glasgow, G2 7AT. Registered in Scotland. Company Number: SC108909. and underwritten by BRIT Syndicate 2987.

Important

Please check **your** documents in detail. If this **policy** does not meet **your** requirements or if any of the information found on the certificate or statement of fact is missing or incorrect, please contact **us** or **your** insurance adviser within 14 days of receipt to amend or cancel **your policy**.

It is important that **you** tell **us** of any material change in **your** circumstances including but not limited to the type of let or any renovation works which may be carried out. Material facts can have an effect on the level of cover or how much **you** pay. If **you** are not sure whether something is important, please tell **us** anyway, since a failure to do so could result in **your** cover being invalid.

You can contact **us** on 0208 847 8000.

Your Cancellation Rights

You may cancel **your policy** at any stage during the **policy** term. The cancellation will be effective as of the date the request was received in writing, unless a later date is specified by **you**.

You are entitled to a period of 14 days, from inception, in which to consider the content of **your** insurance **policy** and the extent of cover. Cancellation of **your policy** within 14 days from inception is therefore subject to a full refund, provided that there have been: a) No claims made under the **policy** for which **we** have made a payment; b) No claims made under the **policy** which are still under consideration; c) No incident likely to give rise to a claim but is yet to be reported to **us**.

Cancellation after 14 days will be refunded pro rata, less the cancellation fee. If a claim has been submitted or there has been any incident likely to give rise to a claim during the current **period of insurance**, no refund for the unexpired portion of the premium will be given.

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Your Policy

This **policy** wording sets out the terms and conditions of **your** insurance protection. Please refer to **your** insurance certificate and statement of fact for full details of the level of cover provided, which together with this document shall form **your** insurance contract.

We recommend that **you** keep a copy of **your policy** schedule for **your** records.

The **company**, in consideration of the payment of the premium, shall provide insurance against loss, destruction, **damage** or liability occurring at any time during the **period of insurance** (or any subsequent period for which the **company** accepts a renewal premium), in accordance with the sections of the **policy** shown as operative on the insurance **certificate**, subject to the exclusions, provisions and conditions of the **policy**. It does not cover any loss, destruction, **damage** or liability which occurred pre-inception of the **policy**.

If more than one **property** is insured by the **policy**, any exclusion or limitation applies separately to each **property**. If the **property** comprises of multiple private dwellings the **excess** applies to each and every private dwelling separately. The excess that does apply will be shown on **your** certificate; where more than one **excess** is applicable, the higher **excess** will always be applied.

The Law Applicable to this Policy

Any reference to a statute in this **policy** shall also include any amendments to, or replacement of it and all subordinate legislation made under, or in connection with it.

Under the laws of the United Kingdom (England, Scotland, Wales and Northern Ireland) both **you** and **we** may choose the law which applies to this contract, to the extent permitted by those laws. Unless **you** and **we** agree otherwise, **we** have agreed with **you** that the law which applies to this contract is the law which applies to the part of the United Kingdom in which **you** live, or, if **you** live in the Channel Islands or the Isle of Man, the law of whichever of those two places in which **you** live. The contract and terms of this **policy** will be in English.

Data Protection Information

Who **we** are

We are the Lloyd's underwriter(s) identified in the contract of insurance and/or in the certificate of insurance.

The basics

We collect and use relevant information about **you** to provide **you** with **your** insurance cover or the insurance cover that benefits **you** and to meet **our** legal obligations.

This information includes details such as **your** name, address and contact details and any other information that **we** collect about **you** in connection with the insurance cover from which **you** benefit. This information may include more sensitive details such as information about **your** health and any criminal convictions **you** may have.

In certain circumstances, **we** may need **your** consent to process certain categories of information about **you** (including sensitive details such as information about **your** health and any criminal convictions **you** may have). Where **we** need **your** consent, **we** will ask **you** for it separately. **You** do not have to give **your** consent and **you** may withdraw **your** consent at any time. However, if **you** do not give **your** consent, or **you** withdraw **your** consent, this may affect **our** ability to provide the insurance cover from which **you** benefit and may prevent **us** from providing cover for **you** or handling **your** claims.

The way insurance works means that **your** information may be shared with, and used by, a number of third parties in the insurance sector for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. **We** will only disclose **your** personal information in connection with the insurance cover that **we** provide and to the extent required or permitted by law.

Other people's details **you** provide to **us**

Where **you** provide **us** or **your** agent or broker with details about other people, **you** must provide this notice to them.

Want more details?

For more information about how **we** use Your personal information please see **our** full privacy notice(s), which is/are available online on **our** website(s) or in other formats on request.

Contacting us and your rights

You have rights in relation to the information **we** hold about **you**, including the right to access **your** information. If **you** wish to exercise **your** rights, discuss how **we** use **your** information or request a copy of our full privacy notice(s), please contact **us** at, or the agent or broker that arranged **your** insurance who will provide **you** with **our** contact details:

Data Protection Officer
Brit Syndicate 2987 at Lloyd's
The Leadenhall Building
122 Leadenhall Street
London EC3V 4AB

Making a Claim

In the unfortunate event of **you** suffering loss, **injury, damage** or a liability claim being made against **you**, please contact **our** claims line on 0333 000 0175 or write to **us** as soon as possible. Claims reported after 30 days of discovery may be invalidated. When **you** contact **us** about a claim **you** will need to tell **us**:

- **Your** name, address and **policy** number;
- The place where the loss or **damage** occurred;
- Details of the cause and circumstances of the loss or **damage**.

You are required to take all reasonable precautions to prevent and reduce any loss or **damage** that may occur. Emergency or temporary repairs following a loss or **damage** are permitted. Please keep all receipts for these works as they may form a basis of **your** claim but refrain from making full repairs until **we** consider **your** claim. All theft and malicious **damage** to **your property** must be reported to police within 24 hours of discovery.

If **you** receive a written summons or other legal process regarding a claim under the **policy, you** must send this to **us** immediately.

You must give **us** all the help and information necessary to settle or resist a claim against **you** or to help **us** take action against someone else.

If the above procedure is not followed, **you** will break a condition of the **policy** and **we** may not meet **your** claim.

You can write to Brit Global Specialty Claims Team at 249 Midsummer Boulevard, Milton Keynes, Buckinghamshire, MK9 1YA,

or

Telephone: +44 (0) 1908 302 080

Fax: +44 (0) 1908 302 351

e-mail: Brit@crawco.co.uk

Definitions

Wherever the following words and phrases appear in the **policy** in BOLD, they will always have these meanings:

Building(s)

The building or buildings at the risk address(es) stated in the schedule including:

- a. Outbuildings attached to or detached from the main building
- b. Walls, gates and fences
- c. Landlord's fixtures and fittings
- d. Car parks, yards, paved areas, roads, pavements and footpaths

All belonging to the **insured** or for which the **insured** is legally responsible.

Business

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

- a. The ownership, repair and maintenance of the **premises**
- b. The provision of first aid but excluding any first aid provided by any qualified medical practitioner or nurse
- c. Private work undertaken by the **insured's employees** with the consent of the **insured** for any director, partner or senior official of the **insured**
- d. The provision and management of sports, social and welfare organisations by the **insured** for the benefit of the **insured's employees**
- e. The sale or supply of food and drink to **employees** or visitors

Business Hours

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

Computer

All equipment including interconnected wiring fixed disks and telecommunications equipment used at the **premises** for the storage and communication of electronically processed data but excluding:

- a. Mobile devices where the sole or primary function of the item is to make, send and receive telephone calls and SMS messages
- b. Any equipment controlling any manufacturing process belonging to the **insured** or leased, hired or rented to the **insured** and for which the **insured** is legally responsible

Computer Records

All current and backup computer records excluding fixed disks and paper records of any description incorporating stored programs and information stored on them belonging to the **insured** or leased, hired or rented to the **insured** and for which the **insured** is legally responsible.

Consequential Loss

Loss resulting from interruption or interference with the **business** carried on by the **insured** at the **premises** in consequence of **damage**.

Contents

The contents of the **buildings** used in connection with the **business** belonging to the **insured** or for which the **insured** is legally responsible including:

- a. Patterns, models, moulds, plans and designs.
- b. Documents, manuscripts and **business** books for their value as stationery and materials and the cost of labour expended in writing up and/or reinstatement thereof or restoration if more economical subject to a maximum of GBP 5000 for any one loss.
- c. Directors', partners' or **employees'** personal effects, clothing, pedal cycles and tools unless otherwise insured subject to a maximum of GBP 500 per person for any one loss.
- d. **Computers** unless insured as a specific item as shown in the schedule

but excluding any other **property** more specifically **insured**.

Damage(s)

Loss, destruction of or damage to the **property** insured.

Denial of Service Attack

Any actions or instructions constructed or generated with the ability to **damage**, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems including but not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

Employee(s) (not applicable to Section 6 - Legal Expenses)

- a. Any person under a contract of service or apprenticeship with the **insured** or
- b. any of the following persons whilst working for the **insured** in connection with the **business**:
 - i. any labour master or labour only subcontractor or person supplied by them
 - ii. any self employed person providing labour only
 - iii. any trainee or person undergoing work experience
 - iv. any voluntary helper
 - v. any person who is hired to or borrowed by the **insured**

Excess

The amount for which the **insured** is responsible for each and every claim or loss as specified in the schedule or in the **policy**.

Goods in Transit

Stock in connection with the **business** belonging to or the responsibility of the **insured** whilst being:

- a. loaded on or in a **vehicle**
- b. carried by a **vehicle**
- c. temporarily contained on or in a **vehicle** whilst parked or stationary or within a secure storage location for a continuous period of no more than 48 hours
- d. unloaded off or from a **vehicle** but excluding positioning, installation, commissioning or erection once it has been unloaded

Gross Profit

The amount by which the sum of the **turnover** and the amount of the closing **stock** shall exceed the sum of the amount of the opening **stock** and the amount of the **specified working expenses**.

Hacking

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

Increased Cost of Working

The additional expenditure incurred with the prior written consent of the **insurer** for the sole purpose of avoiding or diminishing the reduction in **turnover** which but for that expenditure would have taken place during the **indemnity period**.

Indemnity Period

The period beginning with the occurrence of the **damage** and ending not later than the **maximum** indemnity period as stated in the schedule, afterwards during which the results of the **business** shall be affected in consequence of the **damage**.

Injury

Bodily injury, death, illness or disease.

Insured

The person, persons or company named in the schedule including subsidiary companies notified to and agreed as accepted by the **insurer**.

Insured Perils

Those insurable perils which are operative as stated in the schedule subject always to the terms, conditions and exclusions applying to the insurable peril and of Section 1 and the **policy**.

Insurer

BRIT Syndicate 2987 at Lloyd's.

Intruder Alarm System

All the component parts of the alarm and including devices used to transmit or receive signals.

Keyholder

The **insured** or any person or company authorised by the **insured** who has been fully trained in the operation of the **intruder alarm system** including but not limited to the setting and unsetting of the system and is available at all times to accept notification of faults or alarm signals relating to the **intruder alarm system** and to attend and allow access to the **premises**.

Legal Costs

All costs and expenses incurred with the prior written consent of the **insurer** in addition to claimant's costs and expenses for which the **insured** is legally liable.

Licence

Granted under Part 3 Premises Licences of the Licensing Act 2003 or the Licensing (Scotland) Act 2005 or any subsequent amendment to the Act in respect of **premises** which have been licensed for the sale by retail of alcohol.

Maximum Indemnity Period

The number of months stated in the schedule as applying to the **indemnity period**.

Money

Cash bank, currency notes, uncrossed cheques, uncrossed postal orders and money orders, unused postage stamps, National Insurance stamps, trading stamps, luncheon vouchers, lottery and other prize scratch cards, utility vouchers, top up cards, mobile phone vouchers and International Phone Cards held in connection with the **business** belonging to the **insured** or for which the **insured** is legally liable.

Non-Negotiable Money

Crossed cheques, crossed girocheques, crossed bankers drafts, crossed giro drafts, crossed postal and crossed money orders, national savings certificates, premium bonds unexpired units in franking machines, stamped national insurance cards, credit card sales vouchers, debit card sales vouchers, VAT purchase invoices held in connection with the **business** belonging to the **insured** or for which the **insured** is legally liable.

Notifiable Human Disease

An illness sustained by any person caused by:

- a. food or drink poisoning
- b. any human infectious or contagious disease an outbreak of which the competent local authority has stipulated shall be notified to them.

Offshore Installation

- a. Any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- b. Any installation in the sea or tidal waters which is intended for the storage or recovery of gas or generation of electricity
- c. Any pipe or system of pipes in the sea or tidal waters
- d. Any accommodation installation for persons who work on or from the locations specified above

Outstanding Debit Balances

The total amount of the outstanding debit balances in customers' credit accounts including hire, purchase and credit sales accounts at the date of the **damage** adjusted for bad debts.

Period of Insurance

The period of cover shown in the certificate, both dates are inclusive.

Pollution or Contamination

- a. All pollution or contamination of **buildings** or other structures or of water or land or the atmosphere
- b. All injury, loss or **damage** directly or indirectly caused by such pollution or contamination
- c. All pollution or contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place.

Policy

This policy including the sections and the certificate all of which should be read together as one contract.

Portable Property

Laptop **computers**, tablets & ancillary equipment, photographic, video & audio equipment, mobile phones and other communications equipment.

Premises

The **buildings** and the land inside the boundaries at the risk address stated in the schedule.

Principal

Any person, firm, company, ministry or authority for whom the **insured** is undertaking work.

Products Supplied

Any goods or other **property** including containers, packaging, labelling and instructions for use sold, supplied, delivered, erected, repaired, serviced, altered, treated, installed, processed, manufactured or tested by the **insured** in connection with the **business**.

Property

- a. **Buildings, tenants' improvements, shop front, contents, computers, computer records, stock** and in respect of:
Section 1 of the **policy** such other items to which cover is expressly extended in Section 1 of the **policy** or schedule or
- b. In respect of Section 3 of the **policy** covered equipment, **computer** equipment and such other items to which cover is expressly extended in Section 3 of the **policy**.
- c. In respect of Section 6 of the **policy** land and/or **buildings** owned or occupied by the **insured** or otherwise for which the **insured** is legally responsible.

The **insurer** agrees to accept the classification under which any **property** has been entered in the books of the **insured**.

Rate of Gross Profit

For the purpose of a new **business** that has not yet been trading 12 months:

- The rate of gross profit earned on the **turnover** during the period between the date of commencement of the **business** and the date of the **damage**.

For all other **businesses**:

- The rate of gross profit earned on the turnover during the financial year immediately before the date of the **damage**.

Rent

The **money** paid or payable by the **insured** for accommodation and services provided (including service charges unless excluded by endorsement) at the **premises**.

Rent Payable

Rent which continues to be legally payable by the **insured** whilst the **premises** are rendered unusable as a result of **damage** but only in respect of the period reasonably necessary for their reinstatement and not exceeding the maximum period stated in the schedule.

Safe/Strongroom

An item being of substantial construction with key and/or combination locks and manufactured for the secure storage of **money** or **non-negotiable money**.

This does not include cash boxes, tills, filing cabinets or any item constructed of sheet metal whether lockable or not.

Shop Front

The windows, doors, frames, signs, external blinds and walling including **intruder alarm systems**, security fittings fixed associated and electrical equipment all forming part of the front of the **premises**.

Solicitors' Fees

Solicitors' fees for the representation of the **insured** at any coroner's inquest or fatal accident, inquiry or at proceedings in any court of summary jurisdiction in respect of any occurrence which may be the subject of indemnity under Sections 3 and 4.

Specified Working Expenses

The total of:

- a. Purchases less discounts received
- b. Discounts allowed
- c. Carriage freight and packaging and
- d. Bad debts

Standard Turnover

For the purpose of a new **business** that has not yet been trading 12 months:

- The proportional equivalent for a period equal to the **indemnity period** of the **turnover** realised during the period between the commencement of the **business** and the date of the **damage**.

For all other businesses:

- The **turnover** during the period immediately before the date of the **damage** which corresponds with the **indemnity period**.

Stock

Stock and materials in trade including raw materials, work in progress, finished goods, the **property** of the **insured** and goods in trust for which the **insured** is responsible. **Target stock** to be excluded unless specifically stated on the schedule.

Target Stock

Cigarettes/tobacco, wine and spirits, electrical brown goods (i.e. radio, TV/audio/video goods/DVD's), clothing (furs, suede, and designer), costume jewelry, photographic equipment, non ferrous metals, **computers** and associated equipment, mobile phones, clocks and watches, clothing designer, designer eyewear & sunglasses, gold, silver and other precious metals, living creatures, power tools, rare books, antiques and woks of art and sport equipment and sports clothing.

