

# Policy Document

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## Business Combined

Arranged by  
**premierline direct**  
THE BUSINESS insurance SPECIALISTS

A company of **Allianz** 

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## Introduction

Thank you for choosing Premierline Direct as your insurance intermediary. Your Policy documents are enclosed - please read them carefully and let Premierline Direct know immediately if the insurance does not meet Your requirements.

If You do not understand any part of the cover or wish to ask any questions please contact the Premierline Direct Customer Helpline on 0845 330 1800.

Other useful contact information including the Claims Line number can be found on page 4.

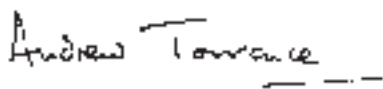
## The Contracts of Insurance and the Underwriters

This insurance, (other than Section 10) is underwritten by Allianz Insurance plc. Registered Office: 57 Ladymead, Guildford, Surrey GU1 1DB. UK. Allianz Insurance plc is authorised and regulated by the Financial Services Authority, registration number 121849.

Section 10 – Commercial Legal Protection, is underwritten by DAS Legal Expenses Insurance Company Limited. DAS House, Quay Side, Temple Back, Bristol, BS1 6NH. UK. DAS Legal Expenses Insurance Company Limited is authorised and regulated by the Financial Services Authority, registration number 202106.

Your Policy comprises legally binding contracts of insurance between You and Allianz Insurance plc and between You and DAS Legal Expenses Insurance Company and provides security against liability, loss or damage. The Policy is valid for the Period of Insurance shown on Your Schedule provided Premierline Direct have accepted Your application and You have paid the premium. Your cover is based on information that You have provided and if this information was inaccurate or incomplete Your Policy may not be valid.

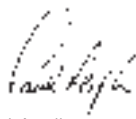
Signed on behalf of Allianz Insurance plc



Andrew Torrance

Chief Executive

Signed on behalf of DAS Legal Expenses Insurance Company



Paul Asplin

Chief Executive Officer

## Claims Services

### Claims Line for all Policy Sections other than Commercial Legal Protection

**Office hours – 0844 871 0940 Out of hours – 0870 606 1234**

Phone the Claims Lines for the following services:

#### To Make a Claim (Policy sections 1-9)

Phone the Claims Line immediately if You think You may have a claim with as much information as possible and We will tell You what to do next. We may forward to You a claim form for You to complete and sign. This should be returned to Allianz Insurance.

Please also see General Condition 5 - Claims, which details Your obligations and Our rights in the event of a claim.

#### Glass Replacement Service

Phone the Claims Line if You have glass broken in windows, doors, display units or partitions and We will provide glass replacement assistance.

### Emergency Assistance

Our out of hours emergency helpline service provides help when it is most needed, no matter what the damage or where or how inconvenient the time. If Your property is damaged for example by storm or flood or during a break-in, We will take details of the problem and, if necessary, provide details of a contractor from Our repair network who will be able to help.

### Legal Protection Claims Line (Policy section 10): - Telephone 0845 330 1180 This is a 24 hour line.

If You think You may have a claim under Section 10 - Commercial Legal Protection, phone the Commercial Legal Protection Claims Line and they will tell You what to do next.

A claim form for completion will be sent to You if required and this should be returned to DAS Legal Expenses Insurance Company Limited at the address shown at the end of Section 10. Please also observe the Claims Procedures detailed at the end of Section 10.

## Helplines

### Premierline Direct Customer Helpline - telephone 0845 330 1800

Please phone the Customer Helpline if:

- You would like a quotation for additional covers.
- Your Policy details are incorrect.
- Your address is incorrect on the accompanying letter.
- Your details change i.e. change of address or bank account.
- You lose Your documents.

### Legal & Taxation Advice Helpline - telephone 0845 330 1180

Phone the Legal Advice Helpline for confidential legal advice 24 hours a day. Advisors are suitably qualified and advice includes any commercial legal problem or issue affecting Your Business under the laws of the European Union, the Isle of Man and the Channel Islands. You will be given confidential advice on any tax matter affecting the Business under the laws of the United Kingdom. As long as Your Policy remains in force this service may be used as often as necessary and the advice is free of charge.

## Complaints Procedure

Our aim is to get it right, first time, every time. If We make a mistake, We will try to put it right promptly. We will confirm receipt of Your complaint within five working days and do Our best to resolve the problem within four weeks. If We are unable to do so, We will let You know when the answer may be expected. If We have not resolved the problem within eight weeks, We will provide You with information about the Financial Ombudsman Service.

Should You wish to make a complaint, then it should be directed to the appropriate one of the following:

Section 10 of the Policy – Commercial Legal Protection

**Customer Relations Department, DAS Legal Expenses Insurance Company Ltd, DAS House, Quay Side, Temple Back, Bristol, BS1 6NH.**

All other sections of the Policy:

**Customer Satisfaction Manager, Allianz Insurance plc, 57 Ladymead, Guildford, Surrey, GU1 1DB**

Any aspect of the Premierline Direct service:

**Customer Services Controller, Premierline Direct, PO Box 640, Lancaster LA1 5XH.**

Using the complaints procedure does not affect Your legal rights.

## Data Protection

The information you provide or which is supplied by third parties may be used by us and/or carefully selected third parties to offer you a quotation, to deal with any aspects of your policy, to search credit reference agencies (who may keep a record of the search) and for customer surveys, market research and compliance business reviews. It may include your name, address, date of birth, telephone number, email address, renewal date(s), bank details including your credit/debit card number and expiry date and details of your directors, officers, employees and partners. You must have obtained their consent to our using their details. Such information may be disclosed to regulatory bodies such as the Financial Services Authority and to other insurance organisations, professional advisers and mediation companies to administer and regulate your insurance, to help offset risks and prevent fraud. Any information you supply to us must be accurate and up to date and you should inform us if any such information requires updating.

It may be used by companies within the global Allianz group of companies, by DAS Legal Expenses Insurance Company Limited or by other carefully selected

third parties to inform you about any products, services and offers we may consider to be of interest to you. We will do this by writing to you, by telephone (including by way of automatic dialling), by fax, by email or by access to our website. If for any reason you do not want to receive this information please write to us at The Marketing Department, Premierline Direct, Caton Road, Lancaster, LA1 3PE.

Under the Data Protection Act 1998, we can only discuss your details with you. If you would like anyone else to act on your behalf please let us know. Your personal details may be transferred to countries outside the European Economic Area, however they will at all times be held securely and handled with the utmost care in accordance with all principles of UK law. We will store your personal information on our secure database but will not keep it longer than is necessary. You are entitled to a copy of all the information we hold about you. You can do this by writing to us including your name and address to The Marketing Department, Premierline Direct, Caton Road, Lancaster, LA1 3PE, enclosing a cheque or postal order for £10 made payable to Premierline Direct.

## Financial Services Compensation Scheme (FSCS)

You may be entitled to compensation from the FSCS if Allianz Insurance or DAS Legal Expenses Insurance Company are unable to meet their liabilities. For compulsory insurance You may be entitled to compensation up to 100% of the claim. For all other types of insurance You may be

entitled to compensation of up to £2,000 for the first part of the claim and 90% of the remainder of the claim. Further information about compensation scheme arrangements is available from the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk) or by phone on 020 7892 7300.

## Survey and Risk Improvement Requirements

If Allianz Insurance carry out a risk management survey of Your premises then You must comply with all risk improvements required

within the timescales specified. Failure to comply with this requirement could invalidate Your cover.

## Important Information for Employers

The Employers Liability (Compulsory Insurance) Regulations 1998 lay down certain obligations for employers and, in particular, You should be aware of the following:

### Display of Certificates

Allianz will provide You with a Certificate of Employers Liability Insurance

and this will state clearly the companies covered by the Policy. You must display an original copy of the Certificate at each Business Premises, where Your Employees can see it easily.

### Retention of Certificates

You must retain copies of Certificates that have expired, for at least 40 years. This is because certain claims e.g. disease, could be made many years after the disease is caused. This requirement applies only to policies that were in force on 31st December 1998 or later.

## Waste Removal Warranty

It is warranted that all trade waste is swept up and bagged every night and removed from the premises at least once a week.

## Security of Premises

This insurance has been granted subject to a Minimum Standard of Security (see General Condition 10 or any Clause attached to this Policy in substitution of or in addition to this Condition), and it is important that You

do not alter door or window fastenings or other security devices (except as allowed specifically in a Further Protection Clause attached to this Policy) without Premierline's written consent. It is important that You give early notification of any proposed changes to Premierline Direct.

## Definitions

Wherever the following words or expressions appear in this Policy document they will always have these meanings:

### Company/We/Us/Our

Allianz - Other than Section 10.  
DAS Legal Expenses Insurance Company Limited - Section 10.

### Premierline Direct

Premierline Direct is a trading name of Allianz Business Services Limited.  
Registered office: 57 Ladymead, Guildford, Surrey, GU1 1DB.

### Allianz

The underwriters of Your Premierline Direct Policy, other than Section 10 (Commercial Legal Protection Cover).

### DAS Legal Expenses Insurance Company Limited

The underwriters of Your Commercial Legal Protection Cover - Section 10.

### Insured/You/Your

The person(s) or Company shown in the Schedule as the Policyholder.

### Statement of Insurance

The information provided at the time of quotation or mid term alteration and any other information given by You or on Your behalf. The Statement of Insurance incorporates a statement of Your demands and needs in relation to insurance cover.

### Policy

This Policy booklet, Schedule, Statement of Insurance, Employers Liability Certificate, and any Endorsements attached or issued.

### Injury (only applicable to Section 3)

Bodily injury, death, disease, illness or nervous shock.

### Business

The business stated in the Schedule and

- a) the provision and management of canteen, sports, social or welfare organisations for the benefit of Employees, and fire, security, first aid, medical and ambulance services
- b) private work undertaken with Your prior consent by Employees for any of Your directors or senior officials
- c) the ownership, maintenance and repair of the Premises.

### Consequential Loss

The words 'CONSEQUENTIAL LOSS' in capital letters will mean loss resulting from interruption of or interference with the Business carried on by

## Definitions continued

You at the Premises in consequence of loss or destruction of or damage to property used by You at the Premises for the purpose of the Business.

### Damage

The word 'DAMAGE' in capital letters will mean accidental loss or destruction of or damage to the property insured.

### Employee

- a) any person under a contract of service or apprenticeship with You
- b) any person who is hired to or borrowed by You
- c) any person engaged in connection with a work experience or training scheme
- d) any labour master or person supplied by them
- e) any person engaged by labour only subcontractors
- f) any self-employed person working on a labour only basis under Your control or supervision
- g) any voluntary helper

while working for You in connection with the Business.

### Empty

The word "Empty" will mean wholly unoccupied, mainly unoccupied or not in use.

### Endorsement

A wording that changes the cover in the printed Policy.

### Excess

The amount for which You are responsible as the first part of each claim as shown in the Schedule.

### Money

Cash, bank and currency notes, cheques, postal orders, money orders, crossed bankers drafts, current postage stamps, savings stamps and certificates, National Insurance stamps, trading stamps, gift tokens, customer redemption vouchers, credit card company sales vouchers, credit card counterfoils, travellers tickets, VAT purchase receipts, contents

of franking machines, gaming machine tokens, and insofar as they are not otherwise insured, holiday with pay stamps and luncheon vouchers.

### Offshore

From the time of embarkation onto a conveyance at the point of final departure from land to any offshore rig or any offshore platform, and until such time of disembarkation from a conveyance onto land upon return from any offshore rig or any offshore platform.

### Premises

The Premises shown in the Schedule, including outbuildings at the same location, the structure of the Premises and outbuildings being brick, stone or concrete and roofed with slate, tile, concrete, metal, asphalt or sheets or slabs composed entirely of incombustible mineral ingredients and plastic rooflights (unless otherwise stated in the Statement of Insurance).

### Products

- a) Products including containers, packaging or instruction sold or supplied
- b) Work or services undertaken including goods or materials used (by You or on Your behalf in the course of the Business).

### Turnover

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

### Territorial Limits

- a) anywhere within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man other than Offshore
- b) elsewhere in the world other than Offshore in connection with temporary visits undertaken in the course of the Business by any person normally resident in the territories described in a) above
- c) elsewhere in the world in respect of anything sold or supplied by You.

## Section 1 Contents

### Property Insured

**Item 1** Computer and Electronic Office Equipment, for which You are responsible, including laser printers, fax machines and photocopiers, but excluding stock in trade and property more specifically insured by Items 2 3 and 4

**Item 2** Machinery, Plant, Fixtures and Fittings and All other Contents for which You are responsible, excluding motor vehicles licensed for road use (and their accessories) and property more specifically insured by Items 1, 3 and 4

**Item 3** Attractive Stock, as described in the Schedule, for which You are responsible

**Item 4** All Other Stock and Materials in Trade and goods in trust for which You are responsible, excluding Stock more specifically insured by Item 3

pertaining to the Business and contained in the Premises

#### Excluding:

- a) Money, jewellery, precious stones, precious metals, bullion, furs, curiosities, works of art or rare books
- b) vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
- c) property or structures in course of construction or erection, and materials or supplies in connection with all such property in course of construction or erection
- d) livestock, growing crops or trees

unless specifically mentioned as insured in respect of Section 1.

### Definition

#### Defined Peril

The words 'Defined Peril' will mean Insured Perils 1 to 6 and 9 inclusive shown in A Insured Perils below.

### A Insured Perils

We will indemnify You against DAMAGE to the Property Insured caused by the following Perils:

- 1 a) Fire (including subterranean fire), lightning or earthquake excluding DAMAGE caused by:
  - i) fire resulting from its own spontaneous fermentation or heating
  - ii) fire resulting from its undergoing any heating process or any process involving the application of heat
- b) Explosion of boilers or gas used for domestic purposes only excluding DAMAGE caused by earthquake or subterranean fire.
- 2 Explosion excluding DAMAGE
  - a) caused by the bursting of a boiler, economiser, vessel, machine or apparatus in which internal pressure is due to steam only and belonging to You or under Your control
  - b) in respect of and originating in any vessel, machinery or apparatus or its contents belonging to or under Your control which requires to be examined to comply with any Statutory Regulations. Such vessel, machinery or apparatus shall be the subject of a policy or other contract providing the required inspection service.
- 3 Storm or flood excluding:

## Section 1 Contents

- a) DAMAGE caused by frost, subsidence, ground heave or landslip
  - b) DAMAGE attributable solely to change in water table level
  - c) DAMAGE to Stock in Trade (including Stock of Wines and Spirits and Tobacco, Cigarettes and Cigars) in any cellar or basement unless placed on racks at least 150mm above floor level
  - d) DAMAGE to moveable property in the open
  - e) the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average.
- 4** Escape of water from any tank, apparatus or pipe excluding:
- a) DAMAGE to contents of any building which is Empty
  - b) DAMAGE to Stock in Trade in any cellar or basement unless placed on racks at least 150mm above floor level
  - c) the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average.
- 5** Riot, civil commotion, strikers, locked-out workers, or persons taking part in labour disturbances or malicious persons excluding:
- a) DAMAGE arising from cessation of work
  - b) as regards DAMAGE (other than by fire or explosion) directly caused by malicious persons not acting on behalf of or in connection with any political organisation:
    - i) DAMAGE by theft
    - ii) DAMAGE in respect of the contents of any building which is Empty
    - iii) the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average.
- 6** Impact with the Premises by aircraft or other aerial devices or articles dropped from them, or by any vehicle, train, animal, falling branch, aerial or mast or satellite dish, excluding the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any Condition of Average, in respect of impact by vehicles or animals belonging to You or under Your control.
- 7** Theft or any attempted theft, involving entry to or exit from the Premises by forcible and violent means excluding loss or damage in respect of:
- a) the contents of any building which is Empty
  - b) Property in the open or Property in any outbuilding or other building not communicating with the main building of the Premises
  - c) the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average.
- 8** Theft by violence or threat of violence to You or any of Your Employees, excluding the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average.
- 9** Leakage of oil from any fixed heating installation.
- 10** Any other accidental loss or damage occurring in the Premises excluding:
- a) the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average
  - b) DAMAGE caused by or resulting from:
    - i) inherent vice, latent defect, gradual deterioration, wear, tear, frost, change in water table level, its own faulty or defective design or materials, the action of light or atmosphere
    - ii) faulty or defective workmanship, operational error or omission on Your part or that of Your Employees
- but this will not exclude subsequent DAMAGE which itself results from a cause not otherwise excluded
- c) DAMAGE caused by or resulting from:
    - i) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, mould, dryness, marring, scratching, bruising or deterioration, moths, vermin or insects
    - ii) change in temperature, colour, flavour, texture or finish
    - iii) theft or any attempted theft
    - iv) DAMAGE consisting of joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith
    - v) mechanical, electrical or electronic breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates
- but this will not exclude:
- 1) such DAMAGE not otherwise excluded which itself results from a Defined Peril or from any other accidental loss, destruction or damage
  - 2) subsequent DAMAGE which itself results from a cause not otherwise excluded
- d) DAMAGE caused by or resulting from:
    - i) subsidence, ground heave or landslip, unless resulting from fire, explosion, earthquake or the escape of water from any tank apparatus or pipe
    - ii) the settlement or movement of made-up ground or normal settlement or bedding down of new structures
    - iii) coastal or river erosion
    - iv) loss or damage following dishonesty or fraudulent action by Your Employees or any person lawfully in the Premises
    - v) any disappearance, unexplained or inventory shortage, misfiling or misplacing of information
  - e) DAMAGE in respect of moveable Property in the open caused by wind, rain, hail, sleet, snow, flood or dust
  - f) DAMAGE (other than by fire or explosion) resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing, or repair
  - g) DAMAGE arising from the failure of the supply of water, gas, electricity, fuel or telecommunications or the deliberate act of a supply undertaking withholding such supply
  - h) DAMAGE specifically excluded:
    - i) in Insured Perils 1-9
    - ii) in the General Exceptions
  - i) erasure or distortion of information on computer systems or other records
  - j) any process of cleaning, dyeing, restoring, adjusting or repairing
  - k) any shortage due to error or omission
  - l) DAMAGE to:
    - i) glass (other than fixed glass), china, earthenware, marble or other fragile or brittle objects
    - ii) computers or data processing equipment
- other than such DAMAGE caused by a Defined Peril in so far as it is not otherwise excluded.
- This Section Does Not Cover**
- 1** Your infidelity or dishonesty or that of any Employee or other persons to whom Property Insured may be entrusted, nor loss, destruction or damage resulting from You voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme, trick, device or false pretence, or any unexplained loss or loss or shortage disclosed on taking inventory.
  - 2** Property which at the time of the happening of 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 insurance not been effected.
  - 3** any property otherwise insured.
  - 4** Consequential Loss or damage of any kind or description except loss of rent when such loss is included in the cover under this Section.

