

Matrix Underwriting Management



Matrix Underwriting Management

Hornigals, Little Tey Road, Feering, Essex, CO5 9RS

This is to Certify that in accordance with the authorisation granted by **insurers** pursuant to the terms of a binding authority granted under the unique market reference number (UMR) specified in the Schedule to the undersigned and in consideration of the premium specified herein, the said **insurers** are hereby bound to insure in accordance with the terms and conditions contained herein or endorsed hereon.

Insurers hereby agree to the extent and in the manner hereinafter provided, to indemnify **you** against loss or damage sustained or legal liability for accidents happening during the period stated in the Schedule, after such loss, damage or liability are proved.

PROVIDED always that:

1. the liability of **insurers** shall not exceed the limits of liability expressed in the said Schedule or such other limits of liability as may be substituted therefor by memorandum hereon or attached hereto signed by or on behalf of **insurers**
2. this **policy** does not cover any item or Section for which there is no Sum Insured or Limit shown against that Item or Section in the Schedule
3. the subscribing **insurers** obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing **insurers** are not responsible for the subscription of any co-subscribing **insurer** who for any reason does not satisfy all or part of their obligations.

In Witness whereof this **policy** has been signed on behalf of the **insurers** stated in the Schedule by

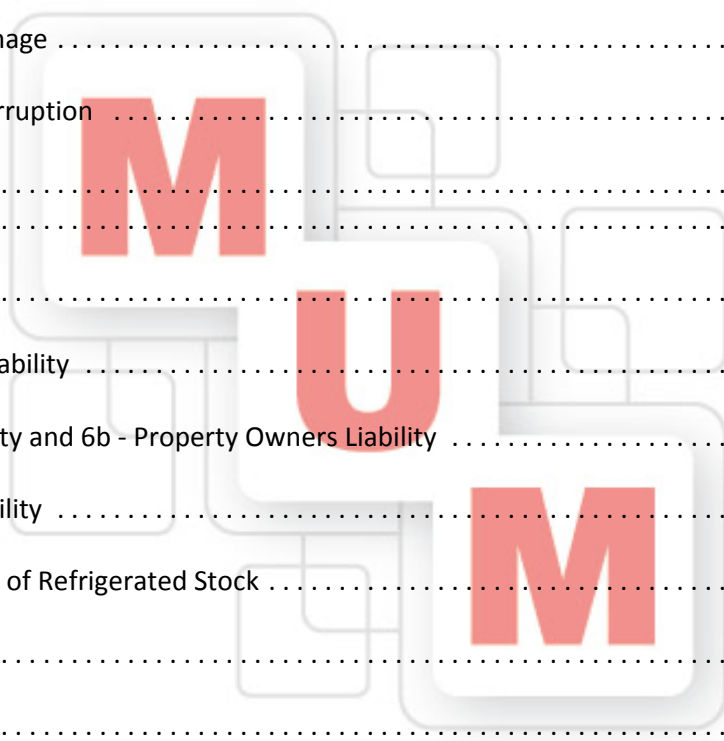
Matrix Underwriting Management Ltd

This **policy** is made and accepted subject to all the provisions, conditions, warranties and exclusions set forth herein, attached or endorsed, all of which are to be considered as incorporated herein.

Insurers will indemnify or compensate **you**, by payment or, at **insurers** option, by replacement, reinstatement or repair in the event of loss, destruction, damage, accident or liability occurring during any **period of insurance**, subject to the terms and conditions of the **policy**.

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Introduction and Your Obligations

It is important that **You** read all **Your** documents carefully and let Your **Agent** know as soon as reasonably possible, and in any case within 3 (three) working days, if the insurance does not meet **Your** requirements or if any information is inaccurate or incomplete.

You are required to make a fair presentation of the risk to Insurers.

If **You** breach **Your** duty to provide a fair presentation and any such breach was deliberate or reckless, **Insurers** may regard the Policy as void and are not required to return any paid Premium to **You**.

If the breach was not deliberate or reckless, **Insurers'** remedy shall depend upon what **Insurers** would have done if **You** had complied with the duty of fair presentation:

1. **Insurers** may regard the Policy as void if **Insurers** would not have entered into the Policy on any terms in the absence of the breach. In this case, the **Insurers** must return the premium paid.
2. If the **Insurers** would have entered into the Policy, but on different terms (other than terms relating to premium) the Policy is to be treated as if those different terms applied from the outset, if the **Insurer** so requires.
3. If the **Insurers** would have entered into the Policy but would have charged a higher premium the **Insurers** may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims).

Material facts

Material facts and circumstances are those which the Underwriter/*We* may wish to know in deciding whether to underwrite the risk and/or the terms upon which to underwrite the risk. They may be relevant either to the physical risk or to the personal background and characteristics (including financial) of *You* and/or any director, partner, officer and/or principal of *Your Business*. It is important that *Your Business* should have a system in place to ensure that all material facts and circumstances are disclosed.

Should *You* be in any doubt as to whether information is accurate or material, *You* should discuss it with **Your Agent**. If in doubt, *You* should disclose it. **We** are keen to work in partnership with **You** to avoid any misunderstandings.

Setting Your Sums Insured

This **Policy** requires **You** to specify a *Total Sum Insured* for each category of *Property Insured* and/or a *Sum Insured* for individual items of *Property Insured*. For example, if **You** wish to insure several different **buildings** under Section 1, the *Total Sum Insured* for **buildings** should represent the total cost of rebuilding all of these, as explained further below. **You** may also wish to specify a *Sum Insured* for each individual **building**.

For all items other than **buildings** the *Total Sum Insured/Sum Insured* should represent the cost of buying a new replacement of the item(s) in question.

To ensure that **You** recover an adequate indemnity in the event of a loss it is essential that the *Sums Insured* and *Total Sums Insured* are accurate. Otherwise, the amount payable by **Us** in the event of a claim may be reduced in proportion to the amount of any underinsurance. Accordingly, the *Sums Insured* and *Total Sums Insured* should reflect up-to-date cost of rebuilding and /or values (as appropriate) of all items which **You** want to insure.

Please note:

The cover provided for **Buildings** and *Contents* is on a Reinstatement basis which means that **You** should set the *Sums Insured* and *Total Sums Insured* for these items carefully by reference to the full cost of rebuilding the **Buildings** to a condition equivalent to when new, or replacing the *Contents* with equivalent new items. It is important that **You** include an allowance for the cost of *Debris Removal, Professional Fees* and any *Increased Cost of Construction* expenses that would be required in order to reinstate the property were it to be completely destroyed.

The definition of *Gross Profit* for the purposes of an insurance **Policy** will often vary from the definition appearing in **Your** accounts.

We would strongly recommend that **You** discuss these aspects with **Your Agent**.

Survey

At presentation and/or renewal **We** may require a survey of some or all of the *Property Insured*.

Your obligations in respect of survey requirements are set out more fully in General Condition 18 (Subjectivity) para b).

The Contract Wording

The Proposal, any Statement of Fact, the **Policy**, the Schedule (including any *Schedule* issued in addition or substitution) and any Endorsements shall be considered as one legal document.

Your Obligations under the Policy

The **Policy** imposes certain obligations upon **You** which if not complied with may invalidate the insurance or a claim. Some of these obligations are expressed to be **conditions precedent**. Because of the importance of these clauses, which **We** explain below, each time a clause is expressed to be a **condition precedent** **We** have used bold type to draw **Your** attention to it.

Conditions Precedent

Conditions precedent are extremely important. If **You** are in breach of any of these obligations at the time of a loss, **We** will have no obligation to indemnify **You** in relation to any claim for that loss. However if a **condition precedent** is intended to reduce the risk of loss of a particular kind, at a particular location or at a particular time, **We** will not rely on the breach of that **condition precedent** to exclude, limit or discharge *Our* liability if the breach could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred. Subject to any other rights which **We** may have under and/or with respect to the validity of the **Policy**, the **Policy** will remain in existence.

Steps to be taken if You cannot comply

If **You** are unable to comply with any **condition precedent** **You** should contact **Us** as soon as reasonably possible, and in any case within 3 (three) working days, through **Your Agent**. **We** will decide whether **We** might be prepared to agree a variation of the **Policy**. All conditions precedent remain effective unless **You** receive written confirmation of a variation from **Us** through **Your Agent**.

Claims procedure

General Condition 6. (Claims) explains **Your** obligations on the happening of any event which could result in a claim under this **policy** .

Please also take note of General Condition 10 (Fraud)

If **you** have a claim, or are aware of an incident that could result in a claim, please contact **Your Broker** immediately. They will report the details to Matrix Underwriting Management Ltd who will in turn report the loss to the applicable **Insurer**. Please note that cover under **Your** Policy may be provided by a number of different **Insurers** so until such time as Matrix Underwriting Management Ltd have full details of **Your** claim they will not know where to direct **Your** claim.

Please make sure that **You** provide us with contact details including a name and a telephone number.

Upon receipt of **Your** claim **Insurers** or their authorised representatives will be in touch with **You** directly.

Complaints Procedure:

If **you** have a Complaint which relates to either **your** policy or to a claim which **you** have submitted under **your** **policy** then please raise this in the first instance with **your** Broker who will aim to resolve **your** concerns by close of the next business day.

If **your** Broker is unable to deal with **your** concerns the matter will be forwarded onto **your Insurer** via Matrix Underwriting Management Ltd, Hornigals, Little Tey Road, Feering, Essex, CO5 9RS

Whilst reviewing **your** complaint **your Insurer** will:

- ▶ Acknowledge your complaint promptly
- ▶ Investigate your complaint quickly and thoroughly
- ▶ Keep you informed of the progress of your complaint
- ▶ Do everything possible to resolve your complaint

Your Insurer is obliged to provide **you** with a written offer of resolution within 8 weeks of the date **your** complaint was received.

If **you** are unhappy with the final decision made by **your Insurer**, **you** may be eligible to refer **your** case to the Financial Ombudsman Service (FOS). The FOS is an independent body that arbitrates on complaints.

The FOS can be contacted at the following address:

South Key Plaza, 183 Marsh Wall, London E14 9SR

Telephone: 0800 0234567 (landline users)

0300 1239123 (mobile users)

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

Website: www.financial-ombudsman.org.uk

You have six months from the date of the final response from **your** Insurer to refer **your** complaint(s) to the FOS. This does not affect **your** right to take legal action, however, FOS will not adjudicate on any cases where litigation has commenced.

Definitions

Wherever the following words appear in bold in this **policy** they shall mean the following:

definition of	means
accidental damage	damage caused by accidental and external means
act of terrorism	<p><i>for the purpose of the Employers, Public, Property Owners and Products liability Sections of this policy only</i> an act whether involving violence or the free use of force or not or the threat or the preparation 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) which is designed to or does</p> <ul style="list-style-type: none"> i) intimidate or influence a de jure or de facto government or the public or a section of the public or ii) disrupt any segment of the economy <p>and from its nature or context is done in connection with political social religious ideological or similar causes or objectives</p> <p><i>for the purpose of all other Sections of this policy</i> 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</p>
asbestos	asbestos, asbestos fibres, any derivatives of asbestos and any product containing asbestos, asbestos fibres or any derivatives of asbestos
bodily injury	death, injury, illness, disease or shock
broker/advisor/agent	The Broker named in the Policy Schedule
buildings	the buildings and outbuildings including landlords fixtures and fittings , constructed as stated in accordance with details lodged with insurers , and their foundations, extensions, annexes, gangways, conveniences, outbuildings and sub-stations; walls, fences and gates; piping, ducting, cable wires and associated control gear and accessories, fuel tanks, telephone, gas, water and electric meters, fibre optic or integrated services, digital network lines, on the premises or in the buildings and extending to the perimeter thereof or the public mains but only to the extent of the insured's legal responsibility therefore, yards, car-parks, pavements, pathways and roadways; sanitary ware, fixed glass, fanlights, skylights and partitions for which the insured is legally responsible; all situate at the risk address or locations stated in the schedule
business	<p>the business stated in the schedule and <i>in respect of the Employers, Public, Property Owners and Products liability Sections of this policy only</i></p> <ul style="list-style-type: none"> a) provision and management of catering, social, sports, educational and welfare facilities for the benefit of employees, first aid, medical, ambulance, fire and security services and maintenance of the insured's premises b) private duties undertaken by an employee for the insured, or, with the insured's consent, for any director, partner or official of the insured c) ownership and maintenance of buildings, premises and land used in connection therewith d) participation as an exhibitor at trade shows or exhibitions
business hours	the period during which the premises are open for business or otherwise occupied for the purposes of the business by the insured or any authorised employee
certificate/policy	the use of these words throughout this document and in any schedule or endorsement attaching hereto shall be interchangeable and shall mean this document.
employee/s	<ul style="list-style-type: none"> a) any person under a contract of service or apprenticeship with the insured or with some other employer and who is supplied to or hired to or borrowed by the insured b) any labour master or labour only sub-contractor or any person supplied by them c) any self employed person or voluntary helper performing work of a kind ordinarily performed under a contract of service or apprenticeship with the insured provided that such work is under the immediate supervision and control of the insured d) any person who is engaged under a Government or otherwise authorised work experience, training, study, exchange or similar scheme <p>whilst working for the insured in connection with the business.</p>
excess	the amount for which the insured will be responsible and which will be deducted from each and every claim
fixtures and fittings	machinery, plant, trade and office furniture, fixtures, fittings, landlords fixtures and fittings , tenants improvements, blinds and signs and all other contents, as shown in the schedule under the short title of Fixtures and fittings being the property of the insured or for which the insured is legally responsible but excluding property more specifically insured, glass, neon and illuminated signs, motor vehicles and accessories whilst therein or thereon, money and stock
Insurer, Underwriter, we, us, our	wherever the word Insurer, Underwriter, we, us or our appears in this policy or in any Schedule or Endorsement attaching hereto it shall mean the Insurance Company or Lloyd's Syndicate stated as the Insurer in the policy Schedule as appropriate to each section of cover.
keyholder	the insured or any person or keyholding company authorised by the insured who is available at all times to accept notification of faults or alarm signals relating to the intruder alarm installation and attend and allow access to the premises

keys	any items designed and intended to operate locking mechanisms
landlords fixtures and fittings	sanitary fittings, air conditioning and central heating systems and additional fixtures and fittings which form part of the permanent structure of the building
money	current currency, crossed and uncrossed bankers drafts, national giro drafts and payment orders, postal and money orders, dividend warrants and cheques other than pre-signed blank cheques, travellers cheques, national savings stamps and certificates, bus and rail travel cards and passes, telephone cards, current postage stamps and unused postal franking machine units, luncheon vouchers, gift tokens, trading stamps, national insurance stamps and stamped or impressed national insurance cards, holiday with pay stamps, premium bonds, VAT purchase invoices, credit card, cheque card and debit card sales vouchers, savings stamps, consumer redemption vouchers and National Lottery 'Instants' and other scratch cards, all pertaining to the business and belonging to the insured or for which the insured is legally responsible
non negotiable money	crossed cheques postal orders money orders bankers drafts national giro drafts and payment orders, dividend warrants, national savings certificates, unused postal franking machine units, stamped or impressed national insurance cards, holiday with pay stamps, premium bonds, VAT purchase invoices, credit card cheque card and debit card sales vouchers and consumer redemption vouchers travel tickets and travel vouchers.
period of insurance	the period stated in the schedule or any other period for which insurers have agreed to accept and for which the insured has paid or agreed to pay a premium
personal effects	personal items, clothing, tools and pedal cycles not otherwise insured belonging to directors, partners, employees , customers and visitors
pollution	<i>for the purpose of the Employers, Public, Property Owners and Products liability Sections of this policy only</i> pollution or contamination of the atmosphere, or of any water, land, buildings or other tangible property.
pollution or contamination	pollution, contamination, sooting, deposition, impairment with dust, chemical precipitation, poisoning, epidemic and disease (including but not limited to foot and mouth disease), adulteration, impurification or limitation or prevention of the use of objects because of hazards to health
premises	that part of the buildings , situate at the risk address or locations stated in the schedule, occupied by the insured for the purposes of the business
products	any goods, including containers, packaging, labelling and instructions for use, sold, supplied, processed, delivered, installed, tested, repaired, serviced, altered, treated or hired out by the insured in connection with the business from the premises and no longer in the insured's possession or control.
responsible person	the insured or any person authorised by the insured to be responsible for the security of the premises
stock	stock and materials in trade and work in progress all pertaining to the business , as shown in the schedule under the short title of Stock being the property of the insured or held by the insured in trust or on commission for which the insured is legally responsible but excluding property more specifically insured
tenant's improvements	tenant's improvements, alterations and decorations, as shown in the schedule under the short title of Tenant's improvements but excluding glass other than that insured by the Property Damage Glass Extension
territorial limits	Great Britain, Northern Ireland, the Isle of Man and the Channel Islands
the insured	the person, persons or company named in the schedule
unattended vehicle	any vehicle left without the insured or any employee or a responsible adult remaining therein at any time other than whilst the vehicle is being loaded, unloaded or refuelled
unoccupied	empty, vacant, unattended or no longer in use for a period of 30 consecutive days or longer
vehicle	any road vehicle together with its trailer or container
working day of the driver	the period in any day during which a vehicle is being used for purposes in connection with the business
you, your	the insured under this policy

General Conditions

1 Adjustment

If the premium for this **policy** or any section or any item thereof has been based wholly or partly on any estimates given by **the insured** then **the insured** must keep an accurate record of all the relative particulars and such record must at all times be available for examination by **insurers**. Within three months of the expiry of each **period of insurance** (unless stipulated otherwise in any section) **the insured** must supply to **insurers** such particulars as **insurers** may require and the premium for such expired period will then be adjusted and the difference shall be paid by or returned to **the insured** as the case may be subject to the retention by **insurers** of any minimum premium under this **policy** or any section thereof.