Tenants' Improvements

All improvements, alterations and decorations effected by or on behalf of the **insured** as occupier of the **premises**.

Territorial Limits

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

Terrorism

Acts of persons acting on behalf of or in connection with any organization, which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's Government in the United Kingdom or any other government de jure or de facto.

Turnover

The **money** paid or payable to the **insured** for **products supplied** and services rendered in the course of the **business**.

Unoccupied

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

Vehicle(s)

A mechanically driven conveyance with or without attached trailers for conveying the **goods in transit**.

Virus or Similar Mechanism

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

We / Us / Our

BRIT Syndicate 2987.

You / Your

The person, persons, partnership, corporation or organisation named in the certificate and statement of fact as the **insured**.

General Conditions

1) Misrepresentation

If the **insured** or anyone representing the **insured**:

- provides the broker, intermediary or agent who arranged the **policy** or the **insurer** with misleading or incorrect information when applying for amending or renewing this insurance
- deliberately and/or recklessly withholds information or misleads the broker, intermediary or agent who arranged the **policy** or the **insurer** in order to obtain cover or gain a cheaper premium or more favourable terms
- provides the broker, intermediary or agent who arranged the **policy** or the **insurer** with false documents

The **insurer** may:

- amend the **insured's policy** to record the correct information
- provide different terms with effect from the date of the misrepresentation and amend the **insured's policy** to record the correct information. Where different terms are applied which results in an additional premium the **insured** shall be liable to pay for such additional premium from the date of the misrepresentation
- cancel the **insured's policy** in accordance with General Condition 6) **Your** Cancellation Rights
- void the **insured's policy** and treat it as if it had never existed and return the premium paid other than in circumstances of:
 - a. deliberate and /or reckless misrepresentation where no premium shall be returned by the **insurer**
 - b. where the **insured** has made claims under the **policy** then:

- i. any sums that have been paid by way of benefit under the **policy** will be deducted from any return premium due to the **insured** or
 - ii. in the event that the premium paid does not exceed the sums paid by way of benefit under the **policy** the **insured** will be responsible for reimbursing the **insurer** the difference
- in addition to voiding the **insured's policy** the **insurer** may also void any other policies which the **insured** has with the **insurer** and return the premium paid for such policies except in the circumstances where:
 - a. deliberate and/or reckless misrepresentation has also occurred on these policies or
 - b. claims have also been made on these policies, in these circumstances no premium shall be returned by the **insurer**.

2) Fraud

If the **insured** or anyone representing the **insured**:

- makes a fraudulent payment by bank account and/or card
- provides the broker, intermediary or agent who arranged the **policy** or the **insurer** with false documents or false statements to support a claim
- makes a claim or part of any claim that is fraudulent, false or exaggerated

The **insurer** may:

- cancel the **insured's policy** and not return any premium paid by the **insured** in accordance with General Condition 6) **Your** Cancellation Rights
- reject a claim or reduce the amount of payment that would have been paid
- recover from the **insured** any sums paid by way of benefit under the **policy** in respect of any claim or part of any claim that is fraudulent, false or exaggerated
- pass details to fraud prevention and law enforcement agencies who may access and use this information

3) Reasonable Care

The **insured** shall:

- a. take all reasonable precautions to prevent or diminish loss, destruction, **damage** or **injury**
- b. take all reasonable steps to comply with statutory requirements, obligations and regulations imposed by any authority
- c. exercise care in the selection and supervision of **employees**
- d. maintain all **buildings**, ways, works, machinery and plant in sound condition

As soon as possible after discovery of any defect or danger: the **insured** shall cause such defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require.

4) Alteration

This **policy** shall cease to be in force from the date of the alteration if:

- a. any alteration is made either in the **business** or at the **premises** or to any **property** insured after the commencement of the insurance that increases the risk of loss, destruction, **damage** or **injury** or
- b. the **insured's** interest ceases except by will or operation of law or
- c. the **business** is wound up or carried on by a liquidator or receiver or permanently discontinued or
- d. the **premises** become **unoccupied**, unless the **insurer** has agreed in writing to accept such alteration.

5) Payment of Premium

It is a condition precedent to the **insurer's** liability that:

- a. the premium for the **policy** or any endorsement attaching to the **policy** shall be paid when due

- b. if the premium for the **policy** or endorsement is payable by instalments then:
 - i. each instalment shall be paid when due or
 - ii. where a notice has been issued requiring the outstanding amount must be paid by a specific date then such payment is made by that date

6) Your Cancellation Rights

a. Cancellation by the **insured**

You may cancel **your policy** at any stage during the **policy** term. The cancellation will be effective as of the date the request was received in writing, unless a later date is specified by **you**.

- i. **You** are entitled to a period of 14 days, from inception, in which to consider the content of **your** insurance **policy** and the extent of cover. Cancellation of **your policy** within 14 days from inception is therefore subject to a full refund, provided that there have been: a) No claims made under the **policy** for which **we** have made a payment; b) No claims made under the **policy** which are still under consideration; c) No incident likely to give rise to a claim but is yet to be reported to **us**.
- ii. Cancelling the **policy** after the cooling off period
Cancellation after 14 days will be refunded pro rata, less 15% of the premium. If a claim has been submitted or there has been any incident likely to give rise to a claim during the current **period of insurance**, no refund for the unexpired portion of the premium will be given.

b. Cancellation by the **insurer**

i. Non-payment of Premium

If the **insurer** has not received the premium in accordance with the terms of Condition 5) Payment of Premium, the **insurer** will cancel the **policy** by giving 7 days' notice in writing by letter to the **insured** at the **insured's** last known address.

The insurance will end immediately the 7 days' notice runs out.

If the **insured** has just incepted or renewed the **policy** with the **insurer** and the premium is unpaid, then the **insurer** will cancel the insurance from the inception or renewal date.

ii. Cancellation for any other reason

The **insurer** may cancel the **policy** or any section or endorsement by giving 30 days' notice in writing by letter to the **insured** at the **insured's** last known address.

The **insurer** does not have to give a reason for the cancellation, although valid reasons for doing so may include but are not limited to the following:

- the **insured** has not provided to the broker, intermediary or agent the information or documents the **insurer** has requested as part of the terms and conditions in providing the insurance
- the **insured** has not met the terms and conditions contained in this document of insurance including those shown on their schedule
- where the **insured** does not comply with different **policy** terms and conditions imposed by the **insurer** as a result of the identification of misrepresentation as detailed in General Condition 1) Misrepresentation
- where an alteration is made to the **business**, the **premises** or the **property** or where the **insured's** interest ceases unless agreed by the **insurer** as detailed in General Condition 4) Alteration
- where the survey arranged by the **insurer** has identified additional risks, which were not evident to the **insurer** prior to the survey or where the **insured** have not complied with the **insurer's** acceptance criteria nor with the timely completion of any risk improvements as detailed in General Condition 9) Subject to Survey
- the **insured** has behaved in a manner that makes it inappropriate for the **insurer** to continue the insurance, e.g. the **insured** harassing or showing abusive or threatening behaviour towards the **insurer's** staff or the **insurer's** appointed representatives

The insurance will end immediately the 30 days' notice runs out.

If the **insured** has just incepted or renewed the **policy** with the **insurer** and the premium is unpaid, then the **insurer** will cancel the insurance from the inception or renewal date.

The **insurer** will provide a proportionate return of premium in respect of the unexpired **period of insurance** of the **policy** or section other than in circumstances listed below:

- a. where the **insurer** identifies fraud as detailed in General Condition 2) Fraud
- b. where a claim has been made or incident advised that could give rise to a claim

in these circumstances no premium shall be returned by the **insurer**.

7) Observance of Terms

It is a condition precedent to the **insurer's** liability that the **insured** shall observe the terms of the **policy** so far as they relate to anything to be done or complied with.

8) Legal Representatives

In the event of the death of the **insured**, the **insurer** will indemnify the **insured's** legal personal representatives in respect of liability at law previously incurred by the **insured** provided they observe, fulfil and be subject to the terms, conditions and limitations of the **policy** to the extent that they can apply.

9) Subject to Survey

If any insurance by this **policy** either at inception, or subsequent renewal, has been granted subject to the completion of a survey of the **premises**, or if during the **period of insurance** following notification of a claim, or an alteration to the **business**, or the **premises**, or to any **property** under the **policy** the **insurer** requires a survey:

- a. then pending completion of such survey the terms, conditions, exclusions and limits as specified in the **policy** and schedule shall apply
- b. if following completion of the survey and in the opinion of the **insurer** this has identified additional risks which were not evident to the **insurer** prior to the survey, then the **insurer** reserves the right to alter or amend the terms and conditions of the **policy** or to suspend or withdraw cover immediately
- c. the continuation of cover after the survey by the **insurer**, shall be subject to the **insured** complying with the **insurer's** acceptance criteria and the completion of any risk improvements required within the time frame agreed with the **insurer**, otherwise the **insurer** may at its option invoke the cancellation condition.

10) Limit of Indemnity

All the sums insured, limits of indemnity and any other restrictions on the amount of the **insurer's** liability stated in the **policy**, shall apply as maximum limits to the **insurer's** liability irrespective of the number of persons entitled to indemnity under the **policy**.

For the purposes of the sums insured, limits of indemnity and any other restrictions on the amount of the **insurer's** liability, the **insured** and all other persons entitled to be indemnified under the **policy**, shall be treated as one party or legal entity, so that there shall be only a single contract of insurance between the **insurer** as one party and the **insured** and all other persons entitled to be indemnified as the other party.

11) Third Party Rights

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

The **insured** shall not assign or transfer their rights under the **policy** without the written agreement of the **insurer**.

12) Insured's Contribution

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

GENERAL EXCLUSIONS

This **policy** does not cover

1) War Government Action, Radioactive Contamination and Sonic Bangs

Damage to any **property** whatsoever or any loss or expense whatsoever, resulting or arising therefrom or any **consequential loss** or any legal liability of whatsoever nature, directly or indirectly caused by or contributed to by or arising from:

- a. war invasion act of foreign enemy hostilities (whether war be declared or not) civil war, rebellion revolution, insurrection or military or usurped power
- b. nationalisation, confiscation, requisition, seizure or destruction by the Government or any public authority
- c. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- d. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- e. pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

2) Terrorism and Civil Commotion

Damage to any **property** whatsoever, or any loss or expense whatsoever, resulting or arising therefrom or any **consequential loss** directly or indirectly caused by or contributed to, by or arising from:

- a. **terrorism**
- b. civil commotion in Northern Ireland

In any action suit or other proceedings where the **insurer** alleges that by reason of this exclusion as far as it relates to **terrorism**, any **damage** or resulting loss or expense or **consequential loss** is not covered by the **policy**, the burden of proving that such **damage**, loss, expense or **consequential loss** is covered shall be upon the **insured**.

3) Date Recognition

Damage or **consequential loss** of whatsoever nature or liability for **damages** attaching to the **insured** or any associated costs relating thereto arising directly or indirectly from or consisting of the failure or inability of any:

- (1) **computer** data processing equipment, microchip integrated circuit or any similar device or any **computer** software or **computer** firmware
- (2) media or systems used in connection with any of the above whether the **property** of the **insured** or not
 - i. to recognise correctly any date as its true calendar date
 - ii. to capture, save or retain and/or correctly to manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date but
- a. in respect of Section 1 and Section 2 this shall not exclude subsequent **damage** not otherwise excluded which itself results from the **insured perils**
- b. this exclusion shall not apply to Section 3

4) Marine Policies

Damage to **property** which at the time of the happening of the **damage** is insured by or would but for the existence of this **policy** be insured by any marine **policy** or policies, except in respect of any **excess** beyond the amount which would have been payable under the marine **policy** or policies had this **policy** not been effected.

5) Computer Virus

Damage to any **computer** or other equipment or component or system or item, which processes, stores, transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the **property** of the **insured** or not, where such **damage** is caused by **virus or similar mechanism** or **hacking** or **denial of service attack** or **consequential loss** directly or indirectly caused by or arising from **virus or similar mechanism** or **hacking** or **denial of service attack**.

6) Illegal Deliberate and Criminal Activities

Damage or **consequential loss** of whatsoever nature or liability for damages attaching to the **insured** or any associated costs relating there to arising directly or indirectly from:

- a. **damage** or liability caused as a result of the **premises** being used for illegal activities by the **insured**
- b. deliberate or criminal acts by the **insured**

SECTION 1 – MATERIAL DAMAGE

In the event of **damage** to **your property**, which is covered only as shown in the schedule, at the **premises** from an **insured peril** during the **period of insurance**, the **insurer** will indemnify the **insured** for the loss or amount of **damage**, or at its option replace or reinstate such **property** in accordance with the provisions of the **policy** and provided that during the **period of insurance**, the liability of the **insurer** under this Section shall not exceed the lesser of:

- a. in respect of any item its sum insured or limit stated in the **policy** or the schedule at the time of the **damage**
- b. the sum insured or limit remaining after deduction for any other **damage** in the same **period of insurance**, unless the **insurer** has agreed to reinstate any such sum insured or limit

In addition, the **insurer** will indemnify the **insured** in respect of loss of rent as a result of **damage** to the **premises** from an **insured peril**, during the **period of insurance**, rendering the **buildings** uninhabitable provided that the liability of the **insurer** shall not exceed the lesser of:

- a. the **rent** sum insured stated in the schedule at the time of **damage**
- b. the **rent payable** for the period the **buildings** are uninhabitable

Insured Perils

What is Covered	What is Not Covered;
Fire	Excluding damage caused by: <ul style="list-style-type: none"> • Its own spontaneous fermentation or heating, or its undergoing any heating process or any process involving the application of heat • Explosion resulting from fire
Lightning	
Explosion Damage caused by the explosion of any boiler or gas used only for domestic purposes.	Excluding damage caused by: <ul style="list-style-type: none"> • The bursting, by steam pressure of a boiler economiser or other vessel machine or apparatus in which internal pressure is due to steam only belonging to or under the control of the insured • This exclusion does not apply to damage caused by the explosion of any boiler or gas used only for domestic purposes
Aircraft or other aerial devices or articles dropped from them.	
Earthquake and subterranean fire.	
Riot , civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons.	Excluding damage : <ul style="list-style-type: none"> • Arising from cessation of work or due to confiscation, nationalisation, seizure, requisition or destruction by order of the government or any public authority • By theft or attempted theft • Whilst any building is unoccupied

What is Covered	What is Not Covered;
<p>Theft or attempted theft involving entry to or exit from the buildings at the premises by forcible and violent means or actual or threatened hold up assault or violence.</p>	<p>Excluding loss from any structure which is incapable of being locked:</p> <p>Damage in respect of property in the open</p> <ul style="list-style-type: none"> • Whilst any building is unoccupied • In respect of stock at exhibitions that is not contained in an indoor exhibition hall which is locked and/or guarded outside business hours • Theft or attempted theft by employees
<p>Storm</p>	<p>Excluding damage:</p> <ul style="list-style-type: none"> • Caused by frost, subsidence, ground heave or landslip • Attributable solely to change in the water table level • To fences, gates and moveable property in the open or in open fronted or open sided buildings
<p>Flood</p>	<p>Excluding damage:</p> <ul style="list-style-type: none"> • Caused by frost, subsidence, ground heave or landslip • Attributable solely to change in the water table level • To fences, gates and moveable property in the open or in open fronted or open sided buildings
<p>Impact by:</p> <ul style="list-style-type: none"> • Any road vehicles or animals • Falling trees or boughs • Breakage or collapse of aerials or satellite dishes 	<p>Excluding damage by lopping pruning or felling of trees.</p>
<p>Escape of water from any tank apparatus or pipe or escape of oil from any fixed oil-fired heating installation or leakage of beverages from storage containers or connected apparatus.</p>	<p>Excluding damage:</p> <ul style="list-style-type: none"> • By water discharged or leaking from any automatic sprinkler installation • Whilst any building is unoccupied • By leakage of bottled stock or the cost of replacing the beverages • Caused by subsidence, ground heave or landslip • For subsidence, ground heave or landslip caused by the escape water
<p>Accidental escape of water from any automatic sprinkler installation.</p>	<p>Excluding damage occasioned by or attributable to:</p> <ul style="list-style-type: none"> • Heat caused by fire • Freezing whilst any building is unoccupied • Repairs, alterations or extensions to the buildings and/or sprinkler installations