## Section 1 Contents continued

**5** DAMAGE to any electrical part or apparatus caused by its own over-running, short-circuiting, excessive pressure or self-heating, but should DAMAGE extend to and damage or destroy any other part of the plant or apparatus or other Property Insured hereby, such DAMAGE is not excluded by this Section.

**6** Loss, destruction, or damage caused by pollution or contamination except (unless otherwise excluded) destruction or damage to the Property Insured caused by:

- a) pollution or contamination which itself results from a Defined Peril.
- b) Defined Peril which itself results from pollution or contamination.

### B Condition of Average

If at the time of any DAMAGE, the value of the Property Insured under any item is greater than its Sum Insured, You will be considered as being Your own insurer for the difference and will bear a rateable share of the loss accordingly.

### C Inflation Protection Clause

We will adjust the Sum Insured in line with suitable indices of costs and the renewal premium for this Section will be based on the adjusted Sum Insured.

### D Limit of Liability

Subject to the provisions of Clause H Automatic Reinstatement of Sum Insured on page 10, the maximum amount payable during any Period of Insurance under any item including any payment made under any Special Clause, is the Sum Insured shown in the Schedule for the Contents Section adjusted in accordance with the Inflation Protection Clause.

### E Extensions of Cover

In addition You will be indemnified against:

#### 1 Glass Breakage

Paying for or making good any breakage or malicious scratching of internal or external fixed glass for which You are responsible at the Premises occurring during the Period of Insurance and being in sound condition at the inception of this Policy.

We will in addition pay for the cost of:

- a) breakage of fixed sanitary ware
- b) boarding up and repair to associated framework reasonably incurred as a result of an insured breakage. You may without Our prior consent instruct builders or glaziers to board up where necessary
- c) repair or replacement of lettering, alarm foil or other ornamentation work on glass provided that Our maximum liability for any one loss will not exceed £500
- d) removal or replacement of fixtures and fittings which may be necessary in connection with the replacement of the glass provided that Our maximum liability for any one loss will not exceed £500 excluding
  - i) any breakage more specifically insured by You or on Your behalf
  - ii) DAMAGE to fixed glass in respect of any building which is Empty
  - iii) the first £250 or the Excess shown in the Schedule, whichever is the greater, in respect of each claim.

#### 2 Goods in Transit

Loss of or damage to merchandise, goods and tools incidental to Your Business, which is Your property, or held in trust by You and for which You are responsible, while being carried by any vehicle(s) owned, hired or leased by You, anywhere in or between the United Kingdom, Channel Islands, Isle of Man and Republic of Ireland. The cover applies from the time the merchandise and goods are lifted by Your Employees until they place them in position at their destination (excluding their installation) including loading and unloading

provided that Our liability in respect of any one vehicle, trailer or semi-trailer, or any one loss or series of losses arising out of one event or in the aggregate does not exceed £2,000 or any higher limit shown in the Schedule.

Excluding:

- a) the deterioration of goods conveyed in frozen, chilled or insulated conditions due to faulty stowage or incorrect setting or operation of the equipment, or variations in temperature, unless directly due to fire or accident to the conveying vehicle or to theft or attempted theft
- b) DAMAGE due to natural deterioration
- c) any consequential or indirect loss or DAMAGE due to delay
- d) loss of or damage to bills of exchange, promissory notes, Money, securities for Money, stamps, precious stones, jewellery, bullion or loss or death of or injury to living creatures.

Special Conditions which apply to this Extension:

- i) Overnight Garaging - We are not liable under this Extension for loss by theft if any vehicle, trailer or semi-trailer is left unattended between the hours of 9pm and 6am, unless such vehicle, trailer or semi-trailer is securely locked at all points of access, and is garaged in enclosed premises which are securely locked or have a watchman in constant attendance.
- ii) Locked Car Clause - This Extension does not cover DAMAGE by theft, pilferage or any attempted theft, involving any vehicle, trailer or semi-trailer which is left unattended, or which is laid up, temporarily stored in any garage or similar premises, unless such vehicle, trailer or semi-trailer has all points of access securely locked.

### 3 Theft of Keys

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

- a) theft from the Premises or registered office or from the home of
- b) theft following hold-up whilst such keys are in the personal custody of

You or any principal, director, partner or Employee authorised to hold such keys

provided that the maximum amount payable in any one Period of Insurance will not exceed £500 or any higher limit shown in the Schedule.

### 4 Loss of Money

We will indemnify You in respect of loss from any cause of Money held in connection with the Business

- a) while in transit within the Territorial Limits or in a bank safe up to a maximum amount of £3,000 or any higher limit shown in the Schedule for any one loss
- b) while at the residence of any principal or authorised Employee, up to a maximum amount of £500 for any one loss
- c) from vending machines up to a maximum amount of £300 for any one loss
- d) from the Premises, up to a maximum amount of £3,000 or any higher limit shown in the Schedule for any one loss

provided always that

when the Premises are open for Business:

- i) liability for Money not contained in a locked safe and left unattended in any part of the Premises is limited to £500

when the Premises are closed to Business:

- i) liability for Money not contained in a locked safe is limited to £500
- ii) liability for Money in a locked safe is limited to £1,500
- iii) keys and/or combination codes to safes are not left in the Premises unless the Premises are still attended by You or any authorised Employee, in which case such keys and/or combination codes must be deposited in a secure place not in the vicinity of any safe.

It is a condition precedent to liability that whenever Money in transit exceeds £2,500 at any one time:

- a) the Money will be accompanied by not less than two responsible adult persons
- b) not more than £2,500 will be carried by any one person.

## Section 1 Contents continued

Notwithstanding the limits referred to above, the limit any one loss of crossed cheques, crossed postal orders, crossed money orders, crossed bankers drafts, National Savings Certificates, credit company sales vouchers or receipts, National Insurance stamps affixed to cards, and VAT purchase receipts will be £250,000.

### Excluding:

- a) loss arising from fraud or dishonesty of Employees unless such loss be discovered within fourteen clear working days of the occurrence
- b) loss due to clerical or accounting errors
- c) loss from unattended motor vehicles.

### 5 Personal Accident - Assault

If You or any Employee within the age limits 16 to 70 years suffer bodily injury caused solely or directly as a result of robbery or any attempted robbery in the course of the Business, We will pay compensation on the basis of the following Table of Compensation, or any higher limit shown in the Schedule:

#### Table of Compensations

1. Death	<b>Occurring within 2 years of sustaining the bodily injury</b>	£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)

provided that:

- a) compensation is not payable under more than one of the above items for the same injury
- b) no liability will attach to Us for bodily injury arising from, or influenced by any existing physical defect or infirmity, or the medical condition of any person entitled to compensation hereunder, or resulting from pregnancy or childbirth.

The insurance by this extension is extended to pay for damage to cash carrying devices or clothing and personal effects belonging to You or any Employee up to a limit of £500 in respect of any one person.

### 6 Exhibitions

Loss of or damage to the Property Insured for a period not exceeding 15 days whilst at any exhibition within the Territorial Limits.

Our liability under this extension will not exceed £10,000 or any higher limit shown in the Schedule.

### 7 Loss of Metered Water

We will indemnify You in respect of loss of metered water consumed as a direct result of DAMAGE up to a maximum of £2,500 or any higher limit shown in the Schedule any one loss.

## Clauses Applicable to Sections 1 (Contents) and 4 (Buildings)

We will indemnify You in respect of the following expenses necessarily incurred in reinstating damage to the Property Insured caused by DAMAGE under Sections 1 and 4.

### A European Community and Public Authorities (Including Undamaged Property)

Subject to the following special conditions, the insurance by the Section extends to include such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the Stipulations of:

- a) European Community Legislation, or
- b) Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye-laws of any Public Authority (hereafter referred to as 'the Stipulations') in respect of:
  - the lost, destroyed or damaged property thereby insured
  - undamaged portions thereof

### Excluding:

- a) the cost incurred in complying with the Stipulations:
  - i) in respect of DAMAGE occurring prior to the inception of this clause
  - ii) in respect of DAMAGE not insured by the Section
  - iii) under which notice has been served on You prior to the happening of the DAMAGE
  - iv) for which there is an existing requirement, which has to be implemented within a given period
  - v) in respect of property entirely undamaged by any Peril hereby insured against
- b) the additional cost that would have been required to make good the property lost, destroyed or damaged to a condition equal to its condition when new, had the necessity to comply with the Stipulations not arisen

- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with the Stipulations.

### Special Conditions

1. The work of reinstatement must be commenced and carried out without unreasonable delay, and in any case must be completed within twelve months after the DAMAGE or within such further time as We may allow (during the said twelve months), and may be carried out upon another site (if the Stipulations so necessitate) subject to Our liability under this clause not being thereby increased.
2. If Our liability under (any item of) the Section apart from this clause is reduced by the application of any of the terms and conditions of the Policy, then Our liability under the clause (in respect of any such Item) will be reduced in like proportion.
3. The total amount recoverable under any item of the Section in respect of this Extension will not exceed:
  - a) in respect of the lost, destroyed or damaged property:
    - i) 15% of its Sum Insured
    - ii) where the Sum Insured by the item applies to property at more than one premises, 15% of the total amount for which We would have been liable had the Property Insured at the premises where the damage has occurred been wholly destroyed
  - b) in respect of undamaged portions of property (other than foundations), 15% of the total amount for which We would have been liable had the Property Insured by the item at the premises where the damage has occurred been wholly destroyed.
4. The total amount recoverable under any item of the Policy shall not exceed its Sum Insured.
5. All the terms and conditions of the Policy, except insofar as they are varied hereby, will apply as if they had been incorporated herein.

## Clauses Applicable to Sections 1 (Contents) and 4 (Buildings) continued

### B Architects Surveyors Legal and Consulting Engineers Fees

Such fees as are necessarily incurred in the reinstatement or repair of the Property Insured consequent upon its destruction or damage, but not for preparing any claim, it being understood that the amount payable under the item will not exceed in total its Sum Insured.

### C Reinstatement Clause

In the event of the Property Insured under Items 1 and 2 of Section 1 (Contents) and Section 4 (Buildings) being destroyed or damaged, the basis upon which the amount payable hereunder is to be calculated will be the reinstatement of the property lost, destroyed or damaged.

For this purpose 'reinstatement' means:

- a) the rebuilding or replacement of property lost or destroyed which, provided Our liability is not increased may be carried out:
  - i) in any manner suitable to Your requirements
  - ii) upon another site
- b) the repair or restoration of property damaged in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

#### Special Conditions

1. Our liability for the repair or restoration of property damaged in part only, will not exceed the amount which would have been payable had such property been wholly destroyed.
2. If at the time of reinstatement, the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item (subject to this Clause) exceeds its Sum Insured at the commencement of any destruction or damage, Our liability will not exceed that proportion of the amount of the destruction or damage which the said Sum Insured bears to the sum representing the total cost of reinstating the whole of such property at that time.
3. No payment beyond the amount which would have been payable in the absence of this Clause will be made:
  - a) unless reinstatement commences and proceeds without unreasonable delay
  - b) until the cost of reinstatement has actually been incurred
  - c) if the Property Insured at the time of its loss, destruction or damage is insured by any other insurance effected by You, or on Your behalf, which is not upon the same basis of reinstatement.
4. All the terms and conditions of the Policy apply:
  - a) in respect of any claim payable under the provisions of this Clause except insofar as they are varied hereby
  - b) where claims are payable as if this Clause had not been incorporated.

### D Removal of Debris

The insurance by each item of the Sections extends to include costs and expenses necessarily incurred by You with Our consent in:

- a) removing debris
- b) dismantling and/or demolishing
- c) shoring up or propping of the portion or portions of the Property Insured

as a result of DAMAGE hereby insured against.

Excluding any costs or expenses:

- i) incurred in removing debris except from the site of such property destroyed or damaged, and the area immediately adjacent to such site
- ii) arising from pollution or contamination of property not insured by this Section.

Our liability in respect of any item will in no case exceed the Sum Insured.

### E Temporary Removal Clause

- a) The Property Insured under Section 1 Contents (other than Stock if insured) is covered whilst temporarily removed for cleaning,

renovation, repair or similar purposes elsewhere, and in transit thereto and therefrom all in the Territorial Limits

- b) Our liability under this clause in respect of each item of this Section for any DAMAGE occurring elsewhere than at the within mentioned Premises will not exceed £50,000
- c) This clause does not apply to property insofar as it is otherwise insured
- d) This clause does not apply to property temporarily removed to motor vehicles licensed for normal road use
- e) All the terms and conditions of the Policy except insofar as they are varied hereby will apply as if they had been incorporated herein.

### F Temporary Removal of Documents

- a) The insurance of deeds and other documents (including stamps thereon), manuscripts, plans and writings of every description, computer systems, records and books (written and printed), extends to cover such property for an amount not exceeding £5,000 whilst temporarily removed to any Premises not in Your occupation and in transit all in the Territorial Limits
- b) This Extension does not apply to property insofar as it is otherwise insured.

### G Capital Additions

The insurance shall subject to the terms and conditions extend to cover:

- a) any newly acquired and/or newly erected buildings, or buildings in course of erection (excluding any property for which a building contractor is responsible), and Trade Contents insofar as the same are not otherwise insured
- and
- b) alterations, additions and improvements to buildings and Trade Contents but not in respect of any appreciation in value anywhere in the United Kingdom, provided that:
    - i) at any one situation this cover shall not exceed 10% of the Sum Insured or £50,000 whichever is the greater
    - ii) You undertake to give particulars of such extension of cover as soon as practicable, and to effect specific insurance thereon retrospective to the date of the commencement of Our liability
    - iii) the provisions of this Extension shall be fully maintained notwithstanding any specific insurance effected under ii) above.

### H Automatic Reinstatement of Sum Insured

In the event of a loss, the Sum Insured hereby shall not be reduced by the amount of such loss provided that You:

- a) pay the appropriate extra premium on the amount of loss from the date thereof to the date of expiry of the Period of Insurance
- b) if the loss results from theft, give effect to any additional protective devices that We may require for the further security of the Property Insured.

### I Excess Aggregation Clause

Where a claim falls to be dealt with under both Sections 1 and 4, and under the terms of the Policy You are responsible for the Excess shown in the Schedule in respect of DAMAGE under each Section, We agree that You will only be responsible for the Excess shown in the Schedule in respect of the claim in aggregate under Sections 1 and 4.

### J Contents

It is agreed that Section 1 (Contents), Item 2 includes, insofar as they are not otherwise insured:

- a) documents, manuscripts, Business books and computer systems records
- b) patterns, models, moulds, plans and designs, for an amount not exceeding the cost of the labour and materials expended in reinstatement
- c) contents of open yards
- d) directors, partners, customers, visitors and Employees personal effects of every description (other than motor vehicles) for an amount not exceeding £500 in respect of any one person.