2 Not Used

3 Basis of claims settlement

Following loss, destruction or damage insured by Section 1 - Property Damage, Section 8 - Deterioration of Refrigerated Stock, Section 9 - All Risks or Section 11 - Goods in Transit and subject to the adequacy of the sums insured and to the Limits of liability there under **insurers will** pay in respect of

- a) **stock** - the cost price of replacing the goods at the time of the loss, destruction or damage
- b) deeds, documents and **business** books - their value as stationery only together with the cost of clerical labour expended in writing up and not for the value to **the insured** of the information contained therein
- c) computer systems records - the value of the materials only together with the cost of clerical labour and computer time expended in reproducing such records (excluding any expense in connection with the production of information to be recorded therein) and not for the value to **the insured** of the information contained therein
- d) patterns, models, moulds, plans and designs - the value of the materials only together with the cost of labour expended in reinstatement of such property
- e) directors', partners', **employees'**, customers' and visitors' **personal effects** not otherwise insured - the cost of repair or replacement at the time of the loss, destruction or damage after due allowance for wear, tear or depreciation, for an amount not exceeding, in respect of any one person, £500 or such other amount stated by an endorsement in the schedule
- f) rent- the loss of rent payable or rent receivable by **the insured** for the term of twelve months or such other term stated in the schedule during any period necessary for reinstatement or repair as a result of the **buildings** or any part thereof being rendered uninhabitable due to loss, destruction or damage caused by any of the perils insured by this section provided that **insurers** liability for such loss of rent will not exceed such proportion of the sum **insured on rent as the** period necessary for reinstatement or repair bears to the term of rent insured
- g) all other property including **buildings** - subject to the following Special conditions the cost of reinstatement of the property lost, destroyed or damaged

Definition - for the purposes of Basis of claims settlement sub-paragraph g) only reinstatement means

- a) the rebuilding or replacement of the property lost, destroyed or damaged which provided the liability of **insurers** is not increased may be carried out
 - i) in any manner suitable to the requirements of **the insured**
 - ii) upon another site
- b) the repair or restoration of 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 No payment beyond the amount which would have been payable in the absence of Basis of claims settlement sub-paragraph g) shall be made
 - a) unless reinstatement commences and proceeds **without unreasonable delay**
 - b) until the cost of reinstatement shall have actually been incurred
 - c) if the property insured at the time of its loss, destruction or damage **shall be insured by any other insurance effected by or on behalf of the insured** which is not upon the same basis of claims settlement.
- 2 The liability of **insurers** for reinstatement of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed.
- 3 All the terms and conditions of the **policy** shall apply:
 - a) in respect of any claim payable under the provisions of this Basis of claims settlement subparagraph except in so far as they are varied hereby
 - b) where claims are payable as if this Basis of claims settlement sub-paragraph had not been incorporated
- 4 General Condition 20 – Underinsurance is deemed to read
If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstatement of the whole of the property covered by any item subject to this Basis of claims settlement sub-paragraph exceeds its sum insured at the commencement of any loss, destruction or damage, then **the insured** shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss
- 5 Where for any reason no payment is to be made on the basis of reinstatement (liability being otherwise admitted) then the liability of **insurers will** be arrived at as if this basis of claims settlement had not been incorporated herein and sub-paragraph g) shall then be deemed to read all other property including **buildings** - in the case of **buildings**, the value of the **buildings** at the time of the loss, destruction or damage, or the amount of such loss, destruction or damage as the case may be, after due allowance for wear, tear or depreciation or at its option replace, reinstate or repair the lost, destroyed or damaged property and in the case of all other property, the cost of repair or replacement at the time of the loss, destruction or damage after due allowance for wear, tear or depreciation.

4 Cancellation

The insured may cancel this **policy** by giving written instructions to Matrix Underwriting Management

- a) within 14 days of issue, returning the **policy** document and schedule and receive a full refund of premium but if there has been an incident which has resulted or could result in a claim, **the insured** must reimburse **insurers** for any amounts **insurers** have paid or may be required to pay, in respect of that incident
- b) after 14 days of issue and receive pro rata proportional refund of the premium in respect of the unexpired term of this **policy** unless a claim or an incident likely to give rise to a claim has occurred during the current **period of insurance**;
 - i) if the cancellation occurs in the first **period of insurance** a maximum administration charge of 10% of the premium for that **period of insurance** will be deducted from any refund
 - ii) if the cancellation occurs in any subsequent **period of insurance** a maximum administration charge of 5% of the premium for that **period of insurance** will be deducted from any refund.

Insurers may cancel this **policy** or any section by sending a recorded delivery letter to the last known address of **the insured** giving seven days notice. In the event of cancellation by **insurers**, **insurers** will refund a pro rata proportion of the premium paid in respect of the unexpired term of this **policy**

unless a claim or an incident likely to give rise to a claim has occurred during the current **period of insurance**. If **the insured** is paying by monthly instalments **insurers** may exercise their right to collect the balance of any outstanding premium in the event of a claim. If **the insured** has agreed to pay the premiums by instalments and fails to pay any of those instalments, **insurers** reserve the right to cancel the **policy**.

5 **Change in risk**

This **policy** shall cease from the date of the change if

- a) the insured's interest ceases other than by death or
- b) the **business** be wound up or carried on by a liquidator or receiver or permanently discontinued or
- c) any alteration be made either in the **business** or in the **premises** or in any property therein or in any other circumstances which may increase the possibility of loss, destruction, damage or accidental **bodily injury** covered by this **policy** at any time after the commencement of this insurance unless **insurers** have agreed in writing to its continuance.

6 **Claims**

It is a **condition precedent** to the liability of **insurers** that on the happening of any event which could result in a claim under this **policy** **the insured** shall

- a) advise Matrix Underwriting Management in writing as soon as practicable and in writing if required
- b) not make any admission of liability or promise of payment without **insurers** written consent
- c) immediately notify the police following loss, destruction or damage by theft, riot, vandalism or malicious act or if property be accidentally lost
- d) in respect of any loss, destruction or damage to the property insured submit, at the insured's own expense, a claim in writing with all such particulars and proofs as **insurers** may be reasonably required within
 - i) seven days in the case of loss, destruction or damage caused by riot, civil commotion, strikes, labour disturbances or malicious persons
 - ii) thirty days in the case of any other loss, destruction or damage
- e) inform **insurers** immediately of any claim being made, or of any impending prosecution, inquest or fatal accident inquiry. Every letter, claim, writ or other document relating to any accident, claim, prosecution or civil proceedings must be sent to **insurers** immediately, unacknowledged
- f) give all such information and assistance as **insurers** may request.

7 **Contracts (Rights of Third Parties) Act 1999**

No person, persons, company or other party who is not named as **the insured** in this **policy** shall have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms or conditions of this **policy**. This shall not affect any right or remedy of a third party that exists or is available apart from that Act.

8 **Death of the insured**

In the event of the death of **the insured** **Insurers** will in respect of liability or loss incurred by **the insured** indemnify the insured's personal representatives in the terms of and subject to the limitations of this **policy**, provided that such personal representatives shall as though they were **the insured** observe, fulfil and be subject to the terms and conditions of the **policy** as far as they can apply.

9 **Disputes**

Provided that liability under this **policy** has been admitted, if there is a dispute over the amount to be paid by **Insurers** the matter will be referred to arbitration and the arbitrator will be appointed by the parties concerned according to the relevant statutory provisions in force at the time. In such a case there will be no right of action against **Insurers** until an award is made.

10 **Fraud**

If the Insured makes a fraudulent claim under this Policy the Insurers shall not be liable to pay the Insured any sums in respect of the fraudulent claim. The Insurers may recover from the Insured any sums that the Insurers have already paid to the Insured in respect of the fraudulent claim. The Insurers may by notice to the Insured treat this Policy as terminated with effect from the date of the Insured's fraudulent act.

11 **Insurance Premium Tax**

The premium will be subject to insurance premium tax as set out in the Finance Act 1994 (or as amended by subsequent legislation) and detailed in the **policy** schedule or renewal notice.

12 **Law applicable**

Under United Kingdom law the parties to the contract have the right to choose the law which should apply. In the absence of any agreement to the contrary, English law will apply.

13 **Other insurance**

If at the time of any loss, destruction or damage or at the time of the occurrence of any incident which may result in **the insured** being held legally liable for the consequences thereof and which is covered under this **policy**, there is any other insurance in force which covers the same loss, destruction, damage or legal liability, **insurers** liability will be limited to its rateable proportion.

14 **Reasonable care**

It is a **condition precedent** to the liability of **insurers** that **the insured** shall at his own expense

- a) take all reasonable precautions to prevent loss, destruction, damage, accident or **bodily injury**
- b) keep the **premises, buildings** and other maintainable property which is insured by this **policy** in a satisfactory state of repair
- c) comply with all relevant statutory requirements and other regulations imposed by any authority and manufacturers' recommendations all relating to the use inspection and safety of property and the safety of persons
- d) as soon as possible after discovery, cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be effected as the circumstances may require
- e) exercise due care in the selection and supervision of **employees**.

15 **Reinstatement of sum insured**

It is agreed that in the absence of written notice by **the insured** or **insurers** to the contrary, **insurers** liability shall not stand reduced by the amount of any loss, provided **the insured** undertakes to pay any appropriate premium for such automatic reinstatement of cover and implements immediately any recommendations made by **insurers** to prevent further loss, destruction or damage and effects all repair or replacement work without delay.

16 Rights

In the event of loss, destruction or damage to the property insured **insurers** will be entitled to enter any building where such loss, destruction or damage has happened and to take and keep possession of such property insured and to deal with the salvage in a reasonable manner and this **policy** shall be proof of leave and licence for such purpose.

No property may be abandoned to **insurers**.

17 Security

It is a **condition precedent** to the liability of **insurers** that **the insured** shall ensure that all

- a) security devices are put into full and effective operation whenever the **premises** are closed for **business** or left unattended
- b) **keys** and all details of any codes or combinations relating to any part of the intruder alarm installation and any safe or strongroom be removed from the **premises** whenever the **premises** are closed for **business** or left unattended
- c) fire break doors and shutters in the **buildings** be maintained in efficient working order and that the openings protected by such doors and shutters be kept clear of obstruction at all times and that all such doors and shutters other than those fitted with fusible links be kept closed except during **business hours**
- d) security devices shall not be withdrawn, altered or varied without prior consent from **insurers**

18 Subjectivity

The Proposal, any Statement of Fact, the **Policy**, the Schedule (including any *Schedule* issued in addition or substitution) and any Endorsements shall be considered as one legal document

- a) **Insurers** will clearly state in the schedule if the cover provided by the **policy** is subject to **the insured**
 - i) providing **insurers** with any additional information requested by the required date(s)
 - ii) completing any actions agreed between **the insured** and **insurers** by the required date(s)
 - iii) allowing **insurers** to complete any actions agreed between **the insured** and **insurers**.
- b) If required by **insurers** **the insured** must allow **insurers** access to the **premises** and/ or the **business** to carry out survey(s) within 60 days of the inception or renewal date unless **insurers** agree otherwise in writing.

Upon completion of these requirements (or if they are not completed by the required dates) **insurers** may, at **insurers** option

- i) modify the insured's premium
- ii) issue a mid-term amendment to the insured's **policy** or section terms and conditions
- iii) require **the insured** to make alterations to the **premises** insured by the required date(s)
- iv) exercise **insurers** right to cancel the **policy**
- v) leave the **policy** or section terms and conditions and the premium unaltered

Insurers decision will be notified to **the insured** and where applicable specify the date(s) by which any action(s) agreed needs to be completed by **the insured** and/ or any decision by **insurers** will take effect.

Insurers requirements and decisions will take effect from the date(s) specified unless and until **insurers** agree otherwise in writing. If **the insured** disagree with **insurers** requirements and/ or decisions **insurers** will consider the insured's comments and where **insurers** consider appropriate will continue to negotiate with **the insured** to resolve the matter to the insured's and **insurers** satisfaction.

In the event that the matter cannot be resolved **the insured** and **insurers** may exercise the right to cancel this **policy** in accordance with the terms of General Condition 4 Cancellation.

Except where stated all other **policy** and section terms and conditions will continue to apply.

The above conditions do not affect **insurers** right to void the **policy** if **insurers** discover information material to **insurers** acceptance of the risk.

19 Subrogation

Before or after **insurers** have indemnified **the insured** **insurers** will be entitled to undertake in the name of and on behalf of **the insured** the absolute conduct, control and settlement of any proceedings and to take **proceedings** at its own expense and for its own benefit but in the name of **the insured** to recover compensation or secure indemnity from any third party in respect of anything covered by this **policy**.

20 Underinsurance

Each item insured under Section 1 – Property Damage, Section 8 – Deterioration of Refrigerated Stock and Section 9 – All Risks is declared to be subject to this underinsurance condition. If the property insured by such item shall at the commencement of any loss, destruction or damage hereby insured against be collectively of greater value than such sum insured, then **the insured** shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss.

Whenever this General Condition applies to a claim the provisions of this condition shall precede the application of any **excess** relevant to that claim.

21 Warranty

If the Insured breaches any warranty in this Policy, the Insurer's liability under the Policy shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). The Insurer will have no liability to the Insured for any loss which occurs, or which is attributable to something happening, during the period when the Insurer's liability is suspended.

22 Data Protection Act 1998

Any information **you** provide to **insurers** will be processed by **insurers** in compliance with the provisions of the Data Protection Act 1998 for the purpose of providing insurance and handling claims, if any, which may necessitate providing such information to third parties.

