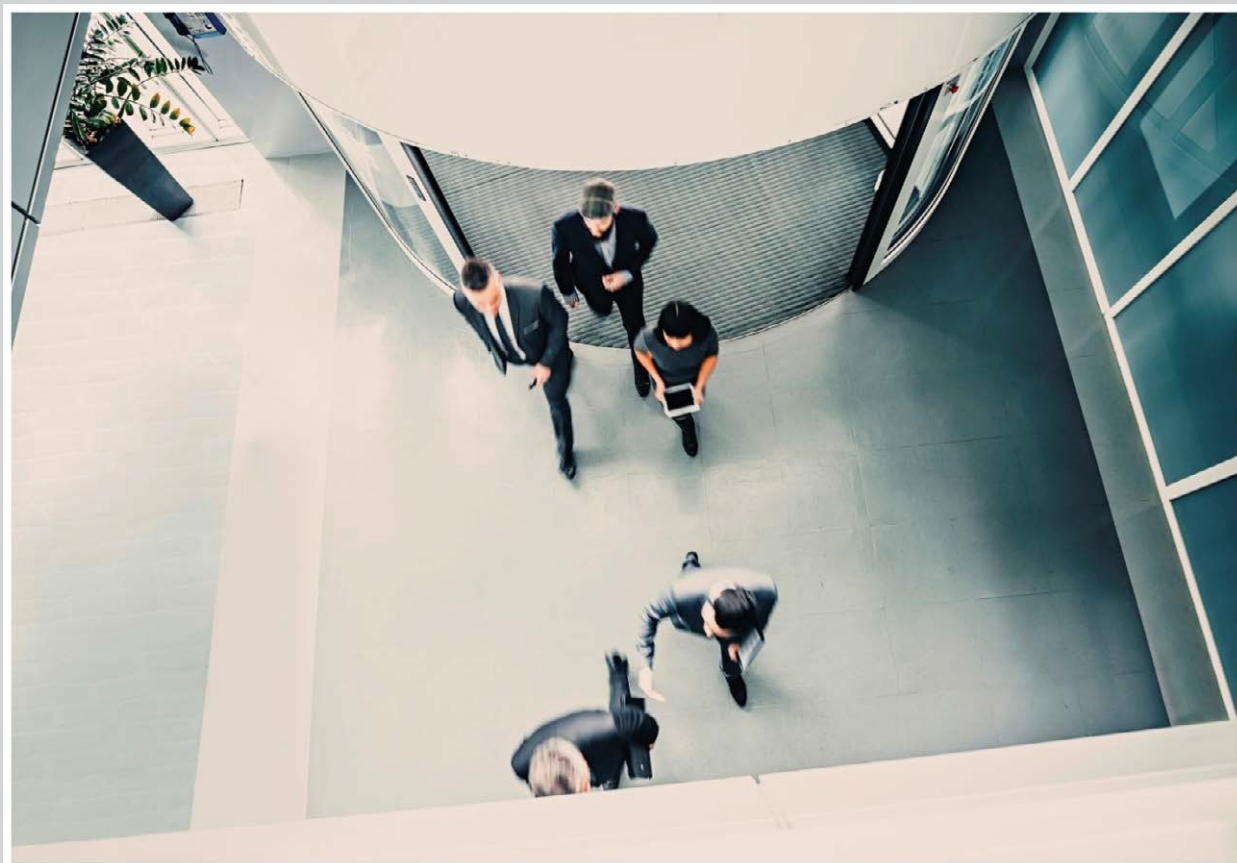




中国太平
CHINA TAIPING



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Office Insurance Policy

Underwritten by
CHINA TAIPING INSURANCE (UK) CO LTD

INTRODUCTION

Thank you for choosing China Taiping Insurance (UK) Company Limited.

You are in good hands.

We are committed to delivering an excellent and sincere customer service so we can give you the peace of mind you deserve.

China Taiping Insurance (UK) Company Limited received its trading license in 1983 and commenced underwriting business on 1 October 1985 so we have over 30 years of experience in the UK market. Our parent company, China Taiping Insurance Company Limited, is a Chinese state-owned insurance company headquartered in Hong Kong.

We are authorised by the Prudential Regulation Authority (PRA) and Regulated by the Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) in the UK to underwrite general insurance and reinsurance policies. Financial Services Register number: 202690.

China Taiping UK strictly adheres to the principals of prudent business underwriting and we transact business with the concept of 'Diligent Management and Sincere Service' in mind.

We have expert technical underwriters that fully understand your trade and your challenges as a business owner so we are confident that we can protect your business against the insured risks and give you the peace of mind you need.

We also have an excellent professionally trained in-house claims team who understand your needs and will diligently and sincerely listen to you so as to provide you with the best solutions to get your business back on track as soon as possible after a loss.

If you would like to find out more about us please visit our website at: www.uk.cntaiping.com



Yamei Yang

Chief Executive

China Taiping Insurance (UK) Company Ltd

(Registered in England and Wales – Company Registration no: 1766035)

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YOUR POLICY AND INSURING CLAUSE

Your Policy

This Office Insurance Policy confirms the insurance cover agreed between **you** (the **insured**) and **us** (the **company**).

Your policy comprises several different parts, which must be read together as they form **your** contract of insurance with **us**. **We** advise **you** to read these carefully to ensure that all the details are correct and that they meet **your** requirements, and that you understand the terms, conditions and exclusions.

The **policy** comprises the **statement of fact**, this **policy** wording and the **schedule**.