## Clauses Applicable to Sections 1 (Contents) and 4 (Buildings) continued

### K Contract Price

In respect only of goods sold but not delivered for which You are responsible, subject to a sale contract which following DAMAGE is cancelled by reason of its conditions wholly or to the extent of the DAMAGE, Our liability will be based on the contract price.

For the purpose of this insurance, the value of all goods to which this clause could apply in the event of DAMAGE will also be ascertained on this basis.

### L Designation

For the purposes of determining where necessary the heading under which any property is insured, We agree to accept the designation under which such property has been entered in Your books.

### M Empty Buildings

- a) Whenever the Premises stated in the schedule are Empty, special terms and conditions will apply:
  - i) see the Empty Buildings Warranty
  - ii) see Clause N
- b) We must be notified in writing immediately any Empty building or Empty portion of a building insured hereby becomes occupied or any occupied building becomes Empty and a suitable extra premium paid if required.

### N Empty Buildings Warranty

It is warranted that whenever the Premises are Empty

- a) You must notify Us immediately You become aware:
  - i) that the building(s) are Empty
  - ii) of any loss, destruction or damage to the Empty building(s) whether such loss, destruction or damage is insured or not
- b) the building(s) are inspected internally at least once during each week by You or on Your behalf
- c) all trade refuse and waste materials are removed from the interior of the Premises and no accumulation of refuse and waste be allowed in the adjoining yards or spaces owned by You
- d) You must secure the building(s) and rectify any defects, which render the building(s) insecure
- e) the gas, water and electricity supplies are turned off at the mains (except electricity needed to maintain any fire or intruder alarm system in operation).

### O Fire Break Doors and Shutters

It is warranted that all fire break doors and shutters be kept closed except during working hours and be maintained in efficient working order.

### P Fire Extinguishing Appliances

It is warranted that all fire extinguishing appliances will be maintained in efficient working order during the currency of the insurance.

## Section 2 Loss of Profit

### Section 2(a) Business Interruption

In the event of loss as a result of interruption of, or interference with the Business following loss or destruction or damage to the Premises as a result of a Peril insured against under Section 1

loss, destruction or damage so caused, being termed Damage, for which payment has been made or liability admitted by an Insurer under any insurance covering Your interest in the property at the Premises against such loss destruction or damage

provided that such Damage would not have been excluded by Section 1 (Contents) or Section 4 (Buildings) of this Policy

We will pay to You in respect of loss of Gross Profit, the amount of loss resulting from such interruption or interference.

### Q Mortgagees

The act or neglect of any mortgagor or occupier of any building hereby insured whereby the risk of DAMAGE is increased without the authority of any mortgagees will not prejudice the interest of the latter party (or parties) in this insurance provided they notify Us immediately on becoming aware of such increased risk and pay additional premium if required.

### R Non-Invalidation

This insurance will not be invalidated by any act or omission or by an alteration whereby the risk of DAMAGE is increased unknown to or beyond Your control, provided that You immediately on becoming aware thereof give Us notice and pay an additional premium if required.

### S Repairs and Alterations

Tradesmen may be employed to effect repairs or minor structural alterations in all or any of the building(s) insured without prejudice to the insurance hereby.

### T Sale of Property Insured

If at the time of DAMAGE You have contracted to sell Your interest in any building hereby insured, and the purchase will not have been but will be thereafter completed, the purchaser on completion of the purchase (if and so far as the property is not otherwise insured against such DAMAGE by him or on his behalf) will be entitled to the benefit under this Section without prejudice to Your rights and Our liabilities until completion.

### U Subrogation Waiver

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

- a) any Company standing in relation of parent to subsidiary (subsidiary to parent) to You as defined in the Companies Act or the Companies (NI) Order as appropriate current at the time of DAMAGE
- b) any Company which is a subsidiary of a parent company of which You are yourself a subsidiary in each case within

the meaning of the Companies Act or the Companies (NI) Order as appropriate current at the time of DAMAGE.

### V Theft Damage to Buildings

Where there is no building insurance under this Section, We will pay for loss or damage (except for fire) to that part of the Premises referred to in the Schedule containing the Property Insured under this Section directly resulting from theft provided always that You are the owner of such premises or are legally liable for such damage subject always to Our maximum liability for damage by theft to the Premises not exceeding £25,000

### Definitions

(Note: For the purpose of any definition any adjustment implemented in current cost accounting will be disregarded)

Gross Profit The amount by which

- a) the sum of the amount of the Turnover and the amounts of the closing stock and work in progress shall exceed
- b) the sum of the amount of the opening stock and work in progress and the amount of the Uninsured Working Expenses.

## Section 2 Loss of Profit continued

### Note

The amounts of the opening and closing stocks (including work in progress) will be arrived at in accordance with Your usual accounting methods due provision being made for depreciation.

Rate of Gross Profit The Rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Incident.

Annual Turnover The Turnover during the twelve months immediately before the date of the Incident.

Standard Turnover The Turnover during the period in the twelve months immediately before the date of the Incident, which corresponds, with the Indemnity Period.

Under "Rate of Gross Profit" "Annual Turnover" and "Standard Turnover" adjustments will 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 Incident or which would have affected the Business had the Incident not occurred so that the figures thus adjusted represent as nearly as may be reasonably practicable the results which but for the Incident would have been obtained during the relative period after the Incident.

Incident Loss or destruction of or damage to property used by You at the Premises for the purpose of the Business

Indemnity Period The period beginning with the occurrence of the Incident and ending not later than the number of months shown in the Schedule during which the results of the Business are affected as a result of the Incident.

Uninsured Working Expenses Bad debts and purchases.

### B Basis of Claims Settlement

The insurance is limited to loss of Gross Profit due to (a) reduction in Turnover and (b) increase in cost of working and the amount payable as indemnity thereunder will be:

- a) in respect of a reduction in Turnover: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period will fall short of the Standard Turnover in consequence of the Incident
- b) in respect of increase in cost of working: the additional expenditure (subject to the provisions of the Uninsured Working Expenses Clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which, but for that expenditure would have taken place during the Indemnity Period in consequence of the Incident, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction 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 in consequence of the Incident.

### C Professional Accountants

Any particulars or details contained in Your books of account or other Business books or documents which may be required by Us under General Condition 6 for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for You and their report will be prima facie evidence of the particulars and details to which such report relates.

We will pay to You the reasonable charges payable by You to Your professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by Us under General Condition 6 and reporting that such particulars or details are in accordance with Your books of account or other Business books or documents, provided that the sum of the amount payable under this clause and the amount otherwise payable under the Section will in no case exceed the sum insured.

### D Alternative Trading

If during the Indemnity Period goods will be sold or services will be rendered elsewhere than at the Premises for the benefit of the Business either by You or by others on Your behalf, the money paid or payable in respect of such sales or services will be brought into account in arriving at the Turnover during the Indemnity Period.

### E Value Added Tax

To the extent that You are accountable to the tax authorities for Value Added Tax, all terms in this Section will be exclusive of such tax

### F Automatic Reinstatement of Sum Insured

In the event of a loss the Sum Insured hereby will not be reduced by the amount of such loss provided that You:

- a) pay the appropriate extra premium on the amount of loss from the date thereof to the date of expiry of the Period of Insurance
- b) if the loss results from theft, give effect to any additional protective devices that We may require for the further security of the Property Insured.

### G Inflation Protection

We will adjust the Sum Insured in line with suitable indices of costs and the renewal premium for the Policy will be based on the adjusted figure.

### H Extensions of Cover

#### 1 Notifiable Disease, Vermin Pests and Defective Sanitation, Murder or Suicide

We will indemnify You in respect of Damage as defined in this Section directly resulting from interruption of or interference with the Business during the Indemnity Period in consequence of the following contingencies:

- (a) any occurrence of a Notifiable Disease at the Premises
- (b) any discovery of an organism likely to result in the occurrence of a Notifiable Disease at the Premises
- (c) injury or illness sustained by any person caused by food or drink poisoning arising from food or drink supplied from the Premises
- (d) Vermin Pests and Defective Sanitation
- (e) Murder or suicide at the Premises

#### Definitions

For the purpose of this Extension the following definitions will apply:

##### Notifiable Disease

An illness sustained by any person caused by

- (a) any of the following human infectious or human contagious diseases: Acute Encephalitis, Acute Poliomyelitis, Anthrax, Chickenpox, Cholera, Diphtheria, Dysentery, Leprosy, Leptospirosis, Malaria, Measles, Meningococcal Infection, Mumps, Ophthalmia Neonatorum, Paratyphoid Fever, Plague, Rabies, Rubella, Scarlet Fever, Smallpox, Tetanus, Tuberculosis, Typhoid Fever, Viral Hepatitis, Whooping Cough, Yellow Fever
- (b) any discharge release or escape of legionella from water tanks, water systems, air-conditioning plants, cooling towers, and the like from any Premises located in Scotland

an outbreak of which the competent local authority has stipulated shall be notified to them.

##### Indemnity Period

In respect of Vermin Pests and Defective Sanitation

The period during which the results of the Business shall be affected in consequence due to the discovery or accident, beginning with the date from which restrictions on the use of the Premises are applied and ending not later than 3 (three) months thereafter.

In respect of all other contingencies:

The period during which the results of the Business shall be affected in consequence due to the occurrence or discovery, beginning with the date of the occurrence or discovery ending not later than 3 (three) months thereafter.

##### Vermin Pests and Defective Sanitation

- (a) the discovery of vermin or pests

or

- (b) any accident causing defects in the drains or other sanitary arrangements at the Premises which causes restrictions on the use of the Premises on the order or advice of the competent local authority.

## Section 2 Loss of Profit continued

### Exclusions

We will not indemnify You in respect of

- (a) Costs incurred in cleaning, repair, replacement, recall or checking of property
- (b) Loss arising from premises other than those directly subject to the occurrence
- (c) Any other Business Interruption Extensions
- (d) The provisions of any automatic reinstatement extension will not apply in respect of any of these contingencies
- (e) Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition.

### 2 Denial of Access

Subject to the conditions of this Section, loss resulting from interruption of or interference with the Business in consequence of loss, destruction of or damage to property in the vicinity of the Premises, loss or destruction of or damage to which will prevent the use of the Premises or access thereto whether the Premises or Your property therein will be damaged or not (but excluding loss or destruction of or damage to property of any supply undertaking from which You obtain electricity, gas, water or telecommunications services which prevents or hinders the supply of such services) will be deemed to be an Incident.

### 3 Suppliers

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction or damage at the premises of any of Your suppliers, manufacturers or processors of components, goods or materials, all in the Territorial Limits which will be deemed to be an Incident, but excluding the premises of any supply undertaking from which You obtain electricity, gas, water or telecommunication services provided that after the application of all other terms, conditions and provisions of the Policy, Our liability in respect of any one occurrence will not exceed £50,000.

### 4 Failure of Public Supply

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of loss, destruction, or damage to property at any

- a) generating station or sub station of the public electricity supply undertaking
- b) land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith
- c) water works and pumping stations of the public water supply undertaking
- d) land based premises of the public telecommunications undertaking

from which You obtain electricity, gas, water or telecommunications services within the Territorial Limits, which will be deemed to be an Incident.

### 5 Customers

This Section includes loss as insured by this Section resulting from interruption or interference with the Business in consequence of an Incident at the premises of any of Your customers in the Territorial Limits provided that:

- a) the term 'customers' means the companies, organisations or individuals with whom at the time of the Incident You had contracts or trading relationships to supply goods or services
- b) after the application of all other terms, conditions and provisions of the Policy, Our liability in respect of any one occurrence will not exceed £50,000.

### I Condition of Average

If the Sum Insured under this Section is less than the difference between sales and purchases, as adjusted for opening and closing stock, in the twelve months (or a proportionately increased multiple thereof when the Indemnity Period exceeds twelve months) before the Damage then the amount payable will be proportionately reduced.

### J Limit of Liability

Subject to the provisions of F Automatic Reinstatement of Sum Insured, the maximum amount payable during any Period of Insurance is the Sum Insured shown in the Schedule for the Business Interruption Section plus Professional Accountants Charges.

### K Duplicate Records

It is a condition precedent to liability in respect of CONSEQUENTIAL LOSS caused by erasure, loss, destruction or corruption of information on computer systems and or other records, programs or software insofar as they are insured by this Section that You must

- a) keep a copy of such information in a fire resisting safe or fire resisting cabinet
- b) update copies of information on a regular basis.

### L New Business

For the purpose of any claim arising from an Incident occurring before the completion of the first years trading of the Business at the Premises, Definitions 'Rate of Gross Profit' 'Annual Turnover' and 'Standard Turnover' will bear the following meanings and not as within stated

Rate of Gross Profit The Rate of Gross Profit earned on the Turnover during the period between the date of the commencement of the Business and the date of the Incident

Annual Turnover The proportional equivalent for a period of twelve months of the Turnover realised during the period between the commencement of the Business and the date of the Incident

Standard Turnover 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 Incident to which adjustments will 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 Incident or which would have affected the Business had the Incident not occurred, so that the figures thus adjusted will represent as nearly as may be reasonably practicable the results which but for the Incident would have been obtained during the relative period after the Incident.

### M Uninsured Working Expenses

If any working expenses of the Business is not insured by this Section (having been deducted in arriving at the Gross Profit as defined herein), then in computing the amount recoverable hereunder as an increase in cost of working, that proportion only of any additional expenditure will be brought into account which the Gross Profit bears to the sum of the Gross Profit and the Uninsured Working Expenses.

## Section 2(b) Loss of Accounts Receivable

### A The Cover

In the event of any of Your books of account or other Business books or records at the Premises or elsewhere within Great Britain, Northern Ireland or the Isle of Man being so destroyed or damaged by a Peril insured against under Section 1 as to render it impossible for You to obtain from Customers all sums due to You and outstanding at the date of the destruction or damage:

loss, destruction or damage so caused, being termed Damage, for which payment has been made or liability admitted by an Insurer under any insurance covering Your interest in the property at the Premises against such loss, destruction or damage

provided that such Damage would not have been excluded by Section 1 (Contents) or Section 4 (Buildings) of this Policy

We will indemnify You in respect of loss of Accounts Receivable in accordance with the following provisions:

The insurance under this Clause is limited to (a) loss of Accounts Receivable and (b) Additional Expenditure and the amount payable as indemnity thereunder will be:

- a) in respect of loss of Accounts Receivable: the difference solely due to the Incident and the total amount received in payment of them during the twelve months after the Incident
- b) in respect of additional expenditure: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Accounts Receivable which but for that expenditure would have occurred in consequence of the Incident, but not exceeding the amount which would otherwise have been payable under (a) above provided that Our liability in respect of any one loss will not exceed the sum insured shown in the Schedule.

## Section 2 Loss of Profit continued

### Definitions

(Note: For the purpose of any definition any adjustment implemented in current cost accounting will be disregarded)

**Accounts Receivable** The total amount of the balances debited to Customers in Your accounts after equitable allowances have been made for bad debts and for amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Incident) to Customers accounts at the date of the Incident.

**Customers** All Your customers who obtain goods or services from You on a credit basis.

**Incident** Loss, destruction of, or damage to Your books of account or other Business books or records at the Premises in respect of Accounts Receivable.

**Professional Accountants** Any particulars or details contained in Your books of account or other Business books or documents which may be required by Us under General Condition 6 for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for You and their report will be prima facie evidence of the particulars and details to which such report relates.

We will pay to You the reasonable charges payable by You to Your professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by Us under General Condition 6 and reporting that such particulars or details are in accordance with Your books of account or other Business books or documents, provided that the sum of the amount payable under this clause and the amount otherwise payable under the Section will in no case exceed the Sum Insured.

### B Condition of Average

If the Sum Insured under this Section at the time of Damage is less than the total amount of the Accounts Receivable, the amount payable will be proportionately reduced.

### C Limit of Liability

Subject to the provisions of D Automatic Reinstatement of Sum Insured, the maximum amount payable during any Period of Insurance is the Sum Insured shown in the Schedule for the Accounts Receivable Section plus Professional Accountants Charges.

### D Automatic Reinstatement of Sum Insured

In the event of a loss, the Sum Insured hereby will not be reduced by the amount of such loss provided that You:

- a) pay the appropriate extra premium on the amount of loss from the date thereof to the date of expiry of the Period of Insurance
- b) if the loss results from theft, give effect to any additional protective devices that We may require for the further security of the Property Insured.

### E Duplicate Records

It is a condition precedent to liability in respect of CONSEQUENTIAL LOSS

caused by erasure, loss, destruction or corruption of information on computer systems and or other records, programs or software insofar as they are insured by this Section that You must

- a) keep a copy of such information in a fire resisting safe or fire resisting cabinet
- b) update copies of information on a regular basis.