What is Covered	What is Not Covered;
<p>Accidental damage</p>	<p>Excluding damage:</p> <ul style="list-style-type: none"> • Caused by any other insured peril • To a building or structure caused by its own collapse or cracking • To property insured caused by pollution or contamination other than damage caused by: <ul style="list-style-type: none"> i. pollution or contamination which itself results from an insured peril ii. an insured peril which itself results from pollution or contamination • To property resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing, adjustment or repair • To property insured caused by or consisting of: <ul style="list-style-type: none"> i. inherent vice, latent defect, gradual deterioration, wear and tear, frost or change in water table level ii. its own faulty or defective design or materials iii. faulty or defective workmanship, operational error or omission on the part of the insured or any of their employees <p>but this shall not exclude subsequent damage which results from a cause not otherwise excluded.</p> <ul style="list-style-type: none"> • Caused by: <ul style="list-style-type: none"> i. corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight dampness, dryness, marring, scratching ii. scratching, tearing or fouling by pets or domesticated animals iii. vermin or insects iv. change in temperature, colour flavour, texture or finish v. joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them vi. mechanical or electrical breakdown or derangement in respect of the particular machines, apparatus or equipment in which the breakdown or derangement originates overrunning or electrical surges or spikes in electricity <p>but this shall not exclude such damage not otherwise excluded which itself results from any other accidental damage or subsequent damage which itself results from a cause not otherwise excluded</p> <ul style="list-style-type: none"> • Caused by disappearance unexplained or inventory shortage, misfiling or misplacing of information • Caused by acts of fraud or dishonesty • Occasioned by delay, embargo, nationalisation, confiscation, requisition, seizure or destruction by the government or any public authority caused by electrical or magnetic disturbance or erasure of electronic records

What is Covered	What is Not Covered
<p>Subsidence, ground heave or landslide</p>	<p>Excluding damage:</p> <ul style="list-style-type: none"> • To outbuildings, yards, pipes, cables, wires, ducting, car parks, roads, pavements, walls, gates, fences, swimming pools, tennis courts and children’s play areas, unless the structure of the main building or buildings at the risk address stated in the schedule is also affected at the same time by the same cause • To solid floor slabs or damage resulting from their movement unless the foundations beneath the outside walls of the main building or buildings at the risk address stated in the schedule are also affected at the same time by the same cause • Arising from the settlement or movement of made-up ground or by coastal or river erosion • Occurring as a result of the construction, demolition, structural alteration or structural repair of any property at the premises • Arising from normal settlement or bedding down of new structures • Which originated prior to the granting of this cover • Caused by faulty or defective workmanship materials or design • Caused by fire, subterranean fire, explosion, earthquake • Recoverable under any warranty or guarantee including NHBC guarantee

Additional Covers

All terms, exclusions and conditions of Section 1 apply to these additional covers in addition to those shown below as applying to each of the additional covers.

1) Glass, Shop Front, Blinds and Signs

The **insurer** will indemnify the **insured** in respect of **damage** caused by an **insured peril** to fixed glass and **shop front** for which the **insured** is responsible at the **premises** occurring during the **period of insurance**.

Following **damage** to fixed glass and **shop front** at the **premises**, the **insurer** will also indemnify the **insured** in respect of:

- (a) the cost of reinstating **intruder alarm systems** damaged as a result of glass breakage
- (b) any boarding up costs incurred
- (c) **damage** to goods on display in windows caused by the impact of falling glass

The **insurer** will also indemnify the **insured** for **damage** caused by an **insured peril** occurring during the **period of insurance** at the **premises** to:

- (d) neon and illuminated signs and electric light fittings
- (e) external blinds
- (f) sanitary ware (fixed baths, wash basins, pedestals, bidets, shower trays, sinks, lavatory pans and cisterns) where such **damage** renders such article completely unserviceable
- (g) lettering or other ornamental work and alarm foil on fixed glass

The liability of the **insurer** under c) d) e) f) and g) shall be restricted to GBP 2,500 for any one loss.

Exclusions

The **insurer** shall not be liable for **damage**:

- a. to glass and **shop front**
 - i. caused by repairs or alterations to the **premises**
 - ii. caused by alteration, installation or removal
 - iii. in any **building** which is **unoccupied**
- b. to neon and illuminated signs and electric light fittings
 - i. caused by or traceable to wear and tear or gradual deterioration, mechanical or electrical breakdown or removal from the fixed position other than by theft or attempted theft
 - ii. of bulbs or tubes unless consequent upon **damage** to signs or fittings
- c. caused by or arising from
 - i. superficial **damage** or scratching or cracking which does not result in the complete breakage of the glass or **shop front**
 - ii. inherent or latent defect its own faulty or defective design or materials
 - iii. gradual deterioration or gradually operating cause wear and tear change in colour or finish
 - iv. changes in temperature or atmospheric or climatic conditions
 - v. defects in frames, framework or any fitting

2) Money

This additional cover is only operative if shown in the schedule.

The **insurer** will indemnify the **insured** in respect of loss of or **damage** caused by an **insured peril** to **money** and **non-negotiable money** held in connection with the **business** as detailed below occurring during the **period of insurance**:

- a. in the **premises** during **business hours** or whilst in a bank night safe
- b. in transit to and from the **premises** whilst in the custody of the **insured** or an authorised person acting on behalf of the **insured**
- c. in the **insured's** or any authorised person's private dwelling house
- d. in the **premises** whilst left unattended or outside **business hours** and not secured in a locked **safe**
- e. in the **premises** whilst left unattended or outside **business hours** and secured in a locked unspecified **safe**
- f. in the **premises** whilst left unattended or outside **business hours** and secured in a specified **safe** if stated in the schedule

For the purposes of this additional cover, **premises** shall mean the main **building(s)** occupied by the **insured** at the risk address stated in the schedule.

The liability of the **insurer** under this additional cover shall be restricted to the limits stated in the schedule for any one loss.

The **insurer** will also indemnify the **insured** in respect of **damage** to:

- a. any **strongroom, safe** till or postal franking machine belonging to the **insured** or for which the **insured** is legally responsible up to an amount not exceeding the cost of repair or replacement
- b. clothing and personal effects belonging to the **insured** or any partner, director or **employee** of the **insured** resulting from theft or attempted theft of **money** or **non-negotiable money** subject to a maximum of GBP 500 for any one loss

Exclusions

The **insurer** shall not be liable for loss from:

- a. shortage due to error or omission
- b. forgery deception or the use of counterfeit **money** or **non-negotiable money**
- c. the use of any form of payment which proves to be counterfeit, false, fraudulent, invalid uncollectible or irrecoverable for any reason
- d. theft or attempted theft from the **premises** as stated in the schedule or any authorised person's private dwelling house, unless involving entry to or exit from such **premises** or private dwelling by forcible and violent means or actual or threatened hold up assault or violence
- e. theft or attempted theft by any **employee**
- f. an unattended **vehicle** and any coin operated gaming devices or machines
- g. **damage** not within the **territorial limits**
- h. any **business** or other activity not connected with the **business** conducted from the **premises** as stated in the schedule

Conditions

1. It is a condition precedent to the **insurer's** liability under this additional cover that the **insured** shall maintain the following minimum standards of precaution for the safety of **money** in transit (other than by specialist security carrier) at all times:
 - a. the times of transits routes and conveyances used shall be varied as far as is possible
 - b. all persons engaged in the transit of **money** shall be at least 18 years of age
 - c. transits of amounts of:
 - i. up to GBP 3,000 shall be accompanied by at least one person
 - ii. GBP 3,001 to GBP 6,000 shall be accompanied by at least two people
 - iii. GBP 6,001 to GBP 10,000 shall be accompanied by at least three people or two people travelling by motor car or using an approved security case
 - iv. amounts exceeding GBP 10,000 shall be transported by specialist security carrier
2. It is a condition precedent to the **insurer's** liability that when the **premises** as stated in the schedule or any authorised person's private dwelling house in which **money** is kept is left unattended:
 - a. all locks, bolts and other protective devices are in full operation
 - b. all keys must be held in the personal custody of an authorised person and removed from:
 - i. the unattended **premises** as stated in the schedule or
 - ii. from the final exit door of any authorised person's unattended private dwelling house

3) All Risks on Portable Property

This additional cover is operative only if stated in the schedule.

The **insurer** will indemnify the **insured** against the **damage** from the **insured perils** occurring during the **period of insurance** to the portable **property** specified in the schedule used in connection with the **business** within the geographical areas specified in the schedule.

The liability of the **insurer** under this additional cover shall be restricted to the sums insured stated in the schedule for any one loss.

Exclusions

The **insurer** shall not be liable for:

- a. **damage** to portable **property** left unattended unless contained in:
 - i. a securely locked **building** or
 - ii. a **vehicle** which has been securely locked at all points of access and any security alarms and immobilisers fitted to the **vehicle** are in full operation and the portable **property** is concealed from view
- b. depreciation or electrical or mechanical breakdown
- c. **damage** arising from wear and tear or from any process of cleaning, restoring, adjusting or repairing
- d. **damage** by official confiscation or detention

4) Goods in Transit

This additional cover is operative only if shown in the schedule.

The **insurer** will indemnify the **insured** for **damage** caused by an **insured peril** to **goods in transit** within the **territorial limits** during the **period of insurance**:

- a. whilst being carried on any **vehicle** owned or operated by the **insured**
- b. as sendings by a carrier other than the **insured** by means of road, rail or in land air freight

The liability of the **insurer** under this additional cover shall be restricted to the limits stated in the schedule for any one loss.

Whilst **goods in transit** are being carried on any **vehicle** owned or operated by the **insured** the **insurer** will also indemnify the **insured** for:

- a. **damage** to packing materials, protective sheeting, ropes, chains and toggles belonging to the **insured** while being carried on the **vehicle** subject to a maximum of GBP 2,500 for any one loss
- b. **damage** to personal effects belonging to the driver or attendant while carried by any **vehicle** in the course of the employment of the driver or attendant with the **insured** subject to a maximum of GBP 500 for any one loss
- c. the removal of debris and site clearance of **goods in transit** damaged from the immediate area of the site where the **damage** occurred subject to a maximum of GBP 2,500 for any one loss
- d. the additional costs incurred in transferring **goods in transit** to any other **vehicle** following fire, collision, overturning or impact of the **vehicle**, including carrying the **goods in transit** to the original destination or place of collection subject to a maximum of GBP 2,500 for any one loss
- e. reloading onto the **vehicle** any **goods in transit** which have fallen from the **vehicle** subject to a maximum of GBP 2,500 for any one loss
- f. resecuring the **goods in transit** where there is dangerous movement of the load subject to a maximum of GBP 2,500 for any one loss

Exclusions

The **insurer** shall not be liable under this additional cover for **damage** to any **goods in transit** arising out of or attributable to:

- a. theft or attempted theft from open-backed curtain sided, soft sided or soft topped **vehicle(s)**
- b. defective or inadequate packing or insufficient addressing
- c. breakdown of refrigeration or insufficient insulation
- d. spillage, leakage, evaporation, loss of weight or shrinkage
- e. depreciation, loss of market, delay or inadequate documentation
- f. any erection, dismantling or installation
- g. loss of sheets, ropes, chains, toggles or packing materials as a result of disappearance or shortage, unless such loss is the result of an incident recorded by the **insured**

Conditions

1. It is a condition precedent to the **insurer's** liability for theft or attempted theft from any unattended **vehicle** that whenever a **vehicle** operated by the **insured** and carrying **goods in transit** is unattended it shall be protected:
 - a. between the hours of 9.00am and 6.00pm by all doors and windows and other means of access being securely fastened and locked
 - b. between the hours of 6.00pm and 9.00am by all doors and windows and other means of access being securely fastened and locked, and the alarm and/or immobiliser approved by the **insurer** being switched on and made fully operational and either garaged in a securely locked **building** of substantial construction or placed in a compound, which has secure walls and/or fences and securely locked gates or in a guarded security park
2. The valuation of **stock** shall be at invoice cost. If an invoice has not been raised, the basis of valuation shall be the value of the **stock**, at the time of the commencement of the transit.

Extensions to Section 1

All terms, exclusions and conditions of the **insured perils** under Section 1 apply to these extensions in addition to those shown below as applying to each extension:

(1) Underground Services

The **insurer** will indemnify the **insured** for **damage** to underground water pipes, gas pipes, electricity and telephone cables, extending from the **premises** to the public mains from the **insured perils** occurring during the **period of insurance** but only to the extent of the **insured's** responsibility.

(2) Theft of Keys and Lock Replacement

The **insurer** will indemnify the **insured** for the cost of replacing locks and keys to the **buildings safes, strongrooms** or tills subject to an aggregate maximum of GBP 1,500 in any one **period of insurance** provided that:

- a. the original keys were stolen from the **buildings** occurring during the **period of insurance** or the private residence of the **insured** or any authorised **employee**
- b. **damage** by theft is not excluded in its entirety

(3) Theft Damage to Buildings

The **insurer** will indemnify the **insured** against the cost of repairing **damage** to the **buildings** for which the **insured** is legally responsible and are not otherwise insured, which directly results from theft peril occurring during the **period of insurance**, provided that if the **buildings** of the **premises** are not insured by this Section, the liability of the **insurer** under this extension shall not exceed an aggregate maximum of GBP 25,000 in any one **period of insurance**.

(4) Temporary Removal

The **insurer** will indemnify the **insured** for **damage** to **contents** whilst temporarily removed for cleaning, renovation, repair or similar purposes and to documents whilst temporarily removed elsewhere and in transit within the **territorial limits** from the **insured perils** occurring during the **period of insurance**, subject to a maximum for any one loss of 10% of the sum insured shown for **contents** in the schedule or GBP 100,000 whichever is the lesser amount.

This extension shall not apply to:

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

(5) Exhibitions

The **insurer** will indemnify the **insured** for **damage** to **contents** and **stock** from the **insured perils** occurring during the **period of insurance**, whilst in any **building** (not being of a temporary nature) and being used for an exhibition anywhere within the **territorial limits**, and whilst in transit to and from the exhibition **premises** subject to a maximum of GBP 5,000 for any one loss.

(6) Other Locations

The **insurer** will indemnify the **insured** for **damage** to **contents** and **stock** from the **insured perils** occurring during the **period of insurance**:

- a. whilst within the main **building** of the private residential home of a director or **employee** anywhere within the **territorial limits** and
- b. whilst in transit to and from the main **building** of such private residential home and the **premises**, subject to a maximum of GBP 2,500 for any one loss and an aggregate maximum of GBP 10,000 in any one **period of insurance**.

(7) Third Party Storage Locations

The **insurer** will indemnify the **insured** for **damage** to **contents** or **stock** from the **insured perils** occurring during the **period of insurance**, whilst at third party storage locations within the **territorial limits**, subject to aggregate maximums of GBP 5,000 at any one location and GBP 20,000 in any one **period of insurance**.

(8) Loss of Metered Water

The **insurer** will indemnify the **insured** for the unit cost of metered water, calculated at the current rate per cubic metre, consumed as a direct result of **damage** from the **insured perils**, occurring during the **period of insurance**, to any tank apparatus or pipe not being automatic sprinkler installations at the **premises** subject to a maximum of GBP 10,000 for any one loss.

(9) Trace and Access

The **insurer** will indemnify the **insured** for the costs incurred in locating the source of an escape of water or fuel from any tank apparatus or pipe on the **premises** and subsequent making good of **damage**, occurring during the **period of insurance**, caused as a consequence of locating such source subject to a maximum of GBP 10,000 for any one loss.

(10) Clearing of Drains

The **insurer** will indemnify the **insured** for the costs and expenses incurred in cleaning, clearing or repairing drains, gutters or sewers at the **premises** as a consequence of **damage** from the **insured perils** occurring during the **period of insurance** but only to the extent of the **insured's** responsibility subject to a maximum of GBP 5,000 for any one loss.

(11) Fire Extinguishment Expenses

The **insurer** will indemnify the **insured** for costs incurred with the consent of the **insurer** in refilling fire extinguishment appliances, replacing used sprinkler heads and refilling sprinkler tanks in the event of **damage**, occurring during the **period of insurance**, to insured **property** caused by fire subject to a maximum of GBP 10,000 for any one loss.

(12) Computer Records

In the event of **damage** cause by **insured perils** occurring during the **period of insurance**, the **insurer** will indemnify the **insured** for the cost of the materials together with the cost of clerical labour and **computer** time expended in reproducing **computer records**, and not for the value to the **insured** for the information contained therein, but excluding any expenses in connection with the production of information to be recorded in such **computer records** for a maximum of GBP 10,000 for any one loss and in the aggregate in any one **period of insurance**.