Please ensure that **you** contact **your** insurance adviser, or **us**, (as appropriate) as soon as reasonably possible if **you** think that there are amendments to be made or new circumstances that would affect **your** insurance as stated in General Condition 7 (Duty of Fair Presentation) for more details.

For ease of reference, the procedures for notifying **us** of a claim under **your policy**, and the Conditions relating to all claims under **your policy**, are stated separately at the back of this **policy** document.

Insuring Clause

In consideration of the **insured** having paid, or agreed to pay, the premium required, the **company** will indemnify the **insured**, in accordance with the cover detailed in those Sections shown as “operative” or where a **sum insured** or **limit of indemnity** is shown in the **schedule**, and occurring in connection with the **business** during the **period of insurance**, or any subsequent period for which the **company** agrees to accept payment of the premium.

Each Section of the **policy**, the **schedule** and any **endorsements**, together with the General Policy Definitions, Conditions, Exclusions and Extensions shall be read as one document.



Yamei Yang
Chief Executive

Signed on behalf of China Taiping Insurance (UK) Co Ltd
Registered Office: 2, Finch Lane, London EC3V 3NA
Authorised by the Prudential Regulation Authority and
Regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
Financial Services Register number: 202690

CUSTOMER COMPLAINTS

We make every effort to deliver a high-quality service to our policyholders. If **you** have a complaint about our service, or about a claim, **we** operate a swift and effective complaints handling procedure.

1. **Your** complaint can be made orally or in writing, and on **your** behalf by a third party.
2. If **you** wish to make a complaint you should contact:

The Compliance Officer
China Taiping Insurance (UK) Company Limited,
2 Finch Lane,
London EC3V 3NA.
Tele: 0207 839 1888 or Fax 0207 621 1202
e-mail: compliance@uk.cntaiping.com
3. **Our** Compliance Officer will acknowledge the complaint. **We** aim to resolve your concerns in three working days but if **we** are unable to do so **we** will confirm to **you** that **we** have received your complaint within five working days and advise **you** of the person who will be dealing with the complaint, and when **you** can expect to receive a detailed response. The person dealing with the complaint will be a senior member of staff who was not directly involved in the matter which is the subject of the complaint. They will have the authority and experience to adequately address the complaint and explain the results of the investigation.
4. If **your** complaint should be more appropriately dealt with by another firm, **we** will ensure it is referred to them as soon as practicable and certainly no later than five business days of becoming satisfied that another firm is or may be responsible for the matters complained of. **We** will make this referral to the other firm in writing and advise **you** by way of a final response that the referral has been made and include the other firm's contact details.
5. **Your** complaint will be thoroughly investigated and **we** will respond to it as soon as possible. Within eight weeks **we** will provide a final response to your complaint in writing or, if it is not possible to respond within that time, **we** will inform you in writing within twenty business days, why **we** have been unable to resolve the complaint within that time, why **we** need more time to do so and when **you** can expect to receive our final response.
6. If **we** have not completed our investigation, within eight weeks after the complaint was made, **we** will write to **you** and explain why there is a further delay. **We** will also confirm when **we** expect to issue our final response and advise **you** that you may be eligible to refer the complaint to the Financial Ombudsman Service, if **you** are dissatisfied with the delay. Their address is:

Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR
Tel: 0800 023 4 567 from Landlines or 0300 123 9 123 from Mobile phones
(If you are calling from outside of United Kingdom: 0044 20 7964 0500)
Fax: 020 7964 1001
e-mail: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

Where **you** are eligible to refer your complaint to the Financial Ombudsman Service **you** have this right to do so Free of Charge, but **you** must do so within six months of the date of our Final Response. If **you** do not refer **your** complaint in time, the Ombudsman will not have **our** permission to consider **your** complaint and so will only be able to do so in very limited circumstances. For example, if it believes that the delay was as a result of exceptional circumstances.

YOUR RIGHT TO CANCEL

a) “Cooling-off period”

If **you** are a ‘consumer’ (deemed to be: an individual entering into an insurance contract wholly or mainly for purposes unrelated to his or her trade, business or profession or a micro-enterprise being an enterprise employing less than 10 persons and a turnover or annual balance sheet that does not exceed 2 million), **you** have the right to cancel this insurance **policy** within 14 days of receiving the **policy** documentation and receive a full refund of any premium paid, provided that there have been no claims either paid, reported or outstanding. For the purposes of this cancellation clause, it will be deemed that **you** will have received the **policy** document upon the day following the date it was posted to **you** by first class post.

If **you** do cancel this insurance within the initial 14 day period, then no cover will have been in place from the date of inception, as specified in the **schedule**, and no liability whatsoever shall attach to the company in respect of the **policy**.

b) Other than during the “Cooling-off period”

If **you** are not a “consumer”, or are a “consumer” who does not exercise their right of cancellation within the initial 14 day period, this insurance **policy** will automatically come into force from the inception date specified in the **schedule**. **You** will remain liable to pay the full annual premium.

Following the expiry of the initial 14 day period, this insurance **policy** may be cancelled at any time at **your** written request. Provided that there have not been any claims paid, reported or outstanding, **we** will refund a pro rata proportion of the annual premium payable, less an appropriate administration charge. Should a claim, or potential claim have been paid, reported or be outstanding, then there may not be any return of premium.