### Exclusions to Sections 2(a) Business Interruption & 2(b) Accounts Receivable

The Insurance by these Sections does not cover:

- 1 CONSEQUENTIAL LOSS caused by or consisting of:
  - the bursting by steam pressure of a boiler, economiser, vessel, machine or apparatus in which internal pressure is due to steam only, and belonging to You or under Your control other than in respect of any boiler or economiser on the Premises or a boiler used for domestic purposes only.
  - This exclusion will not apply to subsequent CONSEQUENTIAL LOSS which itself results from a cause not otherwise excluded.
- 2 CONSEQUENTIAL LOSS caused by the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunication services.

This exclusion will not apply in respect of:

- a) such CONSEQUENTIAL LOSS not otherwise excluded which itself results from a Defined Peril or from any other accidental loss destruction or damage
- b) subsequent CONSEQUENTIAL LOSS which results from a cause not otherwise excluded.
- 3 loss resulting from pollution or contamination but this shall not exclude loss resulting from destruction or damage to property used by the Insured at the Premises for the purposes of the Business not otherwise excluded caused by
  - i) pollution or contamination at the Premises which itself results from a Defined Peril
  - ii) a Defined Peril which itself results from pollution or contamination.
- 4 CONSEQUENTIAL LOSS arising directly or indirectly from:
  - i) erasure, loss, distortion or corruption of information on computer systems or other records, programs or software caused deliberately by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotion or malicious persons
  - ii) other erasure, loss, distortion or corruption of information on computer systems or other records, programs or software unless resulting from a Defined Peril insofar as it is not otherwise excluded.
- 5 loss resulting from destruction of or damage to a building or structure used by You at the Premises, caused by its own collapse or cracking unless resulting from a Defined Peril insofar as it is not otherwise excluded.
- 6 CONSEQUENTIAL LOSS arising directly or indirectly from mislaying or misfiling of records and tapes.

## Section 3 Legal Liabilities

### Section 3(a) Employers Liability

#### A The Cover

We will indemnify You against all sums that You become legally liable to pay as damages together with costs and expenses shown below in respect of Injury sustained within the Territorial Limits during the Period of Insurance by any Employee arising out of his employment by You in the course of the Business.

#### B Limit of Indemnity

Our liability under this Section for damages, costs and expenses payable in respect of any one claim against You, or series of claims against You arising out of one event will not exceed the amount stated in the Schedule.

Costs and expenses will be deemed to mean:

- a) costs and expenses of claimants for which You are legally liable

- b) other costs and expenses incurred with Our written consent in respect of any claim which may be the subject of indemnity under this Section
- c) solicitors fees incurred with Our written consent for:

- i) defence in any Court of Summary Jurisdiction of any proceedings brought against You in respect of breach or alleged breach of any statutory duty resulting in Injury
- ii) representation at a Coroners Court or Fatal Accident Inquiry in respect of any death, which may be the subject of indemnity under this Section

- d) legal costs and expenses incurred by You and at Your request, any director or Employee with Our written consent and costs awarded against You or Your director or Employee arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence during the Period of Insurance under the Health and Safety etc Act 1974 or

## Section 3 Legal Liabilities continued

similar safety legislation of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man provided that:

- i) the proceedings relate to the health, safety, or welfare of Employees
- ii) We will not indemnify You in respect of:
  - a) fines or penalties
  - b) costs and expenses insured by any other policy.

### C Right of Recovery

This Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, but You must repay to Us all sums paid by Us which We would not have been liable to pay but for the provisions of such law.

### D Unsatisfied Court Judgements

In the event of Injury to an Employee sustained during the Period of Insurance and arising out of his employment by You in the course of the Business, which results in a judgement for damages being obtained by such Employee or his personal representatives, and which remains unsatisfied in whole or in part six months after the date of such judgement, We will at Your request pay to the Employee or his personal representatives the amount of any such damages and any awarded costs to the extent that they remain unsatisfied provided that:

- a) the judgement for damages is obtained:
  - i) in a court of law within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
  - ii) against a company, partnership or individual other than You, conducting at or from premises within the territories described in (a) (i) above
- b) there is no appeal outstanding
- c) if any payment is made under the terms of this clause the Employee or the personal representative of the Employee shall assign the judgement to Us.

### E Vehicles

This Section does not provide an indemnity in respect of any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or other compulsory road traffic act legislation.

## Section 3(b) Public And Products Liability

### A The Cover

We will indemnify You against all sums that You shall become legally liable to pay as damages and costs and expenses of claimants in respect of:

- a) accidental Injury to any person
- b) accidental loss of or damage to material property
- c) accidental nuisance or trespass, obstruction, loss of amenities or interference with any right of way, light, air or water
- d) wrongful arrest, detention, imprisonment or eviction of any person, or invasion of the right of privacy
 

occurring within the Territorial Limits during the Period of Insurance

  - i) happening in the course of the Business, or
  - ii) caused by the Products.

### B Limit of Indemnity

Our liability for all damages payable to any claimant or number of claimants as a result of any one occurrence or all occurrences of a series consequent upon, or attributable to one source or original cause will not exceed the Limit of Indemnity stated in the Schedule, but the Limit of Indemnity will be the maximum amount payable in any one Period of Insurance in respect of liability arising from anything sold or supplied by You.

### C Costs

We will in addition:

- 1 pay all other costs and expenses incurred with Our written consent in

respect of any claim, which may be the subject of indemnity under this Section.

- 2 pay solicitors fees incurred with Our written consent for:
  - a) defence in any Court of Summary Jurisdiction of any proceedings brought against You in respect of breach or alleged breach of any statutory duty resulting in Injury
  - b) representation at a Coroners Court or Fatal Accident Inquiry which may be the subject of indemnity under this Section.
- 3 indemnify You and at Your request any director or Employee in respect of legal costs and expenses incurred with Our written consent and costs awarded against You, Your director or Employee arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence occurring during the Period of Insurance under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man providing that:
  - a) the proceedings relate to the health, safety or welfare of persons other than Employees
  - b) We will not indemnify the Insured in respect of:
    - i) fines or penalties
    - ii) costs and expenses insured by any other policy.
- 4 indemnify You in respect of legal costs and expenses incurred with Our written consent in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of Part II of the Consumer Protection Act 1987 provided that:
  - a) the proceedings relate to an offence alleged to have been committed in the course of the Business during the Period of Insurance
  - b) We will not indemnify You in respect of
    - i) fines or penalties
    - ii) costs and expenses insured by any other policy.

### D Discharge of Liability

We may pay the Limit of Indemnity or any lesser amount for which any claim or claims against You can be settled, and We will be under no further liability in respect of such claim or claims except for costs or expenses incurred prior to the date of such payment.

### E Cross Liabilities

This Section will apply separately to each person named in the Schedule as if a separate policy had been issued to each provided that, if We are required to indemnify more than one party in respect of any occurrence, Our liability will not in the aggregate exceed the Limit of Indemnity.

### F Defective Premises Act

Legal liability in respect of Injury, loss or damage arising solely by reason of Section 3 of the Defective Premises Act 1972 or Article 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of any premises previously owned for purposes pertaining to the Business and since disposed of by You, is included within the terms of the indemnity provided in Section 3b, but indemnity will not apply if You are entitled to indemnity under any other insurance.

### G Contingent Motor Liability

Notwithstanding Exclusion 1 (b), We will indemnify You in the terms of Section 3b against legal liability in respect of Injury, loss or damage arising out of the use in connection with the Business of any motor vehicle not owned or provided by You.

The indemnity will not apply to legal liability:

- a) in respect of loss of or damage to any such vehicle or to goods conveyed therein or thereon
- b) in respect of Injury, loss or damage arising while such vehicle is being:
  - i) driven by You
  - ii) driven with Your general consent or that of Your representative, by any person who to Your knowledge or to that

## Section 3 Legal Liabilities continued

of such other representative does not hold a licence to drive such a vehicle unless such a person has held and is not disqualified from holding or obtaining such a licence

- iii) used elsewhere than in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- c) in respect of which You are entitled to indemnity under any other insurance.

### H Tenants Liability

Exclusion 4 b) on page 16 will not apply to premises leased, let, rented, hired, or lent to You, provided that the indemnity will not apply to legal liability in respect of:

- a) loss or damage arising under agreement unless liability would have attached to You in the absence of such agreement
- b) loss of or damage to premises caused by fire or any other Peril against which a tenancy or other agreement stipulates that insurance shall be effected by You or on Your behalf
- c) the Excess shown in the Schedule in respect of any claim caused otherwise than by fire or explosion.

### I Overseas Personal Liability

We will indemnify You and if You so request any of Your directors, partners, 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 will not apply to legal liability:

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

### J USA and Canada

Insofar as this Section applies to legal liability arising in the United States of America or Canada, or if an action for damages is commenced therein or if any subsequent action in connection therewith is brought elsewhere in the world:

- a) Our liability in respect of all damages payable, together with the costs and expenses of claimants, and any other costs and expenses incurred with Our written consent will not exceed the Limit of Indemnity
- b) the indemnity will not apply in respect of punitive damages and/or exemplary damages and/or aggravated damages and/or any additional damages resulting from the multiplication of compensatory damages or by way of fines or penalties.

### Exclusions To Section 3(b)

We will not be liable for legal liability

- 1 a) arising out of:
  - i) work in or on aircraft
  - ii) work in or on airports or aerodromes, runways, manoeuvring areas or aprons, or those parts of airports or aerodromes to which aircraft have access
  - iii) the ownership, possession or use by You or on Your behalf of any aircraft or watercraft
- b) arising out of the ownership, possession or use by You or on Your behalf of any mechanically propelled vehicle or trailer attached thereto in circumstances where compulsory insurance or security is required, or where insurance is provided by another policy
- 2 in respect of Injury or loss of or damage to property caused by or in connection with Products which:
  - a) are in Your custody or control
  - b) to Your knowledge are for use in or on any aircraft and which are critical to the safety or airworthiness of the aircraft
  - c) to Your knowledge are directly or indirectly exported to the United States of America or Canada
- 3 in respect of Injury to any Employee
- 4 in respect of loss of or damage to:
  - a) property belonging to You
  - b) property which is leased, let, rented, hired, or lent to, or which is the subject of a bailment to You.
- 5 a) in respect of the cost or value of any Products or replacement, repair, removal, rectification or reinstatement thereof, where legal liability arises from a defect in or the unsuitability of such Products
  - b) for any costs incurred in recalling or modifying any Products
  - c) for the costs of remedying any defect or alleged defect in land or premises sold or disposed of by You or for any reduction in the value thereof.
- 6 assumed by You under agreement unless the conduct and control of claims is vested in Us
 

but indemnity will not in any event apply to:

  - a) liquidated damages, fines or penalties
  - b) legal liability which attaches by virtue of an express warranty, indemnity or guarantee given or entered into by You in connection with any Products and which would not have attached in the absence of such warranty indemnity or guarantee.
- 7 the Excess shown on the Schedule in respect of each and every claim for damage to property.
- 8 in respect of Pollution or Contamination
  - a) occurring in the United States of America or Canada or dependency or trust territory
  - b) occurring elsewhere unless caused by a sudden identifiable unintentional and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

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

Our liability for all damages payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance shall not exceed in the aggregate the amount shown in the Schedule as the Limit of Indemnity for any one event.

For the purpose of this exclusion and limitation 'Pollution or Contamination' shall mean:

  - i) all Pollution or Contamination of buildings or other structures or of water or land or the atmosphere

and

  - ii) all loss or damage or injury directly or indirectly caused by such Pollution or Contamination.
- 9 arising out of:
  - a) work on offshore installations
  - b) lack of care or skill in the giving of professional or other advice or treatment (other than first aid treatment)
  - c) design or specification provided separately for a fee or for which a fee would normally be charged or provided under a separate contract.
  - d) any action for damages brought in a Court of Law of any territory outside Great Britain, Northern Ireland, the Channel Islands, or the Isle of Man, in which You have a branch or subsidiary, or are represented by a party domiciled in such territory or by a party holding Your Power of Attorney.
- 10 in respect of Injury loss or damage directly or indirectly caused by arising from in consequence of or in any way involving asbestos.
 

Provided that this exclusion shall not apply to liability for Injury or loss of or damage caused by any commodity article or thing containing asbestos where the presence of asbestos is not in itself a direct or indirect cause of such Injury or loss or damage.

### Fire Precautions Condition

No liability will attach to Us under this Section unless You, Your Employees or subcontractors comply with the following precautions whenever carrying out any work involving the application of heat or use of angle grinders:

## Section 3 Legal Liabilities continued

- a) When blow torches, blow lamps, electric oxy-acetylene or other welding or flame cutting equipment, hot air guns or angle grinders are to be used:
- i) a thorough examination in the immediate vicinity of the work (including the area of work itself and including the area on the other side of any wall or partition) must be made to see whether any combustible material is in danger of ignition, either directly and/or by conduction of heat, and a record of inspection kept
  - ii) all moveable and combustible materials (including materials to be worked upon or which have been worked upon and, to the greatest extent practicable, any materials in the course of being worked upon) must be moved away from the immediate vicinity of the work to a distance of not less than fifteen metres from the point of application of heat or use of angle grinders
  - iii) all combustible material which cannot be moved (including materials to be worked upon or which have been worked upon and, to the greatest extent practicable, any materials in the course of being worked upon) shall be covered and fully protected by overlapping sheets or screens of non-combustible material
- b) there will be available for immediate use within the area of hot work operations either:
- two portable multi-purpose dry powder fire extinguishers with a minimum capacity of 4.0 kilograms each and serviced in accordance with BS 5306-3
- or
- other extinguishers suitable for the processes being undertaken, materials worked upon and environment being worked in
- said extinguishers are to comply with European Standard BS EN 3 or British Standard BS 5423 and to be serviced in accordance with British Standard BS5306 Part 3. Furthermore, all persons involved with such hot work operations and undertaking fire watch duties are to be trained in the use of fire extinguishers
- c) the lighting of all blow lamps, blow torches, welding and cutting equipment must be carried out strictly in accordance with the manufacturers instructions and lighted equipment must not be left unattended. The equipment must not be lit until required and must be extinguished immediately after use.
- d) where the equipment involves the use of gas cylinders, those cylinders not required for immediate use must be kept outside the building in which the work is taking place (and in the event at least fifteen metres from the point of application of heat or use of angle grinders)
- e) any tar, bitumen or asphalt boiler must not be left unattended and will be located at ground level on a non-combustible surface and in the open air whilst lighted
- f) for one hour after completion of each period of work involving the application of heat or use of angle grinders, or for one hour after the

completion of work involving the application of heat or use of angle grinders in any area in all circumstances that the area previously worked upon ceases to be sufficiently visible to ensure that any outbreak of fire or signs of the possible outbreak of fire will be noticed, any area or areas in which work has been carried out must not be left unattended and a thorough inspection of the area surrounding the work (including that described in paragraph A.i. above) must be made at frequent intervals up to the end of the period of one hour to ensure that nothing is smouldering and there is no risk of fire (and a record of inspection shall be kept).

### Extensions to Sections 3 (a) And 3 (b)

#### 1 Additional Persons Insured

- a) In the event of the death of any person entitled to indemnity under this Section, We will indemnify in the terms of this Section the deceased's legal personal representatives, but only in respect of liability incurred by such deceased person
- b) At Your request, We will indemnify in the terms of this Section:
- i) any principal in respect of liability arising out of the performance by You of any agreement entered into by You with the principal to the extent required by such agreement
  - ii) any of Your directors or Employees in respect of liability arising in connection with the Business provided You would have been entitled to indemnity under this Section if the claim had been made against You
  - iii) any officer, committee or member of Your canteen, sports, social or welfare organisations, fire, security, first aid, medical or ambulance services in their respective capacities as such
  - iv) any of Your directors or senior officials in respect of private work undertaken by any Employee for such director or senior official

provided that:

- a) each person as though they were You, observes, fulfils and is subject to the terms of this Section insofar as they can apply
- b) We will retain the sole conduct and control of all claims

#### 2 Compensation for Court Attendance

In the event of any of the following persons attending court as a witness at Our request, in connection with a claim in respect of which You are entitled to indemnity under this Section, We will provide compensation to You at the following rates per day, for each day on which attendance is required:

- a) any of Your directors or partners £100
- b) any Employee £50.

## Section 4 Buildings

### Property Insured

**Item 1** The Buildings of the Premises insured including landlords fixtures and fitting therein and thereon, walls, gates and fences, yards, car parks and pavements, piping, ducting, cables, wires and associated control gear and accessories on the Premises and extending to the public mains but only to the extent of Your responsibility.

Excluding:

- a) property or structures in course of construction or erection, and materials or supplies in connection with all such property in course of construction or erection
- b) land, roads, pavements, piers, jetties, bridges, culverts, or excavations

unless specifically mentioned as insured in respect of Section 4.

### Definition

Defined Peril The words 'Defined Peril' will mean Insured Perils 1 to 7 and 9 inclusive shown in A Insured Perils below.