General Exclusions

Insurers will not be liable for

- 1 loss, destruction or damage to any property whatsoever or any loss or expenses or any consequential loss or **bodily injury** or any legal liability of whatsoever nature directly or indirectly caused by contributed to by resulting from or arising out of or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - a) nuclear energy or radioactivity of any kind including but not limited to
 - i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - iii) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - b) any chemical, biological, bio-chemical or electromagnetic weapon
 - c) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority
 - d) an **act of terrorism** or any action taken in controlling, preventing, suppressing, retaliating against, responding to or in any way relating to an **act of terrorism** (other than in respect of **bodily injury** to an **employee** arising out of and in the course of employment in the **business**). If **insurers** allege that by reason of this subparagraph any loss, destruction, damage, cost, expense, consequential loss or **bodily injury** is not covered by this **policy** the burden of proving the contrary shall be upon **the insured**
 - e) pressure waves caused by aircraft or other aerospace devices travelling at sonic or supersonic speeds
 - f) confiscation, nationalisation or requisition by order of any government or public, municipal, local or customs authority
 - g) erasure, loss, distortion or corruption of information on, or reduction in the functionality, availability or operation of any computer system, or any hardware, program, software, data, information repository, disk, microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of **the insured** or not, caused by the malicious introduction or incursion of any unauthorised, unintended, undesired or unexpected program, instruction or command or any other computer or electronic virus.
- 2
 - a) loss, destruction or damage to property caused by **pollution or contamination** except (unless otherwise excluded) loss, destruction or damage to the property insured caused by
 - i) **pollution or contamination** which itself results from a contingency hereby insured against (other than by leakage of oil or by **accidental damage** to underground service pipes or cables) which comprises a sudden identifiable, unintended and unexpected event and occurs in its entirety at a specific time and place during the **period of insurance**
 - ii) any contingency hereby insured against (other than by leakage of oil or by **accidental damage** to underground service pipes or cables) which itself results from **pollution or contamination**
 - b) expenses, fines, penalties, remediation costs or other costs incurred or sustained or imposed on **the insured** which result from the order of any government agency, Court or an other authority, in connection with any **pollution or contamination** or other environmental impairment including seepage from any cause.
 - c) loss under Section 2 - Business Interruption of this **policy** resulting from **pollution or contamination** but this will not exclude loss resulting from damage at the **premises** to property used by **the insured** for the purpose of the **business** (unless otherwise excluded) caused by
 - i) **pollution or contamination** at the **premises** which itself results from a contingency hereby insured against (other than by leakage of oil or by **accidental damage** to underground service pipes or cables) which comprises a sudden, identifiable, unintended and unexpected event and occurs in its entirety at a specific time and place during the **period of insurance**
 - ii) any contingency hereby insured against (other than by leakage of oil or by **accidental damage** to underground service pipes or cables) which itself results from **pollution or contamination**
 - iii) human infectious or contagious disease
- 3 loss, destruction or damage
 - a) to property undergoing any process involving the application of heat
 - b) to any electrical machine or apparatus or component thereof occasioned by its over-running, excessive pressure, short-circuiting or self-heating not resulting in fire
 - c) arising from theft or attempted theft where **the insured** or any director, partner or **employee** of **the insured** or any member of the insured's family or household be concerned as principal or accessory
 - d) due to theft or attempted theft, malicious damage, leakage of water following bursting or overflowing of water pipes, water apparatus or water tanks or from any automatic sprinkler installation, leakage of oil or breakage of glass and sanitary ware
 - i) during any period when the **business** has ceased to trade whether the **premises** are unfurnished or otherwise
 - ii) whilst the **buildings** are unfurnished or untenanted
 - e) due to disappearance, unexplained loss, inventory shortage, misfiling or misplacing of information
- 4 loss, destruction or damage or any expense or consequential loss happening in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion and (except in respect of loss, destruction or damage or any expense or consequential loss by fire or explosion) strikers, locked out workers or persons taking part in labour disturbances or malicious persons. If **insurers** allege that by reason of this subparagraph any loss, destruction, damage, cost, expense, consequential loss or **bodily injury** is not covered by this **policy** the burden of proving the contrary shall be upon **the insured**

- 5
 - i) loss, destruction or damage
 - ii) consequential loss, additional expenditure or extra expenses
 - iii) legal liability
 - iv) other fees, costs, disbursements, awards or other expenses of whatsoever nature directly or indirectly caused by or consisting of or contributed to by or arising from the failure in whole or in part of –
 - a) any computer
 - b) any data processing equipment or media, microchip, integrated circuit or similar device
 - c) any computer software

whether the property of **the insured** or not and whether occurring before, during or after the year 2000 to achieve all or any of the purposes and effects intended by the use of any number and/or word to denote a date, including the failure to -

- i) correctly recognise any date as its true calendar date
- ii) recognise, capture, save, retain or restore and/or correctly manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than its true calendar date
- iii) recognise, capture, save, retain, restore and/or correctly manipulate, interpret, calculate or process any data or information as the result of the operation of any command which has been programmed into any computer software or hardware being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore and/or correctly manipulate, interpret, calculate or process any data on or after any date

but in respect of all sections other than Section 5 - Employers' Liability, Section 6 - Public Liability or Section 7 - Products Liability this shall not exclude subsequent loss, destruction or damage to property specifically insured by any item, section or endorsement of this **policy**, or any expense or any consequential loss additional expenditure or extra expense (not otherwise excluded) which itself results from the following contingencies or perils -

Fire, lightning, explosion, aircraft and other aerospace devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, earthquake, subterranean fire, impact by any mechanically propelled vehicle or by goods falling therefrom or by animals, theft or any attempt thereat, storm, flood, or escape of water or oil from any pipe tank or apparatus.

6. any loss damage claim cost expenses or other sum directly or indirectly arising out of or relating to mould mildew fungus spores or other micro-organism of any type nature or description including but not limited to any substance whose presence poses an actual or potential threat to human health regardless whether there is
 - a) any physical loss or damage to insured property
 - b) any insured peril or cause whether or not contributing concurrently or in any sequence
 - c) any one loss occupancy or functionality or
 - d) any action required including but not limited to repair replacement removal cleanup abatement disposal relocation or steps taken to address medical or legal concerns.

7. any damage, cost or expense or legal liability directly or indirectly caused by arising out of, resulting as a consequence of or related to
 - a) the use of
 - b) the exposure to
 - c) the inclusion in any structure (whether an insured property or not) of
 - d) pollution or contamination by
 - e) the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale of asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss. (This exclusion is not applicable to the Employers, Public, Property owners or Products liability sections of this policy which each have their own asbestos related exclusion)

Section 1 - Property Damage

Cover

will indemnify **the insured** in respect of loss, destruction or damage occurring at the **premises** to the property insured described in the schedule or any part of such property caused by the following perils

- 1 fire (whether resulting from explosion or otherwise) not occasioned by or happening through
 - a) its own spontaneous fermentation or heating
 - b) earthquake or subterranean fire
- 2 lightning
- 3 explosion but excluding loss, destruction or damage (other than loss, destruction or damage by fire resulting from explosion)
 - a) caused by or consisting of the bursting of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of **the insured**
 - b) in respect of and originating in any vessel machinery or apparatus or its contents, belonging to or under the control of **the insured** which requires to be examined to comply with any statutory regulations unless such vessel, machinery or apparatus shall be the subject of a **policy** or other contract providing the required inspection service
- 4 aircraft and other aerospace devices or articles dropped therefrom
- 5 theft or any attempt thereat involving
 - a) forcible and violent entry to or exit from the **premises** or, when the **buildings** only are insured, forcible and violent entry to or exit from the **buildings**
 - b) assault or violence or threat thereof to **the insured** or any of his **employees**but excluding loss, destruction or damage to property from a garden, yard, open space or any open fronted or open sided building therein
- 6 riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation but excluding loss, destruction or damage caused in Northern Ireland or resulting from cessation of work
- 7 malicious persons not acting on behalf of or in connection with any political organisation but excluding loss, destruction or damage by theft or any attempt thereat
- 8 earthquake or subterranean fire
- 9 impact by any mechanically propelled vehicle (whether the vehicle be licensed for normal road use or not) or by goods falling therefrom or by animals but excluding loss or destruction of or damage to property in transit
- 10 storm but excluding loss, destruction or damage
 - a) caused by
 - i) the escape of water from the normal confines of any natural or artificial watercourse, lake, reservoir, canal or dam
 - ii) inundation from the sea, whether resulting from storm or otherwise
 - iii) frost, subsidence, ground heave or landslide
 - b) attributable solely to change in the water table level
 - c) to fences and gates and loose or moveable property in the open
- 11 flood but excluding loss, destruction or damage
 - a) caused by frost, subsidence, ground heave or landslide
 - b) attributable solely to change in the water table level
 - c) to fences and gates and loose or moveable property in the open
- 12 bursting or overflowing of water pipes, water apparatus or water tanks but excluding loss destruction or damage by water discharged or leaking from any automatic sprinkler installation
- 13 water accidentally discharged or leaking from any automatic sprinkler installation in the **premises** or the **buildings** not occasioned by or happening through
 - a) freezing whilst the **premises** or the **buildings** in the insured's ownership or tenancy are empty or disused
 - b) explosion, the blowing up of **buildings**, blasting, earthquake or subterranean fire or heat caused by firebut excluding loss or destruction of or damage to such installation other than that caused by water accidentally discharged or leaking from any such installation
subject to the following special conditions
 - i) **the insured** shall take all reasonable steps to prevent frost and other damage to any such automatic sprinkler installation and to prevent the freezing of water in any part of such installation and so far as his responsibility extends to maintain all such installations including the automatic external alarm signals in efficient working condition and in the event of any discharge or leakage from any such installation **the insured** shall do and permit to be done all things practicable whether by removal or otherwise to save and protect the property insured
 - ii) when any changes, repairs or alterations to any such automatic sprinkler installation are proposed written notice thereof is to be given to and their agreement obtained in writing
 - iii) **insurers** shall have access to the **premises** and the **buildings** at all reasonable times for the purposes of inspection and if **insurers** notify **the insured** of defects in the construction or condition of any automatic sprinkler installation requiring alteration or repair **insurers** may also at its option by notice in writing suspend this insurance until such alterations or repairs be made and approved by **insurers**
- 14 leakage of oil from any fixed installation
- 15 breakage or collapse of television or radio aerials, aerial fittings or masts or satellite receiving equipment but excluding loss, destruction or damage caused by erection, dismantling, repair or maintenance thereof

- 16 falling trees or branches but excluding loss, destruction or damage
- a) caused by felling or lopping carried out by or on behalf of **the insured**
 - b) to fences and gates and loose or moveable property in the open.
- 17 accidental damage but excluding
- a) loss, destruction or damage caused by or specifically excluded from the perils 1-16 above and 18 below
 - b) wear, tear or depreciation or diminution in value
 - c) loss, destruction or damage caused by or arising from or consisting of
 - i) frost, subsidence, ground heave or landslip or from settlement or bedding down of new structures
 - ii) collapse or cracking of **buildings**
 - iii) inherent vice, latent defect, defective design, plan or specification or the use of faulty materials
 - iv) faulty or defective workmanship operational error or omission on the part of **the insured** or any **employee of the insured**
 - v) marring, scratching, denting or mechanical or electrical defect, failure, breakdown or derangement
 - vi) atmospheric or climatic conditions or any other gradually operating cause, rot, fungus, rust, corrosion, woodworm, moths, insects, vermin or pests
 - vii) any process involving heating, drying, cleaning, dyeing, staining, repairing, restoring, renovating, fitting, installation, testing, commissioning, alteration or maintenance of any property
 - viii) use of any article contrary to manufacturers' instructions
 - ix) change in temperature colour flavour texture or finish
 - d) loss, destruction or damage to fences and gates and loose or moveable property in the open.
- 18 subsidence or ground heave (of any part of the site on which the **buildings** stand) or landslip but excluding
- a) all such loss, destruction or damage caused by or due to
 - i) settlement or bedding down of new structures
 - ii) compaction of the infill to the floors
 - iii) the settlement or movement of newly made up ground
 - iv) river or coastal erosion or cliff-fall
 - v) defective design or workmanship or the use of faulty or defective materials
 - vi) demolition or structural repairs or alterations to the building
 - b) movement of solid floor slabs unless the foundations beneath the external walls of the building are damaged at the same time by the same cause
 - c) loss or destruction of or damage to fences, gates, hedges, oil-tanks, paths, patios, paved areas or other artificially covered surfaces, swimming pools, tennis courts and walls, free standing walls, unless the main building is damaged at the same time by the same cause
 - d) loss or destruction of or damage to loose or moveable property in the open
 - e) loss, destruction or damage for which compensation is provided by legislation
 - f) the first £1,000 of each and every loss or as otherwise stated in the schedule.

Additional cover

The cover under this section is extended to include the following

1. **Architects' and surveyors' fees**
 Within the overall limit of the sum insured on **buildings** and other property except **stock**, **insurers** will pay the cost of architects', surveyors', consulting engineers' legal and other fees necessarily and reasonably incurred in the reinstatement or repair of the property following loss, destruction or damage caused by any peril insured against but excluding fees charged for the preparation of any claim.
2. **Buildings theft of fixed materials**
 This section extends to include loss, destruction or damage caused by theft or any attempted thereof of fixed materials forming part of the **buildings** but excluding loss, destruction or damage to walls, gates and fences.
Insurers liability will not exceed £5,000 in any one **period of insurance**.
3. **Capital additions**
 The insurance by this section extends to include
 - a) newly acquired and/or newly erected **fixtures and fittings** and **buildings** anywhere within Great Britain, the Isle of Man or the Channel Islands in so far as such property is not otherwise insured
 - b) alterations, additions and improvements to existing **fixtures and fittings** and **buildings** at the **premises** but excluding any appreciation in value of such property during the **period of insurance**
 Provided that
 - i) at any one situation or **premises** the liability of **insurers** shall not exceed 10% of the relevant sum insured on such property stated in the schedule or £500,000 whichever is the lesser
 - ii) **the insured** shall notify **insurers** of such capital additions as soon as possible and pay the appropriate additional premium that may be required to provide retrospective cover from the commencement date of the insured's liability for such property
 - iii) following such notification the provisions of this clause are fully reinstated.
4. **Collusion**
 This section extends to include loss, destruction or damage caused by theft caused by theft or attempted theft where any **employee of the insured** be concerned as principal or accessory.
 Provided that
 - a) General Exclusion 3c) shall not apply in respect of the insurance by this extension
 - b) such loss or damage is accompanied by visible evidence of forcible and violent entry to or exit from the **premises**.
5. **Contract price**
 In respect of goods sold but not delivered for which **the insured** is legally responsible and with regard to which under the conditions of the sale the sale contract is cancelled by reason of loss, destruction or damage hereby insured against either wholly or to the extent of the loss, destruction or damage the liability of **insurers** shall be based on the contract price and for the purpose of General Condition 20 Underinsurance the value of all goods to which this clause would in the event of loss, destruction or damage be applicable shall be ascertained on the same basis.

6. Contracting purchaser

If at the time of loss, destruction or damage to the **buildings the insured** shall have contracted to sell his interest in such **buildings** and the purchase shall not have been but shall be thereafter completed, the purchaser on the completion of the purchase if and so far as the **buildings** are not otherwise insured by or on behalf of the purchaser against such loss, destruction or damage shall be entitled to the benefit of this **policy** so far as it relates to such loss, destruction or damage without prejudice to the rights and liabilities of **the insured** or **insurers** under this **policy** up to the date of completion.

7. Customers' goods

The insured having intimated to their customers that they will accept responsibility for loss, destruction or damage to goods, the property of their customers or for which their customers are legally responsible whether manufactured by **the insured** or not, upon which work is to be, is being or has been done on behalf of their customers by **the insured**, or which may be left in the insured's hands for storage or despatch, or otherwise temporarily in the insured's custody, it is understood and agreed that all such goods shall be held to be insured by any items insuring **stock** but excluding property more specifically insured.

8. Debris removal costs

The insurance by each item insuring **buildings** and other property and the sums insured in respect thereof extends to include costs and expenses necessarily incurred by **the insured** with the consent of **insurers** in

- i) removing debris
- ii) dismantling or demolishing
- iii) shoring up or propping
- iv) clearance of drains

of the portion or portions of such insured property lost, destroyed or damaged by any peril insured against

Provided that **insurers** will not be liable under this clause for any such costs or expenses

- a) incurred in removing debris except from the site of such insured property so lost, destroyed or damaged and from the area immediately adjacent to such site
- b) arising from **pollution or contamination** of property not insured by this section.

9. Designation

For the purpose of determining where necessary the item against which any property is insured **insurers** agree to accept the designation under which such property has been entered in the insured's books.