(13) Theft of Building Fabric

The **insurer** will indemnify the **insured** for **damage** caused by **insured perils** occurring during the **period of insurance** to:

- a. the external fabric of the **buildings** as a result of theft or attempted theft
- b. **property** as a result of rainwater entry following theft or attempted theft of the external fabric of the **buildings** for which the **insured** is legally responsible and is not otherwise insured

Subject to an aggregate maximum of GBP 5,000 in any one **period of insurance**.

This extension shall not apply:

- a. to any **buildings** which are **unoccupied**
- b. when scaffolding is erected at the **buildings**
- c. where theft peril is not operative

Clauses

(1) Non-Invalidation

The insurance by this Section shall not be invalidated by any act or omission or alteration unknown to or beyond the control of the **insured** whereby the risk of **damage** is increased, as long as immediately the **insured** becomes aware of the increase in risk they inform the **insurer** in writing and pay an appropriate additional premium if required by the **insurer**.

(2) Reinstatement of Losses

Unless written notice to the contrary be given by either the **insurer** or the **insured**, the insurance by this Section shall not be reduced by the amount of any loss and the **insured** shall pay the appropriate additional premium from the date of the **damage** to the date of expiry of the **period of insurance**.

(3) Mortgagees

The interest of any mortgagee shall not be prejudiced by any act or neglect of the mortgagor or occupier which may increase the risk of **damage** to any **buildings** insured by this Section, provided the mortgage immediately upon becoming aware of such increase in risk shall give notice to the **insurer** and pay an appropriate additional premium if required.

(4) Property more Specifically Insured

The **insurer** shall not be liable for **damage** to any **property** insured more specifically by or on behalf of the **insured**.

Basis of Settlement Clauses

(1) Average

If the **property** covered by this **policy** shall at the time of the **damage** be collectively of greater value than the sums insured then the **insured** shall be considered as being their own insurer for the difference and shall bear a rateable share of their **damage** accordingly.

(2) Property Insured other than Stock

In the event of **damage** to **property** insured other than **stock** and **computers**, the basis of settlement shall be the cost of reinstatement meaning the rebuilding, replacement, repair or restoration of such **property** to a condition substantially the same as but not better or more extensive than its condition when new.

In the event of **damage** to **computers** the basis of settlement shall be the cost of reinstatement meaning:

- a. where any item suffers **damage** beyond economic repair replacement by a new item of equal performance and/or capacity or if such be impossible replacement by an item having the nearest higher performance and/or capacity to the item damaged
- b. where the item suffers **damage** the repair of the **damage** and the restoration of the damaged portions to a working condition substantially the same as but not better or more extensive than its condition when new

Special Provisions

- i. The replacement must be carried out without undue delay and no payment beyond the amount which would have been paid in the absence of this clause will be made until the cost of reinstatement has been incurred
- ii. Where **damage** occurs to only part of the **property** the liability of the **insurer** shall not exceed the amount which the **insurer** would have been liable to pay had such **property** been wholly destroyed
- iii. If at the time of reinstatement of any item the sum representing 85% of the cost which would have been incurred in reinstating the whole of such **property** covered by such item exceeds its sum insured at the time of the **damage**, the liability of the **insurer** shall not exceed that proportion of the amount of the **damage** which the said sum insured shall bear to the sum representing the total cost of reinstating the whole of such **property** at that time

(3) Stock

In respect of **stock** the **insurer** will pay the **insured** the value of the **stock** at the time of its **damage** with adjustment for wear and tear.

If at the time of any **damage** the value of the **stock** insured under any item is greater than its sum insured, the **insured** shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly.

(4) Index Linking

Where so indicated in the schedule the sums insured shall be adjusted in accordance with fluctuations in suitable indices of cost to be decided upon by the **insurer**. At each renewal of the **policy** the premium shall be calculated on the revised sums insured.

(5) Seasonal Increases

The **stock** sums insured will be deemed to have been increased by 25%:

- a. during the months of July and August each year
- b. during the period 1st November each year until 5th January the following year and
- c. for a period of 31 days immediately before Easter Day each year

(6) European Union and Public Authorities

The **insurer** will indemnify the **insured** for the additional cost of:

- a. reinstating the damaged parts of the **buildings**
- b. upgrading any undamaged parts of the **buildings**

for an amount not exceeding 15% of the amount that would have been payable if the **buildings** had been totally destroyed incurred solely by the necessity to comply with the minimum requirements any **building** or other statutory regulations or Public Authority Bylaw or European Community Legislation in force at the time of loss, excluding:

- i. any cost resulting from any such requirement first imposed upon the **insured** before the date of the **damage**
- ii. the amount of any rate tax duty development or other charge arising out of capital appreciation as a result of complying with any such requirements which may be payable in respect of the **buildings**

Conditions

- a. The work of reinstatement must be completed within 12 months of the date of the **damage** or such further period as the **insurer** may in writing allow
- b. The liability of the **insurer** for **damage** to such **property** including such costs and expenses shall not exceed the sum insured stated in the schedule

(7) Removal of Debris

This insurance includes the costs incurred in respect of removal of debris of **property** insured resulting from **damage** from an **insured peril** occurring during the **period of insurance** excluding:

- a. costs incurred in removing debris except from the site of such **damage** and the area immediately adjacent to such site
- b. costs arising from **pollution or contamination** of **property** not insured by this Section

The liability of the **insurer** for **damage** to such **property** including such costs and expenses shall not exceed the sums insured stated in the schedule.

(8) Capital Additions

To the extent that they are not otherwise insured the insurance of **buildings, tenants' improvements** and **contents** shall extend to cover:

- a. alterations, additions and improvements to **buildings, tenants' improvements** and **contents** but not appreciation of the value of such **property**
- b. any newly erected or acquired **buildings, tenants' improvements** and **contents** within the **territorial limits** from the commencement date of the responsibility of the **insured** subject to:
 - i. the **insured** advising the **insurer** of the amendments as soon as practicable on becoming aware of the increase in the extent of cover required and paying the appropriate additional premium

- ii. the sums insured for **buildings, tenants' improvements** and **contents** at each location only being increased by the value of the additional **property** up to no more than 10% of the existing sums insured or GBP 250,000 whichever is the lesser at any one location

(9) Professional Fees

The insurance by each item on **buildings, tenants' improvements** and **contents** includes an amount for architects', surveyors', consulting engineers' and legal fees incurred in the reinstatement or repair of such **property** consequent upon its **damage** but not for preparing any claim. The total liability of the **insurer** for **damage** to such **property** including such fees shall not exceed the sums insured stated in the schedule.

(10) Contracting Purchaser

Where the **insured** at the time of **damage** has contracted to sell their interest in any insured **building** and the purchase is subsequently completed, the contracting purchaser shall be entitled to benefit under the **policy** provided that the **building** is not otherwise insured in respect of such **damage**.

(11) Contract Price

In respect only of stock sold but not delivered for which the **insured** is responsible under the terms of a sale contract, which following **damage** is cancelled due to the contract conditions wholly or to the extent of the **damage** the liability of the **insurer** shall be based on the contract price.

(12) Subrogation Waiver

In the event of a claim arising under this Section the **insurer** agrees to waive any rights, remedies or relief to which it might become entitled by subrogation against:

- a. any company standing in the relation of parent or subsidiary to the **insured** or
- b. any company which is a subsidiary of or a parent company of which the **insured** themselves are subsidiary in each case within the meaning of the Companies Act or Companies (Northern Ireland) Order current at the time of the **damage**.

(13) Other Interests

Interests of third parties which the **insured** is required to include here in under the terms of any mortgage, **property** lease or hiring leasing or hire purchase agreement are automatically deemed to be held covered, subject to notification by the **insured** to the **insurer** at the time of the **damage**.

(14) Business Books

The basis of settlement of any claim for **business** books shall be their value as stationery together with the cost of clerical labour expended in their reproduction.

Exclusions applying to Section 1 – Material Damage

The **insurer** shall not be liable for **damage** to:

- a. **vehicles** licensed for road use (including accessories on them) caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
- b. **property** or structures in the course of construction or erection and materials or supplies in connection with all such **property** or structures in the course of construction
- c. land, piers, jetties, bridges, culverts or excavations
- d. livestock, growing crops or trees
- e. jewellery, precious stones, precious metals, bullion or furs

Conditions

(1) Stillage

It is a condition precedent to the **insurer's** liability for **damage** caused by storm, flood and escape of water perils that **property** in the basement or sub-basement of the **premises** be kept at least 10cm above floor level.

(2) Intruder Alarm System

This condition only applies where an intruder alarm requirement is stated in the schedule as being applicable under Section 1 - Material Damage.

It is a condition precedent to the **insurer's** liability for **damage** caused by theft peril that in respect of the **intruder alarm system** installed at the **premises**:

- a. the **intruder alarm system** is maintained in full and effective working order under a contract to provide corrective and preventive maintenance with the installer or such other contractor agreed by the **insurer** in writing
- b. the **premises** are not left unattended
 - i. unless the **intruder alarm system** is tested and set in its entirety and is together with the means of communication used to transmit or receive signals in full and effective operation
 - ii. where the police have withdrawn their response to alarm activation
- c. the **intruder alarm system**
 - i. is installed in accordance with a specification agreed in writing by the **insurer**
 - ii. must not be altered or amended in any way unless such amendment or alteration has been approved by the **insurer** and no alteration or substitution of the structure of the **premises** or changes to the layout of the **premises**, which would affect the effectiveness of the **intruder alarm system** shall be made without the written consent of the **insurer**
 - iii. maintenance contract must not be altered or substituted without the written consent of the **insurer**
 - iv. procedures agreed by the **insured** for the police or any other response to any activation of or other warning signal pertaining to the **intruder alarm system** must not be altered or substituted without the written consent of the **insurer**
- d. the **insured** must
 - i. maintain secrecy of the codes for the operation of the **intruder alarm system** and no details of such codes shall be left on the **premises** when the **premises** are left unattended
 - ii. immediately notify the **insurer** upon receipt of any communication giving notice that the level response to the **intruder alarm system** has been or will be reduced
 - iii. appoint at least 2 keyholders and lodge written details with the alarm company
- e. in the event of notification of
 - i. any alarm fault
 - ii. activation of the **intruder alarm system**
 - iii. interruption of the means to transmit or receive signals to or from the **intruder alarm system** during the period that the **intruder alarm system** is set

a **keyholder** must attend the **premises** as soon as 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 means of communication used to transmit signals are not in full operation, a **keyholder** must remain at the **premises** unless otherwise agreed in writing by the **insurer**.

(3) Fire Extinguishing Appliances

The fire extinguishing appliances at the **premises** whether installed at the commencement of this insurance, or subsequently at the request of, or with the knowledge of the **insurer** shall be maintained in good working order. The **insured** undertakes to maintain the said appliances in efficient working order during the **period of insurance**. Subject to observance of this undertaking Section 1 – Material Damage of this **policy** shall not be invalidated by any defect in any of the said appliances due to any circumstances unknown or beyond the control of the **insured**.

(4) Roof Maintenance Condition

It is a condition precedent to the **insurer's** liability under Section 1 – Material Damage that:

- a. any section of flat felted roof over 7 years old is inspected at least once every two years by a competent builder or qualified property surveyor, and any defect identified by that inspection is repaired immediately
- b. any roof valley guttering is checked annually for blockages or defects and any remedial action required is immediately implemented

(5) Portable Heater Exclusion

It is a condition precedent to the **insurer's** liability under Section 1 – Material Damage that portable naked flame, gas or paraffin heaters are not used on the **premises**.

(6) Minimum Level of Security

It is a condition precedent to the **insurer's** liability for loss or **damage** caused by theft peril under the **policy**, that the **insured** shall have in place in full working order and in operation whenever the **premises** are closed for **business** or left unattended, the following minimum level of security or such level as is specified in the schedule:

- a. the final exit door of the **insured's** portion of the **buildings** is to be fitted with either
 - i. for timber or steel framed doors a mortice deadlock that has 5 or more levers and matching box striking plate which conform to BS 3621 or
 - ii. for timber or steel framed doors a rim latch deadlock that conforms to BS 3621
- b. all other external doors and internal doors giving access to any part of the **buildings** not occupied by the **insured** are to be fitted with either
 - ii. as described in a) i. and ii. above or
 - iii. 2 key-operated security bolts for doors fitted approximately 30cms from the top and bottom of the doors respectively

(7) Removal of Waste

It is a condition precedent to the **insurer's** liability under Section 1 – Material Damage, that all waste and refuse is swept up daily and removed completely from the **premises** at least once a week and a record of removal is kept.

SECTION 2 – BUSINESS INTERRUPTION

In the event of **damage** to the **property** used by the **insured** for the purposes of the **business** carried on by the **insured** at the **premises** during the **period of insurance** from the **insured perils** under Section 1.

- a. resulting in interruption or interference with the **business** or
- b. which prevents the **insured** from tracing or establishing customers' **outstanding debit balances** in whole or in part as a result of the **insured's** books of account at the **premises** being **damaged**

the **insurer** will indemnify the **insured**:

- i. in respect of a) the amount of loss resulting from such interruption or interference provided that at the time of the **damage** there shall be in force an insurance covering the interest of the **insured** in the **property** at the **premises** and that liability shall be admitted or payment made therefore or payment would have been made or liability admitted but for the operation of a proviso in the insurance excluding liability for losses below a specified amount
- ii. in respect of b) the amount of loss resulting from the **damage**

The liability of the **insurer** under this Section shall not exceed in respect of any item its sum insured or limit stated in this **policy** or the schedule at the time of the event.

Clause

Reinstatement Following a Loss

The liability of the **insurer** under this Section shall not exceed the sum insured or limit remaining after deduction for any other interruption or interference resulting from **damage** occurring during the same **period of insurance** unless the **insurer** has agreed to reinstate any such sum insured or limit.

Basis of Settlement Clauses

(1) Gross Profit

The **insurer** will pay as indemnity to the **insured** the amount of their loss in respect of each item stated in the schedule as a result of loss of **gross profit** due to reduction in **turnover** and/or **increased cost of working**

- a. the amount payable in respect of a reduction in **turnover** shall be the sum produced by applying the **rate of gross profit** to the amount by which the **turnover** shall fall short of the **standard turnover** during the **indemnity period** as a result of the **damage**
- b. the amount payable in respect of the **increased cost of working** as a result of the **damage** not exceeding the sum produced by applying the **rate of gross profit** to the amount of the reduction in **turnover** thereby avoided

less any sum saved during the **indemnity period** in respect of such charges and expenses of the **business** payable out of **gross profit** that may cease or be reduced as a result of the **damage**.

Provided that adjustments shall be made as may be necessary to provide for the trend of the **business** and for variations in or other circumstances affecting the **business** either before or after the **damage**, or which would have affected the **business** had the **damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **damage** would have been obtained during the relative period after the **damage**.

(2) Average

If the sum insured is less than the **gross profit** for the 24 months immediately prior to the occurrence of **damage**, the amount payable shall be proportionately reduced after due provision has been made for the trend or variation in or other circumstances affecting, or which would have affected the **business** either before or after the **damage**.

(3) Specified Working Expenses

If any of the working expenses of the **business** are excluded by this Section having been deducted in arriving at the **gross profit**, then in calculating the amount recoverable under this Section as **increased cost of working** that proportion only of any additional expenditure shall be brought into account, which the **gross profit** bears to the sum of the **gross profit** and the **specified working expenses**.

(4) Alternative Trading

If during the **indemnity period** work is done or services rendered elsewhere than at the **premises** for the benefit of the **business** either by the **insured** or by others on behalf of the **insured**, the amount paid or payable in respect of such work or services shall be accounted for in arriving at the **turnover** during the **indemnity period**.

(5) Departmental

If the **business** is conducted in departments the independent trading results of which are ascertainable the basis of **gross profit** shall apply separately for each department.

(6) Accountants' and Auditors' Charges

The **insurer** will pay to the **insured** the charges payable by the **insured** to their professional accountants and auditors for producing and certifying any particulars or details or any other proofs information or evidence as may be required by the **insurer** under the terms of this Section and reporting that such particulars or details are in accordance with the **insured's** books or documents.

(7) Current Cost Accounting

For the purpose of this Section any adjustment implemented in current cost accounting shall be disregarded.