### A Insured Perils

We will indemnify You against DAMAGE to the Property Insured caused by the following Perils:

- 1a) Fire (including subterranean fire), lightning, or earthquake excluding DAMAGE caused by:
  - i) fire resulting from its own spontaneous fermentation or heating
  - ii) fire resulting from its undergoing any heating process or any process involving the application of heat
- 1b) Explosion of boilers or gas used for domestic purposes only excluding DAMAGE caused by earthquake or subterranean fire.
- 2 Explosion excluding DAMAGE
  - a) caused by the bursting by steam pressure of a boiler, economiser, vessel, machine or apparatus in which internal pressure is due to steam only and belonging to You or under Your control

## Section 4 Buildings continued

- b) in respect of and originating in any vessel, machinery or apparatus or its contents belonging to or under Your control which requires to be examined to comply with any Statutory Regulations. Such vessel, machinery or apparatus shall be the subject of a policy or other contract providing the required inspection service.
- 3 Storm or flood excluding:
- DAMAGE caused by frost, subsidence, ground heave or landslip
  - DAMAGE attributable solely to change in water table level
  - DAMAGE to fences and gates
  - the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average.
- 4 Escape of water from any tank, apparatus or pipe (including damage to any fixed tank apparatus or pipe, caused by freezing or forcible and violent bursting) excluding:
- DAMAGE in respect of any building which is Empty
  - the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average
  - DAMAGE caused by wet or dry rot, rust, corrosion or other wear and tear.
- 5 Riot, civil commotion, strikers, locked-out workers, or persons taking part in labour disturbances or malicious persons excluding:
- DAMAGE arising from cessation of work
  - as regards DAMAGE (other than by fire or explosion) directly caused by malicious persons not acting on behalf of or in connection with any political organisation:
    - DAMAGE by theft
    - DAMAGE in respect of any building which is Empty
    - the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average.
- 6 Impact with the Premises by aircraft or other aerial devices or articles dropped from them, or by any vehicle, train, animal, falling branch, aerial or mast or satellite dish, excluding the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average, in respect of impact by vehicles or animals belonging to You or under Your control.
- 7 Leakage of oil from any fixed heating installation.
- 8 Theft or any attempted theft, involving entry to or exit from the Premises by forcible and violent means excluding loss or damage in respect of
- any building which is Empty
  - the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average.
- 9 Any other accidental loss or damage occurring in the Premises excluding
- the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average
  - DAMAGE caused by or resulting from:
    - inherent vice, latent defect, gradual deterioration, wear, tear, frost, change in water table level, its own faulty or defective design or materials, the action of light or atmosphere
    - faulty or defective workmanship, operational error or omission on Your part or that of Your Employees
- but this will not exclude subsequent DAMAGE which itself results from a cause not otherwise excluded
- DAMAGE caused by or resulting from:
    - corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, mould, dryness, marring, scratching, bruising or deterioration, moths, vermin or insects
    - change in temperature, colour, flavour, texture or finish
    - theft or any attempted theft
    - DAMAGE consisting of joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith
- but this will not exclude:
- such DAMAGE not otherwise excluded which itself results from a Defined Peril
  - subsequent DAMAGE which itself results from a cause not otherwise excluded
- DAMAGE caused by or resulting from:
    - subsidence, ground heave or landslip, unless resulting from fire, explosion, earthquake or the escape of water from any tank apparatus or pipe
    - the settlement or movement of made-up ground or normal settlement or bedding down of new structures
    - coastal or river erosion
- DAMAGE from wind, hail, sleet, snow, flood or dust to boundary walls, gates and fences
- DAMAGE (other than by fire or explosion) resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair
- DAMAGE specifically excluded:
    - in Insured Perils 1-8
    - in the General Exceptions
- any process of cleaning, dyeing, restoring, adjusting or repairing
- DAMAGE to a building or structure caused by its own collapse or cracking
- normal maintenance or repair
- DAMAGE to fixed glass in respect of any building which is Empty
- DAMAGE arising from the failure of the supply of water, gas, electricity, fuel or telecommunications or the deliberate act of a supply undertaking withholding such supply.

### This Section Does Not Cover

- Your infidelity or dishonesty or that of any Employee or other persons to whom Property Insured may be entrusted, nor loss, destruction or damage resulting from You voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme, trick, device or false pretence, or any unexplained loss or loss or shortage disclosed on taking inventory.
- Property which at the time of the happening of 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 insurance not been effected.
- any property otherwise insured.
- Consequential Loss or damage of any kind or description except loss of rent when such loss is included in the cover under this Section.
- DAMAGE to any electrical part or apparatus caused by its own over-running, short-circuiting, excessive pressure or self-heating, but should DAMAGE extend to and damage or destroy any other part of the plant or apparatus or other Property Insured hereby, such DAMAGE is not excluded by this Section.
- Loss, destruction, or damage caused by pollution or contamination except (unless otherwise excluded) destruction or damage to the Property Insured caused by:

## Section 4 Buildings continued

- a) pollution or contamination which itself results from a Peril hereby insured against
- b) any Peril hereby insured against which itself results from pollution or contamination.

### B Damage to Cables and Underground Pipes

We will pay the cost of repairing accidental damage for which You are responsible to cables, underground pipes and drains (and their inspection covers) on the Premises or connecting them to the public mains, provided such damage is not caused by rust, corrosion, or other wear and tear.

### C Condition of Average

If at the time of any DAMAGE the value of the Property Insured under any item is greater than its Sum Insured You will be considered as being Your own insurer for the difference and will bear a rateable share of the loss accordingly.

### D Inflation Protection Clause

We will adjust the Sum Insured in line with suitable indices of costs and the renewal premium for this Section will be based on the adjusted Sum Insured.

### E Trace and Access

We will pay the reasonable costs necessarily incurred by You in locating the source and subsequent making good of DAMAGE resulting from:

- a) the escape of water from any tank, apparatus or pipe
- b) accidental damage to cables, underground pipes and drains serving the Premises

provided that Our liability in respect of any one loss does not exceed £25,000.

### F Limit of Liability

Subject to the provisions of Clause H Automatic Reinstatement of Sum Insured on page 10, the maximum amount payable during any Period of Insurance under any item including any payment made under any Special Clause, is the Sum Insured shown in the Schedule for the Buildings Section, adjusted in accordance with the Inflation Protection clause.

### Clauses

For Clauses applying to Section 1 (Contents) and Section 4 (Buildings) see Page 9.

## Section 5 Subsidence

The following Insured Peril (11 in respect of Section 1 and 10 in respect of Section 4) is added to Paragraph A of Sections 1 and 4.

Subsidence or Ground Heave of any part of the site on which the Premises stands or Landslip excluding:

- a) the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average
- b) destruction or damage to yards, car parks, roads, pavements, walls, gates and fences, unless also affecting a building insured hereby
- c) destruction or damage caused by or consisting of:
  - i) the normal settlement or bedding down of new structures
  - ii) the settlement or movement of made-up ground
  - iii) coastal or river erosion
  - iv) defective design or workmanship or the use of defective materials
- v) fire, subterranean fire, explosion, earthquake, or the escape of water from any tank, apparatus or pipe
- d) destruction or damage which originated prior to the inception of this cover
- e) destruction or damage resulting from
  - i) demolition, construction, structural alteration or repair of any property or
  - ii) groundworks or excavation at the Premises

### Special Condition

Insofar as this insurance relates to destruction or damage caused by Subsidence, Ground Heave or Landslip:

- a) You must notify Us immediately You become aware of any demolition, ground works, excavation, or construction being carried out on any adjoining site
- b) We will then have the right to vary the terms or cancel the cover.

## Section 6 Theft by Employees

The following extension of cover is added to paragraph E (Extensions of Cover) of Section 1 - Contents.

Any direct loss caused by an act of fraud or dishonesty committed by any Employee in the course of the Business and occurring during the Period of Insurance excluding:

- a) the Excess shown in the Schedule in respect of each and every claim
- b) acts committed prior to the commencement of this Section
- c) losses occurring during the currency of this Section and not discovered within 14 days of the expiry of the Period of Insurance
- d) any monies which would have been payable by You to an Employee but for the Employee's dishonesty

Provided that:

- i) Our liability under this Extension does not exceed £5,000 in any one Period of Insurance
- ii) the conditions of employment and the precautions and checks taken by You to prevent dishonesty on the part of the Employees will remain while this Policy is in force in all respects as have been agreed in the Statement of Insurance constituting the basis of this contract and any omission or neglect of such precautions or checks on Your part, or any variation in the occupation and duties of the Employees, or any alteration in the mode of remuneration of the Employees except by increase in salary shall relieve Us of all liability whatsoever hereunder.

## Section 7 Specified all Risks

### A Indemnity

We will indemnify You against loss of or damage to the property described in the Schedule by any accident or misfortune occurring anywhere within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, and for up to 30 consecutive days elsewhere in the world.

#### Excluding:

- a) the Excess shown in the Schedule in respect of each and every loss as ascertained after the application of any condition of Average
- b) any property otherwise insured
- c) loss or damage arising from wear and tear or from any process of cleaning, dyeing, restoring, adjusting or repairing
- d) loss or damage arising from or attributable to the action of light or atmosphere, moths, parasites, vermin, corrosion, dampness, mould, marring, scratching, bruising or deterioration
- e) loss or damage (other than by fire) to any machine or apparatus arising from mechanical or electrical breakdown or derangement or arising from adjustment, maintenance or repair
- f) erasure or distortion of information on computer systems or their records
- g) loss by official confiscation or detention
- h) loss of or damage to Money, documents, securities, motor vehicles, caravans, boats, cycles, household goods, sports equipment, contact or corneal lenses
- i) loss or damage by theft from an unattended motor vehicle unless such motor vehicle has been securely locked at all points of access
- j) theft or attempted theft from the Premises not involving entry to or exit by forcible and violent means
- k) loss or damage to any electrically driven machine or apparatus directly caused by its own overrunning, shortcircuiting, self-heating or by the application of excessive electrical energy or mechanical derangement not arising from external impact
- l) loss or damage to any component part of any item insured in the Schedule while such part is removed from its normal position in the item.

### B Reinstatement

Claims will be settled on the basis of the cost of repair or current replacement value without deduction for wear and tear, provided that all the necessary repairs or replacements are carried out without delay.

### C Condition of Average

If at the time of any loss or damage the value of the Property Insured under any item is greater than its Sum Insured, You will be considered as being Your own insurer for the difference and will bear a rateable share of the loss accordingly.

### D Inflation Protection Clause

We will adjust the Sum Insured in line with suitable indices of costs and the renewal premium for this Section will be based on the adjusted Sum Insured.

### E Limit of Liability

Subject to the provisions of F Automatic Reinstatement of Sum Insured, the maximum amount payable during any Period of Insurance under any item is the Sum Insured shown in the Schedule for the Specified All Risks Section, adjusted in accordance with the Inflation Protection Clause.

### F Automatic Reinstatement of Sum Insured

In the event of a loss, the Sum Insured hereby will not be reduced by the amount of such loss provided that You:

- a) pay the appropriate extra premium on the amount of loss from the date thereof to the date of expiry of the Period of Insurance
- b) if the loss results from theft, give effect to any additional protective devices, which We may require for the further security of the Property Insured.

## Section 8 Computer Breakdown

### Property Insured

#### Item 1 Computer Equipment

Computer and auxiliary equipment used for electronic processing communication and storage of data including:

- a) fixed disks, interconnecting wiring and telecommunications systems
- b) temperature and environmental control equipment, power supply voltage regulating and other protective equipment used exclusively in connection with the Computer Equipment.

#### Item 2 Computer Records

All current and back up computer records (excluding fixed disks and paper records of any description) incorporating stored programs and/or information stored thereon that is Your property or is leased, hired or rented to You, on the Premises or anywhere within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

### A Insured Perils

We will indemnify You for loss or damage to the Property Insured caused by the following Perils:

- 1 Breakdown or failure of any part of the Computer Equipment or Computer Records whilst in ordinary use arising from either

mechanical or electrical defect causing a stoppage of normal functions.

- 2 Failure or fluctuation of the supply of electricity to the Computer Equipment.
- 3 Erasure, destruction, corruption, or distortion of software contained, or data stored on fixed disks or Computer Records.

#### Excluding:

- 1 Loss, destruction or damage to the Property Insured:
  - a) occasioned by its own breakdown, unless there is in force an Approved Maintenance Agreement providing a minimum service of on call remedial and/or corrective maintenance at inclusive costs
  - b) for which any manufacturer, supplier, agent or maintenance undertaking is responsible under the terms of a guarantee or maintenance agreement
  - c) for which You are relieved of responsibility under any rental, hire or lease agreement
  - d) caused by any of the Insured Perils stated in Section 1 - Contents whether insured or not
  - e) caused by or consisting of wear and tear or, deterioration due to atmospheric or climatic conditions, but this Exclusion does not

## Section 8 Computer Breakdown continued

apply to subsequent loss, destruction or damage which itself results from a cause not otherwise excluded

- f) caused by a deliberate act of a supply undertaking in withholding the supply of electricity or telecommunications services, unless for the sole purpose of safeguarding life
- g) caused by the inability of the supply undertaking to maintain the supply system due to industrial action by its employees
- h) caused by the use of telecommunications equipment which is not approved by the telecommunications authority
- i) caused by it undergoing any process of production, packaging, treatment, testing, commissioning, servicing or repair
- j) caused by the use of unproven software which has not been finalised, or which has not passed all the testing procedures, or which has not been successfully proven
- k) caused by programming errors or design defects in software.

2 The Excess shown in the Schedule in respect of each and every loss.

### B Limit of Liability

The maximum amount payable during any Period of Insurance including any payment made under any Special Clause is:

**Item 1** Computer Equipment  
the Sum Insured shown in the Schedule.

**Item 2** Computer Records  
£5,000.

### C Reinstatement Clause

In the event of loss, damage or destruction to Item 1, the basis upon which the amount payable hereunder is to be calculated will be the reinstatement value of the property lost, destroyed or damaged.

For this purpose 'reinstatement' means

- a) the rebuilding or replacement of property lost or destroyed, which, provided Our liability is not increased may be carried out
  - i) in any manner suitable to Your requirements
  - ii) upon another site
- b) the repair or restoration of property damaged
 

in either case, to a condition equivalent to, or substantially the same as, but not better or more extensive than, its condition when new.

Special Conditions

- 1 Our liability for the repair or restoration of property damaged in part only will not exceed the amount which would have been payable had such property been wholly destroyed.
- 2 If at the time of reinstatement the sum insured representing 85% of the cost that would have been incurred in reinstating the whole of the property covered by any item (subject to this clause) exceeds its Sum Insured at the commencement of any destruction or damage, Our liability will not exceed that proportion of the amount of the destruction or damage which the said Sum Insured bears to the sum representing the total cost of reinstating the whole of such property at that time.
- 3 No payment beyond the amount which would have been payable in the absence of this clause will be made:
  - a) unless reinstatement commences and proceeds without reasonable delay
  - b) until the cost of reinstatement has actually been incurred
  - c) if the Property Insured at the time of its loss, destruction or damage is insured by any other insurance effected by You, or on Your behalf, which is not upon the same basis of reinstatement.

4 All the terms and conditions of the Policy apply:

- a) in respect of any claim payable under the provision of this clause except insofar as they are varied hereby
- b) where claims are payable as if this clause had not been incorporated.

### D Subrogation Waiver

We agree to waive any rights of subrogation against any user of the Computer Equipment provided that:

- a) the user has Your authority to use the Computer Equipment and
- b) the user as if they were You, observes, fulfils, and is subject to the Terms, Exclusions and Conditions of this Section.

### E Extensions of Cover

In addition You will be indemnified against:

#### 1 Additional Expenditure

The additional expenditure necessarily and reasonably incurred by You to:

- a) prevent or minimise the interruption of or interference with the work normally carried out by or on the Computer Equipment
- b) recompile or restore data or software, or replace third party proprietary software

in direct consequence of loss or damage to Property Insured caused by Insured Peril 1 (exclusion f shall not apply) provided that Our liability does not exceed £10,000 in any Period of Insurance.

#### 2 Incompatibility of Computer Records

The costs of:

- a) modification of the Computer equipment or
- b) replacement of Computer Records together with reinstatement of programs and/or information thereon

whichever is the lesser amount to achieve compatibility in the event that the loss of Computer Equipment has resulted in undamaged Computer Records being **incompatible with** the replacement Computer Equipment provided that Our liability does not exceed £5,000 in any Period of Insurance.

#### 3 Additional Rental

The additional rental arising out of the replacement of a lease/hire agreement in respect of the Property Insured by a new contract for similar property consequent upon loss or damage insured by this Section provided that Our liability does not exceed £5,000 in any Period of Insurance.

