



**SMALL COMMERCIAL/
SME PACKAGE**
INSURANCE POLICY DOCUMENT (ROI)

CONTENTS

Definitions	5	Section 5 – Public and Products Liability	50
General Conditions including Cancellation	10	Limit of Indemnity	50
General Exclusions	14	Section Definition	50
		Extensions to Section 5	50
Section 1 – Material Damage	17	Exclusions	56
Insurable Perils	17	Conditions	59
Additional Covers	20		
Extensions to Section 1	27	Section 6 – Management Protector	60
Clauses	29	Sub-Section A – Personal Accident	60
Basis of Settlement Clauses	29	Personal Accident – Definitions	60
Exclusions	32	Personal Accident – General Conditions	61
Conditions	32	Personal Accident – Exclusions	61
		Sub-Section B – Employee Dishonesty Cover	62
Section 2 – Business Interruption	38	Employee Dishonesty – Definitions	62
Clause	38	Employee Dishonesty – General Conditions	62
Basis of Settlement Clauses	38	Employee Dishonesty – Exclusions	63
Extensions to Section 2	39		
Exclusions	41	General Claims Conditions	64
Condition	41	Useful Information and How to Make a Claim	66
Additional Cover – Loss of Licence	41		
Section 3 – Equipment Breakdown	43		
Section Definitions	43		
Extensions to Section 3	44		
Basis of Settlement Clause	46		
Clause	47		
Conditions	47		
Exclusions	47		
Section 4 – Employers' Liability	48		
Limit of Indemnity	48		
Section Definition	48		
Extensions to Section 4	48		
Exclusions	49		
Conditions	49		

Small Business / SME Package Cover

Your policy is administered by **NBS Ireland** and underwritten by **Accelerant Insurance Europe SA**, Bastion Tower, Level 20, Place du Champ de Mars 5, 1050 Brussels.

Accelerant Insurance Europe SA is a company registered in Belgium (Company number 0758.632.842) with registered office at Bastion Tower, Level 20, Place du Champ de Mars 5, 1050 Brussels

Accelerant Insurance Europe SA is an insurance company authorised by the National Bank of Belgium and regulated by the Financial Services and Markets Authority (FSMA) (Ref. 3193).

The Policy the Schedule and any endorsements shall be read together as one contract and this is the contract of Insurance between the **Insured** and the **Insurer**.

NBS Ireland is a trading style of **NBS Commercial Limited**. Registered in Ireland No. 677098. Registered Office: 13-18 City Quay, Dublin 2, D02 ED70. NBS Commercial Ltd is authorised and regulated by the Central Bank of Ireland – C441712

Fair Presentation

1. Before this insurance contract is entered into, the Insured must make a fair presentation of the risk to the Insurer, in accordance with Section 3 of the Insurance Act 2015. In summary, the Insured must:
 - a) Disclose to the Insurer every material circumstance which the Insured knows or ought to know. Failing that, the Insured must give the Insurer sufficient information to put a prudent insurer on notice that it needs to make further enquiries in order to reveal material circumstances. A matter is material if it would influence the judgement of a prudent insurer as to whether to accept the risk, or the terms of the insurance (including premium);
 - b) Make the disclosure in clause (1)(a) above in a reasonably clear and accessible way; and
 - c) Ensure that every material representation of fact is substantially correct, and that every material representation of expectation or belief is made in good faith.
2. For the purposes of clause (1)(a) above, the Insured is expected to know the following:
 - a) If the Insured is an individual, what is known to the individual and anybody who is responsible for arranging his or her insurance.
 - b) If the Insured is not an individual, what is known to anybody who is part of the Insured's senior management; or anybody who is responsible for arranging the Insured's insurance.
 - c) Whether the Insured is an individual or not, what should reasonably have been revealed by a reasonable search of information available to the Insured. The information may be held within the Insured's organisation, or by any third party (including but not limited to subsidiaries, affiliates, the broker, or any other person who will be covered under the insurance). If the Insured is insuring subsidiaries, affiliates or other parties, the Insurer expect that the Insured will have included them in the Insured's enquiries, and that the Insured will inform the Insurer if it has not done so. The reasonable search may be conducted by making enquiries or by any other means.

Remedies for breach of the duty of fair presentation

1. If, prior to entering into this insurance contract, the Insured shall breach the duty of fair presentation, the remedies available to the Insurer are set out below.
 - a) If the Insured's breach of the duty of fair presentation is deliberate or reckless:
 - i). The Insurer may avoid the contract, and refuse to pay all claims; and,
 - ii). The Insurer need not return any of the premiums paid.

- b) If the Insured's breach of the duty of fair presentation is not deliberate or reckless, the Insurer's remedy shall depend upon what the Insurer would have done if the Insured had complied with the duty of fair presentation:
 - i). If the Insurer would not have entered into the contract at all, the Insurer may avoid the contract and refuse all claims, but must return the premiums paid.
 - ii). If the Insurer would have entered into the contract, but on different terms (other than terms relating to the premium), the contract is to be treated as if it had been entered into on those different terms from the outset, if the Insurer so require.
 - iii). In addition, if the Insurer would have entered into the contract, but would have charged a higher premium, the Insurer may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims). In those circumstances, the Insurer shall pay only X% of what the Insurer would otherwise have been required to pay, where $X = (\text{premium actually charged} / \text{higher premium}) \times 100$.

Keeping the Insurer Informed

The Insured must notify the Insurer, or the Insured's Insurance Advisor:

- a) without delay if the Insured becomes aware that information the Insured has given the Insurer is inaccurate;
- b) within fourteen (14) days of the Insured becoming aware about any changes in the information the Insured has provided to the Insurer which happens before or during the period of insurance;

When the Insurer is notified that information the Insured previously provided is inaccurate, or of any changes to that information, the Insurer will tell the Insured if this affects the Insured's insurance. For example, the Insurer may amend the terms of the Insured's insurance or require the Insured to pay more for the Insured's insurance or cancel the Insured's insurance in accordance with the "Cancellation" section.

If the Insured fail to notify the Insurer that information the Insured has provided is inaccurate, or the Insured fail to notify the Insurer of any changes, this insurance may become invalid and the Insurer may not pay the Insured's claim, or any payment could be reduced.

DEFINITIONS

Applicable to all parts of this Policy

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 around the Buildings and belonging to them
- 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 canteen sports social and welfare organisations by the **Insured** for the benefit of the **Insured's Employees**

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 £5,000 for any one loss
- c) paintings or other works of art subject to a maximum of £500 for any one loss
- d) directors' partners' or **Employees'** personal effects clothing pedal cycles and tools unless otherwise insured subject to a maximum of £1,000 per person for any one loss

but excluding any other **Property** more specifically insured

Damage – Direct physical 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

DEFINITIONS CONTINUED

Domestic Contents – comprising household goods within the Premises including audio and visual equipment clothing luggage sports equipment (excluding antiques works of art jewellery gold and silver articles watches cups trophies furs and pedal cycles) belonging to the Insured or their resident manager or any of their family permanently residing with them

Employee –

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 **Gross Revenue** 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 sickness, disability or disease. **Injury** shall also mean mental injury, mental anguish, shock or death if directly resulting from **bodily injury**, sickness, disability 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 – Accelerant Insurance Europe SA

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**

DEFINITIONS CONTINUED

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

Loss of Limbs or Eyes – Physical Injury which solely and directly results in

- a) total loss or permanent and total loss of use of one or more limbs or
- b) total and irrecoverable loss of all sight in one or both eyes

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

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

Permanent Total Disablement – Physical Injury not resulting in death or **Loss of Limbs or Eyes** which results in the permanent inability of the **Insured** or **Employee** to engage in any gainful employment

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

Physical Injury – Bodily injury by external violent and visible means sustained by the **Insured** or **Employee** in the course of the **Business** where such injury arises directly from assault during a theft or attempted theft of the **Money** and/or **Non-Negotiable Money** and/or **Property** involving forcible and violent means or an actual or threatened hold up

Pollution or Contamination –

- a) All Pollution or Contamination of buildings or other structures or of water or land or the atmosphere and
- b) all **Injury** loss or damage directly or indirectly caused by such Pollution or Contamination but only to the extent that **you** can show;
 - i. The **pollution or Contamination** was a direct result of a sudden, specific and identifiable event occurring within the **Territorial Limits**;
 - ii. The **Pollution or Contamination** became known to the **Insured** within 72 hours of its commencement and is notified in accordance with the policy's notification provisions;
 - iii. Was not the direct result of the **Insured** failing to take reasonable precautions to prevent such **Pollution or Contamination**.

All Pollution or Contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place

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 which has left the Insured's care, custody or control 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**

DEFINITIONS CONTINUED

Property –

- a) **Buildings Tenants' Improvements Contents Computers Computer Records Stock Domestic Contents** 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

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**

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

Solicitors' Fees – Solicitors' Fees incurred with the Insurer's prior written consent 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 4 and 5

Specified Working Expenses – The total of

- a) purchases less discounts received
- b) discounts allowed
- c) carriage freight and packaging and
- d) bad debts

during the period immediately before the date of the **Damage** which corresponds with the **Indemnity Period**

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

Temporary Total Disablement – Physical Injury which results in the temporary inability of the **Insured** or **Employee** to engage in any gainful employment

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 organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other 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**

DEFINITIONS CONTINUED

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 – 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

GENERAL CONDITIONS

Applicable to all parts of this Policy

1) Fraud

If the Insured makes a fraudulent claim under this Policy, the Insurer:

- i) Is not liable to pay the claim; and
- ii) May recover from the Insured any sums paid by the Insurer to the Insured in respect of the claim; and
- iii) May by notice to the Insured treat the contract as having been terminated with effect from the time of the fraudulent act.

If the Insurer exercises its right under clause (iii) above:

- i) The Insurer shall not be liable to the Insured in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to the Insurer's liability under the insurance contract (such as the occurrence of a loss, the making of a claim, or the notification of a potential claim); and,
- ii) The Insurer need not return any of the premiums paid.

2) 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

3) 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 or if there is any alteration to the facts or matters set out in the Statement of Fact or otherwise comprising the risk presentation made by the **Insured** to the **Insurer** at inception, renewal or variation of the Policy 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.

However this Policy shall not be invalidated if the **Insured** has contracted workmen for the purpose of minor repairs decorating cosmetic works including periodical maintenance at the **Premises**, but any works to the value of 5% of the current Material Damage sum insured or £10,000 whichever is the least, or of a structural nature to the roof or fabric of the building must be notified to the **Insurer** before the works commence and then agreed by the **Insurer** in writing.