(8) Outstanding Debit Balances

The amount payable by the **insurer** in respect of **outstanding debit balances** is limited to loss sustained by the **insured** directly due to **damage** and the amount payable in respect of any one event shall not exceed:

- a. the difference between the **outstanding debit balances** and the total of the amounts received or traced in respect there of
- b. the additional expenditure incurred with the written consent of the **insurer** in tracing and establishing customers' debit balances after **damage**

(9) Value Added Tax

To the extent that the **insured** is accountable to the tax authorities for value added tax all terms in this Section shall be exclusive of such tax.

(10) Payments on Account

Payments on account will be made to the **insured** during the **indemnity period** if so requested, subject to appropriate adjustment at the end of the **indemnity period**.

(11) Annual Rent Receivable

The money including service charges paid or payable to **you** from the letting of **premises** specified in the schedule.

Extensions to Section 2

All terms, exclusions and conditions of the **insured perils** under Section 1 and all terms, exclusions and conditions of Section 2 apply to these Extensions in addition to those shown below as applying to each Extension.

The liability of the **insurer** includes loss as insured by this Section resulting from interruption or interference with the **business** in consequence of:

(1) Premises Closure or Restrictions

- a. closure or restrictions placed on the **premises** on the advice of or with the approval of the Medical Officer of Health for the Public Authority as a result of a **notifiable human disease** occurring at the **premises**
- b. injury or illness sustained by any person caused by or traceable to foreign or injurious matter in food or drink sold from the **premises** by the **insured**
- c. vermin and pests at the **premises**
- d. closure of the whole or part of the **premises** by order of the Public Authority consequent upon defects in the drains and other sanitation at the **premises**

e. murder or suicide occurring at the **premises** subject to a maximum of GBP 50,000 for any one loss.

The **insurer** shall not be liable under this extension for costs incurred in cleaning, repair, replacement, recall or checking of property.

(2) Suppliers

Damage from the **insured perils** at the **premises** of any of the **insured's** suppliers, manufacturers or processors within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man but excluding the **premises** of any supply undertaking from which the **insured** obtains electricity, gas, water or telecommunications services subject to a maximum of GBP 100,000 for any one loss.

(3) Denial of Access

Damage from the **insured perils to property** within a one mile radius of the **premises**, which shall prevent or hinder the use of or access to the **insured's premises** whether or not there has been **damage** to the **premises** or **property** of the **insured**, but excluding the **property** of any supply undertaking from which the **insured** obtains electricity, gas, water or telecommunications services subject to a maximum of GBP 500 per day for maximum of 30 days for any one loss or GBP 100,000 during any **period of insurance**.

(4) Accidental Failure of Public Supply

Accidental failure at the terminal ends of the public supply undertakings' feed to the **premises** of electricity, gas, water or telecommunications services as a direct result of damage caused by an **insured peril(s)** occurring during the **period of insurance**, subject to a maximum of GBP 500 per day or GBP 100,000 for any one loss and providing the cessation of supply is of at least 30 minutes in respect of electricity, gas or water and for a minimum of 8 consecutive hours in respect of telecommunications excluding:

- a. atmospheric, solar or lunar conditions causing temporary interference with transmission to or from any satellite
- b. total or partial failure of the public supply occasioned by strike or lock-out total or partial withdrawal of labour or total or partial cessation of work

(5) Goods in Transit

Damage to **goods in transit** if insured by Section 1 and for which the **insurer** has admitted liability subject to a maximum of GBP 25,000 for any one loss.

(6) Documents

Damage from the **insured perils** to documents belonging to or held in trust by the **insured** whilst temporarily at **premises** not in the occupation of the **insured** or whilst in transit by road, rail or in land waterway in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man subject to a maximum of GBP 25,000 for any one loss.

(7) Storage Sites

Damage from the **insured perils** at any **premises** in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man not in the occupation of the **insured** where **property** of the **insured** is stored subject to a maximum of GBP 25,000 for any one loss.

(8) Contract Sites

Damage from the **insured perils** at any situation in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man where the **insured** is carrying out a contract subject to a maximum of GBP 25,000 for any one loss.

Exclusions

1. The **insurer** shall not be liable for **increased cost of working** due to:
 - a. failure of any satellite prior to its obtaining its full operating function or while in or beyond the final year of its design life
 - b. atmospheric, solar or lunar conditions causing temporary interference with transmission to or from any satellite
2. The **insurer** shall not be liable under this Section for loss arising directly or indirectly from:
 - a. erasure, loss, distortion or corruption of information on **computer** systems or other records programs or software caused deliberately by rioters, strikers, locked out workers, persons taking part in labour disturbances or civil commotion or malicious persons
 - b. other erasure, loss, distortion or corruption of information on **computer** systems or other records programs or software unless resulting from the **insured perils** insofar as it is not otherwise excluded

Condition

Debit Recording and Storage

On a monthly basis the **insured** shall record the total amount of **outstanding debit balances** as set out in **business** books of account and such record shall be kept elsewhere than the **insured's premises**.

Additional Cover

All terms, exclusions and conditions of Sections 1 and 2 apply to this additional cover in addition to those shown below.

Loss of Licence

Loss of a granted licence being revoked or for the refusal to renew the **licence** after due and proper application for renewal due to a cause beyond control of the **insured**.

The amount payable shall be:

- a. the depreciation in value of the interest of the **insured** in the **premises** or the **business**
- b. the costs and expenses incurred by the **insured** with the prior written consent of the **insurer** in connection with any appeal in respect of the revoking of or refusal to renew such **licence**
- c. the loss of **gross profit** due to reduction in **turnover** and **increased cost of working**
 - i. the amount payable in respect of a reduction in **turnover** shall be the sum produced by applying the **rate of gross profit** to the amount by which the **turnover** shall fall short of the **standard turnover** during the **indemnity period** as a result of the loss of **licence**
 - ii. the amount payable in respect of the **increased cost of working** as a result of the loss of **licence** not exceeding the sum produced by applying the **rate of gross profit** to the amount of any reduction in the **turnover** thereby avoided

less any sum saved during the **indemnity period** in respect of such charges and expenses of the **business** payable out of **gross profit** as may cease or be reduced as a result of the loss of **licence**.

The liability of the **insurer** under this Additional Cover shall be restricted to the limit stated in the schedule.

For the purposes of this Additional Cover **indemnity period** shall mean:

The period beginning with the loss of **licence** and ending not later than 12 months thereafter during which the results of the **business** shall be affected in consequence of the loss of **licence** provided that if the **premises** are disposed of within the 12 months after the loss of **licence** the **indemnity period** shall terminate either:

- a. upon disposal
- or
- b. 12 months from the loss of **licence**
- whichever is the earlier.

Exclusions

The **insurer** shall not be liable for:

- a. any loss to the **insured** by virtue of any legislation relating to the **licence**
- b. any loss arising from the revoking of any extension to the normal opening hours
- c. any loss arising from the revoking of or refusal to renew the **licence**
 - i. arising from any town or country planning improvement or redevelopment or compulsory purchase or the surrender reduction or redistribution of **licences**
 - ii. by the misconduct neglect or connivance of the **insured** or failure by them to take steps necessary for keeping the **licence** in force
- d. any loss relating directly or indirectly to a personal **licence** issued to the **insured** or **employee** of the **insured**
- e. any loss arising from the forfeiture of the **licence** on the suspicion of illegal drug dealing at the **premises**
- f. any loss arising from forfeiture of the **licence** caused by alteration of the **premises** without the consent of the appropriate authority
- g. any loss arising from the **premises**
 - i. being closed for any period which is not required by law
 - ii. not being maintained in a sanitary condition or satisfactory state of repair
- h. payment of whatever nature due to the licensing authority by the **insured**

Conditions

It is a condition precedent to the **insurer's** liability for any loss or payment under this additional cover that:

- a. immediate notice must be given in writing to the **insurer** by the **insured** in the event of any
 - i. change in tenancy use or management of the **premises**
 - ii. transfer or proposed transfer of the **licence**
 - iii. complaint against the **premises** or the control of the **premises**
 - iv. proceedings against or conviction of the **insured** manager, tenant or occupier of the **premises** for any breach of licensing laws or any other matter whereby the character or reputation of the person concerned is affected with respect to their honesty moral standing or sobriety
 - v. objection to renewal or other circumstances which might endanger the renewal of the **licence**
- b. in the event of the revoking or refusal of renewal of the **licence**, the **insured** must notify the **insurer** in writing within 24 hours after the order by the authorities of the event, which has resulted in forfeiture or refusal of renewal of the **licence** and also state as far as the **insured** is able the grounds upon which such order has been made or particulars of such event

SECTION 3 – EMPLOYERS’ LIABILITY

In the event of **injury** sustained by any **employee** of the **insured** caused during the **period of insurance** and arising out of and in the course of their employment by the **insured** for the purposes of the **business** within the **territorial limits** the **insurer** will indemnify the **insured** in respect of all sums for which the **insured** become legally liable to pay as compensation and claimant’s costs and expenses in respect of such **injury**.

The **insurer** will also pay **legal costs** and **solicitors’ fees**.

Limit of Indemnity

The liability of the **insurer** under this Section for compensation and claimant’s costs and expenses (and **legal costs** and **solicitors’ fees**) in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause shall not exceed the limit of indemnity stated in the schedule.

Section Definition

Territorial Limits

- a. Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- b. elsewhere in the world in respect of **injury** sustained by any **employee** resident within the territories specified in a) above and caused whilst such **employee** is temporarily outside these territories provided that any action for compensation in respect of such **injury** is brought in a court of law within the territories specified in a) above or any other member country of the European Union

Extensions to Section 3

(1) Court Attendance Compensation

The **insurer** will indemnify the **insured** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which the **insured** is entitled to indemnity under this Section and with the **insurer’s** agreement up to a maximum of GBP 250 per day per person.

(2) Health and Safety at Work – Legal Defence Costs

The **insurer** will indemnify the **insured** and at the **insured’s** request any director or partner of the **insured** or any **employee** against **legal costs** incurred in defending prosecutions for a breach of the Health and Safety at Work Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man committed or alleged to have been committed in the course of the **business** during the **period of insurance**. The **insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given.

Provided that this indemnity shall not apply to the payment of fines or penalties.

(3) Indemnity to Other Parties

If the **insured** so request the **insurer** will indemnify the following parties:

- a. any officer or committee member or other member of the **insured’s** canteen, social sports or welfare organisations or ambulance first aid, fire medical or security services (but excluding medical practitioners) against liability incurred in such capacity
- b. any partner, director or **employee** of the **insured** against liability incurred in such capacity and in respect of which the **insured** would have been entitled to indemnity under this Section if the claim had been made against the **insured** as though each party was individually named as the **insured** in this Section
- c. any **principal** for whom the **insured** have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the **insured** and in respect of which the **insured** are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the **insured**

Provided that:

- i. each such party shall observe fulfil and be subject to the terms and conditions of this Section insofar as they can apply
- ii. the **insurer’s** liability to the **insured** and all parties indemnified shall not exceed in total the limit of indemnity stated in the schedule

(4) Unsatisfied Court Judgments

In the event of a judgment for damages being obtained by any **employee** or the personal representatives of any **employee** in respect of **injury** caused to the **employee** during any **period of insurance**, and occurring in connection with the **business** against any person or company operating from **premises** in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man in any court situate in these territories and remaining unsatisfied in whole or in part six months after the date of such judgment, the **insurer** will at the **insured's** request pay to the **employee** or the personal representatives of the **employee** the amount of such damages and any awarded costs to the extent that they remain unsatisfied.

Provided that:

- a. there is no appeal outstanding
- b. if any payment is made under the terms of this extension the **employee** or the personal representatives of the **employee** shall assign the judgment to the **insurer**

(5) Corporate Manslaughter and Corporate Homicide – Legal Defence Costs

The **insurer** will indemnify the **insured** against **legal costs** incurred with the **insurer's** written consent in defending prosecutions under the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed in the course of the **business** during the **period of insurance**. The **insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given provided that this indemnity shall not apply to the payment of fines or penalties or the costs of remedial orders or publicity orders.

Exclusions

The **insurer** shall not be liable for:

1. liability in respect of **injury** to any **employee** arising out of the ownership, possession or use by or on behalf of the **insured** of any mechanically propelled **vehicle** or trailer attached thereto if such liability is required by any road traffic legislation to be the subject of compulsory insurance or other security
2. liability in respect of **injury** to any **employee** who is working in or on any offshore installation or any support vessel for any **offshore installation** or whilst in transit to or from any **offshore installation** or support vessel

Conditions

(1) Certificate of Employers' Liability Insurance

If this **policy** or section is cancelled any certificate of employers' liability insurance is similarly cancelled from the same date.

(2) Compulsory Insurance Legislation

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **employees** in the territorial limits but the **insured** shall repay to the **insurer** all sums paid by the **insurer**, which the **insurer** would not have been liable to pay but for the provisions of such law.

(3) Discharge of Liability

The **insurer** may at any time pay to the **insured** in connection with any claim or series of claims:

- a. the amount of the limit of indemnity or
- b. any lesser amount for which such claim or claims can be settled less any sum or sums already paid as compensation claimant's costs and expenses, **legal costs** and **solicitors' fees** recoverable prior to the date of such payments

On payment the **insurer** shall relinquish the conduct and control of and be under no further liability in connection with such claim or claims except for the payment of costs and expenses incurred prior to the date of such payment.

(4) Other Insurances

If any claim under this Section is also covered in whole or in part by any other existing insurance or by an indemnity from any other source the liability of the **insurer** shall be limited to any excess beyond the amount which would have been payable under such other insurance or from such other source had this Section not been effected.

SECTION 4 – PUBLIC AND PRODUCTS LIABILITY

In the event of accidental:

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

occurring during the **period of insurance** and arising out of ownership of the **premises** or in the course of the **business** within the **territorial limits** the **insurer** will indemnify the **insured** in respect of all sums which the **insured** become legally liable to pay as compensation and claimant's costs and expenses.

The **insurer** will also pay **legal costs** and **solicitors' fees**.

Limit of Indemnity

The liability of the **insurer** under this Section for compensation in respect of:

- a. one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
- b. all **injury** and **damage** occurring during any one **period of insurance** in respect of products supplied
- c. all **pollution or contamination** which is deemed to have occurred during any **period of insurance**

shall not exceed the limit of indemnity stated in the schedule.

Costs inclusive in USA and Canada.

Where indemnity is provided by this Section for liability in respect of occurrences in the United States of America or Canada or their dependencies or trust territories the limit of indemnity stated in the schedule shall be the maximum amount payable and due by the **insurer** inclusive of all costs and expenses.

Section Definition

Territorial Limits

- a. Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- b. elsewhere in the world other than the United States of America or Canada or their dependencies or trust territories in respect of temporary non-manual work undertaken by the **insured** or any **employee** ordinarily resident in a) above provided that any action for compensation is brought in a court of law within the territories specified in a) above or any other member country of the European Union
- c. and in respect **products supplied** anywhere in the world except for the United States of America or Canada or their dependencies or trust territories unless specifically agreed by the **insurer** provided that the **products supplied** are supplied from or are worked upon in the territories specified in a) above

Extensions to Section 4

(1) Consumer Protection and Food Safety Acts – Legal Defence Costs

The **insurer** will indemnify the **insured** and at the **insured's** request any director, partner or employee of the **insured** against legal costs incurred with the **insurer's** written consent in connection with the defence of any proceedings or an appeal against conviction arising from such proceedings brought for a breach of:

- a. Part 2 of the Consumer Protection Act 1987 or
- b. Section(s) 7, 8, 14 and/or 15 of the Food Safety Act 1990

committed or alleged to have been committed in the course of the **business** during the **period of insurance**.

Provided that this indemnity shall not apply to:

- i. the payment of fines or penalties
- ii. proceedings or appeals in respect of any deliberate act or omission by the **insured**
- iii. costs or expenses insured by any other **policy**

(2) Court Attendance Compensation

The **insurer** will indemnify the **insured** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which the **insured** is entitled to indemnity under this Section and with the **insurer's** agreement up to a maximum of GBP 250 per day per person.

(3) Cross Liabilities

Where the **insured** comprises more than one party, the **insurer** shall treat each party as the **insured** as if a separate **policy** had been issued to each provided that nothing in this Extension shall increase the liability of the **insurer** beyond the amount for which the **insurer** would have been liable had this Extension not applied.