## Section 9 Personal Accident

### Definitions

**Accidental** Sudden and external cause that is unpredictable and fortuitous.

**Benefit(s)** The Weekly Sum and Capital Sum specified in the Schedule.

**Bodily Injury** Bodily Injury and Death but excluding any sickness, disease or medical disorder or any Injury due to a gradually operating cause.

**Capital Sum** The maximum amount payable in respect of Death, Loss of Limb or Sight, or Permanent Total Disablement.

**Loss of Limb(s)** Loss by physical severance at or above the wrist or ankle.

**Loss of Sight** Total and irrecoverable Loss of Sight.

**Permanent Total Disablement** Absolute disablement from giving attention to or disablement from engaging in any and every kind of profession and occupation and that in the opinion of an independent medical referee the Insured Person is beyond hope of improvement.

**Temporary Total Disablement** Disablement wholly preventing the Insured Person from attending to or engaging in any and every profession and occupation part time or otherwise.

**Weekly Sum** The amount payable per week for a maximum of 104 weeks in respect of Temporary Total Disablement.

**Insured Person** Each of Your director's, principals, or partners aged not more than 65 years old specified in the Schedule.

### Cover

We will pay the Benefits as stated in the Schedule to the Insured Person (or his legal representatives) to the extent and manner set forth within this Policy if during the Period of Insurance the Insured Person whilst pursuing the Business, Trade or Occupation specified in the Schedule sustains Death, Loss of Limb(s) or Sight, or Permanent or Temporary Total Disablement within 12 months of an Accidental Bodily Injury.

Our Liability will not exceed the Benefits specified in the Schedule.

### Insured Events

The Benefits are payable under this Policy in the event of any of the following occurrences:

#### Benefit A - Capital Sum Payable

- i) Death
- ii) Total and irrecoverable Loss of Sight in one or both eyes
- iii) Loss of one or more Limbs
- iv) Permanent Total Disablement (other than by Loss of Limbs or Sight) which after 104 weeks from the date of the Injury prevents the Insured Person from following, engaging in or giving attention to any kind of profession or occupation.

#### Benefit B - Weekly Sum Payable

Temporary Total Disablement but excluding the first 14 days of such disablement

### Benefits Payable

- i) benefits will not be payable in respect of more than one of the Benefits under A
- ii) Benefit B will be payable for a maximum of 104 weeks
- iii) Benefit B payments will cease immediately Benefit A becomes payable or the Insured Person commences remunerative employment
- iv) any payment made in respect of Benefit B will be deducted from payment made in respect of Benefit A. The total amount payable to any one Insured Person under this Policy will not exceed the Capital Sum.

### Exceptions

We will not be liable in respect of:

- 1 Bodily Injury deliberately caused by the Insured Person and its consequences except in an attempt to save a human life.
- 2 Bodily Injury arising from or contributed to by:
  - a) any physical or mental defect or infirmity unless it has been declared to and accepted by Us
  - b) suicide or attempted suicide, drunkenness, the use of narcotic drugs or tranquilisers (other than drugs taken under medical supervision and not for the treatment of drug addiction)
  - c) pregnancy and/or childbirth.

### Trust and Assignments

We will not be bound to accept or be affected by any trust, charge, or assignment relating to this Policy and Your receipt or that of Your legal personal representative will discharge Us.

### Conditions Relating to Payment of Benefit

- 1 Weekly Sum will not exceed 75% of the Insured Person's normal weekly income from any source excluding overtime, commissions, and bonuses.
- 2 Accidental death will not be presumed by reason of the disappearance of the Insured Person.
- 3 All reports, certificates, and information required by Us under this Policy must be furnished without expense to Us and must be in such form as We shall prescribe. The Insured Person must from time to time submit himself to medical examination at Our expense as may be required in connection with any claim.
- 4 If an event occurs which may give rise to a claim under this Policy, the Insured Person must as early as possible place himself under the care of a duly qualified medical practitioner.
- 5 This Policy will cease to be in force if there be any alteration in the activities specified in the Schedule or Your occupation unless notified to Us in writing.

## Section 10 Commercial Legal Protection

This section is underwritten by DAS Legal Expenses Insurance Company Limited.

### Helpline Services

We provide these services 24 hours a day, 7 days a week during the Period of Insurance. To help Us check and improve Our service standards, We record all calls.

### Eurolaw Commercial Legal Advice

We will give the policyholder confidential legal advice over the phone on any commercial legal problem affecting the business, under the laws of the member countries of the European Union, the Isle of Man, the Channel Islands, Switzerland and Norway.

### Tax Advice

We will give the policyholder confidential advice over the phone on any tax matters affecting the business, under the laws of the United Kingdom.

To contact the above services, phone Our Legal & Taxation Advice Helpline on 0845 330 1180.

**We will not accept responsibility if the Helpline Services fail for reasons We cannot control. Please do not phone us to report a general insurance claim.**

To make sure that you get the most from your DAS cover, please take time to read the policy which explains the contract between us. **Please take extra care in following the procedures under Employment Compensation Awards cover (insured incident 1 B).**

### The Cover

We agree to provide the insurance in this section as long as:

- a) the Date of Occurrence of the Insured Incident happens during the Period of Insurance and within the Territorial Limit; and
- b) any legal proceedings will be dealt with by a court, or other body which We agree to, in the Territorial Limit; and

## Section 10 Commercial Legal Protection continued

- c) in civil claims it is always more likely than not that an Insured Person will recover damages (or obtain any other legal remedy which We have agreed to) or make a successful defence.

For all insured incidents, We will help in appealing or defending an appeal as long as the Insured Person tells us within the time limits allowed that they want Us to appeal. Before We pay any Costs and Expenses for appeals, We must agree that it is always more likely than not that the appeal will be successful.

If an Appointed Representative is used, We will pay the Costs and Expenses incurred for this.

We will pay Compensation Awards that We have agreed to.

The most We will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is shown as the limit of indemnity in the Policy Schedule.

### Definitions applying to this Section only

**Appointed Representative** The lawyer, accountant or other suitably qualified person, who has been appointed to act for an Insured person in accordance with the terms of this Section of the Policy.

**Aspect Enquiry** An examination by HM Revenue & Customs which considers one or more specific aspects of Your self assessment and/or corporation tax return.

**Company/We/Us/Our** DAS Legal Expenses Insurance Company Limited.

**Costs and Expenses:**

- Legal costs

All reasonable and necessary costs chargeable by the Appointed Representative on a standard basis. Also the costs incurred by opponents in civil cases if an Insured Person has been ordered to pay them, or pays them with Our agreement.

- Accountant's costs

A reasonable amount in respect of all costs reasonably incurred by the Appointed Representative.

- Attendance expenses

The Insured Person's salary or wages for the time that the Insured Person is off work to attend any arbitration, court or tribunal hearing at the request of the Appointed Representative or while attending jury service. We will pay for each half or whole day that the court, tribunal or the Insured Person's employer will not pay for.

The amount We will pay is based on the following:

- the time the Insured Person is off work including the time it takes to travel to and from the hearing. This will be calculated to the nearest half day assuming that a whole day is eight hours;
- if the Insured Person works full time, the salary or wages for each whole day equals 1/250th of the Insured Person's yearly salary or wages;
- if the Insured Person works part-time, the salary or wages will be a proportion of the Insured Person's Weekly salary or wages.

**Date of Occurrence:**

- 1 For civil cases (other than under insured incident - 5 Tax Protection), the date of occurrence is when the cause of action first accrued.
- 2 For criminal cases, the Date of Occurrence is when the Insured Person commenced or is alleged to have commenced to violate the criminal law in question.
- 3 For licence or registration appeals, the Date of Occurrence is when the Policyholder first become aware of the proposal by the relevant licensing or regulatory authority to suspend, alter the terms of, refuse to renew or cancel the Policyholder's licence or British Standard Certificate of Registration.
- 4 For Full Enquiries or Aspect Enquiries, the Date of Occurrence is when HM Revenue & Customs first notifies in writing the intention to make enquiries.

For Tax Intervention Enquiries, the Date of Occurrence is when HM Revenue & Customs first contacts You in relation to commencing an Intervention Enquiry into Your business accounts.

- 5 For Employers' Compliance and Value Added Tax disputes, the Date

of Occurrence is when the relevant authority sends an assessment or written decision to You.

**Full Enquiry** An extensive examination by the HM Revenue & Customs which considers all aspects of Your tax affairs, excluding those enquiries which are limited to one or more specific aspects of Your self assessment and/or corporation tax return.

**Insured Person** You and Your directors, partners, managers and employees.

**Tax Intervention Enquiry** An examination by HM Revenue & Customs to measure the level of compliance in Your financial accounting records to highlight areas where errors have or may occur.

**Territorial Limit** For Insured Incidents 2 Legal Defence (excluding 2(4)), and 4(B) Bodily Injury

The European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Croatia, Gibraltar, Iceland, Liechtenstein, Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey (West of the Bosphorus).

For all other Insured Incidents

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

### Insured Incidents Covered

#### 1 Employment Disputes And Compensation Awards

##### A Employment Disputes

We will defend Your legal rights:

- 1 prior to the issue of legal proceedings in a court or tribunal following the dismissal of an employee; or
- 2 in the resolution of unfair dismissal disputes under the ACAS Arbitration Scheme; or
- 3 in legal proceedings in respect of any dispute with
  - a) an employee or ex-employee or a trade union acting on behalf of an employee or ex-employee which arises out of, or relates to, a contract of employment with You; or
  - b) an employee, prospective employee or ex-employee arising from an alleged breach of their statutory rights under employment legislation.

**Exclusions to Insured Incident 1 (A)**

- 1 Any employment dispute where the cause of action arises within the first 90 days of the indemnity provided by the policy.
- 2 Any dispute with an employee who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of the indemnity provided by this section if the Date of Occurrence was within the first 180 days of the indemnity provided by this Section.
- 3 Any redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the indemnity provided by this Section.
- 4 Any claim in respect of damages for personal injury or loss of or damage to property.
- 5 Any claim arising from or relating to any transfer of business which falls within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Transfer of Employment (Pension Protection) Regulations 2005.

##### B Compensation Awards

We will pay:

- 1 any basic and compensatory award; and/or
- 2 an order for compensation following a breach of Your statutory duties under employment legislation in respect of a claim We have accepted under Insured Incident 1 (A).

Provided that

- 1 In cases relating to performance and/or conduct, You have throughout the employment dispute either:
  - a) followed the ACAS Code of Disciplinary Practice and Procedures in Employment as prepared by the Advisory Conciliation and

## Section 10 Commercial Legal Protection continued

Arbitration Service; or

- b) followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
  - c) sought and followed advice from Our legal advice service.
- 2 For an order of compensation following Your breach of statutory duty under employment legislation You have at all times sought and followed advice from our legal advice service since the date when You should have known about the employment dispute.
  - 3 For any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, You have sought and followed advice from Our Claims Department prior to serving notice of redundancy.
  - 4 The compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by Us.
  - 5 The total of the compensation awards payable by Us shall not exceed £1,000,000 in any one Period of Insurance.

### Exclusions to Insured Incident 1 (B)

- 1 Any compensation award relating to the following:
  - trade union activities, trade union membership or non-membership;
  - pregnancy or maternity rights;
  - health and safety related dismissals brought under section 44 of the Employment Rights Act 1996;
  - statutory rights in relation to trustees of occupational pension schemes;
  - statutory rights in relation to Sunday shop and betting work.
- 2 Non-payment of money due under the relevant contract of employment or statutory provision relating thereto.
- 3 Any award ordered as a result of a breach of statutory rights in relation to the provision of relevant records to employees under the National Minimum Wage Act 1998.
- 4 Any compensation award or increase in compensation award ordered by the tribunal for failure to comply with a recommendation it has made, including non-compliance with a reinstatement or re-engagement order.

### **C Service Occupancy**

We will negotiate for Your legal rights against an employee or ex-employee to recover possession of premises owned by, or for which the policyholder is responsible.

### Exclusion to Insured Incident 1 (C)

Any claim relating to defending Your legal rights other than defending a counter-claim.

### **2 Legal Defence**

At Your request

- 1 We will defend Your legal rights:
  - a) prior to the issue of legal proceedings when dealing with the
    - Police
    - Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer
 where it is alleged that the Insured Person has or may have committed a criminal offence; or
  - b) following an event which leads to the Insured Person being prosecuted in a court of criminal jurisdiction; or
  - c) if civil action is taken against the Insured Person for compensation under section 13 of the Data Protection Act 1998. We will also pay any compensation award made against the Insured Person under section 13 of the Data Protection Act 1998.
- 2 We will defend Your legal rights following civil action taken against You for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the Period of Insurance.
- 3 We will defend the Insured Person's (other than Your) legal rights if:
  - a) an event arising from their work as an employee leads to civil action being taken against them under legislation for unlawful discrimination on the grounds of sex, sexual orientation, race, disability, age, religious belief or political opinion; or
  - b) civil action is taken against them as a trustee of a pension fund set

up for the benefit of Your employees.

- 4 We will represent the Insured Person in appealing against the imposition or terms of any Statutory Notice issued under legislation affecting Your Business.
- 5 We will represent You in appealing against the refusal of the Information Commissioner to register Your application for registration.
- 6 We will pay the attendance expenses of an Insured Person for jury service.

Provided that

- 1 In so far as proceedings under the Health and Safety at Work etc Act 1974 are concerned, the territorial limit shall be any place where the Act applies.
- 2 At the time of the Insured Incident, You have registered with the Information Commissioner in respect of Insured Incident 1 (c).

### Exclusion to Insured Incident 2

Any claim which leads to the Insured Person being prosecuted for infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

### **3 Contract Disputes**

We will negotiate for Your legal rights in a contractual dispute arising from that agreement or that alleged agreement which has been entered into by or on behalf of You for the purchase, hire, sale or provision of goods or of services.

Provided that

- 1 The amount in dispute exceeds £250. If the amount in dispute exceeds £5,000, You will be responsible for the first £500 of Legal costs in each and every claim.
- 2 If the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £250.
- 3 If the dispute relates to money owed to You, a claim under the policy is made within 90 days of the money becoming due and payable.

### Exclusions to Insured Incident 3

- 1 Any dispute arising from an agreement entered into prior to the inception date of the indemnity provided by the policy if the Date of Occurrence is within the first 90 days of the indemnity provided by the policy.
- 2 Any claim relating to the following:
  - a) the settlement payable under an insurance policy;
  - b) a lease, licence or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease, licence or tenancy agreement;
  - c) a loan, mortgage, pension or any other financial product and choses in action;
  - d) a motor vehicle owned by, or hired or leased to, You other than agreements relating to the sale of motor vehicles where the You are is engaged in the business of selling motor vehicles.
- 3 A dispute with an employee or ex-employee which arises out of, or relates to, a contract of employment with You.
- 4 A dispute which arises out of the:
  - a) sale or provision of computer hardware, software, systems or services; or
  - b) purchase or hire of computer hardware, software, systems or services; tailored by a supplier to Your own specification.
- 5 A dispute arising from a breach or alleged breach of professional duty by an Insured Person.
- 6 The recovery of money and interest due from another party other than disputes where the other party intimates that a defence exist.

### **4 Property Protection And Bodily Injury**

#### **A Property Protection**

We will negotiate for Your legal rights in any civil action relating to material property which is owned by You, or is Your responsibility, following:

- 1 any event which causes or could cause physical damage to such material property; or
- 2 any nuisance or trespass.

### Exclusions to Insured Incident 4 (A)

Any claim relating to the following:

## Section 10 Commercial Legal Protection continued

- 1 a contract entered into by You.
- 2 goods in transit or goods lent or hired out.
- 3 goods at premises other than those occupied by You unless the goods are at such premises for the purpose of installations or use in work to be carried out by You.
- 4 mining subsidence.
- 5 defending Your legal rights other than in defending a counter-claim;
- 6 a motor vehicle owned or used by, or hired or leased to an Insured Person other than damage to motor vehicles where You are engaged in the business of selling motor vehicles.

### B Bodily Injury

At Your request, We will negotiate for an Insured Person's and their family members' legal rights following an event which causes the death of, or bodily injury to them.

#### Exclusions to Insured Incident 4 (B)

Any claim relating to the following:

- 1 any illness or bodily injury which develops gradually or is not caused by a specific or sudden accident;  
or
- 2 defending an Insured Person's or their family members' legal rights other than in defending a counter-claim; or
- 3 a motor vehicle owned or used by, or hired or leased to an Insured Person or their family members.

### 5 Tax Protection

#### A Full or Aspect Enquiries

We will negotiate on behalf of You and represent You in any appeal proceedings in respect of a Full Enquiry and/or Aspect Enquiry.

#### B Tax Intervention Enquiries

We will negotiate on behalf of You and represent You in any dealings with HM Revenue & Customs in respect of a Tax Intervention Enquiry.