*To exercise **your** right to cancel, contact the broker who arranged this cover for **you**.*

The Law that Governs this Policy and Jurisdiction

The parties to this contract are free to choose the law applicable to the contract. Unless specifically agreed to the contrary, this insurance **policy** shall be subject to the law governing England and Wales. The indemnity provided by this **policy** shall apply only to judgements against **you** in the Courts of Law of England and Wales, Scotland, Northern Ireland, the Isle of Man and the Channel Islands; and not to judgements obtained elsewhere, nor to Judgements or orders obtained in the said courts for enforcement of foreign judgements whether by way of reciprocal agreements or otherwise.

The premium for this **policy** has been calculated accordingly and no consideration has been paid in respect of sums payable under any other law or the jurisdiction of any other courts.

The Law that Governs the interpretation of this Policy

All disputes concerning the interpretation of this **policy** are understood and agreed by both **you** and **us** to be subject to English Law. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within England and to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such court.

This **policy** should be read carefully and if it is incorrect return it immediately to **your** insurance advisor for alteration.

This **policy** should be kept in a safe place – **you** may need to refer to it if **you** have to make a claim. It is recommended that **you** to retain details of **your** Employers Liability insurance and certificates for at least 60 years.

GENERAL DEFINITIONS AND INTERPRETATIONS

Any word or phrase specified hereunder to which a meaning is given has the same meaning wherever it appears in this policy or any schedule endorsement or notice attached or issued by the company unless specifically amended by any documentation issued by the company. For ease of interpretation such words are printed in bold font. In the policy schedule these words will have a capital initial letter only.

Words importing any gender shall include all genders, and words or phrases expressed in the singular context shall also mean the plural and vice versa.

Act of Terrorism

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

Business

means the business of the insured as described in the policy schedule including

- (1) the ownership (including maintenance) of buildings specifically insured by this policy
- (2) the provision and management of canteen social sports and welfare facilities for your employees
- (3) first aid, and private fire or ambulance services
- (4) private work carried out with your consent for you or your directors partners or other senior officials of your business by any of your employees within the geographical limits

Business Hours

means the usual hours of your business and all hours during which you or your directors partners or employees entrusted with money are on the premises for the purpose of your business

Company/our/us/we

means China Taiping Insurance (UK) Co Limited

Costs and Expenses

means

- (1) all costs and expenses recoverable by any claimant from you
- (2) the costs and expenses incurred with the written consent of the company for:-
 - (a) representation at any Coroner's Inquest or Inquiry in respect of any death
 - (b) the defence of proceedings in any court brought against you in respect of breach or alleged breach of statutory duty resulting in injury
- (3) all other costs and expenses of litigation incurred with the written consent of the company relating to an occurrence which may give rise to indemnity

Customers Accounts

means all the credit accounts of your business

Damage

means loss destruction or damage

Employee

Means

- (1) any person under a contract of service or apprenticeship with you
- (2) any person hired or borrowed by you in the course of their contract of service or apprenticeship with another employer

(3) any person under a government or other authorised work experience or youth training or similar scheme

(4) any self-employed person

(5) any labour master or labour only sub-contractor or person supplied by any of them whilst engaged in working for the insured in connection with the business

(6) any voluntary worker

Endorsement

means any additional terms relating to the insurance provided by this policy which are

(1) not within the policy but attached to any schedule issued by the company or

(2) within the policy and stated in the policy schedule as applying to this policy

Excess

means amount stated herein, or shown in the schedule to any Section of this policy being the amount of each and every claim which is not covered and for which you are considered to be your own insurer.

Geographical Limits

means United Kingdom the Channel Islands and the Isle of Man

Glass

means fixed plain plate or sheet glass of ordinary glazing quality, wired glass and mirrors

Injury

means death bodily injury illness disease or shock

Insured/You/Your

means person(s) and/or company(ies) named in the policy schedule

Insured Person

means any of the insured's principals, directors, partners or employees.

Limit of Indemnity

means the company's maximum liability arising out of one occurrence or series of occurrences arising from the one originating cause, irrespective of the number of claimants or claims made against the insured, or by the insured

Money

means

(1) cash, bank and currency notes

(2) crossed and uncrossed (where applicable)

(a) bankers drafts

(b) national giro drafts and payment orders

(c) postal and money orders

(d) dividend warrants

(e) cheques (other than pre signed blank cheques)

(3) travellers cheques

(4) national savings stamps and certificates

(5) bus and rail travel cards and passes

(6) telephone cards

(7) current postage stamps and unused postal franking machine units

(8) luncheon vouchers

(9) gift tokens

(10) trading stamps

(11) national insurance stamps and stamped or impressed national insurance cards

(12) holiday with pay stamps

- (13) premium bonds
- (14) VAT purchase invoices
- (15) credit card cheque card and debit card sales vouchers
- (16) savings stamps
- (17) consumer redemption vouchers

Period of insurance

means the dates stated in the schedule during which the insurance provided by this policy is in force and of effect, together with any subsequent period for which premium payment is made by you and is accepted by the company

Policy

means the policy wording together with all schedules, endorsements and notices attached or issued by the company

Pollution

means

- (1) pollution or contamination by naturally occurring or man made substances forces or organisms or any combination of them whether permanent or transitory and however occurring and
- (2) all damage or injury directly or indirectly caused by such pollution or contamination

Premises

means address(es) as stated in the schedule which the insured owns or occupies for the purposes of the business, or for which they are legally responsible and to which the insurance provided by this policy applies; except as otherwise endorsed;

Products

means any commodity or article (including containers labelling instructions or advice provided in connection therewith) manufactured sold supplied repaired serviced tested financed constructed installed or processed by or on behalf of the insured from or within the geographical limits in connection with the business