10. Exhibitions

This section extends to include loss, destruction or damage caused by any peril insured to property insured whilst within the **premises** of any trade show or exhibition within the **territorial limits** at which **the insured** is participating as an exhibitor, including whilst in transit thereto and therefrom but excluding theft or attempted theft of the property insured from any **unattended vehicle**.

Insurers liability will not exceed £10,000 in any one **period of insurance**.

11. Extensions

Except where specifically insured the **buildings** and contents of

- a) outbuildings, annexes, tanks, bunds, gangways and conveniences
- b) extensions adjoining or communicating with main **buildings** described herein

are deemed to be insured under the most appropriate item operative in the **policy** schedule.

12. External CCTV equipment and security lighting

This section extends to include loss, destruction or damage to external CCTV equipment and security lighting at the **premises** for which **the insured** is legally responsible provided that such property is located and fixed in an inaccessible position.

Insurers liability will not exceed £5,000 in any one **period of insurance**.

13. Extinguishment expenses

This section extends to include the reasonable cost of refilling fire extinguishing equipment and replacing sprinkler heads used solely as a consequence of loss, destruction or damage caused by any peril insured.

14. Foundations

It is understood and agreed that those portions of the foundations and incombustible floors of **buildings** more than 8cm below the level of the floors of the lowest storeys (whether such floors constitute the flooring of the basement or otherwise) are excluded from this insurance, except where such portions are within a radius of 60cm around and below any structural column or similar superstructure support.

15. Incompatibility of computer records

The insurance by each item insuring fixtures and fittings or any item in respect of computing or communication equipment is extended to include

- a) the costs of modification of computing equipment; or
- b) the costs of replacing computer records including reinstatement of programs and the information thereon

whichever costs are the lesser, to achieve compatibility in the event that undamaged computer records which beyond the control of **the insured** are rendered incompatible with replacement computing equipment, where such replacement is consequent upon loss, destruction or damage by any peril insured by this section.

Insurers liability will not exceed £50,000 in any one **period of insurance**.

16. Interested parties

Any act or omission by the leaseholder, lessee, mortgagor or **the insured** or by any tenant occupying or using the **buildings** which increases the possibility of loss, destruction or damage shall not prejudice **the insured** interest of the freeholder, lessor or mortgagee. Provided that

- a) such act or omission is entirely without the authority of and is unknown to or beyond the control of the freeholder, lessor or mortgagee
- b) immediately the freeholder, lessor or mortgagee shall become aware of any such act or omission they shall give immediate written notice thereof to **insurers** and pay an additional premium if required.

17. Involuntary betterment

In the event of loss, destruction or damage to property insured and where new property of like kind and quality is not obtainable, property as similar as possible to that lost, destroyed or damaged and which is capable of performing the same function shall be deemed to be new property of like kind and shall not be considered as betterment to **the insured**.

Provided that

- a) In the event of replacement with new property, **insurers** will pay the cost of purchasing and installing technologically current equipment, which is necessitated by incompatibility between
 - i) new equipment installed to replace lost, destroyed or damaged equipment: and
 - ii) undamaged existing equipment at the same or an interdependent location
- b) **Insurers** shall only be liable for the amount sufficient to enable **the insured** to resume operations in substantially the same manner as before the loss, destruction or damage
- c) **Insurers** shall only be liable for the difference between
 - i) the highest sales value of the undamaged existing equipment at the same or an interdependent location; and
 - ii) the installed cost of the technologically current equipment
- d) For the purposes of the application of any **excess** the loss, destruction or damage and the necessity to replace incompatible equipment shall be regarded as one occurrence.

Insurers liability under this clause is limited to 10% of the agreed reinstatement value of the damaged property or £50,000, whichever is the lesser amount.

18. Keys

This section is extended to include the reasonable costs necessarily incurred in replacing locks or **keys** to the **premises** or any safe or strongroom or intruder alarm therein or thereon following their theft or accidental loss

- a) from the **premises** or the home of **the insured** or any director, partner or **employee** authorised to hold such **keys** or,
 - b) anywhere else within the **territorial limits** whilst in the personal custody of **the insured** or any **employee** authorised to hold such **keys**
- Provided that **insurers** will not be liable for the cost of replacing locks or **keys** of any safe or strongroom or intruder alarm following theft of the **keys** if they are left on the **premises** outside **business hours**.

Insurers liability will not exceed £2,000 in any one **period of insurance**.

19. Landscapes

This section extends to include costs and expenses incurred by **the insured** with the consent of **insurers** in repairing or reinstating damage to the landscaped gardens and grounds, at the **premises**, caused by emergency services equipment and personnel attending the **premises** in response to fire or any other peril insured against.

Provided that **the insured** is legally responsible for the repair or reinstatement of such damage.

Insurers liability will not exceed £50,000 in any one **period of insurance**.

20. Loss of metered gas

This section extends to include the cost of loss of metered gas for which **the insured** is legally responsible arising from loss, destruction or damage at the **premises** caused by any peril insured.

Insurers liability will not exceed £10,000 in any one **period of insurance**.

21. Loss of metered water

This section extends to include the cost of loss of metered water for which **the insured** is legally responsible arising from loss, destruction or damage at the **premises** caused by any peril insured.

Insurers liability will not exceed £10,000 in any one **period of insurance**.

22. Non-invalidation

The insurance by this section shall not be invalidated by any act or omission or by any alteration unknown to or beyond the control of **the insured** whereby the risk of loss, destruction or damage is increased.

Provided that immediately **the insured** shall become aware of any such act or omission or alteration they shall give immediate written notice thereof to **insurers** and pay an additional premium if required.

23. Other interests

The interest of other parties is noted in this section and the nature and extent of such interest is to be advised to **insurers**, if necessary, in the event of any claim.

24. Public authorities costs

Within the overall limit of the sum insured on **buildings** and other property except **stock** and following loss, destruction or damage caused by any peril insured, will pay the additional cost of reinstatement necessarily and reasonably incurred solely to comply with European Union Legislation or building or other regulations under or framed in pursuance of any Act of Parliament or Bye-Laws of any Public Authority in respect of

- a) the lost, destroyed or damaged property insured
 - b) undamaged portions thereof
- excluding
- a) any cost incurred in complying with such Legislation or regulations
 - i) in respect of damage occurring prior to the inception of this section
 - ii) under which notice has been served upon **the insured** prior to the occurrence of any loss, destruction or damage hereby insured
 - iii) for which there is an existing requirement which has to be implemented within a given period
 - iv) in respect of property entirely undamaged
 - 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 such Legislation or regulations 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 such Legislation or regulations

Provided that

- 1 the work of reinstatement must be completed within 12 months of the date of the loss, destruction or damage insured or within such additional time as **insurers** may allow and may be carried out upon another site if such Legislation or regulations so necessitate subject to the liability of **insurers** not being increased
- 2 if the liability of **insurers** under any item of this section apart from this clause shall be reduced by the application of any of the terms and conditions of the **policy** then the liability of **insurers** under this clause in respect of such item shall be reduced in the same proportion

- 3 the total amount recoverable under any item insured by this section in respect of this clause shall not exceed:
- i) in respect of any property lost, destroyed or damaged its sum insured
 - ii) in respect of undamaged portions of property (other than foundations) 15% of the total amount for which **insurers** would have been liable had the property been wholly destroyed
- 4 the total amount recoverable under any item insured by this section shall not exceed its sum insured

25. Service pipes or cables

This section extends to include the cost of reinstatement or repair following loss, destruction or damage to telecommunications, gas, water and electric service pipes, cables, instruments, meters and the like including their accessories and such property in adjoining yards, roadways or underground belonging to **the insured** or for which **the insured** is legally responsible.

26. Subrogation waiver

In the event of a claim arising under this section **insurers** agree to waive any rights remedies or relief to which it may become entitled by subrogation against

- a) any company standing in the relation of Parent to Subsidiary or Subsidiary to Parent to **the insured** as defined in the Companies Act or Companies (N.I.) Order as appropriate current at the time of the loss, destruction or damage
- b) any company which is a Subsidiary of a Parent Company of which **the insured** are themselves a Subsidiary in each case within the meaning of the Companies Act or Companies (N.I.) Order as appropriate current at the time of the loss, destruction or damage.

27. Temporary removal

This section extends to include loss, destruction or damage caused by any peril insured to the property insured (other than **stock**) whilst temporarily removed for cleaning renovation repair or other similar purposes, elsewhere on the same or to any other **premises** anywhere within the **territorial limits** including transit by road rail or inland waterway.

Provided that

- a) the liability of **insurers** under this extension in respect of each item insured by this section for loss, destruction or damage occurring elsewhere than at the said **premises** shall not exceed 10% of the sum insured by the item
- b) **insurers** will not be liable for
 - i) property more specifically insured
 - ii) motor vehicles and motor chassis licensed for normal road use
 - iii) property held by **the insured** in trust other than fixtures and fittings.

28. Temporary removal – documents and computer systems records

This section extends to include loss, destruction or damage caused by any peril insured to the undernoted property insured whilst temporarily removed to any **premises** not in the insured's occupation anywhere within the **territorial limits** including transit by road rail or inland waterway

- a) computer systems records
- b) deeds and documents (including stamps thereon) manuscripts plans and writing of every description and books (written and printed)

Insurers liability will not exceed 10% of the total value of such property.

29. Theft damage to the premises

If this section insures loss, destruction or damage as described by peril 5 of Section 1 – Property Damage then this section is extended to include damage to the **premises** resulting from theft or any attempt thereat involving forcible and violent entry thereto or exit therefrom.

Provided that **the insured** is legally responsible for the repair of such damage.

30. Trace and access

In the event of loss, destruction or damage at the **premises** caused by peril 12 or peril 14 as described under Section 1 – Property Damage, this section extends to include costs necessarily and reasonably incurred with the consent of **insurers** in

- a) locating the source of such loss, destruction or damage in order to effect repairs
- b) making good.

Insurers liability will not exceed £10,000 in any one **period of insurance**.

31. Unoccupied buildings

Notice is to be given to **insurers** when any **buildings** or portions thereof become **unoccupied** by any authorised person or when any such **unoccupied** building or portion thereof is again occupied by any authorised person and a suitable additional premium paid if required.

32. Workmen

Workmen are allowed to work at the **premises** for the purposes of effecting any repairs, additions, alterations or decorations without prejudice to this insurance.

Special Extensions

1. Seasonal increase

During the months of November and December and for the seven days either side of and including each public holiday the sums insured in respect of **stock** and specified **stock** are increased by 25%.

Limits of liability

Insurers liability in respect of any one occurrence will not exceed the sum insured against each item in the schedule nor in all the aggregation of the sums insured by this section.

Basis of claims settlement

As detailed under General Condition 3 Basis of claims settlement.

Special exclusions

Insurers will not be liable under this section for

1. loss or damage to any outbuilding or property stored in any outbuilding other than by Insured Perils 1 to 4 of Section 1 (Fire, Lightning, Explosion and Aircraft) unless such outbuilding be of the same construction and secured in the same manner as the main property insured hereunder and provided that such outbuilding also conforms to any Condition Endorsement or Warranty applicable to the main property insured hereunder
2. loss or damage to any property stored in any basement cellar or room partially or wholly below ground level caused by any of **the insured** Perils 10 to 14 (Storm, Flood, Burst Pipes, sprinkler leakage and leakage of oil etc) unless stored on racks, pallets or stillage at least 15 cm above floor level.
3. loss, destruction or damage caused by theft or attempted theft occurring outside **business hours** to any till or cash register unless its drawer has been left in an open position
4. loss or destruction of or damage to property which, at the time of the happening of such loss or destruction or damage, is insured by or would, but for the existence of this section, 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
5. loss of metered gas or water other than that covered by Additional cover
6. loss, destruction or damage to electrical plant or apparatus caused by self ignition but this exclusion shall apply only to that part of the electrical plant or apparatus in which self ignition occurs
7. loss or damage caused by or consisting of Electronic Data Loss other than
 - a) where a Fire or Explosion occurs as a result of Electronic Data Loss which causes damage to Property Insured hereunder directly caused by such Fire or Explosion
 - b) to electronic data storage medium specified in the Schedule as a result of an Insured Peril.
The basis of valuation shall be the cost to repair, replace or restore such medium to the condition that existed immediately prior to the Damage, including the cost of reproducing any Electronic Data contained thereon, providing such medium is repaired, replaced or restored. Such cost of reproduction shall include all reasonable and necessary amounts, not to exceed £50,000 any one occurrence or the sum insured shown in the schedule if less, incurred by **the insured** in recreating, gathering and assembling such Electronic Data. If the medium is not repaired, replaced or restored the basis of valuation shall be the cost of the blank medium. For the avoidance of doubt, the cover provided by this paragraph does not insure any amount pertaining to the value of such Electronic Data to **the insured** or any other party, or any Consequential Loss arising directly or indirectly from Electronic Data Loss, even if the Electronic Data cannot be recreated, gathered or assembled.
For the purpose of this Exclusion 'Electronic Data Loss' means loss (including but not limited to physical loss), damage, destruction, distortion, erasure, corruption or alteration of Electronic Data from any cause whatsoever (including but not limited to Computer Virus and/or the physical loss of the hardware and/or data-storage media and/or data-processing media on which the Electronic Data is stored) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
8. consequential loss of any kind or description (other than loss of rent when such loss is included in the insurance by this section)
9. the relevant **excess** as stated in the schedule.

Waste Condition

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

- a) all oily or greasy waste and cloths be kept in metal receptacles
- b) all combustible trade waste be deposited in bags, sacks or bins and removed at least once a week, as far as is practicable a safe distance from the **buildings**
- c) all combustible trade waste be removed from the **premises** at least once every two weeks.

Section 2 - Business Interruption

Definitions for the purposes of this section only wherever the following words appear in bold they shall mean the following:

word/s	means
damage	physical loss, destruction or damage by any of the perils insured by Section 1 - Property Damage
indemnity period	the period beginning with the occurrence of the damage and ending not later than the maximum indemnity period thereafter during which the results of the business shall be affected in consequence of such damage
maximum indemnity period	the term stated in the schedule
turnover	the money paid or payable to the insured for goods sold and delivered and for services rendered in the course of the business at the premises
gross profit	<p>the amount by which</p> <ol style="list-style-type: none">the sum of the amount of the turnover and the amounts of the closing stock and work in progress shall exceedthe sum of the amount of the opening stock and work in progress and the amount of the uninsured working expenses <p>Note: The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with the insured's normal accountancy methods, due provision being made for depreciation</p>
uninsured working expenses	<p>the following expenses of the business which are considered to vary directly with the turnover and are therefore not included in the insurance</p> <ol style="list-style-type: none">100% of purchases of materials (less discounts received)100% of carriage, packing and freight (other than the insured's own)100% of bad debtsany other expense or expenses stated by an endorsement in the schedule to the extent stated against each such expense <p>Note: The words and expressions used in this definition (other than wages if referred to herein) shall have the meaning usually attached to them in the books and accounts of the insured.</p>
gross revenue	the money paid or payable to the insured for work done and services rendered in the course of the business at the premises
gross rent receivable	the money paid or payable to the insured for tenancies and accommodation and other charges and services rendered in the course of the business at the premises
rate of gross profit	the rate of gross profit earned on the turnover during the financial year immediately before the date of the damage
annual turnover	the turnover during the twelve months immediately before the date of the damage
standard turnover	the turnover during that period in the twelve months immediately before the date of the damage which corresponds with the indemnity period
annual gross revenue	the gross revenue during the twelve months immediately before the date of the damage
standard gross revenue	the gross revenue during that period in the twelve months immediately before the date of the damage which corresponds with the indemnity period
annual gross rent receivable	the gross rent receivable during the twelve months immediately before the date of the damage
standard gross rent receivable	the gross rent receivable during that period in the twelve months immediately before the date of the damage which corresponds with the indemnity period

Cover

Insurers will indemnify **the insured** by payment in accordance with the provisions contained herein in respect of any item insured hereby for the amount of loss resulting from interruption or interference with the **business** carried on by **the insured** at the **premises** in consequence of any **damage** occurring at the **premises** to any building or other property or any part thereof used by **the insured** at the **premises** for the purposes of the **business**.