Upon being notified of any such alteration, the **Insurer** may, at its absolute discretion:

- a) continue to provide cover under this Policy on the same terms
- b) restrict the cover provided under this Policy
- c) impose additional terms
- d) alter the premium
- c) cancel the policy

4) 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

GENERAL CONDITIONS CONTINUED

- b) if the premium for the Policy or endorsement is payable by instalments then

each instalment shall be paid when due or

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

5) Cancellation

- a) Cancellation by the **Insured**

Cooling off cancellation rights

The **Insured** has the right to cancel the insurance from inception within 14 days of the receipt of the documents at the start of the insurance ("the cooling off period") if the cover does not meet their requirements by returning all documents and any certificate to the Broker Intermediary or Agent who arranged the Policy

The **Insurer** shall return any premium paid in full within 30 days of the receipt of the notice of cancellation from the Broker Intermediary or Agent if the cover is cancelled either

before the inception date or

within the 14 day cooling off period provided that no claim has been made or incident advised that could give rise to a claim in these circumstances no return of premium will be made

Cancelling the Policy after the cooling off period

The **Insured** may cancel the insurance at any other time by contacting the Broker Intermediary or Agent who arranged the Policy

On receipt of the notification from the Broker Intermediary or Agent the **Insurer** will cancel the Policy and provide a proportionate return of the premium in respect of the unexpired period of insurance provided that no claim has been made or incident advised that could give rise to a claim in these circumstances no return of premium will be made

- b) Cancellation by the **Insurer**

- i. Non-payment of Premium

If the **Insurer** has not received the premium in accordance with the terms of General Condition 4) 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 the Policy 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 any of the different Policy terms and conditions imposed by the **Insurer** as a result of the identification of misrepresentation as detailed in Fair Presentation
- 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 3) 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

GENERAL CONDITIONS CONTINUED

- 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 the Policy 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 1) 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**

6) Choice of Law

Both parties to this contract have a choice as to which law should be applied. In the absence of written agreement to the contrary English law applies to this contract

The parties agree to submit to the exclusive jurisdiction of the English courts

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 the 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

GENERAL CONDITIONS CONTINUED

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 or in the Policy the **Insurer** shall not be liable for the excess as stated in the schedule or for any lesser amount of each and every claim, when requested , including all costs & expenses associated with the investigation & the handling of the claim and it is a condition precedent to our liability under this policy that you must immediately pay us such an amount or part of when so requested .

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

- a) computer data processing equipment microchip integrated circuit or any similar device or any computer software or computer firmware
- b) 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 4

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

GENERAL EXCLUSIONS CONTINUED

5) Computer Virus

Any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from

- a) the alteration modification distortion corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) or
- b) any alteration modification distortion erasure corruption of data processed by any such computer or other equipment or component or system or item

whether the property of the **Insured** or not where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **Virus or Similar Mechanism or Hacking** or Phishing 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 thereto 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**

7) Sanctions

The Insurer shall not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover payment of such claim or provision of such benefit would expose the Insurer to any sanction prohibition or restriction under the United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union United Kingdom or United States of America.

8) Micro-organism Clause

Damage or **Consequential Loss** of whatsoever nature or liability directly or indirectly arising out of or relating to mould, mildew, fungus, spores or other microorganism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health

9) Electronic Data

- (a) The insurance by this Policy does not cover loss, damage, destruction, distortion, erasure, corruption or alteration of Electronic Data from any cause whatsoever (including but not limited to Computer Virus) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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

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

- (b) However, in the event that a Peril listed below results from any matters described in paragraph (a) above, this insurance, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Policy Period of Insurance to the Property Insured by this Policy directly caused by such listed Peril.

Listed Perils:

Fire

Explosion

GENERAL EXCLUSIONS CONTINUED

Electronic Data Processing Media Valuation

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the Electronic Data from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such Electronic Data. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this insurance does not insure any amount pertaining to the value of such Electronic Data to the Insured or any other party, even if such Electronic Data cannot be recreated, gathered or assembled.

10) Chemical and Biological

Damage or **Consequential Loss** of whatsoever nature or liability directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

11) Asbestos

Damage or **Consequential Loss** of whatsoever nature or liability or any liability of whatsoever nature arising from or caused by any work involving the manufacture, mining, processing, use, installation, storage, removal, stripping out, demolition, disposal, distribution, inspection or testing of or exposure to asbestos, asbestos fibres, asbestos dust or asbestos-containing materials.

12) Indirect Loss

Damage or **Consequential Loss** of whatsoever nature or liability for any loss or damage that is not directly associated with the incident that caused you to claim.

13) Existing Damage

Damage or **Consequential Loss** of whatsoever nature or liability for any loss or damage occurring before or arising from an event before the beginning of the Period of Insurance.

14) Loss of Value

Damage or **Consequential Loss** of whatsoever nature for any reduction in value of the property insured following repair or replacement paid for under this Policy.

15) Virus, Disease and Pandemic Exclusion

(not applicable to Employers Liability Section)

Notwithstanding any provision to the contrary within this policy, within any endorsement to this policy or within any extension to this policy, this policy and its endorsements (if any) and its extensions (if any) exclude any loss, damage, liability, claim, cost or expense (whether such loss, damage, liability, claim, cost or expense has been suffered by an insured or a third party) of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, in connection with, or otherwise in any way directly or indirectly attributable to:

- a) Coronaviruses; and
 - b) Coronavirus disease (COVID-19); and
 - c) Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2); and
 - d) any mutation of or variation of a), b) or c) above; and
 - e) any infectious disease that is designated or treated as a pandemic by the World Health Organisation; and
 - f) any fear or anticipation of a), b), c), d) or e) above,
- regardless of any other cause or event contributing concurrently or in any other sequence thereto.

SECTION 1 – MATERIAL DAMAGE

In the event of **Damage** to **Property** insured 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

Insurable Perils

The following are the Insurable Perils operative as **Insured Perils** if stated in the Schedule

1) Fire

Excluding damage caused by

- a) its own spontaneous fermentation or heating or its undergoing any heating process or any process involving the application of heat
- b) explosion resulting from fire

2) Lightning

3) Explosion

Excluding damage caused by 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**

However this exclusion does not apply to **Damage** caused by the explosion of any boiler or gas used only for domestic purposes

4) Aircraft or other aerial devices or articles dropped from them

5) Earthquake and subterranean fire

6) Riot civil commotion strikers locked out workers persons taking part in labour disturbances or malicious persons

Excluding damage

- a) arising from cessation of work or due to confiscation nationalisation seizure requisition or destruction by order of the government or any public authority
- b) by theft or attempted theft
- c) whilst any **Building** is **Unoccupied**

7) 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

Excluding

- a) loss from any structure which is incapable of being locked
- b) damage
 - i. in respect of **Property** in the open
 - ii. whilst any **Building** is **Unoccupied**
 - iii. in respect of **Stock** at exhibitions that is not contained in an indoor exhibition hall which is locked and/or guarded outside business hours
- c) theft or attempted theft by **Employees**
- d) loss in respect of electronic equipment designed for mobile or portable use

SECTION 1 – MATERIAL DAMAGE CONTINUED

8) Storm

Excluding damage

- a) caused by frost subsidence ground heave or landslip
- b) attributable solely to change in the water table level
- c) to fences gates and moveable **Property** in the open or in open fronted or open sided **Buildings**

9) Flood

Excluding damage

- a) caused by frost subsidence ground heave or landslip
- b) attributable solely to change in the water table level
- c) to fences gates and moveable **Property** in the open or in open fronted or open sided **Buildings**

10) Impact by

- a) any road vehicles or animals
- b) falling trees or boughs
- c) breakage or collapse of aerials or satellite dishes

Excluding damage by lopping pruning or felling of trees

11) 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

Excluding damage

- a) by water discharged or leaking from any automatic sprinkler installation
- b) whilst any **Building** is **Unoccupied**
- c) by leakage of bottled **Stock** or the cost of replacing the beverages
- d) caused by subsidence ground heave or landslip
- e) for subsidence ground heave or landslip caused by the escape water

12) Accidental escape of water from any automatic sprinkler

installation Excluding damage occasioned by or attributable to

- a) heat caused by fire
- b) freezing whilst any **Building** is **Unoccupied**
- c) repairs alterations or extensions to the **Buildings** and/or sprinkler installations

13) Accidental damage

Excluding damage

- a) caused by any other Insurable Peril
- b) to a **Building** or structure caused by its own collapse or cracking
- c) to **Property** insured caused by **Pollution or Contamination** other than **Damage** caused by
 - i. **Pollution or Contamination** which itself results from fire or explosion
- d) to **Property** resulting from its undergoing any process of production packing treatment testing commissioning servicing adjustment or repair
- e) to **Property** insured caused by or consisting of
 - i. inherent vice latent defect gradual deterioration wear and tear erosion corrosion frost or change in water table level
 - ii. its own faulty or defective design or materials

SECTION 1 – MATERIAL DAMAGE CONTINUED

iii. faulty or defective workmanship operational error or omission

but this shall not exclude subsequent **Damage** which results from a cause not otherwise excluded

f) caused by

i. 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

but this shall not exclude subsequent **Damage** which itself results from a cause not otherwise excluded

g) caused by disappearance unexplained or inventory shortage misfiling or misplacing of information

h) caused by acts of fraud or dishonesty

i) occasioned by delay embargo nationalisation confiscation requisition seizure or destruction by the government or any public authority

j) caused by electrical or magnetic disturbance or erasure of electronic records

14) Subsidence ground heave or landslip Excluding damage

a) 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

b) 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

c) arising from the settlement or movement of made-up ground or by coastal or river erosion

d) occurring as a result of the construction demolition structural alteration or structural repair of any property at the **Premises**

e) arising from normal settlement or bedding down of new structures

f) which originated prior to the granting of this cover

g) caused by faulty or defective workmanship materials or design

h) caused by fire subterranean fire explosion earthquake

i) recoverable under any warranty or guarantee including NHBC guarantee

SECTION 1 – MATERIAL DAMAGE CONTINUED

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

Glass Blinds and Signs

The **Insurer** will indemnify the **Insured** in respect of **Damage** to fixed glass and for which the **Insured** is responsible at the **Premises** occurring during the Period of Insurance

Following **Damage** to fixed glass 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 framework and goods on display in windows caused by the impact of falling glass The **Insurer** will also indemnify the **Insured** for **Damage** at the **Premises** to
- d) neon and illuminated signs and electric light fitments
- e) external blinds and signs
- 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 £2,500 for any one loss

Exclusions

The **Insurer** shall not be liable for damage

- a) to glass
 - 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 fitments
 - 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 fitments
- c) caused by or arising from
 - i. superficial **Damage** or scratching or cracking which does not result in the complete breakage of the glass
 - 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

SECTION 1 – MATERIAL DAMAGE CONTINUED

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 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 subject to a limit of £500 for any one loss
- d) in the *Premises* whilst left unattended or outside **Business Hours** and not secured in a locked **Safe** subject to a limit of £500 for any one loss
- 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
- g) **Non-Negotiable Money**

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 as shown above and as stated in the Schedule for any one loss