Sanitaryware

means lavatory pans wash-basins cisterns and other sanitaryware at the premises for which the insured is responsible

Schedule

means most current schedule issued to the insured by the company

Specified perils

means fire, lightning, explosion, aircraft or other aerial devices or articles falling from them; riot and/or civil commotion including strikers or locked-out workers or persons taking part in labour disturbances; malicious persons; earthquake; storm; flood; escape of water from any tank apparatus or pipe or of oil from any fixed domestic heating installation; impact by any mechanically propelled vehicle or rail rolling stock or animal; or subsidence ground heave or landslide

Statement of Fact

means an application, proposal form or declaration made by the insured to the company that provides full details of the risks to be insured, and of any other and previous insurance history, or other related circumstances or information, that pertains to this contract

Sum Insured

means the maximum amount the company will pay for each item insured under any Section

Unoccupied

means any premises or part of any premises which is empty or not in use by the insured or any tenant of the insured for more than 30 consecutive days

Data

means information facts concepts code or any other information of any kind that is recorded or transmitted in a form to be used accessed processed transmitted or stored by a **computer system**.

Computer System

means any computer hardware software communications system electronic device (including but not limited to smart phone laptop tablet wearable device) server cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input output **data** storage device networking equipment or back up facility owned operated by or held in trust by **you**.

GENERAL EXCLUSIONS

(1) GENERAL

The following Exclusions apply to all Sections of your policy except Section 4 – Employers' Liability
This policy does not cover any loss destruction damage consequential loss or liability directly or indirectly caused by, or contributed to by, or arising from:-

- (a) Radioactive Contamination
 - (i) ionising radiations from 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) Pressure Waves

pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

- (c) Pollution

as defined in the General Definitions and Interpretations other than pollution resulting in damage to property insured by this policy or interruption of or interference with the business not otherwise excluded, caused by one of the following specified perils:-

Fire explosion aircraft earthquake riot malicious persons storm or flood escape of water impact sprinkler leakage theft or subsidence

(2) WAR AND ACT OF TERRORISM

This policy does not cover any claim hereunder of whatsoever nature directly or indirectly occasioned by or happening through or in consequence of

- (a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law, confiscation, nationalisation or requisition or destruction of or damage to property by or under the order of any Government or public or local authority act of terrorism or any action taken in controlling preventing suppressing or in any way relating to any of the above
- (b) riot civil commotion and (except in respect of damage by fire or explosion) strikers locked out workers or persons taking part in labour disturbances or malicious persons in Northern Ireland other than in respect of the insurance provided by Section 4 – Employers Liability and Section 5 – Public Liability

In any action suit or other proceedings where the company allege that by reason of the policy Definition act of terrorism any claim hereunder is not covered by this policy the burden of proving that such claim hereunder is covered shall be upon the insured

This Exclusion shall apply to all Sections of this policy other than Section 4 – Employers Liability to the extent that it is necessary to comply with the minimum requirements of the law in the United Kingdom of Great Britain and Northern Ireland including the Channel Islands and the Isle of Man relating to

compulsory insurance of liability to employees and provided that the maximum Limit of Indemnity for any one claim or series of claims arising from one source or original cause shall not exceed £5,000,000

(3) DATE RECOGNITION FAILURE

This policy does not cover

- (a) damage
- (b) interruption of or interference with the business
- (c) legal liability other than Employers' Liability
- (d) costs and expenses other than in connection with Employers' Liability
- (e) Legal Expenses

directly or indirectly caused by or consisting of or arising from the failure of any **computer system** whether the property of the insured or not to:

- (i) correctly recognise any date as its true calendar date
- (ii) correctly capture save retain and/or correctly to manipulate interpret or process any **data** or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- (iii) correctly capture save retain or process any data as a result of the operation of any command which causes the loss of data or the inability correctly to capture save retain or process such **data**

(4) COMMUNICABLE DISEASE

Notwithstanding any provision to the contrary this **policy** excludes any actual or alleged **damage**, legal liability, **injury**, costs and expenses - including but not limited to any cost to clean up, detoxify, remove, monitor or test - and any other sum of any nature whatsoever directly or indirectly caused by, contributed to by, resulting from, originated by, attributable to or occurring concurrently with a **communicable disease** or the fear or threat (whether actual or perceived) thereof.

The presence of a person or persons at the **premises** that is/are possibly or actually infected with a **communicable disease** shall not constitute **damage**, whether physical or otherwise, or give rise to **your** legal liability or any costs of expenses in any way.

For the purpose of this Exclusion, a **communicable disease** means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- 1.1. the substance or agent includes but is not limited to a virus bacterium parasite or other organism or any variation thereof whether deemed living or not and
- 1.2. the method of transmission includes but is not limited to airborne transmission bodily fluid transmission from or to any surface or object solid liquid or gas or between organisms and
- 1.3. the disease substance or agent can cause or threaten damage injury or illness to human health or human welfare or can cause or threaten damage to deterioration of loss of value of marketability of or loss of use of property

Provided that:

- a) where **we** are alleging that this exclusion applies then the burden in proving to the contrary lies with **you**;
- b) this exclusion applies to all sections of this **policy** except those (where available and insured) noted below:
 - (i) Section 4 Employers' Liability; but any circumstance where compulsory insurance of liability to any **employee** is required by statute but the **limit of indemnity** shall be reduced to the minimum amount as required by law;
 - (ii) Extension 3 c) under Section 2 Business Interruption.