(4) General Data Protection Regulation

The **insurer** will indemnify the **insured** against liability at law incurred by the **insured** under Section 13 of the General Data Regulation 2016/679 in connection with personal data (as defined in such Act) held by the **insured** provided always that the **insurer** shall not be liable for:

- a. the payment of fines and penalties
- b. the cost of replacing, reinstating, rectifying or erasing any personal data

(5) Defective Premises Act

The **insurer** will indemnify the **insured** in respect of any legal liability incurred by the **insured** during the **period of insurance** under the terms of the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with any **business premises** or land which have been disposed of by the **insured**.

Provided that the **insurer** shall not be liable:

- a. for the cost of remedying any defect or alleged defect in the **premises** disposed of
- b. if the **insured** is entitled to indemnity from any other source

(6) Health and Safety at Work – Legal Defence Costs

The **insurer** will indemnify the **insured** and at the **insured's** request any director or partner of the **insured** or any **employee** against legal costs incurred in defending prosecutions for a breach of the Health and Safety at Work Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man, committed or alleged to have been committed in the course of the **business** during the **period of insurance**. The **insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given.

Provided that this indemnity shall not apply to the payment of fines or penalties.

(7) Indemnity to Other Parties

If the **insured** so request the **insurer** will indemnify the following parties

- a. any officer or committee member or other member of the **insured's** canteen, social sports or welfare organisations or ambulance first aid, fire medical or security services (but excluding medical practitioners) against liability incurred in such capacity
- b. any partner, director or **employee** of the **insured** against liability incurred in such capacity and in respect of which the **insured** would have been entitled to indemnity under this Section, if the claim had been made against the **insured** as though each party was individually named as the **insured** in this Section
- c. any principal for whom the **insured** have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the **insured** and in respect of which the **insured** are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the **insured**

Provided that:

- i. each such party shall observe fulfil and be subject to the terms and conditions of this Section insofar as they can apply
- ii. the **insurer's** liability to the **insured** and all parties indemnified shall not exceed in total the limit of indemnity stated in the schedule

(8) Motor Contingent Liability

The **insurer** will indemnify the **insured** against legal liability arising out of the use of any motor **vehicle** in the course of the **business** anywhere in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Provided that the **insurer** shall not be liable for:

- a. any **vehicle** owned or provided by the **insured** or any **principal** for whom the **insured** is working or any subcontractor acting for or on behalf of the **insured**
- b. **damage** to such **vehicle** or to goods conveyed in or on it
- c. any **vehicle** being driven by the **insured**
- d. any **vehicle** being driven by any person who to the knowledge of the **insured** or of the **insured's** representative does not hold a **licence** to drive such **vehicle** unless such person has held and is not disqualified from holding or obtaining such a **licence**
- e. in respect of which the **insured** is entitled to indemnity under any other insurance

(9) Overseas Personal Liability

The **insurer** will indemnify the **insured** and if the **insured** so request any director or partner of the **insured** or any **employee** or spouse of such person against legal liability incurred in a personal capacity whilst temporarily outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man in connection with the **business**.

The indemnity shall not apply to legal liability:

- a. arising out of ownership or occupation of land and **buildings**
- b. in respect of which any person referred to above is entitled to indemnity under any other insurance

(10) Corporate Manslaughter and Corporate Homicide – Legal Defence Costs

The **insurer** will indemnify the **insured** against legal costs incurred with the **insurer's** written consent in defending prosecutions under the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed in the course of the **business** during the **period of insurance**. The **insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given provided that this indemnity shall not apply to the payment of fines or penalties or the costs of remedial orders or publicity orders.

Exclusions

The indemnity granted under this Section shall not apply to:

(1) Advice and Design

Liability arising from advice design formula specification, inspection, certification or testing provided by or on behalf of the **insured** for a fee or in circumstances where a fee would normally be charged.

(2) Damage to Goods Supplied

Liability in respect of:

- a. **damage** to any goods or other **property** sold supplied, delivered, installed or erected by or on behalf of the **insured**
- b. all costs of or arising from the need for making good removal, repair, rectification, replacement or recall of any such goods or **property** or any defective work carried out by or on behalf of the **insured**

(3) Safety Critical Products and Exports to USA and Canada

Liability in respect of:

- a. any **products supplied** which to the knowledge of the **insured** are to be used as a safety critical part in connection with aircraft, hovercraft, aerial or aero spatial devices, watercraft, drilling platforms or rigs, motor vehicles, railways, railway locomotives or carriages, operational areas of gas, chemical, nuclear, petrochemical or power generation plants or mines
- b. any **products supplied** knowingly exported directly or indirectly to the United States of America or Canada or their dependencies or trust territories

(4) Fines

Liability in respect of liquidated damages, fines, penalties, exemplary punitive aggravated or multiplied damages.

(5) Injury to Employees

Liability in respect of **injury** to any **employee** arising out of and in the course of the employment or engagement of such person by the **insured**.

(6) Mechanically Propelled Vehicles

Liability arising out of the ownership, possession or use by or on behalf of the **insured** of any mechanically propelled **vehicle** or trailer attached thereto, which is required by any road traffic legislation to be the subject of compulsory insurance or other security but this exclusion shall not apply:

- a. while such **vehicle** is being used as a tool of trade (other than in respect of liability which is compulsorily insurable under road traffic legislation)
- b. in respect of the loading or unloading of such **vehicle** or the delivery or collection of goods to or from such **vehicle**

except where more specifically insured by any other **policy**.

(7) Pollution or Contamination

Liability arising:

- a. out of **pollution or contamination** 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 all **pollution or contamination** arising out of one incident shall be deemed to have occurred at the time such incident takes place
- b. directly or indirectly by **pollution or contamination** occurring in the United States of America or Canada or their dependencies or trust territories

(8) Property in the Charge or Control of the Insured

Liability in respect of loss or **damage** to any **property** belonging to or in the charge or control of the **insured** other than:

- a. personal effects or vehicles of any partner, director or **employee** of or visitor to the **insured**
- b. **premises** (and their **contents**) not belonging, leased, rented or hired to the **insured** but temporarily in the charge of the **insured** for the purpose of carrying out work
- c. **premises** (including their fixtures and fittings) leased, rented or hired to the **insured** but this Section does not cover liability attaching to the **insured** solely under the terms of any tenancy or other agreement

(9) Vessels or Craft

Liability arising out of ownership, possession or use by or on behalf of the **insured** of any vessel or craft designed to travel in, on or through water, air or space (other than hand-propelled watercraft).

(10) Work on Offshore Installations

Liability in respect of **injury**, loss or **damage** in or on any **offshore installation** or any support vessel for any **offshore installation** or whilst in transit to or from any offshore installation or support vessel.

(11) Asbestos

Any liability of whatsoever nature arising out of the manufacture, mining, processing, distribution, testing remediation, removal, storage, disposal, sale use of or exposure to asbestos or materials or products containing asbestos.

This Exclusion shall not apply in respect of such removal, storage or disposal provided that:

- a. the **insurer's** liability in respect of **injury** loss or **damage** occurring during any one **period of insurance** shall not exceed GBP 2,000,000 in the aggregate or the amount of the limit of indemnity for this Section as stated in the schedule whichever is lower
- b. such activity does not form part of the **insured's** usual trade or **business** or contract
- c. the discovery of asbestos by the **insured** is unintentional and accidental
- d. upon discovery of asbestos or products made entirely or mainly of asbestos all work immediately stops
- e. an HSE licensed asbestos removal contractor who has employers' liability and public and products liability insurances in force that:
 - i. provide limits of indemnity no less than those stated in the schedule and
 - ii. do not exclude the work to be carried out is contracted if legally required to make safe the area in which the discovery is made as soon as is practicable

(12) Contractual Liability

Liability which attaches because of a contract or agreement but which would not have attached in the absence of such contract or agreement.

(13) Manual Work Away

Liability arising from manual work undertaken away from the **insured's premises** other than collection or delivery.

Conditions

(1) Discharge of Liability

The **insurer** may at any time pay to the **insured** in connection with any claim or series of claims

- a. the amount of the limit of indemnity or
- b. any lesser amount for which such claim or claims can be settled less any sum or sums already paid as compensation claimant's costs and expenses **legal costs** and **solicitors' fees** recoverable prior to the date of such payment

On payment the **insurer** shall relinquish the conduct and control of and be under no further liability in connection with such claim or claims except for the payment of costs and expenses incurred prior to the date of such payment.

(2) Other Insurances

If any claim under this Section is also covered in whole or in part by any other existing insurance or by an indemnity from any other source the liability of the **insurer** shall be limited to any excess beyond the amount which would have been payable under such other insurance or from such other source had this Section not been effected.

(3) Bona Fide Subcontractors

It is a condition precedent to any liability of the **insurer** in respect of **injury**, loss, destruction or **damage** arising out of work carried out on behalf of the **insured** by bona fide subcontractors, commencing during the **period of insurance** that the **insured** obtain and retain a written record that such subcontractors have in force throughout the duration of any work undertaken by them for the **insured** the following insurance:

- a. employers' liability insurance in accordance with any law relating to compulsory insurance of liability to **employees**
- b. public liability insurance covering legal liability for **injury** to any person other than described in a) above and loss, destruction or **damage** to **property** with a limit of indemnity of not less than the limit of indemnity stated in the schedule

This condition shall not apply where bona fide subcontractors are engaged to carry out work on behalf of the **insured** in an emergency and there is insufficient time to obtain a written record from such subcontractor, provided that the **insured** shall obtain verbal confirmation and confirm such confirmation in writing and retain a copy as a written record.

SECTION 5 – TERRORISM

This Section of the **policy** is operative only if stated in the schedule.

In consideration of the payment of the premium in respect of the **period of insurance** the insurance provided under Section 1 - Material Damage and Section 2 - Business Interruption is extended to include **damage** occurring during the **period of insurance**, in England, Scotland and Wales (but this shall not include the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987) occasioned by or happening through or in consequence of terrorism and loss consequent on interruption to or interference with the **business** (but only where such loss is insured under these Sections) resulting from such **damage**.

The **insurer's** liability in respect of all losses arising out of any one occurrence and in the aggregate in any one **period of insurance** shall not exceed the limits as otherwise specified under these Sections as stated in the schedule.

Section Definitions

Nuclear Installation

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

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

Nuclear Reactor

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

Period of Insurance

Means the period commencing from:

- a. the effective date of the cover provided by this Section as shown in the schedule or
- b. any subsequent renewal of the **policy** and of this Section

provided that any such period of insurance does not exceed 12 calendar months.

Private Individual

Means any person other than a

- a. company association or partnership
- b. trustee or body of trustees where insurance is arranged under the terms of a trust
- c. person who owns **residential property** for the purpose of a **business** as a sole trader
- d. person who owns **residential property** of which in excess of 20% is commercially occupied

Where

- a.
 - i. the **residential property** is occupied by a trustee or a sole trader as a private residence and
 - ii. the **property** is not a block of flats each will be deemed to be a **private individual** in respect of that same **property**

- b. two or more persons have arranged insurance on **residential property** in
 - i. their several names
 - and/or
 - ii. the name of the **insured** includes the name of a bank building society or other financial institution for the purpose of noting their interest in the **property** insuredsuch persons will be deemed to be a private individual in respect of that **property**.

Residential Property

Means

- a. private dwelling, houses and flats
- b. household goods and personal effects

Exclusions

This Section does not cover loss or destruction of or **damage** caused:

- a. to **residential property** insured in the name of a **private individual**
- b. to any **property** at a **nuclear installation** or **nuclear reactor**
- c. by riot or civil commotion

provided also that this Section is not subject to any of the General Exclusions of the **policy** other than General Exclusions 1a) and 5.

Conditions

- 1. The **insurer** will not indemnify the **insured** unless and until:
 - a. the treasury issues a certificate certifying that any loss was caused by terrorism or
 - b. in the event of the Treasury refusing to issue such a certificate a tribunal formed by agreement between the and Pool Reinsurance Company Limited decides that the cause of such loss was terrorism
- 2. If in relation to any claim under this Section the **insured** have failed to fulfil any of the following conditions the **insured** will lose their right to indemnity or payment for that claim:
 - a. the **insured** must declare to the **insurer** all **property** and/or **premises** owned by them or for which they are responsible including all such **property** and/or **premises** of subsidiary companies unless it is the practice of any subsidiary company to effect its own insurance
 - b. the **insured** must purchase terrorism insurance from a Pool Reinsurance Company Limited member company in respect of all such **property** and/or **premises**
- 3. In any action suit or proceedings where the **insurer** alleges that any **damage** or loss resulting from **damage** is not covered by this Section the burden of proving that such **damage** or loss is covered will be upon the **insured**

SECTION 6 – LEGAL EXPENSES

This Section of the **policy** is operative only if stated in the schedule.

The **insurer** will only indemnify the **insured** for **claims** where the dispute and/or legal proceedings and/or **HMRC investigation** are or would be within the **territorial limits** and the claim is notified to the **insurer's appointed representative** Lyons Davidson Solicitors, during the **period of insurance** and is in connection with the activities within the scope and extent of the **business** activities of the **insured** as specified in the schedule.

If the **insured's claim** is covered under this Section and no exclusions apply then it is vital that the **insured** complies with the conditions of this Section in order for the **insured's claim** to proceed. The conditions applicable to this Section are contained below and should be read carefully. Two of the main conditions to this Section are that the **claim** has **prospects of success** and that costs associated with the **claim** are **proportional**.

Section Definitions

BRIT Legal Line

As specified in the schedule. The legal advice is provided by Lyons Davidson Solicitors who are authorised and regulated by the Solicitors Regulation Authority. _____ make no charge to the **insured** for providing these services. Calls to the BRIT Syndicate 2987 may be recorded. The **insured** agrees that in all circumstances the **insurer's representative** has the **insured's** express permission to review/listen to any call for auditing and monitoring purposes.

Acts of Parliament

All acts of parliament referred to in the **policy** shall include any subsequent amendments, reenactments or regulations and equivalent legislation enforceable within the **territorial limits**.

Any One Claim

All **claims** consequent upon the same original cause, event or circumstance.

Appointed Representative

A solicitor, barrister or other appropriately qualified person appointed to act for the **insured** in accordance with the terms of the **policy**.

Awards of Compensation

Basic and compensatory awards and compensation for unlawful discrimination made against the **insured** by an Employment Tribunal or settlement thereof subject to the consent of the **insurer's representative** but not including Additional Awards, Protective Awards, Interim Relief Arrears of Pay or Awards of Damages under the Equal Pay Act or arising out of failure to comply with awards in respect of reinstatement or re-engagement or any awards made under the Agency Workers Regulations. The **insurer** will not pay any fine, award or damages incurred by deliberately avoiding a payment or liability under statutory requirements. The **insurer** will not pay any redundancy payment or any monies due or properly payable arising under or from a contract of employment, service agreement or related, document or from any related implied or incorporated terms of a contract of service.

Claim

A claim under the **policy** for **legal expenses, professional expenses, awards of compensation** or **jury service allowance**.

Contracting Party

A person, firm or company domiciled within the **territorial limits** with whom the **insured** has a direct contractual relationship.

Debt Collection Service

The debt collection service nominated by the **insurer's representative**.

Due Date

The date monies owed to the **insured** first become due and payable.

Employee(s)

Any person under a contract of service with the **insured**.

HMRC Investigation

Inland revenue investigations and **VAT Disputes**.

Inland Revenue Investigation

a. Business Self-Assessment Full Enquiry

The investigation which takes place when an officer of Her Majesty's Revenue & Customs (HMRC) makes a request to examine all of the **insured's business** books and records and issues a formal notice under S9A or S12AC of the Taxes Management Act 1970 or under Paragraph 24(1) Schedule 18 Finance Act 1998.

b. Employer Compliance Dispute

The enquiries which take place following an expression of dissatisfaction with the **insured's** PAYE and/or NIC affairs following an employer compliance visit by HMRC or following an expression of dissatisfaction with the **insured's** P11Ds or P9Ds.

c. Business Self-Assessment Aspect Enquiry

The enquiry which takes place when an officer of HMRC issues a formal notice under Paragraph 24(1) Schedule 18 Finance Act 1998 or S9A or S12AC of the Taxes Management Act 1970 in order to make an Aspect Enquiry into only certain boxes on the **insured's** Self-Assessment Return.

Insurer's Representative

Arc Legal Assistance Limited who administers and manages Section 6 – Legal Expenses – of the **policy** on behalf of the **insurer**.

Jury Service Allowance

The amount of **money** the **insured** is liable to pay an **employee** each day they attend on jury service less any recovery from the court.