Provided that at the time of the happening of the **damage** there shall be in force an insurance covering the interest of **the insured** in the property at the **premises** against such **damage** and that payment shall have been made or liability admitted therefore under such insurance or that payment would have been made or liability would have been admitted therefore but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.

Limit of liability

Insurers liability during any one **period of insurance** will not exceed the sum insured against each item in the schedule.

Basis of claims settlement

Following **damage** insured by this section **Insurers** will pay for the following in respect of any of the undermentioned items if insured by this section.

1. **Gross profit** - loss thereof due to
 - a) reduction in **turnover** being the amount produced by applying the **rate of gross profit** to the amount by which the **turnover** during the **indemnity period** shall fall short of the **standard turnover** in consequence of the **damage**
 - b) increase in cost of working being the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **turnover** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **damage**, but not exceeding the sum produced by applying the **rate of gross profit** to the amount of the reduction thereby avoidedless any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of gross profit as may cease or be reduced in consequence of the **damage**.
Provided that if the sum insured by this item be less than the sum produced by applying the **rate of gross profit** to the **annual turnover** (or to a proportionately increased multiple thereof where the **maximum indemnity period** exceeds twelve months) the amount payable shall be proportionately reduced.
2. **Gross revenue** - loss thereof due to
 - a) loss of gross revenue being the amount by which the gross revenue during the **indemnity period** shall fall short of the **standard gross revenue** in consequence of the **damage**
 - b) increase in cost of working being the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in gross revenue which but for that expenditure would have taken place during the **indemnity period** in consequence of the **damage**, but not exceeding the amount of reduction in gross revenue thereby avoidedless any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of gross revenue as may cease or be reduced in consequence of the **damage**.
Provided that if the sum insured by this item be less than the **annual gross revenue** (or a proportionately increased multiple thereof where the **maximum indemnity period** exceeds twelve months) the amount payable shall be proportionately reduced.
3. **Gross rent receivable** - loss thereof due to
 - a) loss of **gross rent receivable** being the amount by which the **gross rent receivable** during the **indemnity period** shall fall short of the **standard gross rent receivable** in consequence of the **damage**
 - b) increase in cost of working being the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **gross rent receivable** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **damage**, but not exceeding the amount of reduction in **gross rent receivable** thereby avoidedless any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **gross rent receivable** as may cease or be reduced in consequence of the **damage**.
Provided that if the sum insured by this item be less than the **annual gross rent receivable** (or a proportionately increased multiple thereof where the **maximum indemnity period** exceeds twelve months) the amount payable shall be proportionately reduced.
4. **Additional expenditure**
Additional expenditure necessarily and reasonably incurred by **the insured** during the **indemnity period** within which increases in the cost of working are incurred in consequence of the **damage** for the sole purpose of avoiding or diminishing a reduction in **turnover** or in **gross revenue** earned as applicable at the **premises** or for the purpose of resuming or maintaining the **business** less any savings in charges or expenses that may be made in consequence of the **damage**.

Additional cover

The cover under this section is extended to include the following

1. **Alternative trading**
If during the **indemnity period** goods shall be sold or services shall be rendered elsewhere than at the **premises** for the benefit of the **business** either by **the insured** or by others on his behalf the **money** paid or payable in respect of such sales or services shall be brought into account in arriving at the **turnover** or **gross revenue** or **gross rent receivable** as applicable during the **indemnity period**.
2. **Payments on account**
Payments on account may be made to **the insured** during the **indemnity period** at the discretion of **Insurers** subject to any necessary adjustment at the termination of such period.
3. **Professional accountants**
Any particulars or details contained in **the insured's** books of account or other **business** books or documents which may be required by **Insurers** under the terms of 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 **the insured** and their report shall be prima facie evidence of the particulars and details to which such report relates.
Insurers will pay to **the insured** under this section the reasonable charges payable by **the insured** to their professional accountants for producing any particulars or details or any other proofs, information or evidence as may be required by **Insurers** under the terms of General Condition 6 and reporting that such particulars or details are in accordance with **the insured's** 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 shall in no case exceed the limit of liability.
4. **Salvage sale**
If, following **damage** giving rise to a claim under any item in respect of gross profit insured by this section, **the insured** shall hold a salvage sale during the **indemnity period**, the Basis of claims settlement sub-paragraph a) shall, for the purposes of such claim, read as follows
 - a) reduction in **turnover** being the amount produced by applying the **rate of gross profit** to the amount by which the **turnover** during the **indemnity period** (less the **turnover** for the period of the salvage sale) shall, in consequence of the **damage**, fall short of the **standard turnover**, from which amount shall be deducted the **gross profit** earned during the period of the salvage sale.

5. Separate departments

If the **business** be conducted in departments, the independent trading results of which are ascertainable, the provisions of the Basis of claims settlement sub-paragraphs a) and b) of any item on **gross profit** or **gross revenue** or **gross rent receivable** as appropriate shall apply separately to each department affected by the **damage**.

6. Suppliers/Customers etc

Loss as insured by this section resulting from interruption of or interference with the **business** in consequence of

- a) **damage** to property in the vicinity of the **premises** which prevents or hinders the use of or prevents access to the **premises** or which causes a fall in the number of customers attracted to the vicinity of and using the **premises** but excluding **damage** to property of any public utility from which **the insured** obtains supplies or services
- b) the failure of the supply of electric current, gas or water due solely to **damage** to property at any electricity station or sub-station, gas works or water works of the public supply undertaking from which **the insured** obtains such supply except where the failure of supply is for a period of less than four hours
- c) **damage** to plans, deeds, briefs, manuscripts, books, documents and office records whilst temporarily removed from the **premises** to elsewhere within the **territorial limits**
- d) the occurrence of murder, suicide or rape in the vicinity of the **premises**, the investigation of which prevents access to the **premises**, or hinders or prevents their use
- e) the occurrence at the **premises** of any outbreak of a human infectious or contagious disease other than acquired immune deficiency syndrome (AIDS) or an AIDS related condition
- f) the compulsory closure of the **premises** by order of any competent authority due to its defective sanitation or to the presence therein of vermin or pests
- g) poisoning arising from or traceable to foreign or deleterious matter in food or drink sold, supplied or provided at the **premises**
- h) **damage** at the **premises** of any customer of **the insured** situate within the **territorial limits**

Definition - for the purposes of this Additional cover sub-paragraph only

customer means those companies, organisations or individuals with whom at the time of the **damage** **the insured** has contracts or trading relationships to supply goods or services

- i) **damage** at the **premises** of any of **the insured's** suppliers, manufacturers or processors of components, goods or materials situate within the **territorial limits**, but excluding **damage** at the **premises** of any public supply undertaking from which **the insured** obtains electricity, gas or water supplies or telecommunication services

shall be deemed to be loss resulting from **damage** at the **premises** to property used by **the insured** for the purposes of the **business**.

Insurers liability under h) and i) above will not exceed £25,000 in any one **period of insurance**.

7. Uninsured standing charges

If any standing charges of the **business** be 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 increase in cost of working when any item on **gross profit** is insured, that proportion only of any additional expenditure shall be brought into account which the **gross profit** bears to the sum of the **gross profit** and the standing charges which have not been insured.

Special exclusions

Insurers will not be liable under this section for

- 1 increased metered water charges except where such increased charges are caused by any peril insured against
- 2 loss due to
 - a) erasure loss distortion or corruption of information on computer systems or other records programs or software caused deliberately by rioters strikers locked-out workers persons taking part in labour disturbances or civil commotion or malicious persons
 - b) other erasure loss distortion or corruption of information on computer systems or other records programs or software unless resulting from any of the perils 1 to 15 of Section 1 - Property Damage of this **policy** in so far as it is not otherwise excluded

Special conditions

- 1 The insurance by this section shall not apply if the **business** be wound up, permanently discontinued or carried on by a liquidator or receiver.

Section 3 - Money

Cover

Insurers will indemnify **the insured** in respect of physical loss of **money** occurring within the **territorial limits**.

Additional cover

The cover under this section is extended to include the following

Safes

The cost of repair or replacement as new, following theft or attempted theft, of any

- a) safe
- b) postal franking machine
- c) security case, bag or waistcoat used to carry **money**.

Insurers liability will not exceed £2,500 in any one **period of insurance**.

Credit Cards

Any amount for which **the insured** becomes liable under the terms of issue of any bank charge credit debit or cash card issued and used only in connection with the **business** following fraudulent use by any unauthorised person Provided that **the insured** reports the loss to the issuing company immediately and to the Police within 24 hours of discovering the loss and has complied with the terms and conditions of issue of the card

Insurers liability will not exceed £2,500 in any one **period of insurance**.

Limits of liability

Insurers liability will not exceed the limits stated either in the schedule or below in respect of any one occurrence.

- a) **money**, other than **non negotiable money**, whilst
 - Item 1) in transit in the personal custody of **the insured** or any authorised **employee** or whilst contained in a bank night safe
 - Item 2) on the **premises** during **business hours**
 - Item 3) i) on the **premises** outside **business hours** not contained in locked safes
 - ii) on the **premises** outside **business hours** contained in a locked safe
 - Item 4) in the home of **the insured** or any authorised **employee**
 - Item 5) in the custody of a security **company** or **organisation** advised to and approved by **insurers** £20,000
- b) **non negotiable money** £250,000

Special exclusions

Insurers will not be liable under this section for

- 1 clerical or accounting errors or shortages due to error or omission
- 2 any loss due to the fraud or dishonesty of any director, partner or **employee** unless the loss is discovered within seven working days of the date of its occurrence
- 3 loss caused by dishonoured cheques or by the use of counterfeit **money**
- 4 loss from any **unattended vehicle**
- 5 loss from any coin-operated vending, gaming or amusement machine or payphone unless specially agreed as insured by an endorsement in the schedule
- 6 loss, destruction or damage caused by theft or attempted theft occurring outside **business hours** to any till or cash register unless its drawer has been left in an open position
- 7 consequential loss of any kind or description
- 8 the relevant **excess** as stated in the schedule.

Special condition

It is a **condition precedent** to the liability of **insurers** that

- a) a true and complete account shall be kept of all **money** in transit and on the **premises** and such record shall be deposited in a secure place other than in any safe containing the **money**.
- b) during **business hours** any safe shall be kept locked other than when **money** or other property is being placed therein or removed therefrom and the **keys** kept in the personal custody of **the insured** or any authorised **employee**.
- c) outside **business hours** any safe shall be kept locked and its **keys** removed from the **premises**
- d) any single transit of **money** (other than **non negotiable money**) exceeding
 - i) £2,500 shall be accompanied by at least two able bodied adult **employees**
 - ii) £5,000 shall be accompanied by at least 3 able bodied adult **employees**
 - iii) £10,000 shall be transported from the **premises** to the bank by a security company or organisation advised to and approved by **insurers**

Special extension - Personal Assault

Definitions

Definitions for the purposes of this extension only wherever the following words appear in bold they shall mean the following:

word/s	means
insured person	the insured or any director, partner or employee of the insured aged between 16 and 65 years
loss of limb	total loss by physical severance of one or more limbs at or above the wrist or ankle or total and permanent loss of use of any entire limb
loss of sight	total and irrecoverable loss of sight in one or both eyes
permanent total disablement	permanent and absolute disablement from engaging in or giving attention to occupation or business of any kind
temporary total disablement	temporary and absolute disablement from engaging in or giving attention to usual occupation.

Cover

Insurers will pay as compensation to **the insured** or the legal personal representative of **the insured** the relevant amount shown below or such other amount stated by an endorsement in the schedule if in the course of the **business** an **insured person** sustains accidental **bodily injury** consequent upon robbery or hold up or any attempt thereat occurring within the **territorial limits** and such **bodily injury** directly and independently of any other cause results within twelve months in death loss or disablement as stated in the Results.

Results Compensation

- 1 Death £10,000
- 2 **Loss of limb** £10,000
- 3 **Loss of sight** £10,000
- 4 **Permanent total disablement** £10,000
- 5 **Temporary total disablement** £ 100 per week

Additional cover

The cover under this Special extension is extended to include damage to **personal effects** of an **insured person** arising in connection with the **business** as a direct result of robbery or hold up or any attempt thereat for an amount not exceeding £500 any one **insured person**.

Special exclusions

Insurers will not be liable under this Special extension for death loss or disablement caused by

- 1 an **insured person** being under the influence of or being affected by intoxicating liquor or drugs except drugs taken in accordance with proper medical prescription and directions and not for the treatment of drug addiction
- 2 pregnancy or childbirth or any disability pertaining thereto
- 3 any pre-existing physical or mental disability or infirmity, medical condition or chronic or recurring ailment
- 4 any communicable disease including acquired immune deficiency syndrome (AIDS) or an AIDS related condition
- 5 any pain in or disorder of the spine, its intervertebral discs, nerve routes or musculature unless there is supporting medical and radiological evidence from an orthopaedic specialist.

Special conditions

- 1 Compensation shall not be payable for more than one of Results 1-4 in respect of any one **insured person**.
- 2 Compensation shall not be payable for Result 5
 - a) until the end of the period of disablement but **Insurers** will on request make interim payments at intervals of not less than four weeks
 - b) for more than 104 weeks from the date of sustaining injury in respect of any one **bodily injury** .
- 3 The total amount payable as compensation under Result 5 shall be deducted from any subsequent compensation payment under Results 1-4 that follows from the same cause.
- 4 An **insured person** shall as often as required submit to a medical examination on behalf of **Insurers** at its own expense and in the case of death **Insurers** shall be entitled to have a post mortem examination at its own expense.

Section 4 - Glass

Definitions for the purposes of this section only

glass means plain plate or sheet or wired glass

Cover

Insurers will indemnify **the insured** in respect of

- a)
 - i) breakage of or damage to fixed glass at the **premises** or in the **buildings** together with the necessary cost of temporary boarding up pending replacement
 - ii) the reasonable cost of removal of glass, the reasonable cost of removal or replacement of fixtures and fittings to effect replacement and of repairing window and door frames as a result of such breakage or damage
- b) breakage at the **premises** of fixed mirrors and fixed glass in showcases, counters and display cabinets
- c) breakage of or damage to neon and illuminated signs and fixed glass therein.

Additional cover

The cover under this section is extended to include the following

- a) loss or destruction of or damage to any alarm foil or other security devices caused by the breakage of glass at the **premises** or in the **buildings**.
- b) loss or destruction of or damage to any lettering or designs superimposed on glass

Insurers liability under a) and b) above in respect of any one occurrence will not exceed £2,000.

Special exclusions

Insurers will not be liable under this section for

- 1 any breakage or damage in respect of **premises** which are **unoccupied**
- 2 glass which was flawed, broken or cracked before the insurance commenced
- 3 superficial scratching, chipping or cracking
- 4 breakage or damage caused by or occurring through the insufficiency of the foundation or fabric of the **premises** or **buildings** in which the glass is situate
- 5 breakage or damage due to dilapidation of frames or framework
- 6 breakage or damage caused during **installation** or **removal** or whilst alterations or repairs are being effected to the **premises** or **buildings**
- 7 breakage of or damage to
 - a) neon and illuminated signs and fixed glass therein
 - i) arising from adjustment, repair, dismantling or erection of any part of the sign or to any part whilst removed from its normal working position
 - ii) arising from mechanical breakdown of the sign or any part thereof
 - b) any part of any neon or illuminated sign caused by its own ignition, electrical breakdown or burn out
 - c) tubes in any neon or illuminated sign unless the glass is fractured at the same time
- 8 consequential loss of any kind or description
- 9 the relevant **excess** as stated in the schedule.