5) CYBER

This **policy** excludes any **damage** consequential loss liability theft by employee claim cost expense of whatsoever nature directly or indirectly caused by contributed to by resulting from arising out of or in connection with:

- i) a **cyber loss**
- ii) any loss of use reduction in functionality erasure corruption alteration repair replacement restoration

research engineering or reproduction of any **data** including any amount pertaining to the value of such **data** regardless of any other cause or event contributing concurrently to or in any sequence to.

Provided that:

- a) this exclusion applies to all sections of this **policy** except (where available and insured) Section 4 – Employers Liability.

Notwithstanding i. and ii. above, this **policy** covers the cost to repair or replace a **computer system** including any consequential loss following **damage** insured under this **policy** directly occasioned by or resulting from fire, explosion, lightning, theft or attempted theft, escape of water, vehicle or aircraft impact, earthquake, accidental damage, falling objects, windstorm, flood and hail.

For the purpose of this Exclusion:

Cyber loss means any **cyber act** or **cyber incident** including but not limited to any action taken in controlling preventing suppressing or remediating any **cyber act** or **cyber loss**

Cyber act means:

- a) one or a series of unauthorised malicious or criminal acts or instructions regardless of time and place or the threat or hoax thereof involving access to processing of transmission of use of or operation of any **data** and/or **computer system**
- b) the transmission or impact of any virus, meaning a corrupting instruction that propagates itself via a **computer system** or network

Cyber incident means:

Any misuse, error or omission or series of related errors or omissions involving:

- a) access to processing of use of or operation or availability of any **data** and/or **computer system** or any reductions in the functionality of or partial or total unavailability or failure or series of related partial or total unavailability or failures to access process use or operate any **computer system**
- b) any use of electronic networks including but not limited to the internet and private networks intranets extranets electronic mail worldwide web social media and similar medium carried out by **you** or by any person, partnership firm or company acting for **you** or on **your** behalf

GENERAL CONDITIONS

The following Conditions apply to all Sections of this policy and the insured must comply with them or this policy may not be in force

(1) ARBITRATION

If the company accepts liability for a claim under this policy but there is a dispute in respect of the amount to be paid the dispute will be referred to an arbitrator appointed in accordance with the relevant law in force at the time

In these circumstances the arbitrator's award must be made before there is any right of action against the company

(2) AVERAGE

If the value of the property covered by this policy shall, at the time of damage, be greater than its sum insured, you shall only be entitled to recover such proportion of your claim as the sum insured bears to the total value of the said property.

(3) CANCELLATION

The company may cancel this policy by sending thirty days' notice by recorded delivery letter to you at your last known address, unless our reason for cancellation is deliberate or reckless misrepresentation on your part. Otherwise, notice will be deemed to be on the date of delivery if the notice is delivered by hand, or two working days after posting if notice is sent by post or courier.

If we cancel because of deliberate or reckless misrepresentation, then your policy will be cancelled with immediate effect.

If we cancel your policy and you have not made a claim, you will be entitled to a refund of any premium paid for any unexpired period of insurance for which you have paid. However, if we cancel your policy because of deliberate or reckless misrepresentation, then we will not refund any premium.

Where a claim has been made during the current period of insurance the full annual premium will still be payable despite cancellation of cover and we reserve the right to deduct this from any claim payment

(4) CONDITIONS PRECEDENT TO LIABILITY

The company shall not be liable for any claim where you haven't complied with any part of any condition to which payment of a claim is subject (a condition precedent) to except for when the concerned condition:-

- (a) relates to a particular premises only, we will pay for a claim arising out of an event occurring at premises which are not specified in any conditions precedent to liability;
- (b) relates to a particular time only, we will pay for a claim arising out of an event if you can prove, on the balance of probabilities, that your non-compliance with such condition precedent to liability did not cause or contribute to the loss, damage or injury occurred in the circumstances in which it occurred;
- (c) relates and aims at reducing particular types of injury, liability, losses or damage only, we will pay for a claim arising out of an event if you can prove, on the balance of probabilities, that your non-compliance with such condition precedent to liability did not cause or contribute to the loss, damage or injury in the circumstances in which it occurred;

(5) CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person or company who was not party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this policy but this Condition does not affect any right or remedy of a third party which exists or is available other than by virtue of this Act.

(6) GENERAL DATA PROTECTION REGULATION

It is agreed by the insured that any information provided to the company regarding the insured for the purpose of accepting insurance and handling any claims may if necessary be divulged to third parties provided that it will be processed by the company in compliance with the provisions of the General Data Protection Regulation.

(7) DUTY OF FAIR REPRESENTATION

The insured must make a fair representation of the risk to the company at inception, renewal and variation of the policy.

- (a) In the absence of such fair representation, the company may avoid the policy and refuse to pay any claims where any failure to make a fair representation is:
 - (i) deliberate or reckless; or
 - (ii) of such other nature that, if the insured had made a fair representation, the company would not have underwritten the risk.

The company will return the premium paid by the insured unless the failure to make a fair representation is deliberate or reckless;

- (b) If the company would have issued the policy on different terms had the insured made a fair representation, the company will not avoid the policy (except where the failure is deliberate or reckless) but the company may instead:-

- (i) reduce proportionately the amount paid or payable on any claim, the proportion for which the company is liable being calculated by comparing the premium actually charged as a percentage of the premium which the company would have charged had the insured made a fair representation; and/or
 - (ii) treat the policy as if it had included such additional terms (other than those requiring payment of premium) as the company would have imposed had the insured made a fair representation

For the purposes of this condition references to:

- 1) avoiding a policy means treating the policy as if it had not existed from the inception date (where the failure to make a fair representation of the risk occurs before or at the inception of the policy), the

renewal date (where the failure occurs at renewal of the policy), or the variation date (where the failure occurs when the policy is varied);

- 2) refunds of premium should be treated as refunds of premium back to the inception date, renewal date or variation date as the context requires;
- 3) issuing a policy should be treated as references to issuing the policy at inception, renew or varying the policy as the context requires.