The **Insurer** will also indemnify the **Insured** in respect of **Damage** to

- i. 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
- ii. 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 £500 for any one loss
- iii. **Money** in locked coin operated machines in the **Building** during or outside **Business Hours** or whilst the **Building** is left unattended subject to a maximum limit of £250 any one machine and £1,000 any one premises

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) fraud dishonesty theft or attempted theft by any **Employee** except as more specifically insured under the optional Sub-Section Employee Dishonesty of the Management Protector Section
- f) an unattended vehicle
- 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

SECTION 1 – MATERIAL DAMAGE CONTINUED

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 £3,000 shall be accompanied by at least one person
 - ii. £3,001 to £6,000 shall be accompanied by at least two people
 - iii. £6,001 to £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 £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

Personal Accident (Assault)

This Additional Cover is only operative if shown in the Schedule

The **Insurer** will indemnify the **Insured** and any **Employee** for compensation in accordance with the Schedule of Benefits in respect of **Physical Injury**

Schedule of Benefits

Table of Compensations			
1	Death	Occurring within 2 years of sustaining the bodily injury	£10,000
2	Total loss or permanent and total loss of use of one or more limbs		£10,000
3	Total and irrecoverable loss of all sight in one or both eyes		£10,000
4	For any period up to a maximum of 2 years of total disablement from engaging in usual occupation		£100 per week (payable monthly)

Exclusions

The **Insurer** shall not be liable for

- a) more than one of the Benefits 1 to 3 inclusive in respect of any one person arising out of the same **Physical Injury**
- b) Benefits 1 to 4 inclusive in respect of any person under 16 years of age at the time of sustaining the **Physical Injury**
- c) Benefits 1 to 4 inclusive consequent upon any pre-existing physical or mental defect or infirmity
- d) Physical Injury due to any gradually operating cause

SECTION 1 – MATERIAL DAMAGE CONTINUED

- e) any death or disablement arising from or attributable to intentional self-injury provoked assault or wilful exposure to needless peril (except in an attempt to save human life)
- f) any death or disablement contributed to or accelerated by the influence of intoxicating liquor or drugs taken by the person insured (other than drugs taken under medical supervision unless for the treatment of drug or alcohol addiction) or insanity (whether temporary or otherwise)

Conditions

1. All sums paid under Benefit 4 shall be deducted from any sum which may subsequently be paid under any of Benefits 1 to 3 inclusive in respect of the same **Physical Injury**
2. Payment under Benefit 3 is not payable before 104 weeks from the date of the **Physical Injury**
3. Benefit 4 is payable for a maximum of 104 weeks from the date of the **Physical Injury**

SECTION 1 – MATERIAL DAMAGE CONTINUED

All Risks on Portable Business Property

This Additional Cover is only operative if shown in the Schedule

The **Insurer** will indemnify the **Insured** against **Damage** from the **Insured Perils** to the portable business property anywhere in the world if Electronic Business Equipment is shown as insured in the Schedule.

The liability of the **Insurer** under this Additional Cover shall be restricted to £2,500 or the Sums Insured stated in the Schedule for any one loss, whichever is the lesser

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
- e) Mobile electronic devices such as phones, tablets etc. must be registered to the business under a business contract.

Goods in Transit

This Additional Cover is only operative if shown in the Schedule

- 1) The **Insurer** will indemnify the **Insured** for **Damage** 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 inland air freight
- 2) The **Insurer** will indemnify the **Insured** whilst **Goods in Transit** are being carried on any **Vehicle** owned or operated by 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 £2,000 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 £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 £2,000 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 £2,000 for any one loss
 - e) reloading onto the **Vehicle** any **Goods in Transit** which have fallen from the **Vehicle** subject to a maximum of £2,000 for any one loss
 - f) re-securing the **Goods in Transit** where there is dangerous movement of the load subject to a maximum of £2,000 for any one loss

The liability of the **Insurer** under this Additional Cover shall be restricted to the Limit stated in the Policy or the Schedule for any one loss.

SECTION 1 – MATERIAL DAMAGE CONTINUED

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 9:00 am and 6:00 pm by all doors and windows and other means of access being securely fastened and locked
 - b) between the hours of 6:00 pm and 9:00 am 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

Domestic Contents Personal Money and Alternative Accommodation

This Additional Cover is operative only if a Sum Insured is shown for Domestic Contents in the Schedule

The **Insurer** will indemnify the **Insured** for **Damage** from the **Insured Perils** to

A) Domestic Contents at the Premises

Provided that

- i. the **Premises** are the permanent place of residence of the **Insured** or resident manager
- ii. the liability of the **Insurer** under this Additional Cover shall not exceed the Sum Insured for Domestic Contents stated in the Schedule for any one loss with a maximum limit of £1,500 any one single item unless specifically mentioned in the Schedule
- iii. the **Insurer** shall not be liable for the cost of replacing any undamaged item or part of any item which form a part of a matching set or suite

Exclusions to A)

The **Insurer** shall not be liable for **Damage**

- a) to hearing aids contact or corneal lenses
- b) to motor vehicles
- c) to property more specifically insured
- d) to sporting equipment while in use
- e) to property used in connection with the **Business**

SECTION 1 – MATERIAL DAMAGE CONTINUED

- f) caused by depreciation or electrical or mechanical breakdown
- g) arising from wear and tear or from any process of cleaning restoring adjusting or repairing

Conditions to A)

It is a condition precedent to the **Insurer's** liability for **Damage** caused by the **Insured Perils** that the **Insured** shall have in place in full working order and in operation the following minimum level of security (or such level as specified in the Schedule) whenever any part of the **Buildings** occupied by the **Insured** for residential purposes are left unattended

- a) the final exit door 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 **Building** are to be fitted with either
 - i. as described in a) i. and ii. above or
 - ii. 2 key-operated security bolts for doors fitted approximately 30cms from the top and bottom of the doors respectively
- c) aluminium or UPVC framed doors are to be fitted with integral cylinder key operated mortice deadlocks

B) Insured's personal money

In addition the **Insurer** will indemnify the **Insured** or their resident manager or any of their family permanently residing with them at the **Premises** against

- a) accidental loss of personal money
- b) liability under the terms of issue of the credit card for loss following fraudulent use thereof by any unauthorised person

subject to a maximum of £500 in any one Period of Insurance

Exclusions to B)

The **Insurer** will not be liable for

- a) losses arising from unauthorised use of a credit card by any member of the **Insured's** family or resident manager's family
- b) loss due to confiscation or detention
- c) losses caused by depreciation or shortages caused by errors or omissions
- d) money held in connection with the **Business**
- e) losses arising outside the Territorial Limits

Conditions to B)

It is a condition precedent to the **Insurer's** liability under this Additional Cover that

- a) any loss of money or credit cards has been reported to the Police within 24 hours of discovering the loss
- b) any loss of credit cards has been reported to the issuing company immediately
- c) the Conditions of Issue of the Credit Card have been complied with

C) Alternative Accommodation

Following **Damage** from the **Insured Perils** resulting in the **Premises** becoming uninhabitable by a competent public authority the **Insurer** will indemnify the **Insured**

- a) in respect of any necessary and reasonable expenditure incurred in the provision of comparable accommodation for the Insured or resident manager or any member of their family permanently residing at the **Premises** at the time of the **Damage** including any incidental removal costs and expenses

SECTION 1 – MATERIAL DAMAGE CONTINUED

b) for a period up to 12 months from the date of the **Damage**

subject to a maximum of £25,000 for any one loss

Exclusions to C)

The **Insurer** will not be liable for

a) any costs incurred without the written consent of the **Insurer**

b) any costs that will be incurred once the **Premises** become habitable

again Exclusions to C)

The **Insurer** will not be liable for

a) any costs incurred without the written consent of the **Insurer**

b) any costs that will be incurred once the **Premises** become habitable again

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** 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 £1,500 for any one loss

provided that

a) the original keys were forcibly stolen from the **Buildings** 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 **Insured Peril 7** 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 £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** subject to a maximum for any one loss of 10% of the Sum Insured shown for **Contents** in the Schedule or £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** 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 £5,000 for any one loss

SECTION 1 – MATERIAL DAMAGE CONTINUED

6) Other Locations

The **Insurer** will indemnify the **Insured** for **Damage** to **Contents** and **Stock** from the **Insured Perils**

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 £2,500 for any one loss and an aggregate maximum of £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** whilst at third party storage locations within the **Territorial Limits** subject to aggregate maximums of £5,000 at any one location and £20,000 in any one Period of Insurance

8) Landscaped Gardens

The **Insurer** will indemnify the **Insured** for costs and expenses incurred by the **Insured** with the consent of the **Insurer** in making good **Damage** to landscaped gardens and grounds caused by the emergency services in the course of combating or reducing **Damage** from the **Insured Perils** at the **Premises** subject to an aggregate maximum of £10,000 in any one Period of Insurance

9) 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** to any tank apparatus or pipe not being automatic sprinkler installations at the **Premises** subject to an aggregate maximum of £10,000 in any one Period of Insurance

10) 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** caused as a consequence of locating such source subject to an aggregate maximum of £10,000 in any one Period of Insurance

11) 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** but only to the extent of the **Insured's** responsibility subject to a maximum of £5,000 for any one loss

12) 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** to insured **Property** caused by fire subject to a maximum of £10,000 for any one loss

13) Guests' Personal Effects

The **Insurer** will indemnify the **Insured** for **Damage** from the **Insured Perils** to guests' personal effects at the **Premises** subject to a maximum of £1,000 any one guest's personal effects and £50,000 for any one loss

14) Property in the Open

The **Insurer** will indemnify the **Insured** for **Damage** from the **Insured Perils** to property in the open within the boundaries of the **Premises** up to a maximum of £2,500 in any one Period of Insurance excluding **Damage** caused by or consisting of any of the following

a) wind rain hail sleet snow or dust

b) theft or attempted theft

c) whilst the **Premises** are unoccupied vacant disused or not in use for their intended purpose

15) Outside Catering

The **Insurer** will indemnify the **Insured** for **Damage** from the **Insured Perils** to **Contents** and **Stock** where the **Insured** is providing outside catering and whilst in transit to and from such events from the **Premises** subject to a maximum of £2,000 for any one loss

SECTION 1 – MATERIAL DAMAGE CONTINUED

16) Computer Records

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 £25,000 for any one loss

17) Theft of Building Fabric

The **Insurer** will indemnify the **Insured** for **Damage** 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 £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 **Insured Peril 7 - Theft** is not operative

Clauses

1) Non-invalidity

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 mortgagee 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 at the time of **Damage** to **Property** covered by this Policy, the Sum Insured for such **Property** is less than the cost of reinstatement of such **Property**, then the **Insured** shall be considered as being their own insurer for the difference and the liability of the **Insurer** for any partial or total loss due to **Damage** shall be limited to that proportion which the Sum Insured bears to the cost of reinstatement of the **Property**

SECTION 1 – MATERIAL DAMAGE CONTINUED

2) Reinstatement – Domestic Contents

In the event of **Damage** to **Domestic Contents** insured 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