Section 5 - Employers' Liability

Cover

Insurers will indemnify **the insured** against all amounts which **the insured** shall become legally liable to pay as damages in respect of accidental **bodily injury** to any **employee** if such injury arises out of and in the course of his employment by **the insured** in the **business** and occurring

- a) during the **period of insurance**
- b) within the **territorial limits**
- c) elsewhere in the world in respect of any journey or temporary visit in connection with the **business** by **the insured** or any director, partner or **employee of the insured** normally resident within the **territorial limits** provided such journey or visit is not for the purpose of performing manual work

Additional cover

The cover under this section is extended to include the following

1. Compensation for court attendance

In the event of any of the undermentioned persons attending court as a witness at the request of in connection with a claim in respect of which **the insured** is entitled to indemnity under this section **insurers** will provide compensation to **the insured** at the following rates per day for each day on which attendance is required

- a) any director or partner of **the insured** £250
- b) any **employee** £100.

2. Corporate Manslaughter

Insurers will indemnify **the insured** against

- a) legal costs and expenses incurred with the prior written consent of **insurers** and
- b) prosecution costs awarded against **the insured**

in the defence of any criminal proceedings including an appeal against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 as a result of any death happening in connection with the **business** during the **period of insurance** and which may be the subject of indemnity under this section.

Provided that

- i) the liability of **insurers** under this extension shall not exceed £2,000,000 during any one **period of insurance**.
- ii) all amounts payable under this extension will form part of and not be in addition to the limit of indemnity stated in the **policy** schedule.
- iii) where **insurers** have already provided an indemnity in respect of any legal costs or expenses incurred in connection with the defence of any criminal proceedings including appeals against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 arising out of the same occurrence which gave rise to such proceedings any amount paid or payable by **insurers** will be deducted from the amount payable under this extension.
- iv) **insurers** agree in writing to the appointment of any solicitor or council who is to act on behalf of **the insured** prior to their appointment.

3. Cross liabilities

Where there is more than one person named as **the insured** in the schedule this section shall apply separately to each named person as if each is insured by a separate **policy**, provided always that the maximum liability of **insurers** in the aggregate for damages to all parties insured shall not exceed the Limit of liability.

4. Health and Safety at Work etc. Act 1974

Insurers will indemnify **the insured** and, at the request of **the insured**, any director, partner or **employee** of **the insured** against legal costs and expenses incurred, with **insurers** written consent, in the defence of any criminal proceedings brought in respect of a breach of the Health and Safety at Work etc. Act 1974 committed or alleged to have been committed during the **period of insurance**, including legal costs and expenses incurred with the written consent of **insurers** in an appeal against conviction arising from such proceedings.

Insurers will not be liable for

- a) fines and penalties of any kind
- b) legal costs and expenses where an indemnity is provided by any other insurance
- c) proceedings arising out of any deliberate act or omission by **the insured**
- d) more than £250,000 in any one **period of insurance**.

5. Indemnity to other persons

Insurers will indemnify at the request of **the insured**

- a) any director, partner or **employee of the insured**
- b) any officer, committee member or other person employed by the insured's catering, social, sports, educational or welfare organisations or first aid, medical, ambulance, fire or security services
- c) any director, partner or official for whom with the consent of **the insured** an **employee** is undertaking private work
- d) any principal or public or local authority as far as is necessary to meet the requirements of any contract or agreement entered into by **the insured** for the performance of work
- e) the owner of plant hired by **the insured** but only to the extent of the conditions of hire
- f) any legal representative of any of the above in the event of their death

against legal liability in respect of which **the insured** would have been entitled to indemnity under this **policy** if the claim had been made against **the insured**.

Provided that

- i) any person indemnified is not entitled to indemnity under any other insurance
- ii) any person indemnified shall observe, fulfil and be subject to the terms and conditions of the **policy** as far as they can apply
- iii) **insurers** will retain the sole conduct and control of any claim
- iv) the maximum liability of **insurers** in the aggregate for damages to **the insured** and any such persons shall not exceed the limit of liability.

Limit of Liability

Insurers liability in respect of

- a) accidental **bodily injury to employees**
- b) all legal costs recoverable from **the insured** by any claimant
- c) any other costs and expenses of litigation incurred with **insurers** written consent
- d) solicitors' and counsels' fees for legal representation at any coroner's inquest or fatal accident inquiry
- e) the costs incurred, with **insurers** written consent, for defending in a Court of Summary Jurisdiction any proceedings arising out of any alleged breach of statutory duty in respect of any cause which may be the subject of indemnity under this section of the **policy** arising out of and in the course of employment in the **business** will not exceed the amount stated in the schedule in respect of any one claim against **the insured** or series of claims against **the insured** arising out of one cause.

Exclusions

Insurers will not be liable for

- i) any fines or penalties or the cost of implementing any remedial order or publicity order.
- ii) an appeal against any fines penalties remedial order or publicity order.
- iii) any costs incurred which result from the failure to comply with any remedial order or publicity order.
- iv) costs and expenses in connection with an appeal unless advice has been obtained from solicitors or council that there are strong prospects of success.
- v) costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by **the insured** or any director partner or **employee of the insured**.
- vi) costs and expenses provided by any other source or any other insurance or where but for the existence of this extension would have been provided by such source or insurance.
- vii) costs and expenses in connection with the defence of any criminal proceedings unless such proceedings are brought against **the insured** in a Court of Law in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Special exclusion

Insurers will not be liable under this section in respect of liability arising from and or caused by

- 1 any processes or work in connection with any of the following
 - a) the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to **asbestos** or materials or **products** containing **asbestos**, other than to the extent that an indemnity is deemed to be required in accordance with the provisions of any law relating to compulsory insurance of liability to **employees**, in which case a sub-limit of £5,000,000 shall apply, inclusive of all damages, costs and expenses payable in respect of any one claim arising out of any one event or all events of a series consequent on or attributable to one source or original cause
 - b) power stations, nuclear installations or establishments
 - c) refineries, bulk storage or production **premises** in the oil, gas or chemical industries
 - d) offshore installations, oil or gas rigs
Definition - for the purposes of this Special exclusion only
offshore installation means any platform or rig or any aircraft or vessel servicing a platform or rig. - it is understood that any person is deemed to be 'offshore' as from the time when they embark onto a conveyance at the point of final departure to an offshore installation and that any person shall continue to be deemed 'offshore' until such time as they disembark from any conveyance onto land upon their return from an offshore installation.
 - e) railways or railway installations
 - f) towers, steeples, chimney shafts, bridges, viaducts, dams, reservoirs, wells, tunnels, mines, quarries or blast furnaces
 - g) aircraft, aerospace devices, hovercraft, watercraft other than hand propelled watercraft and other watercraft not exceeding 7 metres in length
 - h) work underground, underwater or airdside
 - i) loading or discharging of vessels or other work on ships
 - j) piling or the use of explosives
 - k) any demolition, other than structures not exceeding two stories (plus basement) in height and where such work is incidental to but forms part of a contract undertaken by **the insured**.
- 2 damages for **bodily injury** unless the action is brought against **the insured** in a Court of Law in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.
- 3 terrorism other than to the extent that an indemnity is deemed to be required in accordance with any law relating to compulsory insurance of **employees** in which case a sub-limit of £5,000,000 shall apply inclusive of all damages costs and expenses payable in respect of any one claim or series of claims against **the insured**.

Special conditions

- 1 The indemnity granted includes protection to **the insured** as required by any law relating to compulsory insurance of the employer's legal liability to his **employees** whilst employed in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands but **the insured** shall repay to all sums paid by which **insurers** would not have been liable to pay but for the provisions of such law.
- 2 **Insurers** may at any time pay to **the insured** the amount of the Limit of liability less any amount already paid, or any lesser amount for which any claim or claims can be settled and shall then cease to have the conduct and control of the negotiations, actions or proceedings and be under no further liability in respect of such claim or claims except for costs and expenses incurred prior to the date of such payment.
- 3 If this **policy** or this section is cancelled then any Certificate of Employers' Liability insurance issued by **insurers** is deemed to be cancelled at the same time.
- 4 It is a **condition precedent** to the liability of **insurers** that **the insured** do not manufacture mine process distribute test remediate remove store dispose sell or use **asbestos** or materials or **products** containing **asbestos**.

Section 6a - Public Liability and 6b - Property Owners Liability

Cover

Section 6a - Public Liability

Insurers will indemnify **the insured** against all amounts which **the insured** shall become legally liable to pay as damages in respect of

- a) accidental **bodily injury** to any person
 - b) accidental loss or destruction of or **accidental damage** to material property
 - c) accidental obstruction, accidental trespass or accidental nuisance resulting in interference with or loss of enjoyment of material property
- happening in connection with the **business** and occurring
- i) during the **period of insurance**
 - ii) within the **territorial limits**
 - iii) elsewhere in the world in respect of any journey or temporary visit in connection with the **business** by **the insured** or any director, partner or **employee of the insured** normally resident within the **territorial limits** provided such journey or visit is not for the purpose of performing manual work
- excluding any liability arising out of the ownership of any building or land.

Section 6b - Property Owners Liability

Insurers will indemnify **the insured** against all amounts which **the insured** shall become legally liable to pay as damages in respect of

- a) accidental **bodily injury** to any person
- b) accidental loss or destruction of or **accidental damage** to material property arising out of the ownership of the **Building** or land insured under Section 1 during the **period of insurance**

Additional cover

The cover under sections 6a and 6b is extended to include the following unless stated otherwise

1. Compensation for court attendance

In the event of any of the undermentioned persons attending court as a witness at the request of **insurers** in connection with a claim in respect of which **the insured** is entitled to indemnity under this section **insurers** will provide compensation to **the insured** at the following rates per day for each day on which attendance is required

- a) any director or partner of **the insured** £250
- b) any **employee** £100.

2. Consumer Protection Act 1987 applicable to Section 6a only.

Insurers will indemnify **the insured** and, at the request of **the insured**, any director, partner or **employee of the insured** against legal costs and expenses incurred in the defence of any criminal proceedings in respect of a breach of the Consumer Protection Act 1987 committed or alleged to have been committed during the **period of insurance** including legal costs and expenses incurred with the consent of **insurers** in an appeal against conviction arising from such proceedings.

Insurers will not be liable for

- a) fines and penalties of any kind
- b) legal costs and expenses where an indemnity is provided by any other insurance
- c) proceedings arising out of any deliberate act or omission by **the insured**
- d) more than £250,000 in any one **period of insurance**.

3. Contingent motor liability (non-owned vehicles) applicable to Section 6a only.

Notwithstanding Special exclusion 2b iii) **insurers** will indemnify **the insured** named in the schedule and no other for the purposes of this extension in respect of legal liability for accidental **bodily injury** to any person or accidental loss or destruction of or **accidental damage** to material property arising out of the use of any motor **vehicle** not the property of nor provided by **the insured** but being used in connection with the **business**.

Provided that **insurers** shall not be liable under this extension

- a) in respect of loss or destruction of or damage to such **vehicle** or to goods conveyed therein or thereon
- b) for **bodily injury** to any person or loss or destruction of or damage to property arising while such **vehicle** is being driven by
 - i) **the insured**
 - ii) any person who to the knowledge of **the insured** or his representative does not hold a licence to drive such **vehicle** unless such person has held and is not disqualified for holding or obtaining such a licence
- c) in respect of liability more specifically insured under any other insurance
- d) in respect of liability arising outside the **territorial limits**.

4. Corporate Manslaughter

Insurers will indemnify **the insured** against

- a) legal costs and expenses incurred with the prior written consent of **insurers** and

- b) prosecution costs awarded against **the insured**

in the defence of any criminal proceedings including an appeal against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 as a result of any death

- a) happening in connection with the **business** (in respect of Section 6a) or
- b) arising out of the ownership of the Building and land insured under Section 1 (in respect of Section 6a) during the **period of insurance** and which may be the subject of indemnity under this section.

Provided that

- i) the liability of **insurers** under this extension shall not exceed £2,000,000 during any one **period of insurance**.
- ii) all amounts payable under this extension will form part of and not be in addition to the limit of indemnity stated in the **policy** schedule.
- iii) where **insurers** have already provided an indemnity in respect of any legal costs or expenses incurred in connection with the defence of any criminal proceedings including appeals against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 arising out of the same occurrence which gave rise to such proceedings any amount paid or payable by **insurers** will be deducted from the amount payable under this extension.
- iv) **insurers** agrees in writing to the appointment of any solicitor or council who is to act on behalf of **the insured** prior to their appointment.

5. Cross liabilities

Where there is more than one person named as **the insured** in the schedule this section shall apply separately to each named person as if each is insured by a separate **policy**, provided always that the maximum liability of **insurers** in the aggregate for damages to all parties insured shall not exceed the Limit of liability.

6. Defective premises Act 1972 applicable to Section 6b only.

Insurers will indemnify **the insured** against all amounts which **the insured** shall become legally liable to pay as damages in respect of accidental **bodily injury** to any person or accidental loss or destruction of or **accidental damage** to material property occurring during a period of seven years immediately following disposal by **the insured** of **buildings** that have been insured by Section 1 - Property Damage of this **policy**. Provided that such liability is incurred in connection with such **buildings** and by virtue of Section 3 of the Defective Premises Act 1972.

Insurers will not be liable

- a) if at the date of their disposal by **the insured** such **buildings** were not insured by this **policy** or any other policies in respect of which this **policy** has been issued in substitution
- b) for the cost of repairing or rectifying any defect or alleged defect in such **buildings**
- c) if **the insured** is entitled to indemnity under any other **policy**.

7. Food Safety Act 1990 applicable to Section 6a only.

Insurers will indemnify **the insured** and, at the request of **the insured**, any director, partner or **employee** of **the insured** against legal costs and expenses incurred in the defence of any criminal proceedings in respect of a breach of the Food Safety Act 1990 committed or alleged to have been committed during the **period of insurance** including legal costs and expenses incurred with the consent of **insurers** in an appeal against conviction arising from such proceedings.

Insurers will not be liable for

- a) fines and penalties of any kind
- b) legal costs and expenses where an indemnity is provided by any other insurance
- c) proceedings arising out of any deliberate act or omission by **the insured**
- d) more than £250,000 in any one **period of insurance**.

8. Health and Safety at Work etc. Act 1974 applicable to Section 6a only.

Insurers will indemnify **the insured** and, at the request of **the insured**, any director, partner or **employee** of **the insured** against legal costs and expenses incurred, with **insurers** written consent, in the defence of any criminal proceedings brought in respect of a breach of the Health and Safety at Work etc. Act 1974 committed or alleged to have been committed during the **period of insurance**, including legal costs and expenses incurred with the written consent of **insurers** in an appeal against conviction arising from such proceedings.

Insurers will not be liable for

- a) fines and penalties of any kind
- b) legal costs and expenses where an indemnity is provided by any other insurance
- c) proceedings arising out of any deliberate act or omission by **the insured**
- d) more than £250,000 in any one **period of insurance**.

9. Indemnity to other persons

Insurers will indemnify at the request of **the insured**

- a) any director, partner or **employee** of **the insured**
- b) any officer, committee member or other person employed by the insured's catering, social, sports, educational or welfare organisations or first aid, medical, ambulance, fire or security services
- c) any director, partner or official for whom with the consent of **the insured** an **employee** is undertaking private work
- d) any principal or public or local authority as far as is necessary to meet the requirements of any contract or agreement entered into by **the insured** for the performance of work
- e) the owner of plant hired by **the insured** but only to the extent of the conditions of hire
- f) any legal representative of any of the above in the event of their death against legal liability in respect of which **the insured** would have been entitled to indemnity under this **policy** if the claim had been made against **the insured**.

Provided that

- i) any person indemnified is not entitled to indemnity under any other insurance
- ii) any person indemnified shall observe, fulfil and be subject to the terms and conditions of the **policy** as far as they can apply
- iii) **insurers** will retain the sole conduct and control of any claim
- iv) the maximum liability of **insurers** in the aggregate for damages to **the insured** and any such persons shall not exceed the Limit of liability.

10. Leased, hired and rented premises

In the event of any **premises** being leased, hired or rented to or in the custody of or under the control of **the insured**, Special exclusion 3 relating to such property shall be deemed not to apply.