(8) EFFECT OF CLAIMS ON SUMS INSURED

Except where otherwise provided for under any Section of this policy

- (a) the sums insured in this policy will be reduced until expiry of the period of insurance by the amount of any loss destruction damage interruption or interference with the business
- (b) if any sum insured is subject to the condition of Average and further claims arise before expiry of the period of insurance the application of such condition of Average may have the effect of increasing the proportion of the loss which you will have to bear
- (c) on request and if not otherwise provided for under any Section of this policy following a claim the company will consider reinstating the original sums insured subject to any additional premium revised terms and further precautions that may be necessary

(9) EMPLOYERS LIABILITY TRACING OFFICE

By entering into this insurance policy you will be deemed to specifically consent to use of your insurance policy data in the following way and for the following purposes.

- (a) Certain information relating to your insurance policy including without limitation
 - (i) the policy number(s);
 - (ii) employers' names and addresses (including subsidiaries and any relevant changes of name)
 - (iii) dates of cover
 - (iv) employers' reference numbers provided by Her Majesty's Revenue and Customs; and
 - (v) Companies House reference numbers (if relevant) will be provided to the Employers Liability Tracing Office (ELTO) and added to the electronic database.
- (b) This information will be made available by the company to ELTO in a specified and readily accessible form as required by the Employers Liability Insurance Disclosure by Company Instrument 2011. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.
- (c) The database will assist individual customer claimants who have suffered an employment related injury or disease arising out of the course of their employment in the UK for employers carrying on or who carried on business in the UK and who are covered by the employers' liability insurance of their employers (claimants).
 - (i) to identify which company(ies) provided employers' liability cover during the relevant periods of employment; and
 - (ii) to identify the relevant employers' liability insurance policies.

(10) FRAUDULENT CLAIMS

If you or anyone acting on your behalf makes any false, deliberately caused, exaggerated or fraudulent claim or makes use of false or fraudulent documents, statements to support a claim (regardless of whether or not the claim itself is genuine), we will:-

- (a) refuse to pay the whole of the claim; and
- (b) recover from you any sums that we already paid in respect of the claim.

We may also notify you that we will be treating the policy as having terminated with effect from the date of the earliest of any of the acts set out above and you will not be entitled to any refund of premium.

(11) INSTALMENTS

If the premium for this policy is payable by instalments it is a condition precedent to the company's liability that each instalment shall be paid when due otherwise all benefit under this policy shall be forfeited from the date when such instalment was due

(12) MATERIAL ALTERATION

You must notify the company as soon as possible if there is any alteration in your ownership in or to the business at the premises including but not limited to:-

- (a) your business being wound up or carried on by a liquidator or receiver;
- (b) changes in the facts as set out in the statement of facts and declared to us at inception, renewal or variation of the policy, which materially increases the risk of injury or damage
- (c) where your interest in the property as described in the schedule ceases other than by death;
- (d) in respect of subsidence if applicable, where any construction, demolition or excavation work is being carried out on adjoining sites.

Upon notification to us of such alteration, we may at our discretion:-

- (a) continue cover on the same terms;
- (b) impose additional terms or restrict cover where relevant;
- (c) alter the premium;
- (d) cancel this policy

If you fail to notify us of any such alteration, we may:-

- (a) treat this policy as if it had included such terms (other than relating to premium) that we would have applied had we known about the alteration from the date of such alteration in risk;
- (b) treat this policy as terminated from the date of such alteration had we cancelled this policy if we had known of the alteration and we will also return a proportionate amount of premium for the unexpired period of insurance;
- (c) reduce proportionally the settlement on any claim, the proportion for which is derived by comparing the premium we would have charged had we known about such alteration with the premium we actually charged.

(13) OTHER INSURANCE

If at the time of any injury or damage there be any other insurance

- (a) covering the whole or part of such injury or damage whether effected by the insured or not then the company shall not be liable to pay or contribute more than their rateable proportion of the total payment made for such injury or damage
 - (b) on any of the property insured herein, either alone or together with any other property, which shall be subject to the condition of Average, or is limited in respect of the value of any article, or the total amount is divided in respect of said property; then this policy may, at the option of the company, be held to contain the same condition of Average, limit of value and division of amount, on a pro rata basis
 - (c) which more specifically insures property insured herein this policy will not apply except in respect of any amount over and above that recoverable under such more specific insurance
- This Condition does not apply to any personal accident benefit provided under this policy in respect of death or injury to any insured person

(14) PRECAUTIONS

You must

- (a) take all reasonable precautions to safeguard any property insured by this policy against damage and to prevent injury or loss or destruction of or damage to other property
- (b) exercise reasonable care in the selection and supervision of your employees
- (c) take all reasonable steps to comply with all statutory and other obligations and regulations imposed by any authority
- (d) maintain the premises and all other property insured in a sound condition

(15) PREMIUM ADJUSTMENT

If any part of the premium is calculated on estimates you shall keep an accurate record containing all relevant particulars and shall at any time allow the company to inspect such record.