#### C Employers' Compliance

We will negotiate on behalf of You and represent You in any appeal proceedings in respect of a dispute concerning Your compliance with Pay As You Earn or Social Security Regulations following a review by HM Revenue & Customs.

#### D VAT Disputes

We will negotiate on behalf of You and represent You in any appeal proceedings following an assessment issued by HM Revenue and Customs in respect of Value Added Tax due.

Provided that

- 1 For all Insured Incidents, You have taken reasonable care to ensure that all returns are complete and correct and that such returns are submitted within the statutory time limits allowed.
- 2 We will not pay more than £2000 for claims in respect of Aspect Enquiries or Tax Intervention Enquiries.

#### Exclusions to Insured Incident 5

- 1 In respect of Aspect Enquiries and Tax Intervention Enquiries the first £200 of Costs and Expenses in each and every claim.
- 2 Any Insured Incident arising from a tax avoidance scheme.
- 3 Any Insured Incident caused by Your failure to register for Value Added Tax.
- 4 Any Insured Incident arising from any investigation or enquiries undertaken by the HM Revenue and Customs Special Investigation Section or Special Civil Investigations or the Revenue & Customs Prosecution Office.
- 5 Any Insured Incident arising from any investigation or enquiry by HM Revenue and Customs into alleged dishonesty or alleged criminal offences.

### 6 Statutory Licence Protection

We will represent You in appealing to the relevant statutory or regulatory authority, court, or tribunal following an event which results in a licensing or regulatory authority suspending, or altering the terms of, or refusing to renew, or cancelling Your licence or British Standard Certificate of Registration.

#### Exclusions to Insured Incident 6

- 1 An original application or application for renewal of a statutory licence or British Standard Certificate of Registration.
- 2 Any licence appeal relating to the ownership, driving or use of a motor vehicle.

### Exclusions Applying to This Section

- 1 Any claim reported to us more than 180 days after the date the Insured Person should have known about the Insured Incident.
- 2 Any Costs and Expenses incurred before the written acceptance of a claim by Us.
- 3 Fines, penalties, compensation or damages which the Insured Person is ordered to pay by a court or other authority other than compensation awards as covered under Insured Incident 1(B) Compensation Awards and 2 Legal Defence.
- 4 Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
- 5 Any claim relating to franchise rights, or agency rights where You have the legal capacity to alter the legal relations of another.
- 6 Any Insured Incident deliberately or intentionally caused by an Insured Person.
- 7 A dispute with Us not otherwise dealt with under Condition 7.
- 8 Any claim relating to a shareholding or partnership share in the Insured unless such shareholding was acquired under a scheme open to all Your employees or a substantial number of them of a certain minimum grade other than Your directors or partners.
- 9 An application for judicial review.
- 10 Legal action an Insured Person takes which We or the Appointed Representative have not agreed to or where the Insured Person does anything that hinders Us or the Appointed Representative.
- 11 When either at the commencement of or during the course of a claim, You are bankrupt or have filed a bankruptcy petition or winding-up petition, or have made an arrangement with Your creditors, or have entered into a deed or arrangement or are in liquidation or part or all of Your affairs or property are in the care or control of a receiver or administrator.
- 12 Any claim relating to any non-contracting party's right to enforce all or any part of this section. The Contracts (Rights of Third Parties) Act 1999 does not apply to this section.

### Conditions Applying to this Section

- 1 An Insured Person must:
  - a) keep to the terms and conditions of this Section.
  - b) notify Us immediately of any alteration which may materially affect Our assessment of the risk;
  - c) take reasonable steps to keep any amount We have to pay as low as possible;
  - d) try to prevent anything happening that may cause a claim;
  - e) send everything We ask for, in writing;
  - f) give Us full details of any claim as soon as possible and give Us any information We need.
- 2 a) We can take over and conduct in the name of the Insured Person, any claim or legal proceedings at any time. We can negotiate any claim on behalf of an Insured Person.
  - b) If We agree to start legal proceedings and it becomes mandatory for an Insured Person to be represented by a lawyer, or if there is a conflict of interest, an Insured Person can choose an Appointed Representative by sending Us the suitably qualified person's name and address. We may choose not to accept the choice of representative, but only in exceptional circumstances. If there is a disagreement over the choice of Appointed Representative, another suitably qualified person can be appointed to decide the matter.
  - c) Before an Insured Person chooses a lawyer or an accountant, We can appoint an Appointed Representative.
  - d) An Appointed Representative will be appointed by Us and represent an Insured Person according to Our standard terms of appointment. The Appointed Representative must co-operate fully with Us at all times.
  - e) We will have direct contact with the Appointed Representative.
  - f) An Insured Person must co-operate fully with Us and with the

## Section 10 Commercial Legal Protection continued

Appointed Representative and must keep Us up-to-date with the progress of the claim.

- g) An Insured Person must give the Appointed Representative any instructions that We require.
- 3 a) Insured Person must tell Us if anyone offers to settle a claim and must not agree to any settlement without Our written consent.
- b) If an Insured Person does not accept a reasonable offer to settle a claim, We may refuse to pay further Costs and Expenses.
- c) We may decide to pay the Insured Person the amount of damages that the Insured Person is claiming or is being claimed against them instead of starting or continuing legal proceedings.
- 4 a) If We ask, an Insured Person must tell the Appointed Representative to have Costs and Expenses taxed, assessed or audited.
- b) An Insured Person must take every step to recover Costs and Expenses that We have to pay and must pay Us any Costs and Expenses that are recovered.
- 5 If an Appointed Representative refuses to continue acting for an Insured Person with good reason or if an Insured Person dismisses an Appointed Representative without good reason, the cover We provide will end at once, unless We agree to appoint another Appointed Representative.
- 6 If an Insured Person settles a claim or withdraws their claim without Our agreement, or does not give suitable instructions to an Appointed Representative, the cover We provide will end at once and We will be entitled to re-claim any Costs and Expenses paid by Us.
- 7 If We and an Insured Person disagree about the choice of Appointed Representative, or about the handling of a claim, We and the Insured Person can choose another suitably qualified person to decide the matter. We must both agree to this in writing. If We cannot agree with the Insured Person about the choice of the second suitably qualified person, We will ask the president of a relevant national law society to choose a suitably qualified person. Whoever loses the disagreement will have to pay the costs of settling it.
- 8 We may at our discretion require You to obtain an opinion from counsel at Your expense as to the merits of a claim or proceedings. If counsel's opinion indicates that there are reasonable grounds for the pursuit or defence of a claim or proceedings, the cost of obtaining the opinion will be paid by Us.
- 9 **We** will not pay any claim covered under any other policy, or any claim that would have been covered by any other policy if this policy did not exist.
- 10 This Policy will be governed by English law.
- 11 All Acts of Parliament within the policy wording shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man or the Channel

Islands as the case may be.

### Claims Procedure for this Section

If you think You may have a claim please telephone us on 0845 330 1180. We will ask you about Your legal dispute and if necessary give You legal advice. If Your dispute needs to be dealt with as a claim under this policy, we will provide you with a claim reference number. At this point we will not be able to confirm that You are covered but We will pass the information you have given Us to Our specialist claims handling teams, and explain what to do next. If You wish to report Your claim in writing You can send it to the following address:

Legal Claims Centre, DAS Legal Expenses Insurance Company Limited,  
DAS House, Quay Side, Temple Back, Bristol, BS1 6NH.

Alternatively You can email your claim to Us on [newclaims@das.co.uk](mailto:newclaims@das.co.uk)

We normally deal with claims through our Legal Claims Centre but sometimes We use appointed lawyers.

Claims outside the United Kingdom may be dealt with by other DAS offices elsewhere in Europe.

Once You have sent details of Your claim and We have accepted it, We will start to resolve Your legal problem.

### When We cannot help

Please do not ask for help from a solicitor or accountant before We have agreed. If you do, We will not pay the costs involved.

If you use this service, it does not affect your right to take legal action.

### DASBUSINESSLAW

At [www.dasbusinesslaw.co.uk](http://www.dasbusinesslaw.co.uk) you will find a free, online reference full of the sorts of letters, articles and forms that will help you run your business successfully. DASbusinesslaw users can also access interactive document builders, to help make composing common commercial documents as easy as possible.

From new legislation and employment issues to property law and taxation, you will find the content provided by DASbusinesslaw is updated regularly by legal experts to help you keep your business one step ahead. To access DASbusinesslaw, go to [www.dasbusinesslaw.co.uk](http://www.dasbusinesslaw.co.uk) and register using Password DAS472301 and Policy Number TS5/3720777. When prompted to input your company name, please enter the prefix PREM followed by the name of your business.

If you experience any problems accessing the service, please e-mail the problem to [businesslaw@das.co.uk](mailto:businesslaw@das.co.uk), quoting policy number TS5/3720777. Please note that if you have a specific problem or dispute, you should always contact the legal advice helpline for advice.

**DAS is authorised and regulated by the Financial Services Authority.**

## Special Clause

### 1 Alarm Clause

It is a condition precedent to Our liability for loss, destruction, or damage by theft or any attempted theft (including loss of Money) involving entry to or exit from the Premises by forcible and violent means, that an intruder alarm as detailed in the Schedule is installed at the Premises within 30 days of inception of Your cover and put into effect whenever the Premises are left unattended.

If We ever require a different type of alarm to be installed, this will be brought to Your attention within the documentation We issue. When this occurs, the change in the type of alarm must be implemented within 30 days of You receiving the documentation issued by Us.

In the event of a claim for loss or damage by theft or theft of Money involving entry to or exit from the Premises by forcible and violent means within the 30 days allowed for implementation, You must show that You have taken steps to have the required type of alarm installed.

In addition to the above Your intruder alarm must also conform with the following:

- a) the Intruder Alarm System designed must be installed and maintained to British Standard BS4737 or PD 6662:2004 by a company listed and approved by the National Approval Council for Security Systems (NACOSS) or the Security Systems and Alarms Inspection Board (SSAIB).
- b) the Intruder Alarm System must be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or such other company agreed by Us
- c) no alteration or substitution of:
  - i) any part of the Intruder Alarm System or signalling system
  - ii) the maintenance contract be made without Our agreement
- d) the Premises must not be left unattended without Our agreement:
  - i) unless the Intruder Alarm System is set in its entirety with the means of communication used to transmit signals in full operation
  - ii) if the police have withdrawn their response to alarm calls
- e) You must maintain secrecy of codes for the operation of the Intruder Alarm System, and details of such codes and all keys to the Intruder Alarm System must be removed from the Premises when the Premises is left unattended
- f) You must appoint at least two Key Holders and lodge written details (which must be kept up to date) with the alarm company
- g) in the event of notification of any activation of the Intruder Alarm System or interruption of means of communication during any

## Special Clause continued

period the Intruder Alarm System is set a Key Holder must attend the Premises within 20 minutes.

- h) if You receive any notification:
- i) that the police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
  - ii) from a Local Authority or Magistrate imposing any requirement for abatement or nuisance
  - iii) that the Intruder Alarm System cannot be returned to, or maintained in full working order

You must tell Us as soon as possible and comply with any subsequent requirements that We may require.

### Definitions

**Intruder Alarm System** The component parts including the means of communication used to transmit signals.

**Key Holder** You or any person or key holding company authorised by You, who is available at all times to accept notification of faults or alarm signals to the Intruder Alarm System and attend and allow access to the Premises.

## General Exceptions to the Policy

This Policy does not cover:

### 1 Pressure Waves

Loss, destruction or damage, directly occasioned by pressure waves caused by aircraft, or other aerial devices travelling at sonic or supersonic speeds.

### 2 War and Nuclear Risks

Except in respect of claims arising from accidents to Employees admissible under Section 3(a)

- a) loss or destruction of, or damage to any property whatsoever, or any loss or expense whatsoever resulting, or arising therefrom, or any consequential loss or legal liability of whatsoever nature directly or indirectly caused by or arising from:
  - i) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - ii) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- b) any contingency occasioned by or happening through war, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

### 3 Requisition or Confiscation of Property

Loss or damage occasioned by or happening through confiscation, nationalisation or requisition or destruction by order of the Government or any Public Authority.

### 4 Terrorism Exclusion

Part 1 – (Not applicable to Section 3a, Section 3b, Section 9 or Section 10)

A) in respect of England, Wales and Scotland but not the territorial sea adjacent thereto as defined by the Territorial Sea Act 1987:

loss or destruction or damage or any consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with

- i) any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such Act of Terrorism
- ii) any action taken in controlling, preventing or suppressing any Act of Terrorism, or in any other way related to such Act or Terrorism

In respect of A) above Act of Terrorism (Terrorism) means:-

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.

B) in respect of territories other than those stated in A) above:

loss or destruction or damage or any consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with

- i) any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such Act of Terrorism
- ii) any action in controlling, preventing or suppressing any Act of Terrorism, or in any other way related to such Act of Terrorism

In respect of B) above Act of Terrorism (Terrorism) means:-

An act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

In any action, suit or other proceedings where We allege that by reason of this Exclusion any loss or destruction or damage or any consequential loss is not covered (or is covered only up to a specified limit of liability), the burden of proving to the contrary shall be upon You.

In the event any part of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Part 2 – (Only applicable to Section 3a and Section 3b – Legal Liabilities)

- i) Where Employers Liability cover is operative (Section 3a) the Limit of Indemnity shall not exceed £5,000,000 in respect of an Act of Terrorism.
- ii) Where Public and/or Product Liability cover is operative (Section 3b) the Limit of Indemnity shall not exceed the Limit of Indemnity shown in the Schedule or £5,000,000 (whichever is the lesser) in respect of an Act of Terrorism.

For the purposes of Part 2 of this Exclusion, the definition of an Act of Terrorism is:

An act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) or persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

If We allege that by reason of this limitation any loss, damage, cost or expense is not covered, the burden of proving the contrary shall be upon You.

Part 3 - (only applicable to Section 9 - Personal Accident)

Benefits are not payable as a result of any event directly or indirectly arising out of any nuclear, chemical or biological contamination due to any act of Terrorism regardless of any other cause or any other event contributing at the same time or in any other sequence to such an event.

For the purpose of this Exclusion an act of Terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Contamination means contamination or poisoning of people by nuclear and/or biological substances, which cause illness and/or disablement and/or death.

If We allege that by reason of this Exclusion any loss, damage, cost or expense is not covered, the burden of proving the contrary shall be upon You.

### 5 Date Recognition

Any claim directly or indirectly caused by, or contributed to, by or arising from the failure of any computer or other equipment, data processing service

## General Exceptions to the Policy continued

product, microchip, micro processor, integrated circuit, embedded chip or similar device, computer software program or process or any other electronic system or any design or advice in connection with any of the foregoing irrespective of ownership, possession or use, and whether occurring before, during, or after the Year 2000

- i) correctly to recognise 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
- iii) to capture, save or retain, or correctly to process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data, or the inability to capture, save, retain or correctly to process such data on or after any date

but this does not exclude in respect of Sections 1 (Contents) 2a (Business Interruption) 2b (Loss of Accounts Receivable) 4 (Buildings) & 7 (Specified All Risks) subsequent loss or damage not otherwise excluded, which itself results from fire, lightning, explosion, theft, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank apparatus or pipe or impact by any road vehicle, or animal, provided the Section insures such contingency.

This exclusion is not applicable to Section 3a (Employers Liability) and Section 9 (Personal Accident).

### 6 Northern Ireland Exclusion

Loss or destruction or damage or any consequential loss in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion and (except in respect of loss or destruction or any consequential loss by fire or explosion) strikers, locked-out workers, persons taking part in labour disturbances or malicious persons.

### 7 E-risks Exclusion

- a. loss or destruction of or damage to any Computer Equipment (as defined below) consisting of or caused directly or indirectly by:
    - i. programming or operator error whether by the Insured or any other person
    - ii. Virus or Similar Mechanism (as defined below)
    - iii. Hacking (as defined below)
    - iv. malicious persons
    - v. failure of external networks

unless, in respect of i., ii. and iii. above, such loss or destruction or damage results from a concurrent or subsequent cause not excluded by this or any other policy exclusion
  - b. any financial loss or expense of whatsoever nature, including but not limited to business interruption, resulting directly or indirectly from the type of loss or destruction or damage described in paragraph a. of this Exclusion
- unless, in respect of a. i., ii. or iii. above, the financial loss or

expense results from a concurrent or subsequent cause not excluded by this or any other policy exclusion

- c. loss or destruction of or damage to any property other than Computer Equipment where it arises directly or indirectly out of loss or destruction of or damage to any Computer Equipment of the type described in paragraph a. of this Exclusion
- unless, in respect of loss or damage to other property arising from a. i., ii. or iii. above, resulting from a concurrent or subsequent cause not excluded by this or any other policy exclusion
- d. loss or destruction of or damage either to Computer Equipment or any other property where it consists of or arises directly or indirectly out of:
    - i. the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotions, or malicious persons
    - ii. the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software due to any cause not included in d. i. above
    - iii. any misinterpretation, use or misuse of information on computer systems or other records, programs or software

unless, in respect of d. ii. and iii. above, such loss, destruction or damage results from a concurrent or subsequent cause not excluded by this or any other policy exclusion
  - e. any financial loss or expense of whatsoever nature, including but not limited to business interruption, where it arises directly or indirectly from the type of loss or destruction or damage described in paragraphs c. and d. of this Exclusion
- unless, in respect of c., d. ii. and iii. above, the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other policy exclusion.