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 the 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) Seasonal Increases

The **Stock** Sums Insured will be deemed to have been increased by 30%

- i. during the months of July and August each year
- ii. during the period 1st November each year until 5th January the following year and
- iii. for a period of 31 days immediately before Easter Day each year
- iv. for a period of 31 days immediately before cultural festivals observed by the business

5) European Union and Public Authorities

The **Insurer** will indemnify the **Insured** for the additional cost of

- i. reinstating the damaged parts of the **Buildings**
- ii. upgrading any undamaged parts of the **Buildings**

for an amount not exceeding the amount that would have been payable if the **Buildings** had been totally destroyed incurred solely by the necessity to comply with any building or other statutory regulations or Public Authority Bylaw or European Community Legislation in force at the time of such **Damage** 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

SECTION 1 – MATERIAL DAMAGE CONTINUED

7) Removal of Debris

This insurance includes the necessary and reasonable costs incurred in respect of removal of debris of **Property** insured resulting from **Damage** from an **Insured Peril** 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 legal responsibility of the **Insured**

subject to

- i. the **Insured** advising the **Insurer** of the amendments as soon as practicable but no later than 30 days 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 £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**

SECTION 1 – MATERIAL DAMAGE CONTINUED

13) Other Interests

Interests of third parties which the **Insured** is required to include herein 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

1) **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 water dams piers jetties bridges culverts or excavations
- d) live animals livestock growing crops or trees
- e) **money** and **non-negotiable money** jewellery precious stones precious metals bullion or furs (other than as provided for under Additional Cover Money or Domestic Contents Personal Money and Alternative Accommodation if operative)

2) Any claim arising directly or indirectly from the burning of waste either at or away from the **Insured's Premises**

Conditions

1) Stillage

It is a condition precedent to the **Insurer's** liability for **Damage** by **Insured Perils** 8 9 and 11 that Stock 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** by **Insured Peril** 7 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**

SECTION 1 – MATERIAL DAMAGE CONTINUED

- 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

It is a condition precedent to the **Insurer's** liability that 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) Fire Appliance and Fire Detectors Maintenance Condition

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

- a) the **Insured** will maintain all fire extinguishing appliances and fire detectors contained in the **Premises** in full working order during the period of insurance, and
- b) notify the **Insurer** immediately of any disconnection or failure of the automatic fire alarm installation which is likely to leave any area within the **Buildings** without protection for 12 hours or more.

The insurance by this section shall not be invalidated by any defect in any of the said appliances or detectors due to circumstances unknown to or beyond the control of the **Insured**

5) Fire-Proof Doors and Shutters Condition

It is a condition precedent to the **Insurer's** liability that all fire-proof doors and shutters are kept closed except during working hours and will be kept in efficient working order

SECTION 1 – MATERIAL DAMAGE CONTINUED

6) Minimum Level of Security

It is a condition precedent to the **Insurer's** liability for loss or **Damage** by **Insured Peril 7** 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
 - i. as described in a) i. and ii. above or
 - ii. 2 key-operated security bolts for doors fitted approximately 30cms from the top and bottom of the doors respectively
- c) aluminium or UPVC framed doors are to be fitted with integral cylinder key operated mortice deadlocks
- d) all ground floor and basement opening windows/skylights and other opening windows/skylights accessible from roofs decks balconies fire escapes canopies down pipes are to be fitted with key operated window locks. This requirement does not apply to windows/skylights which are protected by solid steel bars grilles gates expanded metal or weld-mesh securely fixed to the brickwork surrounding the window
- e) all manually operated roller shutters are to be secured by either
 - i. two key operated security shutter locks with the locking mechanisms positioned as close as possible to the
 - ii. bottom of the shutter to prevent it from being prised up to allow entry or
 - iii. with a close shackle padlock conforming to Security Grade 4 of BS EN 12320 or
 - iv. as e) i. above together with the roller shutter manufacturer's corresponding locking bar
- f) all electrically operated doors must be secured by either
 - i. an internal opening switch locked in the off position by means of an integral lock and/or padlock or
 - ii. such doors are to have the power supply to the operating switch isolated at a suitable electrical power
 - iii. distribution board which is secured against unauthorised use and/or
 - iv. the security level as detailed in e) above

Any door or window officially designated a fire exit by the fire authority is excluded from these requirements. These are to be secured internally by panic bolts or fire exit bolts. Any additional devices are to be approved by the local Fire Prevention Officer

7) Electrical Inspection and Testing Programme

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

- a) the electrical installation at the **Premises** is periodically inspected and tested in accordance with BS7671: 2008 Requirements for Electrical Installations (as amended) by an Approved Contractor or a Registered Member appropriate for the type of installation
- b) On completion, a recognised Electrical Installation Condition Report is to be issued, a copy of which must be provided to the **Insurer** upon request
- c) All reported defects coded C1 ('Danger present') are to be remedied immediately or the offending component or circuit taken out of service until suitable repairs are carried out and all other C1 and C2 reported defects remedied within a maximum of 60 days of the inspection or as agreed with the **Insurer** in writing
- d) Further periodic inspection and testing should be undertaken in accordance with the recommendations of the electrical installation condition report or within five years whichever is the less

SECTION 1 – MATERIAL DAMAGE CONTINUED

- e) Additional inspection and testing should be undertaken and all reported defects remedied in accordance with item c) above
 - i. immediately following refurbishment or structural renovation work at the **Premises**
 - ii. immediately following any water damage affecting the **Premises**

8) Kitchen Duct Condition

Where the **Insured** carries out cooking on its premises as part of its **Business** It is a condition precedent to the **Insurer's** liability that all cooking fume extraction canopies and the entire length of ductwork are cleaned at least once a year.

Where the ducting exceeds two metres in length or cannot be accessed by the **Insured** this must be carried out by an independent professional contractor who specializes in their cleaning. A Certificate or Confirmation must be issued by the contractor together with an invoice, which sets out the extent of the works carried out. The documents must be retained by the **Insured**.

Where access to the entire ducting is difficult, hatches or access panels must be fitted to the ducting to facilitate a complete clean.

Only the Certificate, Confirmation and invoice will be regarded as proof of compliance with this Condition. Production of this documentation is precedent to the **Insurer's** liability.

It is the **Insured's** responsibility to check with the Contractor that the work required in accordance with this Condition has been carried out.

Filters, traps or other grease removal devices therein must be cleaned at least once fortnightly by the **Insured**. A record of such cleaning must be retained by the **Insured**.

9) Operation of Deep Fat Frying & Cooking Equipment Condition

It is a condition precedent to the Insurer's liability, in respect of any deep fat frying range, frying or cooking equipment that

- a) a flame failure device is fitted if a range is gas or oil fired (not applicable to shallow pan frying in woks or pans)
- b) it is installed and operated in accordance with the manufacturer's instructions
- c) a thermostat is fitted which prevents the temperature of the fat or oil exceeding 205 degrees centigrade or the supplier's recommended temperature if that is less (applicable)
- d) a high temperature limit control (of a non-self-resetting type) is fitted to shut off the heat source if the temperature of the fat or oil exceeds 230 degrees centigrade
- e) the extraction of heat, fumes and/or combustion products is via an integral duct, or an overhead canopy and duct system, vented direct to the open.
- f) all ducts are constructed of and supported by galvanized or stainless steel
- g) the grease trap, filter and other grease removal devices are cleaned at least once a week
- h) the grease extract ducting is cleaned at least once each year.
- i) a service of the range or equipment is carried out by the manufacturer or installer (or an independent specialist contractor as recommended by them as a competent company or person) at least once a year
- j) any **frying range** is serviced on an annual basis by a competent independent engineer. The period of time between services must not exceed 12 months. The service must extend to a compulsory full cleaning of the entire range and full length of all ducting including
 - i. ducting through the sump/drip tray

an inspection and cleaning of all the ducting through to the extractor motor

SECTION 1 – MATERIAL DAMAGE CONTINUED

- iii. cleaning of the extractor motor impeller and its housing
- iv. inspection / cleaning of the ducting beyond the extractor motor (with hatches and access panels made if necessary into the ducting to facilitate the complete service and clean of the entire ducting).

In the case of gas fired ranges, the range service engineer must be registered with the Gas Safe Register. For electric powered ranges the engineer must be approved by The National Inspection Council for Electrical Contractors (NICEIC) or other recognised contractor scheme.

The ductwork cleaners and range servicing contractors must be competent specialists in that field.

The full service record must not be kept on the **Premises** unless in a secure safe. It is the **Insured's** responsibility to ensure by checking with the Contractor that the work detailed in this Condition has been carried out as required. Such record (or duplicate) must be available for inspection by the **Insurer** at any time.

- k) all frying and cooking equipment (including hot plates) is attended, the operator to be in the immediate proximity and alongside at all times so that they retain close control when the heat source is in operation. In the case of Fryers an operator must be in attendance for one hour after completion of any period of use in connection with frying equipment.
- l) a fire blanket (of an adequate size) is kept, at all times, in the vicinity of the frying equipment and range
- m) a minimum of two of the specified types of fire extinguishing appliances are kept, at all times, in the vicinity of the range and they are regularly maintained to ensure that they are in proper working order: CO2, halogenated, hydrocarbon, dry powder, foam
- n) all oily or greasy waste and cloths are kept in metal bins with metal lids and removed from the **Premises** at the end of each day
- o) a written record of all cleaning and servicing activities are kept at a location other than the **Premises**.
- p) the frying range, cooking equipment and ducting systems are at least 300mm away from any combustible materials; unless suitably protected by fire resistant substance or material; this includes any part of the building's structure including wall partition, floors and ceilings.
- q) Pans in the frying range or deep fat fryer contain an adequate amount of frying or cooking medium at all times

10) Flat Roof & Guttering Condition

It is a Condition precedent to the Insurer's liability that:

- a) any flat roof, or part thereof of the **Premises** is in a good state of repair and has been 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 guttering is checked for blockages and defects by a competent person at six monthly intervals commencing at inception or renewal. Any remedial action required to be implemented immediately.
- c) a record of all inspections must be kept by the Insured. Such record (or duplicate) must be available for inspection by the Insurer at any time.
- d) the excess payable in regard **Damage** caused as a result of water ingress involving flat felted timber roofs is £500 or the excess as shown in the Schedule, whichever is higher.