You shall within one month after the expiry of each period of insurance supply particulars and information as the company may require and the premium for such period shall be adjusted subject to any minimum premium

(16) RECOVERY OF LOST OR STOLEN PROPERTY

If any lost or stolen property which is the subject of a claim under this policy is recovered you must inform the company as soon as reasonably possible by recorded delivery letter.

If the property is recovered before the payment of the claim for loss of that property you must reclaim such property and the company will then indemnify you under the terms of this policy for any damage sustained to such property

If the property is recovered after payment of the claim for loss of that property the property will then belong to the company but you will have the option of retaining the property and refunding to the company any claim payment the company have made for the property subject to any appropriate adjustment for damage to the property

(17) TAX

In addition to the premium you will pay to the company any tax due on the premium which they are required to collect will be incorporated in accordance with current legislation

(18) WORKMEN AND ALTERATION TO THE PREMISES OR BUSINESS

Workmen and tradesmen are allowed in or about the premises for maintenance purposes and for undertaking minor repairs and alterations without affecting this insurance. However, the company will not be liable in respect of damage arising from work involving:-

(a) any work under a contract for extension, maintenance, refurbishment or repair where the value of the contract exceeds £100,000

(b) the nature of the contract terms, require the contractor(s) to be noted as a "joint insured" in respect of the existing buildings and / or the contents thereof

(c) the contract works involve the application of heat by welding or cutting equipment or the use of hot tar or bitumen roofing processes.

unless you have notified the company prior to the commencement of such works, and the company has agreed to provide cover accordingly and any amendment to existing premium, terms or conditions of cover, are accepted.

(19) SANCTIONS

The company shall not provide any benefit under this policy to the extent that such cover or claim payment would expose us to any sanction, prohibition or restriction under the trade or economic sanctions, laws and regulations of the United Kingdom, European Union or United States of America or under the United Nations Resolutions.

POLICY ENDORSEMENTS

The following Endorsements apply to this policy:-

(1) Automatic Reinstatement of Sum Insured

In the absence of written notice by the insured or the company to the contrary within 30 days of the occurrence of any damage the sums insured by this policy shall not be reduced by the amount of any loss, and the insured shall pay the appropriate premium for such automatic reinstatement of cover provided that

(a) the insured shall carry out any reasonable recommendations put forward by the company to prevent further loss

(b) in respect of damage by theft (if insured) the automatic reinstatement shall apply on the first occasion only in each period of insurance

(2) Intruder Alarm Condition

Where the company requires that the premises are protected by an Intruder Alarm System whenever left unattended, it is a condition precedent to the liability of the company in respect of damage following entry or exit by forcible and violent means to the premises that in respect of the Intruder Alarm System:-

- (a) it is installed in accordance with the specification prepared by the intruder alarm company, and where applicable, agreed by the company
- (b) is subject to a maintenance contract is in force during the period of insurance with the installing contractor or such other contractor as is agreed in writing by the company
- (c) the premises are not left unattended unless
 - (i) the Intruder Alarm is set in its entirety and
 - (ii) the Intruder Alarm (including any remote signalling device) is in full and effective working order
- (d) no alteration or variation to the Intruder Alarm System or any structural alteration to the premises which would affect the Intruder Alarm System shall be made without prior agreement of the company
- (e) the company are notified immediately and in writing if
 - (i) the insured receives a written notification from the police or the company responsible for monitoring the Intruder Alarm System that they are or may be withdrawing response to alarm calls
 - (ii) the insured is notified by the telecommunications company responsible for the provision of the monitoring line that they are or may be disconnecting the monitoring line or equipment
 - (iii) the insured is required to abate a nuisance under the Code of Practice on Noise from Audible Intruder Alarms 1983 or by the police force issued by the Chief Constable of Police
- (f) whereupon the company shall have the right to amend terms or vary or withdraw cover any keys to the Intruder Alarm System are removed from the premises when the premises are left unattended or closed for business

Intruder Alarm System: shall be deemed to include all lines and equipment used to transmit the signals to and from the premises

The premises will not be deemed to be attended when supervised only by security staff unless details of such arrangements have been notified to company and accepted by them in writing

(3) Minimum Security Condition

It is a condition precedent to liability of the company in respect of damage arising from fire, theft or malicious damage, that the insured shall have in place in full working order, and put into effective operation whenever the premises are closed for business, or left unattended, the following minimum level of security or such as is specified in the schedule:

- (a) All external doors at the premises and any internal doors which give access to any part of the building not occupied by the insured must be of solid construction and fitted with a mortise deadlock conforming to British Standard 3621

Where the doors are double leaf in addition to the said mortise deadlock the first closing leaf must be fitted with internal flush or mortise rack bolts at the top and bottom of the leaf

Any outward opening doors should in addition to the above have each hinge fitted with a hinge bolt

- (b) All accessible opening windows fanlights and skylights including those accessible from decks, roofs fire escapes or downpipes must be fitted with key operated window locks except those opening windows protected by solid steel bars grilles expanded metal or weld mesh.

- (c) If the external door is non-timber the following applies:

- (i) if Aluminium Door, this should be fitted with a cylinder mortise deadlock
- (ii) if Non-Timber & Non-Aluminium, this should be fitted with a key operated multi point locking device

- (d) the above requirements shall not apply to any door or window designated as a "fire exit" by any person who is legally responsible for fire safety at the premises under current Fire Safety legislation. Any such doors or windows must however be fitted with a proprietary emergency escape mechanism.

(4) Survey Condition

- (a) As part of this insurance contract the company reserves the right to undertake an insurance risks survey of the premises at any time prior to or during the currency of this policy cover and the insured must allow the company access to the premises and/or related risks to carry out such survey(s).