For the purpose of this Exclusion:

#### Computer Equipment

means computer equipment, component, system or item which processes, stores, transmits or retrieves data, or any part thereof, whether the property of the Insured or not, whether tangible or intangible and including without limitation any information, programs or software.

#### Virus or Similar Mechanism

means any program code, programming instruction or other 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' or 'Logic Bombs'.

#### Hacking

means unauthorised access to any computer or computer equipment, component, system or item, whether the property of the Insured or not, which processes, stores, transmits or retrieves data.

## General Conditions of the Policy

### 1 Alteration in Risk

This Policy will be avoided if after the commencement of this insurance there is any alteration in risk

- a) by removal
- b) by change of occupation or use of the Property Insured
- c) whereby the risk of loss or damage or accident or liability is increased
- d) the Business is wound up or carried on by a liquidator or receiver or permanently discontinued
- e) whereby Your interest ceases except by will or operation of law unless such alteration is admitted by Us in writing.

### 2 Arbitration

If there is any dispute about the amount to be paid under this Policy (and We have admitted liability) the matter will be referred to an arbitrator chosen by You and by Us under the legal rules governing arbitration. This will not happen if the claim in question is disputed for a reason other than the amount to be paid. The arbitrator must decide that You are right and make an award before You can take legal action against Us.

### 3 Cancellation

#### Your Cancellation Rights

You have a right to cancel the cover within fourteen (14) days of the date You receive the Policy or within a period of fourteen (14) days of the date you receive the renewal documentation (referred to as the "cooling off" period).

## General Conditions of the Policy continued

You should exercise this right by informing Premierline Direct in writing that you wish to do so and returning the Policy and any Certificate(s) of Employers Liability Insurance.

If You exercise Your right to cancel during the cooling off period, You will be entitled to a return of the premium paid unless a claim has been made which leads to the contract being fully completed. Any return of premium will be calculated on a proportionate basis, less £25 to cover Our operational costs. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

If You do not exercise Your right to cancel during this cooling off period, the Policy premium becomes due, You may not be entitled to a refund of premium and the Policy may run for its full term.

If the cooling off period has expired, You may cancel the Policy during the period of insurance by giving fourteen (14) days notice in writing to Premierline Direct. Provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current period of insurance You will be entitled to a return premium calculated on a proportionate basis, subject to the Policy Charges. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due. In the event of cancellation You must return any current Certificate(s) of Employers Liability Insurance before any return premium can be made.

### Our Cancellation Rights

The Policy may be cancelled by giving You fourteen (14) days notice in writing to Your last known address. You will be entitled to a proportionate return of the premium in respect of the unexpired period of insurance. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due. In the event of cancellation You must return any current Certificate(s) of Employers Liability Insurance before any return premium can be made.

### 4 Changes in Circumstances

You must give Us notice before each renewal period of any disease, physical defect, or infirmity by which the Insured Person under Section 9 has become affected during the previous Period of Insurance. You must notify Us as soon as possible in writing of any change, which may materially affect the insurance by this Section.

### 5 Claims

#### A Notice of Claims

You or Your Legal personal representative must contact Us immediately following any loss, damage, Injury or accident, or incident which may give rise to a claim, and within 30 days give Us such detailed particulars and proofs that We may reasonably require.

In the case of malicious damage or loss or damage by theft or any attempted theft You must also give immediate notice to the police.

#### B Claims Procedure

If You receive any letter, claim, writ, summons or process, You must send it to Us immediately. You must contact Us as soon as You know about any intended prosecution, Coroner's Inquest or Fatal Accident Inquiry connected with an accident.

You must give Us all help, information and assistance possible to enable Us to settle or resist any claim or to institute proceedings.

#### C Control of Claims

You or anyone acting on Your behalf or anyone entitled to Indemnity under this Policy must not make any admission, offer, payment or promise without Our written permission. You must not incur any expense in making good any damage without Our written consent and must not negotiate, pay, settle, admit or repudiate any claim without that consent.

#### D Rights in the event of a Claim

We have the right:

- a) on the happening of any loss or damage to enter any building where such loss or damage has happened and to take and keep possession of the Property Insured and to deal with salvage in a reasonable manner and this Policy shall be proof of leave and licence for such purpose but the property may not be abandoned to Us

- b) at Our option to either
  - i) repair or replace the property or any part of the property for which We may be liable under this Policy

or

- ii) make payment in money to You in lieu of such repair or replacement

Reinstatement effected as nearly as may be reasonably practicable shall be deemed a complete indemnity under this Policy

- c) to undertake in Your name and on Your behalf the absolute conduct, control and settlement of any proceedings and to take proceedings at Our own expense for Our own benefit but in Your name to recover compensation or secure an indemnity from any third party in respect of anything covered by this Policy.

### 6 Confirmation of Values at Risk

You must provide Us at the inception of the Policy and annually thereafter with full details of the Declared Value as well as the wage roll and turnover of the Business.

### 7 Failure to Pay by Instalments

If You do not pay an instalment by the due date We will cancel this Policy from the date the payment was due unless You pay all the instalments You owe Us immediately.

### 8 Fraud

If the Insured or anyone acting on behalf of the insured makes any false or fraudulent claim or supports a claim by false or fraudulent document, device or statement, this Policy shall be void and the Insured will forfeit all rights under the Policy. In such circumstances, the Insurer retains the right to keep the premium and to recover any sums paid by way of benefit under the Policy.

### 9 Identification

This Policy and the Schedule (which forms an integral part of this Policy) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or Schedule shall bear such specific meanings wherever they may appear.

### 10 Minimum Standards of Security

It is a condition precedent to Our liability for loss, destruction or damage by theft or any attempted theft (including loss of Money), involving entry to or exit from the Premises by forcible and violent means, that the minimum level of security We require as shown in the Schedule and detailed below (or alternative security protections agreed by Us and endorsed on the Policy) is installed at the Premises insured within 30 days of inception of Your cover and put into effect whenever the Premises are closed for Business or left unattended.

If We ever require a higher level of security to be implemented then this will be brought to Your attention within the documentation We issue. When this occurs the higher level of security must be implemented within 30 days of You receiving the documentation issued by Us.

In the event of a claim for loss or damage by theft or theft of Money involving entry to or exit from the Premises by forcible and violent means within the 30 days allowed for implementation You must show that You have taken steps to implement the minimum level of security required.

#### Level 1

##### External Doors

The external doors to Your Premises are to be one or more of the following type(s) and have the protections specified for that type of door fitted and in operation:

##### a) Sliding and/or Folding Doors

These are to be secured with a locking bar and close shackle padlock, conforming to CEN Grade 4, where the door meets the stile. If a multi-leaf door, then each leaf should be secured internally by bolts top and bottom.

##### b) Metal Roller Shutters

- i) If manually operated, these are to be secured to a wall bracket by a

## General Conditions of the Policy continued

padlock conforming to CEN Grade 4.

- ii) If automatically operated internally, these are to have operating chains secured with a padlock conforming to CEN Grade 4, to the doorframe or any other part of the building structure.
- iii) If electrically operated externally, these are to be isolated with a lockable isolation switch secured by a padlock to CEN Grade 4.

### c) Wicket Gate Doors

These are to be secured by a mortise deadlock, which has 5 or more levers and conforms to BS3621, with a matching box striking plate fitted or by a locking bar and close shackle padlock isolated with a lockable isolation switch secured by a padlock to CEN Grade 5.

### d) Single Leaf Doors

These are to be secured by a mortise deadlock, which has 5 or more levers and conforms to BS3621, with a matching box striking plate fitted or by a locking bar and close shackle padlock conforming to CEN Grade 5.

### e) Double Leaf Doors

These are to be secured by flush or barrel bolts top and bottom on the first closing leaf and

- i) a mortise deadlock, which has 5 or more levers and conforms to BS3621, with a matching box striking plate or
- ii) a locking bar or close shackle padlock conforming to CEN Grade 5 on the second closing leaf.

### f) Aluminium or UPVC Framed Doors

These are to be fitted with integral cylinder key operated mortise deadlocks.

### Internal Doors

Internal doors giving access to any part of the Premises not occupied by You are to be fitted on Your side of the door with either

- i) a mortise deadlock, which has 5 or more levers conforming to CEN Grade 4, with a matching box striking plate fitted or
- ii) two key operated security bolts, one fitted approximately 30cm from the top of the door and the other 30cm from the bottom of the door or
- iii) a locking bar and padlock conforming to CEN Grade 4

and You are to be sole key holder.

### Windows, Fanlights, Roof Lights and Skylights

All opening external basement, ground floor and other accessible (accessible being easily reached such as a window adjacent to a flat roof or a fire escape, balconies, canopies or down pipes) windows, fanlights, roof lights and skylights are to be fitted with key operated window locks.

This requirement does not apply to windows protected by solid steel bars, weldmesh or expanded metal grilles securely fixed to the brickwork surrounding the window.

### Fire Exits

Any door or window designated a Fire Exit by a fire authority is excluded from the above requirements. These are to be secured internally by panic bolts or fire exit bolts (capable of opening at all times). Any additional devices must be approved by the local Fire Prevention Officer.

### Level 2

As Level 1 and in addition:

All external doors to be covered with steel sheet externally and all accessible windows barred to the specifications detailed in Appendices A and B or alternatively protected by proprietary Metal Roller Shutter and secured as detailed in Appendix C.

### Appendix A Specification for Sheet Metal Protection on Doors

- 1 Sheet steel to be fitted to the external surface of the door with coach bolts with the heads on the outside or non return screws at 150mm centres.
- 2 The door must be hinged at top, centre and bottom.
- 3 On outward opening doors two hinge bolts are to be fitted to the

hinged side of the door and the external sheet of steel should overlap the gap between the lock side of the door and doorframe.

### Appendix B Specification for Protection of Windows with Bars

#### Bar Frame

Windows are to be protected internally/externally by security bar frames made from solid steel bars (not tubes) of minimum diameter 19mm (3/4inch) at maximum 125mm centres. The bars must be welded to or pass through tie bars of flat iron or steel (dimensions 6mm thick x 40mm wide). The distance between the tie bars must not exceed 600mm.

The tie bars must be secured to the wall surrounding the window at a minimum of 4 points by expansion bolts (such as 'Rawlbolts') of at least M8 size which penetrate the masonry or brickwork by at least 60 mm. Bolt holes must be set back at least 60 mm from the edge of the window opening. If the bars are fixed externally the heads of the bolts must be welded to the tie bars to prevent them being undone.

Any alternative specification or fixing methods must be approved by Us prior to fitting.

#### Grilles Expamet External

Windows must be protected externally by security grilles to the following specification:

Grilles must consist of 'Expamet 8' or similar expanded metal mesh welded onto a frame of L section steel (minimum dimensions 35mm x 35mm x 3mm), fixed externally to brickwork by expansion bolts (such as 'Rawlbolts') of at least M8 size which penetrate the brickwork by at least 60 mm. Bolt holes must be set back at least 60 mm from the edge of the window opening. Bolts should be no more than 500mm apart and there must be at least one bolt on each side of the frame. After fixing the bolt heads must be welded to the frame or be defaced to prevent unbolting.

Alternative methods of fixing may be acceptable; however they must be approved by Us prior to installation.

#### Grilles Expamet Internal

Windows must be protected internally by security grilles to the following specification:

Grilles must consist of 'Expamet 8' or similar expanded metal mesh welded onto a frame of L section steel (minimum dimensions 35mm x 35mm x 3mm), fixed internally to brickwork by expansion bolts (such as 'Rawlbolts') of at least M8 size which penetrate the brickwork by at least 60 mm. Bolt holes must be set back at least 60 mm from the edge of the window opening. Bolts should be no more than 500mm apart and there must be at least one bolt on each side of the frame.

Alternative methods of fixing may be acceptable; however they must be approved by Us prior to installation.

#### Grilles external shopfront (as appropriate)

Shopfront must be protected by external steel grilles which must be locked into position whenever the premises are closed for business using padlocks to CEN Grade 4. (Any alternative locking is to be agreed by Us).

Before proceeding with the installation permission must be sought and obtained from the Local Authority.

Copies of the proposed grille specification must be forwarded to Us prior to any order being placed.

#### Grilles Internal Shopfront (where We agree that this method is an acceptable alternative to external Shopfront grilles)

Shopfront must be protected by internal aluminium or steel grilles These must be locked into position whenever the premises are closed for business using padlocks to CEN Grade 4. (Any alternative locking is to be agreed by Us).

Copies of the proposed grille specification must be forwarded to Us prior to any order being placed.

#### Rooflight Bar Frame

Accessible Rooflight(s) must be protected internally by security bar frame(s) made from solid steel bars (not tubes) of minimum diameter 19mm (3/4inch) at maximum 125mm centres. The bars must be welded to or pass through tie bars of flat iron or steel (dimensions 6mm thick x 40mm wide). The distance between the tie bars must not exceed 600mm.

## General Conditions of the Policy continued

The tie bars must be secured to the roof joists surrounding the rooflight by bolts or wood screws. If wood screws are used they must be the longest practicable and have non-return heads or have the heads defaced to prevent removal.

Any alternative specification or fixing methods must be approved by Us prior to fitting.

### Rooflight Grille

Accessible Rooflight(s) must be protected internally by security grille(s) of expanded metal or 3mm welded mesh (Maximum hole size 50mm x 50mm) welded to an angle frame of at least 30 x 30 x 3 mm section. The frame must be fixed in position by bolting or screwing into the roof joists at 150mm intervals. If screws are used they must be as long as practicable and have non return heads or have the heads defaced to prevent removal.

Any alternative specification or fixing methods must be approved by Us prior to fitting.

### Appendix C Metal Roller Shutter doors

All external doors and accessible windows to be protected by proprietary metal roller shutter doors.

Where these doors are internally operated:

- a) Manual operating chains to be secured to a wall bracket by a padlock to CEN Grade 4.
- b) Electrically operated doors to be isolated with a lockable isolation switch secured by a padlock to CEN Grade 4.

### 11 Misrepresentation and Misdescription

This Policy will be voidable in any event of misrepresentation, misdescription, or non-disclosure of any material fact.

### 12 Other Insurances

If there is any other insurance, which covers any claim under this Policy, We will only pay Our share towards the claim.

### 13 Policy Terms

It is a condition precedent to any liability on Our part under this Policy that the terms in so far as they relate to anything to be done or complied with by You are duly and faithfully observed and fulfilled by You and by any other person who may be entitled to be indemnified under this Policy.

### 14 Reinstatement

If any property insured by Sections 1 and 4 is to be reinstated or replaced by Us, You will at Your own expense provide all such plans, documents, books and information as may be reasonably required. We will not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner and will not in any case be bound to expend in respect of any one of the items insured more than its sum insured.

### 15 Subrogation

Any claimant under this Policy will at Our request and at Our expense, take and permit to be taken all necessary steps for enforcing rights against any other party in Your name before or after any payment is made by Us. We will be entitled to take over and conduct in Your name, the defence or settlement of any claim or to prosecute in Your name at Our own expense and for Our own benefit any claim for indemnity or damages or otherwise.

### 16 Turnover

You must notify Us in writing as soon as You become aware that the Turnover of the Business has increased by more than 25% since the Declared Value was last confirmed to Us.

### 17 Your Duty of Care

You must take all reasonable steps to prevent/minimise loss, damage, Injury, or accident and to minimise the cost of claims or legal proceedings and keep all Property Insured by the Policy in efficient condition and good repair. You must also take reasonable care when selecting Employees.

### 18 Your Duty of Disclosure

The statements made and the information You provide by telephone and detailed in the Statement of Insurance which form the basis of this contract are complete and correct to the best of Your knowledge and belief. You must tell Us immediately of any alteration in risk, which materially affects this Insurance. If You are in any doubt whether a particular item of information is material You should tell Us about it.

This insurance is a contract with You and it is not assignable by You for any reason.

### 19 Warranties

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

### 20 Law Applicable and Policy Language

Unless it is agreed otherwise:

- a) the language of the Policy and all communications relating to it will be English and
- b) all aspects of the Policy including negotiation and performance are subject to English law and the decisions of the English courts.

**Telephone helpline: 0845 330 1800**

**[www.premierlinedirect.co.uk](http://www.premierlinedirect.co.uk)**

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