11) Removal of Waste

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

- a) 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
- b) all combustible storage/waste in the open on the Premises is to be kept at least 2 metres from any of the Insured's Buildings at the Premises at any time

SECTION 1 – MATERIAL DAMAGE CONTINUED

12) Chimney Sweeping and Open Fires Condition

Where the premises includes an Open Fire, Woodburning or Multifuel stove it is a condition precedent to the **Insurer's** liability that all

- a) chimneys are swept by a professional chimney sweep at least every 12 months
- b) open fires are fitted with a spark guard and extinguished at the end of each working day and checked 30 minutes thereafter

13) Portable Heater

It is a condition precedent to the **Insurer's** liability that portable naked flame gas or paraffin heaters are not used on the **Premises**

14) Smoking Condition

It is a condition precedent to the Insurer's liability for Damage caused by Insured Perils 1 and 3 that

- a) enforce a no smoking policy at the Premises which complies with current legislation
- b) only allow smoking in clearly marked specifically designated smoking areas which comply with current legislation
- c) in all designated smoking areas provide metal receptacles with metal lids for the safe disposal of waste smoking materials
- d) ensure that waste smoking materials when being removed from the designated smoking areas are kept separate from other combustible waste material and are stored in metal receptacles with metal lids whilst awaiting final removal from the Premises

15) Walk in Chiller / Freezer Condition

It is a condition precedent to the Insurers Liability that in respect of all Buildings which have composite panels the following apply:

- any damaged composite panels must be replaced or repaired without delay
- items such as battery chargers must not be suspended from composite panels
- a hot work permit system must be in operation
- all ductwork passing through composite panels must be sleeved in non-combustible material
- all wiring passing through composite panels must be encased in metal conduit and sealed with rubber grommets.
- all composite panels do not have polystyrene core

SECTION 2 – BUSINESS INTERRUPTION

This Section of the Policy is operative only if stated in the Schedule

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 such **Damage** is covered under Section 1 of this Policy and that liability shall be admitted 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 such insured **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 and the **Insured** shall pay the appropriate additional premium

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) 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

3) Increased Cost of Working

The **Insurer** will pay as indemnity to the **Insured** the additional expenditure necessarily and reasonably 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** in consequence of the **Damage** but not exceeding the sum produced by applying the **Standard Gross Revenue** to the amount of the reduction thereby avoided

SECTION 2 – BUSINESS INTERRUPTION CONTINUED

4) 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 thereof
- b) the additional expenditure incurred with the written consent of the **Insurer** in tracing and establishing customers' debit balances after the **Damage**

The liability of the Insurer under this Basis of Settlement is limited to the sum insured shown in the Schedule

5) Average

If the Sum Insured is less than the **Gross Profit** for the 12 months (or a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds 12 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**

6) 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 **Gross Profit** during the **Indemnity Period**

7) 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

8) 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

9) Current Cost Accounting

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

10) 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

11) 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**

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

These extensions are operative only if Gross Profits is stated in the Schedule.

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

1) Disease / Closure

The Insurer will cover You for closure of the Premises by Public Authorities following:

- a) the occurrence of the following diseases: Acute Encephalitis, Acute Poliomyelitis, Anthrax, Chickenpox, Cholera, Diphtheria, Dysentery, Legionellosis, Legionnaires Disease, Leprosy, Leptospirosis, Malaria, Measles, Meningococcal Infection, Mumps, Ophthalmia Neonatorum, Paratyphoid Fever, Bubonic Plague, Rabies, Rubella, Scarlet Fever, Smallpox, Tetanus, Tuberculosis, Typhoid Fever, Viral Hepatitis, Whooping Cough or Yellow Fever, at the Premises;

SECTION 2 – BUSINESS INTERRUPTION CONTINUED

- b) murder or suicide
- c) food poisoning or drink poisoning
- d) defective sanitary arrangements or vermin or pests other than the deliberate act of any supply undertaking to withhold the supply of water.

The Insurer's liability under this Extension shall only apply for the period beginning with the occurrence of the loss and ending no later than three months thereafter during which the results of the Business shall be affected in consequence of the closure. Our liability under this Extension will not exceed £50,000 in the aggregate and in any one Period of Insurance.

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 £100,000 for any one loss

3) Prevention of Access

The Insurer will cover You in respect of Damage to property in the vicinity of the Premises as a result of Damage caused by any of the Insured Perils specified under the Material Damage section of this Policy which prevents or hinders use of or access to the Premises whether the Premises have been damaged or not. Our liability under this Extension will not exceed £100,000 for any one loss

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 subject to a maximum of £100,000 for any one loss and providing the cessation of supply is for a minimum of 6 consecutive hours 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
- c) a deliberate act of the supply undertaking unless for the sole purpose of safeguarding life or protecting any part of the supply undertaking system

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 £50,000 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 inland waterway in Great Britain Northern Ireland the Channel Islands or the Isle of Man subject to a maximum of £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 £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 £25,000 for any one loss

SECTION 2 – BUSINESS INTERRUPTION CONTINUED

Exclusions

The **Insurer** shall not be liable under this Section for loss arising directly or indirectly from erasure loss distortion or corruption of information on computer systems or other records programs or software

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

This Additional Cover is operative only if stated in the Schedule

The **Insurer** will indemnify the **Insured** for 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 twelve 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

SECTION 2 – BUSINESS INTERRUPTION CONTINUED

- 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 **Licence(s)**
 - 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 48 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 – EQUIPMENT BREAKDOWN

This Section of the Policy is operative only if stated in the Schedule

In the event of an **Accident** at the **Premises** to **Covered Equipment** owned by the **Insured** or for which the **Insured** is responsible during the Period of Insurance the **Insurer** will indemnify the **Insured** in respect of any **Damage** resulting from such loss destruction or damage or at its option replace or reinstate such **Covered Equipment** in accordance with the provisions of the Policy provided that during the Period of Insurance the liability of the **Insurer** under this Section shall not exceed the Limit stated within this Section or in respect of any such item the limit stated in the Schedule or the Limit of Indemnity stated in the Schedule which ever is less.

Section Definitions

Accident(s) – direct physical loss or damage as follows

- a) electrical or mechanical **Breakdown** including rupture or bursting caused by centrifugal force
- b) artificially generated electrical current including electric arcing that disturbs electrical devices appliances or wires
- c) **Explosion** or **Collapse** of **Covered Equipment** operating under steam or other fluid pressure
- d) loss destruction or damage to **Covered Equipment** operating under steam or other fluid pressure caused by or resulting from any condition or event (not otherwise excluded) occurring inside such boilers or equipment
- e) loss destruction or damage to hot water boilers other water heating equipment oil or water storage tanks caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment
- f) loss destruction or damage caused by operator error
- g) loss destruction or damage caused by materials being processed

All **Accidents** that are the result of the same event shall be considered one **Accident**

Biomass and Biogas Installations – any equipment and machinery used in connection with running a biomass or biogas heating or power-generation plant including anaerobic digesters storage tanks augers screeners scrubbers boilers gas engines generators heat exchangers pumps and motors

Breakdown – The actual breaking failure distortion or burning out of any part of the **Covered Equipment** whilst in ordinary use arising from defects in the **Covered Equipment** causing its sudden stoppage and necessitating repair or replacement before it can resume work

Fracturing of any part of the **Covered Equipment** by frost when such fracture renders the **Covered Equipment** inoperative

The actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary

Collapse – The sudden and dangerous distortion (whether or not attended by rupture) of any part of the **Covered Equipment** caused by crushing stress by force of steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents)

Computer Equipment –

- a) electronic computer or other data processing and/or storage equipment
- b) peripherals used in conjunction with a)
- c) software and programs licensed to the **Insured** and installed on a)

Covered Equipment –

a) **Computer Equipment**

- b) Equipment at the **Premises** owned by the **Insured** or for which the **Insured** is responsible
 - i. built to operate under vacuum or pressure (other than weight of contents) or
 - ii. oil and water storage tanks or
 - iii. used for the generation transmission storage or conversion of energy

Excluding

- a) any supporting structure foundation masonry brickwork cabinet air supported structure
- b) any insulating or refractory material

SECTION 3 – EQUIPMENT BREAKDOWN CONTINUED

- c) any vehicle aircraft floating vessels or any equipment mounted thereon (other than vehicle recovery cranes or equipment which are included but not the actual vehicle)
- d) self-propelled plant and equipment (other than fork lift trucks used by the **Insured** at their **Premises**) dragline excavation or construction equipment
- e) equipment manufactured by the **Insured** for sale
- f) tools dies cutting edges crushing surfaces trailing cables non-metallic linings driving belts or bands or any part requiring periodic renewal
- g) any electronic equipment (other than **Computer Equipment**) used for research diagnostic treatment experimental or other medical or scientific purposes
- h) any Manufacturing Production or Process Equipment**
- i) any electricity generating equipment other than emergency back-up power equipment or wind turbines (less than 10kw) or photovoltaic equipment less than 50kw
- j) Biomass and Biogas Installations**
- k) Hydroelectric Installations**

Derangement – Electrical or mechanical malfunction of the machinery arising from a cause internal to the **Computer Equipment** unaccompanied by visible damage to or breaking out of any parts of the equipment

Explosion – The sudden and violent rending of **Covered Equipment** by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents) causing bodily displacement of any part of the **Covered Equipment** together with forcible ejection of the contents

Hazardous Substance – Any substance other than ammonia that has been declared to be hazardous to health by a governmental agency

Hydroelectric Installations – any equipment machinery dam and weir used in connection with running a hydroelectric-power station including turbines sluice gates screens screeners pumps motors generators gearboxes engines alternators and associated equipment

Manufacturing Production or Process Equipment – Any machine or apparatus (other than boilers lifts fork lift trucks dock levelers and lifting tables) which has a primary purpose of processing or producing a product or service intended for eventual sale by the **Insured** and any equipment which exclusively serves such machinery or apparatus

Media – All forms of electronic magnetic and optical tapes and discs for use in any **Computer Equipment**

Verified – Checked for accuracy and integrity to ensure a precise match with the source data and capable of restoration

Extensions and Sub Limits to Section 3

1) Hazardous Substances

The **Insurer** shall be liable for the additional cost to repair or replace **Covered Equipment** because of contamination by a **Hazardous Substance** as a direct result of an **Accident** including any additional expenses incurred to clean up or dispose of such property

The liability of the **Insurer** shall not exceed £10,000 any one **Accident** in respect of such additional costs

2) Computer Equipment Reinstatement of Data and Increased Costs of Working

- a) The **Insurer** shall be liable under this Extension for loss destruction or damage caused by or resulting from
 - i. an **Accident** to **Computer Equipment** at the **Premises**. The liability of the **Insurer** shall not exceed £500,000 for any one **Accident**
 - ii. an **Accident** to portable **Computer Equipment** providing it is insured and within the Geographical Areas specified in the Schedule under Section 1 - All Risks on Portable Property. The liability of the **Insurer** shall not exceed £5,000 any one **Accident**

SECTION 3 – EQUIPMENT BREAKDOWN CONTINUED

- b) In addition the **Insurer** shall be liable for costs incurred in reinstating data lost or damaged in consequence of an **Accident** to or **Derangement** of **Computer Equipment**

The liability of the **Insurer** shall not exceed £50,000 for any one

Accident Provided that

- i. liability is limited solely to the cost of reinstating data onto **Media**
 - ii. the **Insurer** shall not be liable for loss of or damage to software
- c) In addition the **Insurer** will pay costs necessarily incurred in minimising or preventing the resulting interruption or interference to the computer operations of the **Insured**
- i. liability of the **Insurer** shall not exceed £50,000 for any one **Accident** in respect of such additional costs