Legal Expenses

a. Fees

- i. Any professional fees, expenses and other disbursements reasonably incurred by the **appointed representative** with the consent of the **insurer's representative** and
- ii. any costs incurred by other parties insofar as the **insured** is held liable in court or tribunal proceedings to pay such costs or becomes liable to pay such costs under a settlement made with another party with the consent of the **insurer's representative** but excluding any costs which the **insured** may be ordered to pay by a court of criminal jurisdiction.

b. Witness Attendance Allowance

The amount of **money** the **insured** is liable to pay an **employee** each day they are required by the **appointed representative** to attend as a witness at a court or tribunal hearing. This indemnity is limited to GBP 100 per day and a maximum of GBP 1,000 for **any one claim**.

Professional Expenses

Any fees, expenses and other disbursements reasonably incurred by the **appointed representative** with the consent of the **insurer's representative** but excluding any tax or VAT, additional tax or VAT interest or penalties demanded, assessed or required by the relevant authorities or other penalties imposed by a court of criminal jurisdiction.

Proportional

An estimate of the **legal expenses** and **professional expenses** to deal with the **insured's** claim must not be more than the amount of money at stake. If the estimate exceeds the amount in dispute then the **insurer's representative** may decline or discontinue support for the **insured's** case.

Prospects of Success

In the professional opinion of the **appointed representative** there must be more than a 50% chance of winning the case and achieving a positive outcome. A positive outcome includes but is not limited to recovering the amount of money at stake enforcing a judgment or achieving an outcome which best serves the **insured's** interests.

Statutory Licence

A licence or certificate of registration issued under statute statutory instrument or by a government or local authority to the **insured**, provided that such licence or certificate is necessary to engage in the **business** of the **insured** and the licence or certificate has been declared to the **insurer**.

VAT Disputes

The enquiries which take place following a written decision assessment or statement of alleged arrears made by HMRC into the **insured's** value added tax return and/or any related value added tax default surcharges and misdeclaration penalties.

Sub-Section A – Contract Disputes

The **insurer** agrees to indemnify the **insured** against **legal expenses** incurred in the pursuit or defence of any dispute or legal proceedings made by or brought against the **insured** in a contractual dispute with a **contracting party** over a contract for the sale of goods, or a contract for the hire of goods, or a contract for the supply of a service within the meaning laid down in the Sale of Goods Act 1979 and/or the Supply of Goods and Services Act 1982.

Provided that:

- a. **legal expenses** incurred in the pursuit of any dispute or legal proceedings shall be limited to 75% of the amount in dispute
- b. the amount in dispute exceeds GBP 1,000
- c. the **insured** will only be indemnified by this Sub-Section for contract disputes arising from construction work carried out by the **contracting party** for the repair and renovation of the **buildings** insured under Section 1 – Material Damage owned by the **insured** and used in connection with the **business**
- d. where the dispute relates to monies owed to the **insured** and such liability is not contested, the **insured** refers the debt to the **debt collection service** within 30 days of the **due date** and agrees use of the service shall be paid for by the **insured** and not indemnified by the **insurer**. If the **debt collection service** exhausts its normal recovery procedure and recommends to the **insurer's representative** that legal proceedings are necessary the **insured** shall immediately notify a **claim** under this Sub-Section of cover

Exclusions

The **insurer** shall not be liable to indemnify the **insured** in respect of **claims** arising out of or in connection with:

- a. contracts that provide or arrange credit insurance securities or guarantees
- b. contracts where the liability or right of recovery of the **insured** is incurred through their agent or by assignment
- c. franchise contracts
- d. contracts governed by or alleged to be governed by the Consumer Credit Act 1974
- e. contracts of employment

- f. any tenancy or licence to use **property**
- g. construction contracts unless the construction work is carried out by a **contracting party** for the repair and renovation of the **buildings** insured under Section 1 – Material Damage owned by the **insured** and used in connection with the **business**.

Sub-Section B – Criminal Prosecution

The **insurer** agrees to indemnify the **insured** against **legal expenses** incurred in:

- a. defending a prosecution against the **insured** in a court of criminal jurisdiction
- b. an appeal by the **insured** against the service of an improvement or prohibition notice under the Health & Safety at Work Act 1974 or the Food Safety Act 1990

Exclusions

The **insurer** shall not be liable to indemnify the **insured** in respect of claims arising out of or in connection with:

- a. any prosecution relating to or arising from investigations by HMRC
- b. any prosecution for offences against the person including offences of a sexual nature
- c. any prosecution for criminal **damage**
- d. any prosecution alleging dishonesty
- e. any prosecution for non-endorsable road traffic offences except tachograph prosecutions and weight prosecutions
- f. an allegation of speeding or driving whilst under the influence of alcohol and/or drugs
- g. failure to insure a motor **vehicle** as required by law

Sub-Section C – Employment Disputes

The **insurer** agrees to indemnify the **insured** against **legal expenses** and **awards of compensation** incurred by the **insured** in defending legal proceedings brought against the **insured** by an **employee**, ex-**employee** or prospective **employee** in respect of their contract of employment with the **insured** or a breach of employment-related legislation.

In order to be covered by this Sub-Section, the **insured** must have sought and followed all the advice from the BRIT Syndicate 2987 as to the procedure to be adopted and has received specific authorisation from the BRIT Syndicate 2987:

- a. prior to carrying out any disciplinary procedure or action or suspension of an **employee**
- b. prior to dismissal of an **employee**
- c. prior to instituting a redundancy programme and prior to making an **employee** redundant
- d. prior to notifying an **employee** of their intended retirement date or retiring an **employee**
- e. upon notification formally or informally of a grievance from an **employee** or ex-employee
- f. upon notification formally or informally of a complaint relating to discrimination, victimisation or harassment because of age, disability, gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion or belief, sex or sexual orientation
- g. prior to any adverse variation or any attempt to adversely vary the terms and conditions of employment (including altering the hours or time or place worked or demotion or deduction from or reduction in an **employee's** remuneration)
- h. immediately an **employee** walks out with or without written notice
- i. upon receipt of an appeal from an **employee** or ex-**employee** against a decision taken as a result of a disciplinary or grievance procedure or retirement procedure or a decision to dismiss

Sub-Section D – Tax Protection

Sub-Section D1 – Inland Revenue Investigations

The **insurer** agrees to indemnify the **insured** against **professional expenses** incurred in respect of representation of the **insured** in an **inland revenue investigation**, including representation at a First-tier Tribunal and at an appeal against a decision following such a Tribunal, provided that there is a reasonable prospect of reducing the liabilities alleged by HMRC.

Sub-Section D2 – VAT Disputes

The **insurer** agrees to indemnify the **insured** against **professional expenses** incurred in representation of the **insured** in a **VAT dispute** in respect of:

- a. the local review procedure in order to reach agreement with HMRC
- b. a First-tier Tribunal, Upper Tribunal or VAT Tribunal including an appeal provided that there is a reasonable prospect of reducing the liabilities alleged by HMRC.

Exclusions

The **insurer** shall not be liable to indemnify the **insured** in respect of:

- a. technical or routine treatment of matters not connected with nor arising out of an expression of dissatisfaction with the **insured's** affairs
- b. the defence of any criminal prosecution
- c. taxation proceedings which arise out of negligent mis-statements or omissions made by or on behalf of the **insured**, in respect of returns or accounts or where there has been a lack of reasonable care in the keeping of **business** books and records
- d. any **HMRC investigation** which results solely from investigation of earlier accounts or records
- e. any **claim** where the tax return is submitted outside the statutory time limits and/or in a penalty position or where the **insured** has not notified chargeability to tax within the statutory time limits
- f. the preparation and/or correction of Self-Assessment returns accounts, Income Tax returns, P11Ds, P35s VAT returns or any other statutory returns
- g. any enquiry under Public Notice 160 or Section 60 of the VAT Act 1994 or matters handled by HM Revenue and Customs Specialist Investigations, Civil Investigations of Fraud and Criminal Investigations Sections. Also Code of Practice 8 and 9 cases
- h. an enquiry into the validity of a **claim** for Working Tax Credit or a dispute concerning the payment of the Working Tax Credit by an employer
- i. any dispute in connection with the payment of the National Minimum Wage
- j. a dispute or enquiry in respect of IR35 legislation
- k. any **claim** made where a return submitted at the final filing date contains provisional figures in respect of all of the trading income and expenditure items
- l. an investigation arising out of a voluntary disclosure made to HMRC in respect of omitted tax NIC or VAT liabilities, which become due as a result of the **insured's** deliberate act or following an HMRC amnesty where the **insured** has made an incorrect return to HMRC
- m. an investigation by HMRC into a tax planning arrangement where the Anti Avoidance Intelligence Unit of HMRC has allocated a number for inclusion on the relevant Self- Assessment return or any matter relating to bespoke tax planning

Sub-Section E – Property Disputes

The **insurer** agrees to indemnify the **insured** against **legal expenses** incurred in any dispute or legal proceedings made by or brought against the **insured**:

- a. over the physical possession of the **property** provided that where appropriate all statutory and contractual notices have been correctly served by the **insured**
- b. over the terms of a tenancy agreement between the **insured** and a **contracting party** relating to the use or maintenance of the **property** including dilapidations
- c. over the actual or alleged negligence **damage** or nuisance caused to the **property** by anyone other than the tenant

provided that the **insured** will suffer financial loss if the **insured** fails to pursue or defend the dispute or legal proceedings.

Exclusions

The **insurer** shall not be liable to indemnify the **insured** in respect of any **claim** arising out of or in connection with:

- a. the payment or non-payment or review of any tax rent or service charge

- b. a dispute relating to planning or building regulations or decisions or compulsory purchase orders or any actual planned or proposed works by or under the order of any government or public or local authority
- c. any dispute arising from the negotiation review or renewal of a tenancy agreement or the subsequent purchase of the **property** whether or not such purchase is completed
- d. any dispute where the **insured** has failed to maintain in full force and effect during the tenancy agreement, **buildings** insurance covering the standard range of perils if the **insured** was contractually obligated to have such insurance in force
- e. a dispute over subsidence or heave howsoever caused
- f. a contract dispute other than where the contract is a tenancy agreement with a **contracting party**

Sub-Section F – Data Protection

The **insurer** agrees to indemnify the **insured** against **legal expenses** incurred in defending any dispute or legal proceedings brought against the **insured** arising under the General Data Regulation 2016/679, including an appeal by the **insured** against a refusal of an application for registration, or alteration of registered particulars, or an appeal against an enforcement deregistration or transfer prohibition notice. The **insurer** further agrees to indemnify the **insured** against compensation awards, which the **insured** is ordered to pay under the General Data Regulation 2016/679 consequent upon the holding loss or unauthorised disclosure of data, provided that any compensation award follows the unsuccessful defence of an action arising out of the General Data Regulation 2016/679 to which the **insurer’s representative’s** consent has been granted and has not been withdrawn.

Sub-Section G – Statutory Licence

The **insurer** agrees to indemnify the **insured** against **legal expenses** incurred in an appeal by the **insured** against the suspension revocation imposed alteration of or refusal to renew a **statutory licence**.

Exclusions

The **insurer** shall not be liable to indemnify the **insured** in respect of any **claim** arising out of or in connection with:

- a. any disciplinary or internal procedures conducted by authorities charged with the regulation of the **insured** in the performance of their **business** or for any appeal following such procedures
- b. an alteration or refusal to renew a statutory licence which is imposed by Act of Parliament
- c. any costs incurred to comply with a notice or order
- d. driving licences

Sub-Section H – Personal Injury

The insurer agrees to indemnify the **insured** against **legal expenses** incurred in the pursuit of any dispute or legal proceeding for **damages** for injury to the **insured** caused by the actual or alleged act or omission of a third party.

Sub-Section I – Wrongful Arrest Defence

The **insurer** agrees to indemnify the **insured** against **legal expenses** incurred in the defence of civil legal proceedings against the **insured** in respect of allegations of wrongful arrest or malicious prosecution.

Exclusions

The **insurer** shall not be liable to indemnify the **insured** in respect of any **claim** arising out of or in connection with allegations made by or against or on behalf of an **employee** or former **employee** or any other person working for the **insured** whether or not an **employee**.

Sub-Section J – Jury Service Allowance

The **insurer** agrees to indemnify the **insured** against **jury service allowance** with such indemnity being limited to GBP 100 per day and a maximum of GBP 1,000 for **any one claim**.

Sub-Section K – Pension Trustee Defence

The **insurer** agrees to indemnify the **insured** against **legal expenses** incurred in defending civil proceedings against the **insured's** capacity as a trustee of a pension fund set up for the benefit of the **insured's employees**.

Exclusions to Section 6

The **insurer** shall not be liable to indemnify the **insured** in respect of:

1. the defence of the **insured** in civil legal proceedings for:
 - a. injury or disease including psychiatric injury and/or stress
 - b. loss, destruction or **damage** of or to **property**
 - c. alleged breach of any professional duty
 - d. any tortious liability (other than as specified in Sub-Sections E - Property Disputes and K - Pension Trustee Defence)
2. any dispute, legal proceedings or **HMRC investigation** made brought or commenced outside the **territorial limits**
3. **legal expenses** or **professional expenses** incurred without the prior written consent of the **insurer's representative** or in excess of the **insurer's representative's** consent
4. **awards of compensation** where the **insurer's representative's** consent to incur **legal expenses** has not been granted or has been withdrawn
5. any **claim** relating to or arising from any cause, event or circumstance occurring prior to or existing at inception of the **policy** and which has or which the **insured** knew or ought reasonably to have known may give rise to a dispute, legal proceedings or **HMRC investigation** or **claim** for **jury service allowance** by or against the **insured**
6. fines or other penalties imposed by a court or tribunal
7. any dispute, legal proceedings or **HMRC investigation** in respect of which the **insured** is or but for the existence of the **policy** would be entitled to indemnity under any insurance **policy** whether a legal expenses insurance or not, or under a legal aid certificate or representation order
8. any **claim** arising from the **insureds** intentional wrongdoing or an act or omission with negligent disregard as to its consequences
9. any dispute or legal proceedings with Government or Local Authority departments concerning the imposition of statutory charges
10. disputes or legal proceedings between **insureds** as specified in the schedule or any endorsement thereto, or with any parent company, or subsidiary company, or associated company or partner
11. any dispute between the **insured** and the **insurer**, the **insurer's representative**, the **appointed representative** or their insurance broker
12. any dispute or legal proceedings arising out of breach or alleged breach of confidentiality or passing off whether related to intellectual property or not or the use or alleged use of any intellectual property
13. any dispute or legal proceedings arising out of or in connection with actual or alleged defamation or malicious falsehood
14. any **legal expenses** or **professional expenses** incurred in respect of or in connection with a judicial review
15. appeals arising out of legal proceedings or **HMRC investigations** to which the **insurer's representative's** consent has not been granted
16. any **legal expenses** or **professional expenses** which the **insured** should or would have had to incur irrespective of any dispute or legal proceeding

Legal Expenses Claims Conditions

1. Notification of Claims

In order to be covered by this Section the **insured** must during the **period of insurance** immediately notify the **insurer's appointed representative** _____ in writing if the **insured** is aware of any cause event or circumstance, which has given or may give rise to a **claim** dispute, legal proceedings or **HMRC investigation** involving the **insured**.

Where such notification has been given, the **insurer** agrees to treat any subsequent **claim** in respect of the cause event or circumstance notified as though the **claim** had been notified during the **period of insurance**.

_____ can be contacted by email or phone

Email _____

Telephone _____

2. Insurer's Representative's Consent

The **insurer** will only indemnify the **insured** under this Section if the **insurer's** consent in writing is obtained before any **legal expenses** or **professional expenses** are incurred. This consent will be given by the **insurer's representative** on behalf of the **insurer** if the **insured** can satisfy the **insurer's representative** that:

- a. the **legal expenses** and **professional expenses** are **proportional** and
- b.
 - i. where the **insured** is pursuing there are **prospects of success** of proving the other party's legal liability and of recovering the damages claimed or other legal remedy sought
 - or
 - ii. where the **insured** is defending there are **prospects of success** of defending the claim
 - or
 - iii. in respect of a criminal prosecution and where the **insured** pleads guilty there are **prospects of success** of a significant mitigation of the **insured's** sentence or fine

If during the course of a **claim** the **insured** ceases to satisfy the **insurer's representative** in respect of a) or b) above, indemnity will be withdrawn in respect of **legal expenses**, **professional expenses** or **awards of compensation**.