Provided that **insurers** will not be liable in respect of

- a) liability assumed by **the insured** under a contract or under a tenancy or other agreement if such liability would not have attached in the absence of such contract or agreement
- b) the relevant **excess** as stated in the schedule except in respect of loss, destruction or damage caused by fire or explosion.

11. Wrongful arrest applicable to Section 6a only.

Insurers will indemnify **the insured** in respect of damages, costs and expenses incurred as a result of charges of malicious arrest, false imprisonment, malicious prosecution, assault, slander or other actionable wrong being made against **the insured** arising out of any alleged shop-lifting or other improper conduct by customers or other persons at or from the **premises**.

Provided that

- a) **insurers** will not be liable in respect of claims made or brought against **the insured** by any director, partner or **employee** of **the insured** or any member of their families
- b) **insurers** liability shall not exceed £10,000 in any one **period of insurance**.

Limit of liability

Insurers liability in respect of damages for any occurrence giving rise to any one claim against **the insured** or series of claims against **the insured** arising out of one cause will not exceed the amount stated in the schedule.

Insurers will also pay

- a) all legal costs recoverable from **the insured** by any claimant
- b) any other costs and expenses of litigation incurred with **insurers** written consent
- c) solicitors' and counsels' fees for legal representation at any coroner's inquest or fatal accident inquiry
- d) the costs incurred, with **insurers** written consent, for defending in a Court of Summary Jurisdiction any proceedings arising out of any alleged breach of statutory duty in respect of any cause which may be the subject of indemnity under this section of the **policy**.

Exclusions

Insurers will not be liable for

- i) any fines or penalties or the cost of implementing any remedial order or publicity order.
- ii) an appeal against any fines penalties remedial order or publicity order.
- iii) any costs incurred which result from the failure to comply with any remedial order or publicity order.
- iv) costs and expenses in connection with an appeal unless advice has been obtained from solicitors or council that there are strong prospects of success.
- v) costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by **the insured** or any director partner or **employee** of **the insured**.
- vi) costs and expenses provided by any other source or any other insurance or where but for the existence of this extension would have been provided by such source or insurance.
- vii) costs and expenses in connection with the defence of any criminal proceedings unless such proceedings are brought against **the insured** in a Court of Law in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Special exclusions

Insurers will not be liable under sections 6a and 6b in respect of

- 1 **bodily injury** to any **employee** arising out of and in the course of his employment by **the insured** in the **business**
- 2
 - a) loss or destruction of or damage to property
 - b) **bodily injury** sustained by any person arising from the ownership, possession or use by or on behalf of **the insured** of
 - i) any aircraft, aerospace device, hovercraft or watercraft other than hand propelled watercraft and other watercraft not exceeding 7 metres in length
 - ii) any lift, elevator, hoist, crane, steam boiler or other apparatus operating under steam pressure, for which a statutory inspection certificate is required but which is not in force
 - iii) any mechanically propelled vehicle or plant or trailer attached thereto in circumstances in respect of which insurance or security is necessary to meet the requirements of road traffic legislation
- 3 loss or destruction of or damage to
 - a) property owned by or leased, hired or rented to **the insured**
 - b) property belonging to or held in trust by or in the custody of or under the control of **the insured** or any director, partner or **employee** of **the insured** other than
 - i) personal property of directors, partners or **employees**
 - ii) the property of customers or visitors temporarily on or about the **premises**, but excluding all property undergoing or awaiting testing, repair, servicing, alteration, maintenance, cleaning or inspection
- 4 liability which attaches solely under the terms of any contract or agreement if such liability would not have attached in the absence of such contract or agreement
- 5 liability arising from or caused by
 - a) breach of professional duty
 - b) the provision of advice or any plan, design, formula or specification given separately for a fee
 - c) any diagnosis, treatment (other than first aid treatment), therapy, medical advice, aerobic or other fitness related instruction given or performed or administration of drugs or medicines
 - d) the use of solaria, sunbeds, saunas and hydro-massage facilities
 - e) the use of welding or flame cutting equipment or asphalt bitumen or tar heaters away from the **premises**
- 6 liability arising from and or caused by any processes or work in connection with any of the following
 - a) the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to **asbestos** or materials or **products** containing **asbestos**
 - b) power stations, nuclear installations or establishments
 - c) refineries, bulk storage or production **premises** in the oil, gas or chemical industries
 - d) offshore installations, oil or gas rigs

Definition - for the purposes of this Special exclusion only

offshore installation means any platform or rig or any aircraft or vessel servicing a platform or rig it is understood that any person is deemed to be 'offshore' as from the time when they embark onto a conveyance at the point of final departure to an offshore installation and that any person shall continue to be deemed 'offshore' until such time as they disembark from any conveyance onto land upon their return from an offshore installation.

 - e) railways or railway installations
 - f) towers, steeples, chimney shafts, bridges, viaducts, dams, reservoirs, wells, tunnels, mines, quarries or blast furnaces
 - g) work underground, underwater or airside
 - h) loading or discharging of vessels or other work on ships
 - i) piling or the use of explosives
 - j) any demolition, other than structures not exceeding two stories (plus basement) in height and where such work is incidental to but forms part of a contract undertaken by **the insured**
- 7 **bodily injury** or loss or destruction of or damage to property caused by **products** other than
 - a) food or drink for consumption by directors, partners, **employees**, customers or visitors of **the insured**
 - b) trade samples
 - c) the materials used in any plans, deeds, briefs, manuscripts, books, reports or other documents produced and supplied in connection with the **business** from the **premises**
- 8 loss or destruction of or damage to **products** nor the cost of making good or recalling such **products**
- 9 loss or destruction of or damage to that part of any property upon which **the insured** is or has been working

- 10 **bodily injury**, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any component building material that must be removed, encapsulated, or otherwise abated because its presence or release is a hazard to human health
- 11 liability at law for loss, damage, cost or expense of whatsoever nature directly or indirectly arising out of, contributed by, caused by, resulting from, or in connection with any of the following, or any action taken in controlling, preventing, suppressing, retaliating against or responding to any of the following, regardless of any other cause or event contributing concurrently or in any other sequence of the loss:
- i) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, revolution, rebellion, insurrection, uprising, military or usurped power, confiscation by order of any public authority or government de jure or de facto or martial law; or
 - ii) riots, strikes or civil commotion; or
 - iii) any **act of terrorism**
- If **insurers** allege that by reason of this Special exclusion any actual or alleged losses, liabilities, damages, injuries, defence costs, costs or expenses is not covered by this section the burden of proving the contrary shall be upon **the insured**
- 12 fines, penalties or liquidated, punitive or exemplary damages
- 13 damages for **bodily injury** or loss or destruction of or damage to property unless the action is brought against **the insured** in a Court of Law in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- 14 a) damages, direct or consequential, on account of "**bodily injury**", "property damage," "personal or advertising injury," or "medical payments" arising out of, resulting from, caused by, contributed to, or in any way related to any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens or
- b) any costs or expenses associated, in any way, with the abatement, mitigation, remediation, containment, detoxification, neutralization, monitoring, removal, disposal, or any obligation to investigate or assess the presence or effects of any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens or
- c) any obligation or duty to defend any actions on account of "**bodily injury**", "property damage," "personal or advertising injury," or "medical payments" arising out of, resulting from, or in any way related to any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens
- irrespective of the cause of such fungus, mildew, mould, spore(s) or allergens, and whenever or wherever occurring for purposes of this exclusion, "**bodily injury**" shall include mental anguish, mental injury and/or emotional distress
- 15 legal liability arising out of **pollution** except to the extent that **the insured** demonstrates that such **pollution**;
- a) was the direct result of a sudden, identifiable, unintended and unexpected incident occurring in its entirety at a specific time and place during the Period of this Insurance
 - b) was not the direct result of **the insured** failing to take reasonable precautions to prevent such **pollution**
- Provided always that all such **pollution** which arises out of one incident shall be considered for the purposes of this **policy** to have occurred at the time such incident takes place and that **insurers** total liability to pay damages (including claimants' costs, fees and expenses) under this clause shall not exceed the Limit of Indemnity stated in the Schedule in the aggregate in respect of the Period of this Insurance
- 16 the relevant **excess** as stated in the schedule in respect of loss or destruction of or damage to property

Special conditions

- 1 It is a **condition precedent** to the liability of **Insurers** that the undernoted precautions shall be complied with whenever there be any burning of waste or other materials on the insured's own **premises** or on the **premises** of any other person
- a) the work shall be in a clear area at a distance of at least 15 metres from any property
 - b) waste or other materials shall be checked to ensure that no explosive substances or pressurised containers are present
 - c) suitable fire extinguishing appliances shall be available for instant use and in the immediate proximity of any fire for controlling or extinguishing the fire
 - d) fires will not be left unattended
 - e) reasonable precautions shall be taken to prevent the escape of smoke or dust in a way which might cause nuisance or danger to persons passing by or to the property of any person
 - f) all fires shall be extinguished at least one hour before leaving the area.
- 2 **Insurers** may at any time pay to **the insured** the amount of the Limit of liability less any amount already paid, or any lesser amount for which any claim or claims can be settled and shall then cease to have the conduct and control of the negotiations, actions or proceedings and be under no further liability in respect of such claim or claims except for costs and expenses incurred prior to the date of such payment.

Section 7 - Products Liability

Cover

Insurers will indemnify **the insured** against all amounts which **the insured** shall become legally liable to pay as damages in respect of

- a) accidental **bodily injury** to any person
- b) accidental loss or destruction of or accidental damage to material property happening in connection with the **business** and caused by or through or in connection with any **products** and occurring
 - i) during the **period of insurance**
 - ii) anywhere in the world.

Additional cover

The cover under this section is extended to include the following

1. Compensation for court attendance

In the event of any of the undermentioned persons attending court as a witness at the request of in connection with a claim in respect of which **the insured** is entitled to indemnity under this section **insurers** will provide compensation to **the insured** at the following rates per day for each day on which attendance is required

- a) any director or partner of **the insured** £250
- b) any **employee** £100.

2. Consumer Protection Act 1987

Insurers will indemnify **the insured** and, at the request of **the insured**, any director, partner or **employee** of **the insured** against legal costs and expenses incurred in the defence of any criminal proceedings in respect of a breach of the Consumer Protection Act 1987 committed or alleged to have been committed during the **period of insurance** including legal costs and expenses incurred with the consent of **insurers** in an appeal against conviction arising from such proceedings.

Insurers will not be liable for

- a) fines and penalties of any kind
- b) legal costs and expenses where an indemnity is provided by any other insurance
- c) proceedings arising out of any deliberate act or omission by **the insured**
- d) more than £250,000 in any one **period of insurance**.

3. Cross liabilities

Where there is more than one person named as **the insured** in the schedule this section shall apply separately to each named person as if each is insured by a separate **policy**, provided always that the maximum liability of **insurers** in the aggregate for damages to all parties insured shall not exceed the Limit of liability.

4. Food Safety Act 1990

Insurers will indemnify **the insured** and, at the request of **the insured**, any director, partner or **employee** of **the insured** against legal costs and expenses incurred in the defence of any criminal proceedings in respect of a breach of the Food Safety Act 1990 committed or alleged to have been committed during the **period of insurance** including legal costs and expenses incurred with the consent of **insurers** in an appeal against conviction arising from such proceedings.

Insurers will not be liable for

- a) fines and penalties of any kind
- b) legal costs and expenses where an indemnity is provided by any other insurance
- c) proceedings arising out of any deliberate act or omission by **the insured**
- d) more than £250,000 in any one **period of insurance**.

Limit of liability

Insurers liability in respect of damages for all occurrences giving rise to a claim or a number of claims in any one **period of insurance** will not exceed the amount stated in the schedule in the aggregate.

Insurers will also pay

- a) all legal costs recoverable from **the insured** by any claimant
- b) any other costs and expenses of litigation incurred with **insurers** written consent
- c) solicitors' and counsels' fees for legal representation at any coroner 's inquest or fatal accident inquiry
- d) the costs incurred, with **insurers** written consent, for defending in a Court of Summary Jurisdiction any proceedings arising out of any alleged breach of statutory duty in respect of any event which may be the subject of indemnity under this section of the **policy**.

Special exclusions

Insurers will not be liable under this section in respect of

- 1 **bodily injury** to any **employee** arising out of and in the course of his employment by **the insured** in the **business**
- 2 liability arising from or caused by
 - a) the provision of advice or any plan, design, formula or specification given separately for a fee
 - b) the making up, sale or supply of any drug or medical preparation obtainable on prescription from a medical practitioner
 - c) the making up, sale or supply of cosmetics, toiletries, animal feeds, seeds, fertilisers, insecticides or pesticides unless of proprietary manufacture
 - d) any **products** manufactured, constructed or prepared in accordance with their plan, design, formula or specification failing to perform the function for which they are intended by **the insured**
- 3 loss or destruction of or damage to **products** nor the cost of making good or recalling such **products** nor the cost of rectifying defective work
- 4 liability attaching solely under the terms of any contract or agreement if such liability would not have attached in the absence of such contract or agreement
- 5 liability arising in the United States of America or in Canada unless **the insured** did not know or could not reasonably have been expected to know that the **products** would be sold or supplied to or used within these countries or unless **the insured** has informed **insurers** that **products** will be sold or supplied to or used within these countries
- 6 fines, penalties or liquidated, punitive or exemplary damages
- 7 any **products** which with the insured's knowledge are used in the aircraft, space, petro-chemical, gas, off-shore, ship building and repair or nuclear industries

- 8 any **products** which with the insured's knowledge are used in the motor industry other than those not affecting the safety, stability, steering or braking of any **vehicle**
- 9 **bodily injury**, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any component building material that must be removed, encapsulated, or otherwise abated because its presence or release is a hazard to human health
- 10 liability at law for loss, damage, cost or expense of whatsoever nature directly or indirectly arising out of, contributed by, caused by, resulting from, or in connection with any of the following, or any action taken in controlling, preventing, suppressing, retaliating against or responding to any of the following, regardless of any other cause or event contributing concurrently or in any other sequence of the loss:
- i) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, revolution, rebellion, insurrection, uprising, military or usurped power, confiscation by order of any public authority or government de jure or de facto or martial law; or
 - ii) riots, strikes or civil commotion; or
 - iii) any **act of terrorism**
- If **insurers** allege that by reason of this Special exclusion any actual or alleged losses, liabilities, damages, injuries, defence costs, costs or expenses is not covered by this section the burden of proving the contrary shall be upon **the insured**
- 11 damages for **bodily injury** or loss or destruction of or damage to property unless the action is brought against **the insured** in a Court of Law in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.
- 12 a) damages, direct or consequential, on account of "**bodily injury**", "property damage," "personal or advertising injury," or "medical payments" arising out of, resulting from, caused by, contributed to, or in any way related to any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens or
- b) any costs or expenses associated, in any way, with the abatement, mitigation, remediation, containment, detoxification, neutralization, monitoring, removal, disposal, or any obligation to investigate or assess the presence or effects of any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens or
- c) any obligation or duty to defend any actions on account of "**bodily injury**", "property damage," "personal or advertising injury," or "medical payments" arising out of, resulting from, or in any way related to any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens
- irrespective of the cause of such fungus, mildew, mould, spore(s) or allergens, and whenever or wherever occurring for purposes of this exclusion, "**bodily injury**" shall include mental anguish, mental injury and/or emotional distress
- 13 legal liability arising out of **pollution** except to the extent that **the insured** demonstrates that such **pollution**;
- a) was the direct result of a sudden, identifiable, unintended and unexpected incident occurring in its entirety at a specific time and place during the Period of this Insurance
 - b) was not the direct result of **the insured** failing to take reasonable precautions to prevent such **pollution**
- Provided always that all such **pollution** which arises out of one incident shall be considered for the purposes of this **policy** to have occurred at the time such incident takes place and that **insurers** total liability to pay damages (including claimants' costs, fees and expenses) under this clause shall not exceed the Limit of Indemnity stated in the Schedule in the aggregate in respect of the Period of this Insurance
- 14 the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to **asbestos** or materials or **products** containing **asbestos**
- 15 the **excess** stated in the Schedule shall apply only to third party property damage.