3) Business Interruption

The **Insurer** shall be liable for loss as described under Section 2 - Business Interruption (provided that Section 2 – Business Interruption is operative) caused by an **Accident** to **Covered Equipment**

The liability of the **Insurer** in any one Period of Insurance shall not exceed £100,000 under this Extension

4) Public Authorities/Law or Ordinance

If an **Accident** to **Covered Equipment** damages **Buildings** and the loss is increased by enforcement of any public authority ordinance or law in force at the time of the **Accident** that regulates the construction or repair of buildings or establishes zoning or land use requirements the **Insurer** shall be liable for the following additional costs to comply with such ordinance or law

- a) the **Insured's** actual expenditures for the cost to demolish and clear the site of undamaged parts
- b) the **Insured's** actual expenditures for increased costs to repair rebuild or construct the **Buildings**
If the **Buildings** are repaired or rebuilt it must be intended for similar use or occupancy as the current **Buildings** unless otherwise required by zoning or land use ordinance or law
- c) loss as described in Section 2 – Business Interruption as a result of a) or b) above only if Section 2 – Business Interruption is operative

The **Insurer** shall not be liable for

- a) any fine
- b) any liability to a third party
- c) any increase in loss due to a hazardous substance other than as specifically insured under Extension 1
- d) increased construction costs until the **Buildings** are actually repaired or replaced

This Extension is within and does not increase the Sum Insured for such **Buildings** stated in Section 1 – Material Damage of the Schedule

5) Expediting Expenses

With respect to damaged **Covered Equipment** or **Computer Equipment** the **Insurer** shall be liable for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement subject to a maximum of £20,000 in respect of any one **Accident**

6) Hire of Substitute Item

If **Covered Equipment** is damaged as a result of an **Accident** the **Insurer** shall be liable for the cost of hire charges actually incurred by the **Insured** during the Period of Insurance for the necessary hire of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item damaged subject to a maximum of £5,000 in respect of any one **Accident**

SECTION 3 – EQUIPMENT BREAKDOWN CONTINUED

7) Loss of Contents of Oil Storage Tanks

The **Insurer** shall be liable for the loss of the contents of static oil storage tanks caused by

- a) escape of contents - leakage discharge or overflow from the oil storage tanks caused by or resulting from an **Accident**
- b) contamination - contamination of the contents of oil storage tanks caused by or resulting from an **Accident** including cleaning costs incurred as a result of such loss

For the purposes of this Extension reference to oil storage tanks shall include all connected piping other than buried flexible or non-metallic piping

The liability of the **Insurer** under this Extension shall not exceed £10,000 any one **Accident**

8) Deterioration of Stock

This Extension is operative only if a Limit is shown for Deterioration of Stock in the Schedule

The **Insurer** shall be liable for loss destruction or damage to frozen or chilled foodstuffs drugs or medicines owned by the **Insured** or for which the **Insured** is responsible in any frozen food cabinet deep freezer cold room cold store or refrigerator which is owned by the **Insured** or for which the **Insured** is responsible by or due to a change in temperature caused by an **Accident** or failure of the electricity supply

The **Insurer** shall not be liable for loss destruction or damage caused by

- a) the deliberate act of any electricity undertaking in terminating disconnecting restricting or withholding the public supply of electricity
- b) neglect or misuse
- c) wear tear deterioration of the cabinet or other gradually operating cause
- d) arising as a result of incorrect setting of thermostats or automatic controlling devices

This Extension is subject to an aggregate maximum of

- i. the limit shown in the Schedule at any one **Premises** in any one Period of Insurance

This Extension is provided subject to an aggregate maximum of £15,000 any Period of Insurance however the **Insurer** shall not be liable for the amount of the **Excess** or 20% of any loss whichever is the greater amount where the frozen food cabinet deep freezer cold room cold store or refrigerator is over 10 years old

9) Damage to Own Surrounding Property

The **Insurer** shall be liable for loss destruction or damage to property at the **Premises** belonging to or in the custody and control of the **Insured** and for which they are responsible directly resulting from the **Explosion** or **Collapse** of any **Covered Equipment** as a direct result of an **Accident** operating under steam pressure

The liability of the **Insurer** under this Extension shall not exceed £1,000,000 any one **Accident**

Basis of Settlement Clause

Subject to the following Special Conditions the basis upon which the amount payable in respect of **Covered Equipment** is to be calculated shall be the reinstatement of the **Covered Equipment** the subject of an **Accident**

For this purpose reinstatement means

- a) the replacement of **Covered Equipment** the subject of an **Accident** which provided the liability of the **Insurer** is not increased may be carried out
 - i. in any manner suitable to the requirements of the **Insured**
 - ii. upon another site
- b) the repair or restoration of **Covered Equipment** the subject of an **Accident**

in the case of a) or b) to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

SECTION 3 – EQUIPMENT BREAKDOWN CONTINUED

Special Conditions

- 1) The **Insurer's** liability for the repair or restoration of **Covered Equipment** the subject of an **Accident** shall not exceed the amount payable for replacement of the **Covered Equipment**
- 2) No payment beyond the amount which would have been payable in the absence of this clause shall be made
 - a) unless reinstatement commences and proceeds without unreasonable delay
 - b) until the cost of reinstatement shall have been actually incurred
- 3) All the terms and conditions of the Policy shall apply in respect of any claim payable under this clause except insofar as they are varied hereby

Clause

Reinstatement of Losses

Unless written notice to the contrary is given by either the **Insurer** or the **Insured** the insurance by this Section shall not be reduced by the amount of any loss from the date of the loss destruction or damage to the date of expiry of the Period of Insurance

Conditions

1) Precautions

The **Insured** shall exercise due diligence in

- a) complying with any statute or order
- b) ensuring that insured items are properly maintained and used in accordance with manufacturers' recommendations and in taking reasonable precautions to prevent loss or damage

2) Back-up Records

The **Insured** shall maintain a minimum of two generations of **Verified** back-up **Computer Records** taken at intervals no less frequently than 48 hours (one copy as a minimum being held off-site) and take all reasonable precautions to store and maintain records in accordance with the manufacturers' recommendations

Exclusions

The following Exclusions are in addition to those in the Policy to which this Section forms part

1) The **Insurer** will not be liable for loss destruction or damage caused by or resulting from

- a) a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
- b) defect or programming error or programming limitation or computer virus or malicious code or loss of data (other than as specifically provided for under Extension 2) or loss of access or loss of use or loss of functionality or other condition within or involving data or **Media** of any kind

2) The **Insurer** will not be liable for loss destruction or damage caused by

- a) depletion deterioration corrosion erosion wear and tear or other gradually developing conditions
- b) any condition which can be corrected by re-setting calibrating re-aligning tightening adjusting or cleaning or by the performance of maintenance

but if insured **Damage** from an **Accident** results the **Insurer** shall be liable for that resulting loss or damage

3) The **Insurer** will not be liable for

- a) loss destruction or damage recoverable under the maintenance agreement or any warranty or guarantee or which would be recoverable but for breach of the **Insured's** obligations under the agreement
- b) the **Excess** as stated in the Schedule

SECTION 4 – EMPLOYERS’ LIABILITY

This Section of the Policy is operative only if stated in the Schedule

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** which are included within the Limit of Indemnity.

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 and 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) 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 £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 Legal 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 requests, and the Insurer agrees, 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

SECTION 4 – EMPLOYERS’ LIABILITY CONTINUED

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 Legal 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 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

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 5 – PUBLIC AND PRODUCTS LIABILITY

This Section of the Policy is operative only if stated in the Schedule

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** which are included within the Limit of Indemnity

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 and 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 5

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** prior 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

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY CONTINUED

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 £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) 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

5) 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 Legal Costs incurred with its prior written consent in appealing against any judgment given

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

6) Indemnity to Other Parties

If the **Insured** so requests, and the Insurer agrees, 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

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY CONTINUED

7) 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 sub-contractor 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

8) 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

9) Liability for Guests' Property

The **Insurer** will indemnify the **Insured** against legal liability arising out of

the Hotel Proprietors Act 1956

Hotel Proprietors Act (Northern Ireland) 1958

Tourism (Liability of Proprietors of Registered Premises) (Jersey) Law 1964

Hotel and Guest House Proprietors Liability (Bailiwick of Guernsey) Law 1964 Hotel

Keepers Liability Act 1964

Subject to

- a) the **Insurer's** liability under this extension not exceeding £25,000 in respect of all events happening during any Period of Insurance
- b) the **Insured** displaying notices where required by and in accordance with the provisions of either the Hotel Proprietors Act 1956 Hotel Proprietors Act (Northern Ireland) 1958 Tourism (Liability of Proprietors of Registered Premises) (Jersey) Law 1964 Hotel and Guest House Proprietors Liability (Bailiwick of Guernsey) Law 1964 or Hotel Keepers Liability Act 1964 as appropriate
- c) any guest's property deposited with the **Insured** for safe keeping being kept in a locked **Safe** or **Strongroom**

10) Car Park Liability

The **Insurer** will indemnify the **Insured** against legal liability arising from damage to the vehicles of visitors or guests whilst in the **Insured's** car park including electric charging points that are the responsibility of the insured at the **Premises**

provided always that

- a) the **Insurer's** liability in respect of any one occurrence or series of occurrences consequent upon or attributable to any one single event shall not exceed £10,000 nor £50,000 in the aggregate for the Period of Insurance
- b) a disclaimer notice to the effect that vehicles are left at owners' risk and that the **Insured** accept no liability for loss or damage to any vehicle or its contents is displayed in a prominent position in the car park

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY CONTINUED

11) Cloakrooms

The **Insurer** will indemnify the **Insured** against legal liability arising from damage to property (excluding gold and silver articles jewellery watches and the like) belonging to guests caused by theft or accidental means whilst such property is deposited in the cloakrooms in the **Premises**

Provided that

- a) this extension shall not insure against damage caused by or due to fire and/or explosion
- b) the liability of the **Insurer** shall not exceed £100 any one article and £1,000 any one incident
- c) the cloakroom shall be locked-up whenever it is left unattended when guests property is deposited therein
- d) the **Insured** shall issue numbered tickets to each guest in respect of property deposited in the cloakroom and shall prominently display in each cloakroom disclaimer notices to the effect that property is left at the owners' risk and that the **Insured** accept no liability for loss or damage to contents left therein

12) Personal Liability

This Extension applies only if Section 1 - Material Damage: Additional Cover Domestic Contents, Personal Money and Alternative Accommodation, is operative in the Schedule

The **Insurer** will indemnify the **Insured** in respect of legal liability incurred in a personal capacity by the **Insured** or their resident manager or any of their family permanently residing in the **Premises** for **Injury** or damage to property occurring anywhere within the **Territorial Limits** provided that this Extension shall not apply to liability

excluded under this Section

arising from any profession or business

arising out of the ownership or occupation of land or buildings other than the **Premises**

arising out of injury to the **Insured's** spouse or partner or any member of **Insured's** family permanently residing with the **Insured**

tree felling or lopping operations

the ownership possession or use of any animal (other than cats dogs or horses)

where indemnity is provided by any other insurance

13) 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

14) Hairdressers and Beauticians Extension

The **Insurer** will indemnify the **Insured** in respect of legal liability occurring in the ordinary course of the **Business** as a Hairdresser or Beauticians.