The decision to grant consent or to withhold it will be taken on receipt of:

- A. a fully completed claim for
- B. the information and documentation the **insurer's representative** reasonably requests
- C. a legal opinion from the **appointed representative** as to a) and b) above
- D. any advice the **insurer's representative** may deem it necessary to take

With the agreement of the **insured**, the **insurer's representative** may provide assistance in settling disputes, the costs of which will be covered under the **policy** subject to the payment of the **excess** within the limits of indemnity.

The **insurer's representative** at its discretion may require the **insured** to obtain an opinion from Counsel at the **insured's** expense as to the merits of the subject matter of the **claim** such opinion to have regard to the same issues that the **insurer's representative** has in assessing the merits of any legal action. If based upon such opinion the **insurer's representative** is satisfied in respect of a) and b) above the **legal expenses** and **professional expenses** incurred in obtaining that opinion will be paid by the **insurer** within the limits of indemnity.

In granting its consent the **insurer** undertakes to provide indemnity to the **insured** subject to the terms and conditions of the **policy** and schedule, but such consent does not imply that all **legal expenses**, **professional expenses** or **awards of compensation** will be paid. In particular **legal expenses** or **professional expenses** for matters that go beyond the immediate scope of the **claim** shall be deemed by the **insurer** to fall outside the indemnity provided by the **policy**.

The **insurer's representative** reserves the right to limit its consent by time and/or financial amount of **legal expenses** or **professional expenses** and/or stage of proceedings to allow for a review of their continued consent.

If after consent has been granted it is shown that the **claim** has not been brought within the terms and conditions of the **policy** and schedule, the **insurer's representative's** consent will be withdrawn and no indemnity shall be provided. The **insurer** shall be entitled to recover any **legal expenses, professional expenses, awards of compensation, jury service allowance** or compensation under Sub-Section F - Data Protection previously paid.

If the **insured** elects to proceed with the pursuit or defence of a dispute or legal proceedings to which the **insurer's representative's** consent has been refused through lack of reasonable prospects as required in b) i. and ii. above and if the **insured** is successful in such pursuit or defence, the **insurer** will pay **legal expenses** or **professional expenses** incurred after such consent had been refused subject to the terms and conditions of the **policy**.

3. **Instruction and Choice of Appointed Representative and Counsel**

The **insurer's representative** will choose an **appointed representative** to act on behalf of the **insured** in any **claim** under certain Sub-Sections as specified in the schedule.

In all other Sub-Sections where recourse is necessary to a lawyer and there are enquiries or legal proceedings, the **insured** is free to choose an **appointed representative** to act in the name of and on behalf of the **insured** in any enquiry or legal proceedings. The name and address of the **appointed representative** the **insured** proposes to instruct must be notified to the **insurer's representative** in writing. The proposed **appointed representative** will enable the **insured** to comply with the terms and conditions of the Section and will be appointed to act for the **insured** in line with the **insurer's representative's** standard conditions of appointment. Any **professional expenses** or **legal expenses** charged by the **insured's** proposed **appointed representative** in excess of those that would normally be incurred using the **insurer's representative's** standard scale of charges (available on request) will be the responsibility of the **insured**.

In all other **claims** the **insurer's representative** will choose the **appointed representative** subject to the **excess**, unless there is a conflict of interest between the **insured** and the **insurer's representative** when the **insured** is free to choose an **appointed representative** to act in the name and on behalf of the **insured** in any **claim** to which the **insurer's representative** has consented.

The **insured** must not without the written consent of the **insurer's representative** enter into any agreement with the **appointed representative** as to the basis of calculation of **legal expenses** or **professional expenses**.

In selecting the **appointed representative** the **insured** shall have regard to its duty to minimise the cost of any **claim** or legal proceedings. In all cases the **appointed representative** shall be appointed in the name of and on behalf of the **insured**.

If in the course of any **claim** or legal proceedings the **appointed representative** wishes to instruct Counsel or an expert Counsel's or the expert's name and an explanation of the necessity for such instruction must be submitted to the **insurer's representative** for consent to the proposed instruction which will not be unreasonably withheld.

A dispute arising from the **insured's** choice of **appointed representative** may be referred to arbitration.

4. **Disclosure**

In order for the **insurer** to indemnify the **insured** under this Section the **insured** must:

- a. give the **appointed representative** and the **insurer's representative** all necessary help and information including a complete and truthful account of the facts of the case and all relevant documentary or other evidence in the **insured's** possession. The **insured** must provide, obtain or execute all documents as necessary and attend meetings or conferences as requested
- b. instruct the **appointed representative** to provide the **insurer's representative** any information, document or advice in connection with any **claim** and the subject matter of any **claim** even if privileged. In addition the **insured** must instruct the **appointed representative** to provide the **insurer's representative** with regular updates on the progress of the subject matter of any **claim** and inform the **insurer's representative**

immediately if and when any circumstance adversely impacts the factors taken into account in granting the **insurer's representative's** consent.

Indemnity may be withdrawn if the **insured** fails to co-operate at all or within a reasonable time with the **insurer's representative's** or the **appointed representative's** requests or if the **insured** or **appointed representative** fails to provide the **insurer's representative** with any information in connection with any **claim** or the subject matter of any **claim**.

5. **Payment of Legal Expenses, Professional Expenses and Awards of Compensation**

All bills for **legal expenses** or **professional expenses** which the **insured** receives from the **appointed representative** should be forwarded to the **insurer's representative** without delay. If the **insurer's representative** so requires the **insured** must ask the **appointed representative** to submit the bill of costs for assessment or certification by the appropriate Law Society court or tribunal.

The **insured** is responsible for payment of all **legal expenses, professional expenses, awards of compensation** or compensation under Sub-Section F - Data Protection. The **insurer** may settle these direct if requested by the **insured** to do so.

The payment of some **legal expenses** or **professional expenses** does not imply that all **legal expenses, professional expenses, awards of compensation** or compensation under Sub-Section F - Data Protection will be paid.

6. **Offer of Settlement**

In order for the **insurer** to indemnify the **insured** under this Section, the **insured** must inform the **insurer's representative** in writing as soon as an offer to settle the subject matter of a **claim** is received and/or the **insured** proposes to make an offer of settlement. In any settlement the **insured** must have regard to **legal expenses, professional expenses** or **awards of compensation** or compensation under Sub-Section F - Data Protection incurred or likely to be incurred by the **insurer** and the recovery thereof.

No indemnity will be provided if the **insured** enters into any agreement to settle without the prior written consent of the **insurer's representative** (such consent not to be unreasonably withheld) and the **insurer** shall be entitled to recover any **legal expenses, professional expenses, awards of compensation** or compensation under Sub-Section F - Data Protection previously paid.

If the **insured** unreasonably rejects an offer of settlement which the **insurer's representative** recommends acceptance of or makes an offer which the **insurer's representative** does not agree no further indemnity shall be provided.

The **insurer** may at its absolute discretion decide to pay the **insured** the amount of damages that the **insured** is claiming or is being claimed against the **insured** instead of indemnifying the **insured** for **legal expenses, professional expenses, awards of compensation** or compensation under Sub-Section F - Data Protection. Where the **insurer** exercises this discretion the **insurer** will cease to be liable for any further **legal expenses, professional expenses, awards of compensation** or compensation under Sub-Section F - Data Protection.

The **insurer** may also require the **insured** to make an offer to pay an **award of compensation** to an **employee** or ex-**employee** or prospective **employee** provided the **insurer** agrees to pay that **award of compensation**. If the **insured** fails to make that offer the **insurer** will cease to be liable for any further **legal expenses** or **awards of compensation**.

The **insurer** may at its absolute discretion decide to pay the **insured** the amount of damages that the **insured** is claiming or is being claimed against the **insured** instead of indemnifying the **insured** for **legal expenses, professional expenses** or **awards of compensation**. Where the **insurer** exercises this discretion the **insurer** will cease to be liable for any further **legal expenses, professional expenses** or **awards of compensation**.

7. **Recovery of Costs**

Whenever the **insured** is awarded costs or under the terms of any settlement where costs are included those costs are to be repaid to the **insurer**.

The **insured** and their **appointed representative** must make every effort to make a full

recovery of costs. Where a settlement purports to be a global or a without costs settlement or where costs are awarded but not recovered the **insured** agrees that a fair and reasonable proportion of that settlement will be deemed costs and due to the **insurer**.

Where such a settlement is paid in instalments all costs to the **insurer** shall be paid first.

8. **Appeal Procedure**

If following legal proceedings to which the **insurer's representative** has consented the **insured** wishes to appeal against the judgment or decision of a court or tribunal, the grounds for such appeal must be submitted to the **insurer's representative** through the **appointed representative** immediately or as soon as practicable so that the **insurer's representative** may consider whether to consent to such further action. If an appeal is lodged against a judgment or decision of a court or tribunal made in favour of the **insured** following legal proceedings to which the **insurer's representative** has consented the **insured** must notify the **insurer's representative** immediately in order that cover shall continue. The **insurer's representative** will inform the **appointed representative** of its decision. If the **insurer's representative** so requires it the **insured** must co-operate in an appeal against the judgment or decision of a court or tribunal.

9. **Duty to Minimise**

The **insured** must take all reasonable precautions to avoid and prevent **claims, HMRC investigations**, legal proceedings and disputes. The **insured** must use every endeavour and take all reasonable measures to minimize the cost and effect of any **claim**.

10. **Insolvency or Liquidation of the Insured**

If the **insured** becomes insolvent or is placed in liquidation, receivership, administration or bankruptcy or enters into a voluntary arrangement or deed of arrangement or if any application is made to the court or meeting convened for any such purpose, the **insurer** has the right to immediately cease to provide indemnity for **legal expenses, professional expenses, awards of compensation, jury service allowance** or compensation under Sub-Section F - Data Protection notwithstanding any previous consent the **insurer's representative** may have granted.

11. **Value Added Tax**

If the **insured** is registered for VAT the **insurer** will not pay the VAT element of any **legal expenses or professional expenses**.

12. **Arbitration**

Any dispute between the parties as to the amounts to be paid under the Section may where both parties agree be referred to an arbitrator who will be either a solicitor or a barrister. If the parties cannot agree on their choice of arbitrator the Law Society may be asked to make a nomination. The arbitration will be binding and carried out under the Arbitration Act. The costs of the arbitration will be at the discretion of the arbitrator.

GENERAL CLAIMS CONDITIONS

1. **Action by the insured (not applicable to Section 6 – Legal Expenses)**

On the happening of any event or circumstance, which could give rise to a claim by the **insured** under the **policy** or on receiving verbal or written notice of any claim the **insured** shall:

- a. as soon as reasonably possible give notice to the **insurer**
- b. immediately notify the Police in respect of any **damage** caused by thieves or malicious persons or in respect of theft by **employees** where covered and obtain a crime reference number which must be advised to the **insurer** as soon as reasonably possible
- c. immediately forward to the **insurer** any writ or summons issued against the **insured** by a third party
- d. take action to minimise the loss, destruction or **damage** and to avoid interruption or

- interference with the **business** and to prevent further loss, destruction, **damage** or **injury**
- e. at their own expense supply full details of the claim in writing to the **insurer** together with any evidence and information that may be reasonably required by the **insurer** for the purpose of investigating or verifying the claim and if demanded a statutory declaration of the truth of the claim and any matter connected with it within:
 - i. 7 days of **damage** caused by riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances or malicious persons
 - ii. 30 days of expiry of the **indemnity period** in respect of **business** interruption claims
 - iii. 30 days of the event or circumstance in the case of any other claim or of a request from the **insurer**

No theft or attempted theft claim under this **policy** shall be considered unless notified to the Police in accordance with 1b) above and a crime reference number obtained.

No settlement, admission of liability, payment or promise of payment shall be made to a third party without the prior written consent of the **insurer**.

No claim under the **policy** shall be payable unless the terms of this condition have been complied with.

2. **Rights of the insurer**

The **insurer** shall:

- a. be entitled at any stage to take over the defence or settlement of any claim made upon the **insured** by any other party and to prosecute for its own benefit any claim for indemnity or compensation against any other persons in respect of any event insured by the **policy** and at no cost to the **insurer** the **insured** shall give all assistance as may be reasonably required by the **insurer**
- b. have the right to enter the **premises** where the **damage** has occurred and to keep possession of any **property** insured without thereby incurring any liability or diminishing any of the **insurer's** rights under the **policy** and to deal with the salvage in a reasonable manner but the **insured** shall not be entitled to abandon any **property** to the **insurer**
- c. at its option indemnify the **insured** by payment reinstatement replacement or repair in respect of any **property** lost or **damaged** or part thereof. If the **insurer** elects to reinstate or replace any **property** they shall not be bound to reinstate or replace exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the sum insured thereon

3. **Conditions**

Every condition to which the **policy** or any part thereof is or may be subject shall from the time the condition attaches apply and continue to be in force during the whole currency of the **policy** and non-compliance with any such condition insofar as it increases the risk of loss, destruction or **damage** shall be a bar to any claim in respect of such loss, destruction or **damage**, provided that whenever the **policy** is renewed a claim in respect of loss, destruction or **damage** occurring during the renewal period shall not be barred by reason of a condition not having been complied with any time before the commencement of such period.

4. **Contribution in respect of Sections 1, 2 and 3**

If in the event of **damage** or liability under the **policy** there shall be in force any other insurance effected by or on behalf of the **insured** providing cover against such a claim:

- a. the liability of the **insurer** shall be limited to its rateable proportion of such a claim
- b. but which is subject to any provision excluding it from ranking concurrently with the **policy** either in whole or in part or from contributing rateably to the claim, then the liability of the **insurer** shall be limited to such proportion of the claim as the sum insured bears to the value of the **property**.

5.

5. **Arbitration (not applicable to Section 6 – Legal Expenses)**

If any difference shall arise as to the amounts to be paid under the **policy** such difference may at the **insurer's** option be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the **insurer**.

Any other difference shall be subject to the exclusive jurisdiction of the courts of England and Wales.

6. **Claims co-operation**

The **insured** will provide all help and assistance and co-operation required by the **insurer** in connection with any claim.

Complaints Procedure

We strive to provide an excellent service to all **our** customers but occasionally things can go wrong. **We** take all concerns seriously and endeavour to resolve all customers' problems promptly. If **you** have a question or concern about **your policy, you** should, in the first instance follow the guidance notes or instructions in the insurance documentation **you** have been sent. **Your** broker will also be able to advise **you** and provide assistance in this regard.

Alternatively, if **you** wish to contact **us** directly **you** should either write or telephone:

The Complaints Department
Brit Syndicates Limited
The Leadenhall Building
122 Leadenhall Street
London EC3V 4AB

Telephone: +44 (0) 20 385 70000
Fax: +44 (0) 20 385 70001
Email: BGS.Complaints@britinsurance.com

In the unlikely event that **you** remain dissatisfied and wish to make a complaint, **you** can do so at any time by referring the matter to **us** at the above stated address or the Complaints Team at Lloyd's at the following address:

Complaints

Lloyd's

One Lime Street

London EC3M 7HA

Telephone: +44 (0) 20 7327 5693

Fax: +44 (0) 20 7327 5225

Email: complaints@lloyds.com

Website: www.lloyds.com/complaints

Details of Lloyd's complaints procedure are set out in a leaflet "**Your** Complaint - How We Can Help" available at www.lloyd's.com/complaints and are also available from the above address.

Should **you** remain dissatisfied after Lloyd's has considered **your** complaint and **you** are NOT a policyholder in the UK, **you** should, in the first instance, seek advice from **your** broker as to whom **you** should direct **your** complaint.

If **you** were sold this product online or by other electronic means and within the European Union (EU), **you** may refer **your** complaint to the EU Online Dispute Resolution (ODR) platform. Upon receipt of **your** complaint, the ODR will escalate **your** complaint to **your** local dispute resolution service - this process is free and conducted entirely online. **You** can access the ODR platform on <http://ec.europa.eu/odr>.

If **you** are a policyholder in the UK, **you** may be able to refer the matter to The Financial Ombudsman Service (FOS). FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services, they can normally deal with complaints from private individuals and from small organisations; further information is available from:

Financial Ombudsman Service (FOS)

Exchange Tower

London E14 9SR

Helpline: 0800 0234 567, +44 20 7964 0500 (if outside UK)

Switchboard: +44 (0) 20 7964 1000

Fax: +44 (0) 20 7964 1001

Email: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

Making a complaint to the Financial Ombudsman Service (FOS) does not affect **your** rights under this **policy** but if **you** are not an eligible complainant then the informal complaint process ceases.

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