Special condition

Insurers may at any time pay to **the insured** the amount of the Limit of liability less any amount already paid, or any lesser amount for which any claim or claims can be settled and shall then cease to have the conduct and control of the negotiations, actions or proceedings and be under no further liability in respect of such claim or claims except for costs and expenses incurred before the date of such payment.

Section 8 - Deterioration of Refrigerated Stock

Cover

Insurers will indemnify **the insured** in respect of loss, destruction or damage to refrigerated stock at the **premises** contained in any refrigeration unit, caused by deterioration or putrefaction due to

- 1 a rise or fall in temperature in the refrigerated chamber of any such unit resulting from
 - a) breakdown of or **accidental damage** to its refrigerating plant or associated thermostatic or other control devices or loss of refrigerant
 - b) failure of the public electricity supply unless due to a deliberate act of the public electricity supply authority or the exercise by any such authority of its power to withhold or restrict supply
- 2 contamination by the escape of refrigerant fumes.

Limits of liability

Insurers liability in respect of any one occurrence will not exceed the sum insured stated against each item insured in the schedule nor in all the aggregation of the sums insured by this section.

Basis of claims settlement

As detailed under General Condition 3 Basis of claims settlement.

Special exclusions

will not be liable under this section for

- 1 refrigerated stock contained in any refrigeration unit which is more than ten years old at the commencement of any **period of insurance**
- 2 consequential loss of any kind or description.
- 3 the relevant **excess** as stated in the schedule.

Condition Precedent

It is a **condition precedent** to **insurers** liability under this section of the **Policy** that during the currency of this **policy** there shall be in force a manufacturer's guarantee or a maintenance contract applicable to any refrigeration unit which does not have hermetically sealed motors and compressors.



Section 9 - All Risks

Definitions for the purposes of this extension only wherever the following words appear in bold they shall mean the following:

word/s	means
overnight	between 2100 hours and 0600 hours
property	those items pertaining to the business and described in the schedule all belonging to the insured or for which the insured is legally responsible

Cover

Insurers will indemnify **the insured** in respect of loss, destruction or damage to the **property** caused by any accident or misfortune occurring within the **territorial limits** or as otherwise stated in the schedule as applicable to the **property** insured.

Limits of liability

Insurers liability in respect of any one occurrence will not exceed the sum insured against each item in the schedule nor in all the aggregation of the sums insured by this section.

Basis of claims settlement

As detailed under General Condition 3 Basis of claims settlement.

Special exclusions

Insurers will not be liable under this section for

- 1 loss, destruction or damage caused by or consisting of
 - a) wear, tear or depreciation or diminution in value
 - b) inherent vice, latent defect, defective design, plan or specification or the use of faulty materials
 - c) faulty or defective workmanship operational error or omission on the part of **the insured** or any **employee of the insured**
 - d) marring, scratching, denting, mechanical or electrical defect, failure, breakdown or derangement
 - e) atmospheric or climatic conditions or any other gradually operating cause, rot, fungus, rust, corrosion, woodworm, moths, insects, vermin or pests
 - f) any process involving heating, drying, cleaning, dyeing, staining, repairing, restoring, renovating, fitting, installation, testing, commissioning, alteration or maintenance of any **property**
 - g) use of any article contrary to manufacturers' instructions
 - h) storm or flood unless the **property** is contained in an enclosed **vehicle** or in a building
 - i) change in temperature colour flavour texture or finish
- 2 loss, destruction or damage by theft or attempted theft or malicious damage from any
 - a) **unattended vehicle** unless
 - i) all windows and other openings have been closed, all doors have been secured and any other protective devices put into full and effective operation
 - ii) any **property** insured by this section is secured in the locked boot or closed glove compartment. The luggage space at the rear of an estate car or hatchback under the top cover and out of view is deemed to be a locked boot.
 - b) **unattended vehicle** owned or operated by **the insured overnight** or after the completion of any **working day of the driver** unless all windows and other openings have been closed and the **vehicle** is locked and garaged in a secure building
 - c) unattended building unless all security devices are put into full and effective operation and such theft or attempted theft involves forcible and violent entry to or exit from the building
 - d) **property** conveyed in any soft or open topped or soft or open sided **vehicle**
- 3 loss, destruction or damage to any **property** not contained within a **vehicle** or building whilst left
 - a) out of the immediate view of **the insured** or an **employee of the insured**
 - b) in the care of a person known to **the insured** or an **employee of the insured** for more than 30 minutes.
- 4 loss, destruction or damage to electrical plant or apparatus caused by self ignition but this exclusion shall apply only to that part of the electrical plant or apparatus in which self ignition occurs
- 5 consequential loss of any kind or description
- 6 the relevant **excess** as stated in the schedule.

Section 10 - Book Debts

Definitions for the purposes of this extension only wherever the following words appear in bold they shall mean the following:

word/s	means
damage	physical loss, destruction or damage by any of the perils insured by Section 1 - Property Damage
outstanding debit balances	<p>the individual amounts owed to the insured by customers and shown as outstanding in the insured's records after adjustment for</p> <p>a) bad debts and any abnormal condition of trade which had or could have had a material effect on the business</p> <p>b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the damage) to customers' accounts in the period between the date to which the total last recorded relates and the date of the damage</p> <p>so that the amounts thus adjusted shall represent as near as reasonably practicable those which would have been obtained at the date of the damage had the damage not occurred</p>
recovery period	the period beginning with the occurrence of the damage and ending not later than twelve months thereafter or such other term stated by an endorsement in the schedule.

Cover

Insurers will indemnify **the insured** by payment in respect of

- any net **outstanding debit balances** which **the insured** is unable to recover from customers during the **recovery period** as a result of **damage** to any of **the insured's** books of account or other **business** books or records
- additional expenditure incurred in accordance with the Basis of claims settlement in consequence of any **damage** occurring to any such books or records contained within the **premises**.

Additional cover

Loss as insured by this section resulting from **damage** to any of **the insured's** books of account or other **business** books or records whilst they are temporarily removed from the **premises** anywhere within the **territorial limits** shall be deemed to be **damage** to such property contained within the **premises**.

Professional accountants

Any particulars or details contained in **the insured's** books of account or other **business** books or documents which may be required by **Insurers** under the terms of 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 **the insured** and their report shall be prima facie evidence of the particulars and details to which such report relates. **Insurers** will pay to **the insured** under this section the reasonable charges payable by **the insured** to their professional accountants for producing any particulars or details or any other proofs, information or evidence as may be required by **Insurers** under the terms of General Condition 6 and reporting that such particulars or details are in accordance with **the insured's** books of account or other **business** books or documents provided that the sum of the amount payable under this memorandum and the amount otherwise payable under the section shall in no case exceed the sum insured by this section.

Limit of liability

Insurers liability during any **period of insurance** will not exceed the limit of indemnity shown in the schedule.

Basis of claims settlement

Following **damage** insured by this section **Insurers** will pay

- the amount by which the net **outstanding debit balances** received or traced after the **damage** and during the **recovery period** falls short of the **outstanding debit balances** at the time of such **damage**
- the additional expenditure necessarily and reasonably incurred in tracing and establishing the above net **outstanding debit balances**.

Special exclusions

Insurers will not be liable under this section for any loss due to

- deliberate falsification of **business** records
- clerical or accounting errors or other errors or omissions
- the fraud or dishonesty of any director partner or **employee**
- the deliberate act of the public supply undertaking in restricting or withholding the supply of electricity
- erasure or distortion of information on computer systems and other records
 - whilst mounted in or on any machine or data processing apparatus or due to the presence of magnetic flux
 - due to defects in such records unless caused by **damage** to the machine or apparatus in which the records are mounted.
- loss due to
 - 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
 - other erasure loss distortion or corruption of information on computer systems or other records programs or software unless resulting from any of the perils 1 to 15 of Section 1 - Property Damage of this **policy** in so far as it is not otherwise excluded.

Special conditions

- at the end of each month **the insured** shall record the total amount outstanding in customers' accounts and shall maintain a separate record, in addition to the books of account, in a place other than the **premises**.
- If at the time of any **damage** the sum insured on **outstanding debit balances** be less than the actual **outstanding debit balances** then the aggregate amount payable in respect thereof and associated additional expenditure shall be proportionately reduced.
- The premium paid may be adjusted on the expiry of each **period of insurance** provided that a monthly declaration has been made for each month therein. The actual premium due shall be calculated at the rate per cent per annum on the average amount insured being the total of the amounts declared divided by the number of declarations that should have been given. If the amount of a declaration exceeds the sum insured applicable at the date of such declaration then for the purposes of adjustment **the insured** shall be deemed to have declared such sum insured. If the actual premium due shall be less than the premium paid for the relative **period of insurance** **Insurers** will allow a pro rata return of premium not exceeding 50% of the premium paid but subject to the retention by **Insurers** of any minimum premium under this section. If a monthly declaration has not been made for each month of any **period of insurance** no such return of premium shall be made for that period.

Section 11 - Goods in Transit

Definitions for the purposes of this extension only wherever the following words appear in bold they shall mean the following:

word/s	means
overnight	between 2100 hours and 0600 hours
property	goods pertaining to the business belonging to the insured or for which the insured is legally responsible

Cover

Insurers will indemnify **the insured** in respect of loss, destruction or damage to **property** insured whilst in the course of transit

- in or on any **vehicle** owned or operated by **the insured** or by an independent road haulier
- by rail
- by post

within the **territorial limits** including whilst loading and unloading.

Additional cover

The cover under this section is extended to include the following

1. Expenses

The costs and expenses necessarily and reasonably incurred in

- the removal of debris following loss, destruction or damage to the **property** insured
- the transfer of the **property** insured to another **vehicle** and its delivery to the original destination or place of collection following fire or an accident involving the **vehicle**

whilst the **property** insured is being carried in or on any **vehicle** owned or operated by **the insured**.

Insurers liability will not exceed £2,500 in any one **period of insurance**.

2. Ropes and sheets

Loss, destruction or damage to tarpaulins, sheets, ropes, chains, straps and packing materials owned by **the insured** or for which **the insured** is legally responsible, whilst being carried in or on any **vehicle** owned or operated by **the insured**.

Insurers liability will not exceed £2,500 in any one **period of insurance**.

Limits of liability

Insurers liability will not exceed in respect of any one occurrence the respective sums insured stated in the schedule for

- all **property** contained in or on any one **vehicle** owned or operated by
 - the insured**
 - an independent road haulier
- any one consignment of **property** in transit by rail or post

Basis of claims settlement

As detailed under General Condition 3 Basis of claims settlement.

Contract price

In respect of goods sold but not delivered for which **the insured** is legally responsible and with regard to which under the conditions of the sale the sale contract is cancelled by reason of loss, destruction or damage hereby insured against either wholly or to the extent of the loss, destruction or damage the liability of shall be based on the contract price and for the purpose of General Condition 20 Underinsurance the value of all goods to which this clause would in the event of loss, destruction or damage be applicable shall be ascertained on the same basis.

Special exclusions

Insurers will not be liable under this section for

- delay, loss of market, loss of profit or consequential loss of any kind or description
- breakage of china, glass or other brittle articles unless caused by fire, theft or an accident involving the **vehicle**
- loss or destruction of or damage to
 - livestock or other living creatures or organisms or cultures
 - jewellery, watches, precious metals and stones, non-ferrous metals, bullion, furs, works of art, **money**, securities or stamps
 - explosives or other dangerous goodsunless specified under Section 1 – Property Damage in the schedule
- loss, destruction or damage caused by
 - marring, scratching or denting, mechanical or electrical defect, failure, breakdown or derangement
 - atmospheric or climatic conditions or any other gradually operating cause, rot, fungus, rust, corrosion, woodworm, moths, insects, vermin or pests
- loss, destruction or damage due to leakage, spillage, contamination or deterioration unless caused by fire, theft or an accident involving the **vehicle**
- loss, destruction or damage resulting from faulty packing or labelling
- loss or destruction of or damage to **property** conveyed in any soft or open topped or soft or open sided **vehicle** caused by
 - theft or attempted theft unless caused by or arising from theft or attempted theft of the conveying **vehicle**
 - storm or malicious damage
- loss, destruction or damage by theft or attempted theft from any
 - unattended vehicle** owned or operated by **the insured** unless all windows and other openings have been closed, all doors have been secured and any other protective devices put into full and effective operation
 - unattended vehicle** owned or operated by **the insured overnight** or after the completion of any **working day of the driver** unless all windows and other openings have been closed and the **vehicle** is locked and garaged in a secure building or is locked and parked in a locked and completely enclosed yard
- the relevant **excess** as stated in the schedule.

Special condition

It is a condition precedent to the liability of **insurers** under this section of the **Policy** that

- the insured** shall take all reasonable measures to ensure that any vehicles owned or operated by them are roadworthy and loaded in a safe and appropriate manner and that all locking and other protective devices are maintained in good working order.
- all **keys** to any **unattended vehicle** owned or operated by **the insured** shall be removed from such **vehicle** to a place of safety whenever the **vehicle** is left loaded.

Section 12 - Loss of Licence

Definitions for the purposes of this extension only wherever the following words appear in bold they shall mean the following:

word/s	means
licence/s	the licence granted for the retail sale of excisable liquor at the premises .

Cover

Insurers will indemnify **the insured** in respect of depreciation in value of the interest of **the insured** in the **premises** or the **business** resulting from the forfeiture of the **licence** under the provisions of the regulations relating to such **licences** or the refusal of the licensing authority to renew the **licence** Provided that such forfeiture or refusal to renew results from causes beyond the control of **the insured**.

Limit of liability

Insurers liability during any one **period of insurance** will not exceed the limit of liability stated against each item insured in the schedule. will also pay any costs and expenses incurred with **insurers** written consent in connection with any appeal against the forfeiture of or refusal to renew the **licence**.

Special exclusions

Insurers will not be liable under this section if

- 1 **the insured** is entitled to obtain compensation under the provisions of any Act of Parliament in respect of any refusal to renew the **licence**
- 2 the forfeiture or refusal to renew arises directly from any town or country planning, improvement, redevelopment or compulsory purchase order or the surrender, reduction or re-distribution of **licences** in connection therewith
- 3 the forfeiture or refusal to renew results from any alteration in the law
- 4
 - a) any alterations to the **premises** requiring the consent of the licensing or other necessary authority be made without their approval
 - b) the **premises**
 - i) be closed for any period not required by law
 - ii) are not maintained in a sanitary condition or satisfactory state of repair
 - c) any direction or requirement of the licensing or other authority shall not be complied with
 - d) the forfeiture of or refusal to renew the **licence** be occasioned wholly or partly by or through the misconduct, connivance, neglect or omission of **the insured** or by the failure of **the insured** to take any steps necessary for keeping the **licence** in force.

Special conditions

- 1 It is a **condition precedent** to the liability of **Insurers** under this section of the **Policy** that **the insured** shall immediately advise in writing and supply such additional information and give such assistance as **insurers** may reasonably require on becoming aware of any
 - a) change in tenancy or management of the **premises**
 - b) transfer or proposed transfer of the **licence**
 - c) complaint about the **premises** or the conduct or control of the **business**
 - d) proceedings against or conviction of **the insured** or the **licence** holder of the **premises** for any breach of the licensing laws or other matters whereby the character or reputation of the person concerned is affected or called into question with respect to his honesty, moral standing or sobriety
 - e) alteration in the purpose for which the **premises** are used
 - f) objection to the application for the renewal of the **licence** or any circumstances which may endanger the renewal of the **licence**.
- 2 In the event of the **licence** being forfeited or renewal being refused it is a **condition precedent** to the liability of that **the insured** shall
 - a) give written notice to within twenty-four hours of becoming aware of such event stating the grounds upon which the **licence** was forfeited or renewal refused
 - b) apply if practicable and if required by for the grant of a new **licence** for the same or alternative **premises** as may enable **the insured** to continue the **business** in a similar or alternative form
 - c) give all such assistance as **insurers** may require for the purpose of an appeal against such forfeiture or refusal to renew.