- i. washing styling cutting or drying of the hair
- ii. dyeing tinting bleaching permanent waving straightening or other treatment of the hair or the scalp
- iii. ear or nose piercing by the gun and stud method
- iv. cut throat razor shaving.
- v. hair extensions (only applicable if fully disclosed within the application section of the Statement of Fact/Schedule)

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY CONTINUED

Public Liability and Products Liability of this Policy are extended to include the Insured's liability arising out of the treatments during the course of their activities as '**Beauticians**' on condition they have been declared and fully disclosed within the application section of the Statement of Fact/Schedule and accepted for cover by the Insurer.

Important Information

a) Employees performing the treatment are **Qualified**.

Definition of Qualified Staff (either one of the following):

- i) More than 2 years continuous experience of professional hairdressing or beauty treatments
- ii) Completed 2 years technical college training in hairdressing or beauty treatments
- iii) Completed and passed Level 1 or higher National Vocational Qualification (NVQ) hairdressing or beauty treatments
- iv) Completed and passed a Cobra Hair academy diploma.

b) Carry out Skin Tests

Manufacturers of hair dye or other "treatments" application as recommended. The frequency of necessary skin tests may be required:

- (i) before each particular treatment

Or

- (ii) the first occasion that such treatments is applied with the manufacturers products to the customer

Special Conditions

- i. It is a condition precedent to any liability of the Insurer under this Endorsement that, on every occasion prior to the undertaking of any hair dyeing or other treatment, the Insured shall observe and apply all the tests and procedures required or recommended by the makers or vendors of such hair dyes or other treatment.
- ii. It is a condition precedent to liability that all treatments are either carried out by a qualified professional with no less than 2 years experience or an apprentice or learner or any individual with less than 2 years experience supervised closely, directly and continuously by a qualified professional of more than 2 years experience.
- iii. It is a condition precedent to any liability of the Insurers under this Endorsement that prior to the undertaking of any treatment involving hair dying, ear or nose piercing applied to minors the consent of a parent or guardian is obtained.
- iv. It is a condition precedent to any liability of the Insurers under this Endorsement that all electrical equipment used in connection with electrolysis treatments is inspected annually by a qualified electrical engineer.
- v. It is a condition precedent to any liability of the Insurers under this Endorsement that all electrical equipment used in connection with non-surgical and non-invasive endermologie therapy is inspected annually by a qualified electrical engineer and that the Insured shall follow all the procedures required or recommended by the manufactures when using such equipment.
- vi. It is a condition precedent to any liability of the Insurers under this Endorsement that, the Insured shall follow all the procedures required or recommended by the manufacturers when performing all treatments covered under this policy.

It is a condition precedent to any liability of the Insurers under this Endorsement that, all products used by the Insured and use thereof must be legal within the country of residence of the Insured and that the insured is qualified to perform such treatments having had the necessary training and successfully completed that training.

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY CONTINUED

Exclusions applicable to all Beauty Treatments

This Endorsement excludes all claims directly or indirectly arising from.

- a) any hair removal by electrolysis or permanent waving, dyeing, tinting, bleaching treatment or any treatments by any apprentice or learner with less than two years' experience unless such apprentice or learner is working under the direct, close and continuous supervision of a qualified operator with at least 2 years experience;
- b) damage to clothing during spray tanning treatment;
- c) the provision of sun tanning equipment or the application of any sun tanning process;
- d) face lifting or plastic surgery;
- e) any preparation or other goods manufactured or made up to the formula of the Insured;
- f) any treatment requiring the puncturing or cutting of the skin (other than ear or nose piercing using the gun and stud method);
- g) hypnosis;
- h) tattooing & tattoo removal
- i) Any treatments which are not stated in the policy schedule.

16) Sunbed Treatment Extension (**Applicable when stated in the policy schedule that the Extension is "Applicable"**)

The Company will indemnify the Insured against his liability at law for damages and claimants costs and expenses in respect of claims arising out of the conduct of the Business of a Tanning Studio made against the Insured and notified to the Company during the Period of Insurance for breach of professional duty (treatment) by reason of any negligent act error or omission occurring or committed in good faith by the Insured or any Employee of the Insured.

It is a condition precedent to liability that:

- a) the tanning equipment is token operated or if timer controlled, the control cannot be operated by the user.
- b) the tokens are kept in a safe and secure place
- c) manufacturers and /or suppliers instructions regarding use are fully adhered to at all times
- d) the Insured comply with guidance notes issued from time to time by the Health and Safety Executive and/or the Sunbed Association
- e) for those risks based in Scotland the Insured comply with the requirements of the Public Health (Scotland) Act 2008 and subsequent amendments
- f) goggles are worn at all times whilst using the tanning equipment
- g) the following notice must be handed to and signed and dated by each user before each course or session and a copy kept for inspection. The notice must also be prominently displayed in the reception area and the tanning area or room:

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY CONTINUED

You must not use the tanning equipment if you:

- i. have a significant number of moles (over 20) on your body
- ii. have pale or sensitive skin that burns easily or tans slowly or poorly. This would apply particularly to persons with dark or black skin and/or persons with red or strawberry blonde hair
- iii. have freckles
- iv. suffer from heart or circulatory problems, high or low blood pressure, epilepsy, diabetes or any similar condition which results in sensitivity to UVB, light or heat
- v. are taking drugs particularly antibiotics, tranquillisers, diuretics or psoralen or any other drug which increases the sensitivity of the skin to the sun (if in doubt consult your doctor)
- vi. have consumed alcohol within the last two hours
- vii. are pregnant

The Company will not be liable for liability arising from:

- a) any act error or omission occurring prior to the inception date of this Extension.
- b) the use of tanning equipment with greater than 10% Ultra Violet B. radiation.
- c) tanning sessions that exceed thirty minutes in length.
- d) the operation of premises and/or persons that have not been licensed by the appropriate authorities.
- e) the first £2500 of all claims (including costs and expenses).
- f) any service involving the use of any other light source equipment.
- g) the use of any equipment by any person under the age of 18.

The liability of the Company under this Extension is limited to £50,000 (including costs and expenses) in the aggregate during the Period of Insurance.

Subject always to the terms Exclusions and Conditions of the Policy.

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**

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY CONTINUED

3) Products Supplied

Liability in respect of **Products Supplied** other than

- a) office machinery surplus to the **Insured's** requirements
- b) food or drink supplied as a service to guests and visitors
- c) proprietary branded goods other than medicines

4) 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

5) Fines

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

6) 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**

7) 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

8) 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

9) 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

10) 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)

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY CONTINUED

11) 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

12) 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 £2,000,000 in the aggregate or the amount of the Limit of Indemnity for this Section as stated in the Schedule whichever is the 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 is

contracted if legally required to make safe the area in which the discovery is made as soon as is practicable

13) Notifiable Asbestos

Any liability arising from or in connection with the handling removal stripping out demolition transportation or disposal of Notifiable Asbestos

However this Section Exception shall not apply to liability arising from

- a) the accidental discovery of materials known or suspected to be Notifiable Asbestos
- b) the investigation of any such suspect material provided that
 - i. immediately upon discovery all handling removal stripping out demolition transportation or disposal of that which is suspected to be Notifiable Asbestos ceases until the composition of all such materials is established
 - ii. any subsequent handling removal stripping out demolition transportation or disposal of Notifiable Asbestos is carried out by a licensed contractor on terms which indemnify the Insured for all liability arising out of such work

14) Manual Work Away

Liability arising from manual work undertaken away from the **Insured's Premises** other than collection or delivery

15) 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

16) Sporting Activities

Injury or damage caused by or arising from

- a) active participation in or training for
- b) travelling to or from

SECTION 5 – PUBLIC AND PRODUCTS LIABILITY CONTINUED

- c) the provision of any medical physical physiotherapy or sports injury treatment during
 - i) any activities involving any sporting activity
 - ii) club activities which involve armed or unarmed combat sports
 - iii) any other event or fixture on behalf of the Insured being a sporting activity involving bodily contact between opposing players

17) Belligerent and Malicious Acts

Liability arising from damage or **Injury** caused by any belligerent or malicious acts of the **Insured** or their **Employees**

18) Burning of Waste

Liability arising directly or indirectly from the burning of waste either at or away from the **Insured's Premises**

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

4) Food Hygiene Condition

It is a condition precedent to any liability of the **Insurer** that where the **Insured's Business** has a food hygiene rating (scores on doors) issued by the Food Standard Agency (FSA) that this score is not below two unless all requirements stipulated by the FSA following their inspection have been fulfilled and a further visit by the FSA inspector is awaited

5) Excess

We shall not liable for the excess stated in the schedule or for any lesser amount of each and every claim when requested including all costs

SECTION 6 – MANAGEMENT PROTECTOR

Sub-Section A – Personal Accident and Sub Section B – Employee Dishonesty

These Sub-Sections are only operative if shown in the Schedule

Insuring Agreement

Subject to the terms exclusions and conditions of the respective Sub-Sections and the General Conditions and General Exclusions to the Policy

Sub-Section A – Personal Accident

This Sub-Section is operative only if stated in the Schedule

If an **Eligible Person** sustains accidental bodily injury whilst on the **Premises** or whilst in the course of the **Business** within the **Geographical Limits** during the Period of Insurance which within two years solely and independently of any other cause results in death or disablement, the **Insurer** will pay the **Insured** the percentage amount appropriate of the **Benefit** as follows

Schedule of Benefits

Loss of:	% of Benefit Sum Insured:
Life	100%
Both Hands or Both Feet	100%
Either Hand or Foot and Sight of One Eye	100%
One Hand and One Foot	100%
Sight of Both Eyes	100%
Either Hand or Foot	50%
Sight of One Eye	50%
Thumb and Index Finger of Same Hand	25%

If more than one **Loss** results from any one accidental bodily injury, only one amount, the largest, will be paid

The maximum amount the **Insurer** will pay in the aggregate under this and any other Policy of Personal Accident Insurance issued by the **Insurer** in the **Insured's** name in respect of all **Eligible Persons** suffering bodily injury in the same accident or series of accidents contributed to, caused by, or consequent upon the same original cause, event or circumstance is the Benefit Limit as shown in the Schedule or £10,000 whichever is the lesser amount. If a claim exceeds this amount, the **Insurer** will pay an amount which is proportionately reduced until the total does not exceed the Benefit Limit as shown in the Schedule or £10,000

Personal Accident – Definitions

- 1) **Benefit** – the limit of indemnity shown in the Schedule of Benefits in this Sub-Section
- 2) **Eligible Person** – the **Insured** or any permanent employees under a contract of service or apprenticeship with the **Insured** and ordinarily resident in Great Britain Northern Ireland the Isle of Man or the Channel Islands or any Insured Person noted in the schedule
- 3) **Geographical Limits** –
 - a) Great Britain Northern Ireland the Isle of Man or the Channel Islands or
 - b) Europe or
 - c) anywhere in the world
- 4) **Loss** with regard to –
 - i. hand or foot means actual severance through or above the wrist or ankle joints respectively
 - ii. eye means entire and irrevocable loss of sight
 - iii. thumb and index finger means actual severance through or above the joint that meets the hand at the palm

SECTION 6 – MANAGEMENT PROTECTOR CONTINUED

Personal Accident – General Conditions

- 1) **Acceptance of Benefit** – If the **Insurer** has paid a claim under the Additional Cover Personal Accident (Assault) of Section 1 – Material Damage and the **Insured** has accepted payment then the **Insurer** will not have to make any further payments for the same claim
- 2) **Claims Evidence** – The **Insured** must provide at their own expense any evidence in support of a **Loss**. An **Eligible Person** must undergo as many medical examinations in connection with any claim as the **Insurer** may require at its own expense
- 3) **Disappearance** – If an **Eligible Person** disappears and after a suitable period of time it is reasonable to believe that he/she has died as a result of accidental bodily injury the benefit will be paid provided that the **Insured** signs an agreement that if it is later found to be wrong, any amount paid will be refunded to the **Insurer**
- 4) **Exposure** – Death or dismemberment resulting from exposure to the elements will be considered to have been caused by accidental bodily injury.

Personal Accident – Exclusions

This Personal Accident Cover does not include any loss caused by or arising directly or indirectly from:

- 1) intentional self-injury, suicide or attempted suicide, sexually transmitted conditions mental or nervous disorder anxiety stress or depression AIDS or HIV infection
- 2) serving in any branch of the Military or Armed Forces
- 3) being under the influence of drugs, alcohol or other intoxicants
- 4) participation in any crime, riot or civil commotion
- 5) flying as a pilot or member of aircrew
- 6) flying as a passenger in any aircraft that is not a multi-engine fixed wing aircraft licensed by a Civil Aviation Authority which flies according to a published service frequency and timetable showing departure days and departure and arrival times
- 7) the dispersal release or application of pathogenic or poisonous biological or chemical materials
- 8) self-exposure to needless peril (except in an attempt to save human life)
- 9) participation in winter sports skydiving / parachuting hang gliding bungee jumping scuba diving mountain climbing where ropes or guides are customarily used) riding or driving in races or rallies using a motorised vehicle or bicycle caving or pot-holing hunting or equestrian activities skin diving or other underwater activity, rafting or canoeing involving white water rapids yachting or boating outside coastal waters (2 miles) participation in any sport which provides the individual's major source of income any sporting activity not authorised or regulated by the school
- 10) sickness or disease (not resulting from accidental bodily injury), any naturally occurring condition or degenerative process, any gradually operating cause or any physical or medical condition which existed in the 24 months prior to inception of cover
- 11) any medical or surgical treatment except as may be necessary solely as a result of injury
- 12) any injury which shall result in hernia
- 13) any person after the expiry of the Period of Insurance during which that person reaches age 75 years
- 14) due to contributed to or accelerated by insanity

SECTION 6 – MANAGEMENT PROTECTOR CONTINUED

Sub-Section B – Employee Dishonesty Cover

This Sub-Section is operative only if stated in the Schedule

The **Insurer** shall indemnify the **Insured** for its direct financial *Loss* which occurs during the Period of Insurance as a direct result of one act of theft committed during the Period of Insurance by any identified *Employee* who is paid wholly or mainly by salary or wages (acting alone or in collusion with others) with the principal intent to cause the **Insured** to sustain a loss and to obtain financial benefit for such *Employee* (other than salaries commissions fees bonuses promotions awards profit sharing pensions or other employee benefits earned in the normal course of employment) which is *First Discovered* by the **Insured** during the Period of Insurance and within 72 hours of the theft occurring

The Liability of the **Insurer** shall be restricted to the limit stated in the Schedule for any one *Loss*

Employee Dishonesty – Definitions

Employee(s) for the purposes of this Cover shall mean permanent employee(s) under a contract of service or apprenticeship with the **Insured** and the General Definition of Employee shall not apply in this Cover

First Discovered means the time the **Insured** first became aware of or had reasonable cause to suspect an act of theft or a *Loss*.

Loss for the purpose of this Cover means direct financial loss (other than salary or other remuneration) of **Money**, **Non-Negotiable Money** or property insured under Sections 1 and 2 of this Policy and used in connection with the **Business** owned by the **Insured** or in the care custody or control of the **Insured** and for which the **Insured** is liable in connection with any one act of theft by an *Employee* provided that the **Insured** can establish and provide proof of the date of the incident and such incident is *First Discovered* by the **Insured** within 72 hours of its occurrence. Loss shall include costs fees or other expenses incurred in establishing the existence or amount of any *Loss*

Knowledge means become aware of or reasonably suspect

Transaction means a formal act to change control of the insured from that which existed at the inception of the Policy

Employee Dishonesty – General Conditions

- 1) **Cancellation as to any Employee** – This Cover shall be deemed cancelled in respect of any *Employee* immediately upon discovery by the **Insured**, or by any director partner principal or officer thereof not in collusion with such *Employee* of any act of theft on the part of such *Employee* and further theft acts committed by such *Employee* are excluded
- 2) **Recoveries** – Under this Cover recoveries, less the actual cost of recovery, made after *Loss* will be distributed as follows; first, the **Insured** shall be reimbursed for *Loss* exceeding the Limit of Liability or settlement (whichever is less) and the **Excess** amount (if applicable); second, the **Insurer** shall be reimbursed for the settlement made; third, the **Insured** shall be reimbursed for *Loss* equal to the retention amount
- 3) **Management Controls** – It is a condition precedent to the liability of the **Insurer** under this Employee Dishonesty Cover that the **Insured** shall at all times comply with the following Conditions, evidence of which must be available at the time of claim
 - i. The statutory accounts are independently audited
 - ii. **Stock** is independently and physically checked, (at least once every six months), by an *Employee* not responsible for daily stock handling or ordering
 - iii. Cheque requisition/payment instructions and payment authorisation are segregated functions undertaken by separate *Employees*
 - iv. The ordering certification of receipt, and verification of supporting documentation before cheque or payment instructions are authorised for goods or services are performed by different *Employees* acting independently
 - v. Cash in hand and petty cash shall be checked independently of *Employees* responsible at least monthly
 - vi. Monthly reconciliation is performed on all bank accounts and debtors accounts independently of *Employees* in a position to receive payment of an account
 - viii. Written references are obtained and checked for all new *Employees* (except school-leavers) covering at least the preceding 2 years of continuous employment, where the *Employee* is to be responsible for **Money** and **Non-Negotiable Money** securities stock or accounts

SECTION 6 – MANAGEMENT PROTECTOR CONTINUED

- 4) **Change in Control of Insured** – If, during the Period of Insurance a *Transaction* takes place then the cover provided under this Employee Dishonesty Cover is amended to apply only to acts committed which give rise to a loss occurring prior to the effective date of the *Transaction*. The **Insured** shall give the **Insurer** written notice of the *Transaction* as soon as practicable but not later than 30 days after the effective date of the *Transaction*

Employee Dishonesty – Exclusions

The **Insurer** shall not be liable under this Employee Dishonesty Cover for

- 1) any theft discovered more than 72 hours after the established date of occurrence of the theft
- 2) any theft that results from the complete or partial non-payment or default under any credit arrangement loan lease or rental agreement invoice or payments made or withdrawals from any customer's account involving items which are not finally paid for any reason
- 3) any theft caused by any *Employee* from and after the time that the **Insured** or any director or officer thereof shall have *Knowledge* or information that such *Employee* has committed any dishonest or fraudulent act whether such act be committed before or after the date of employment by the **Insured**
- 4) any theft where the proof of such theft is dependent solely upon a profit and loss computation or comparison of inventory records with an actual physical count
- 5) any theft which arises out of the voluntary giving or surrendering of property in exchange or purchase unless such *Loss* is caused by an *Employee* or by forgery counterfeiting or fraud by any other person whether or not in collusion with an *Employee*
- 6) indirect or consequential loss of any nature
- 7) any costs fees and other expenses incurred by the **Insured** in establishing the existence of or amount of *Loss*
- 8) any costs of defending any legal proceeding brought against the **Insured**
- 9) any theft caused by any broker factor, commission consignee contractor or any other agent or representative of the same general character
- 10) any loss of and/or damage to proprietary information trade secrets confidential processing methods or other confidential information of any kind
- 11) any theft that the **Insured** *First Discovered* prior to or subsequent to the Period of Insurance
- 12) any theft arising from any act or any series of related acts committed outside the **Territorial Limits**
- 13) any theft in connection with any *Loss* committed by any *Employee* who at the time of committing the fraudulent or dishonest act owns or controls more than 5% of the issued share capital of the **Insured**

GENERAL CLAIMS CONDITIONS

1) Action by the **Insured**

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

GENERAL CLAIMS CONDITIONS CONTINUED

4) Contribution in respect of Sections 1, 2 and 3 (not applicable to Personal Accident (Assault))

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) Arbitration

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

USEFUL INFORMATION

How to Make a Claim

Please telephone the dedicated claims line (+44) 1274 518383

For emergency out of hours major loss notifications please telephone (+353) 14 852 980

Please do not use this number for general claims notifications or queries which should be to (+44) 1274 518383

How to Complain

Should you wish to make a complaint regarding your claim please contact:

Leeson Claims Services Ireland
68 Merrion Square South, Dublin 2
E-mail: info@lcsi.ie
Telephone: (+353) 14 852 980

Should you wish to make a complaint about the policy or the service we offer please contact:

NBS Ireland (NBS Ireland is a trading style of NBS Commercial Ltd)
13-18 City Quay, Dublin 2, D02 ED70
E-mail: info@nbsireland.com

If you remain dissatisfied after the senior member of staff has considered your complaint, or you have not received a final decision within eight (8) weeks, you may be eligible to refer your complaint to the Financial Services and Pensions Ombudsman

Financial Services and Pensions Ombudsman
3rd Floor, Lincoln House
Lincoln Place
Dublin 2
D02 VH29

Tel: (+353) 15 677 000
Fax: (+353) 16 620 890
Email: info@fspo.ie
www.fspo.ie

Making a complaint does not affect your right to take legal action.



E: info@nbsireland.com

W: www.nbsireland.com