- (a) following the survey(s) any Risk Improvement Requirements will be notified to the insured with details of the date(s) by which each Requirement(s) must be completed.
- (b) if any such Requirement is not completed within the stated timescale then the company may opt to:-
 - i) modify the policy premium; or
 - ii) issue a mid-term amendment to the insured's policy or section and terms and conditions; or
 - iii) require the insured to make alterations to the premises insured by the deadline date(s); or
 - iv) exercise the company's right to cancel the policy; orleave the policy or section terms and conditions and the premium unaltered
- (c) the company's requirements and decisions will take effect from the date(s) specified unless and until the company agrees otherwise in writing. If the insured disagrees with the company's Requirements and/or decisions the company will consider the insured's comments and where the company consider appropriate will continue to negotiate with the insured to resolve the matter to the insured's and the company's satisfaction.

(5) Unoccupied Buildings Condition

It is a condition precedent to the liability of the company in respect of damage under Sections 1 (Contents) and Section 8 (Buildings) that in respect of any unoccupied premises insured by this policy that the following measures are taken to mitigate the risk of damage to the premises:-

- (a) all combustible waste materials and refuse be removed from the premises and not permitted to accumulate therein;
- (b) all mains utility services to be isolated at the point of entry feed to the buildings (except for electricity supply to security or fire alarms and water supply to any sprinkler installation) and the water apparatus (other than sprinklers) drained down;
- (c) all security locks and other devices and any Intruder Alarm System must be put into effective operation;
- (d) the premises must be inspected at least once every week, by the insured or a responsible person acting on their behalf, to ensure that the premises remain in good order, and that security has not breached. Any problems or breaches of security measures discovered must be rectified immediately.

SECTION 1 CONTENTS

INSURING CLAUSE

If any property suffers accidental damage during the period of insurance by a cause that is not excluded hereunder, occurring at the premises of the insured within the geographical limits, or elsewhere as provided for by the policy terms, conditions and extensions; the company will pay to you an amount calculated in accordance with the Basis of Payment, or at their option will reinstate or replace your property or any part of it which is lost destroyed or damaged. Provided that their liability under this Section does not exceed:-

- (1) the sum insured for each Item,
- (2) in total, the total sum insured

stated in the schedule applicable to this Section

DEFINITIONS TO THE CONTENTS SECTION

NB For the purpose of determining where necessary the definition within which any property is insured the company agree to accept the designation under which such property has been entered in your books

Property

means Item(s) of property described in the schedule applicable to this Section including those defined below

PROPERTY DEFINITIONS

Tenants improvements

means tenants improvements, interior decorations and landlords fixtures and fitting being the property of the insured or for which the insured are responsible under lease arrangements

Trade contents

means machinery, plant, shop front (excluding glass), fixtures and fittings, and all other contents (other than **computer system**, tenants improvements and valuable papers and records) all belonging to the insured or held by the insured for which they are legally responsible; but excluding:-

- a) any amount in excess of:-
 - i) £10,000 for trade samples or trade stock
 - ii) £10,000 for any item of antiquity, artwork, china, glasswork, objet d'art or porcelain
 - iii) £1,000 for wines and spirits
 - iv) £1,000 for camera or survey equipment
 - v) £10,000 in respect of prescription drugs, medicines or medical supplies
- b) any currency or jewellery unless otherwise stated in the schedule

Valuable papers and records

means the costs of clerical time, computer time, research and stationery in order to recreate blueprints, deeds, designs, drawings, manuscripts, models, patterns, plans and other documents belonging to the insured or for which the insured are legally responsible in connection with the business; but excluding:-

- a) the value of the information or **data** contained therein;
- b) records of customers accounts
- c) any amount in excess of £1,000 for any single document, disc or tape;
- d) any costs that are incurred after 36 months of the damage

EXCLUSIONS TO THE CONTENTS SECTION

This Section does not cover

(1) Corrosion or change in temperature

damage caused by or consisting of

(a) corrosion rust wet or dry rot shrinkage evaporation contamination loss of weight dampness dryness marring scratching denting vermin or insects

(b) change in temperature colour flavour texture or finish but the following is covered under this Section

(i) such damage not excluded elsewhere in this Section or policy which itself results from any specified peril;

(ii) subsequent damage which itself results from a cause not excluded elsewhere in this Section or policy

(2) Disappearance or deception

(a) unexplained disappearance, shortages discovered during stock-taking or inventory, misfiling or misplacing or due to error or omission;

(b) the voluntary parting with title or possession of any property insured if induced by any fraudulent scheme trick device or false pretence

(3) Excess

unless otherwise stated in the schedule

(a) the first £1,000 of each and every claim in respect of damage caused by subsidence, ground heave or landslip;

(b) the first £500 in respect damage by theft not involving forcible and violent entry to or exit from the premises

(c) the first £100 in respect of damage to Personal Effects, mobile telephones and p.d.a.'s

(d) the first £250 of all other claims

(4) Excluded Property

(a) damage to property consisting of

(i) precious metals (not forming part of jewellery), bullion, explosives or contraband

(ii) property in transit

(iii) money bonds credit cards or securities of any description

(b) unless specifically stated as insured in the schedule applicable to this Section

(i) vehicles licensed for road use (and accessories on them) caravans trailers railway stock watercraft or aircraft

(ii) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection

(iii) land roads pavements piers jetties bridges culverts or excavations

(iv) jewellery, furs, livestock, growing crops or trees

(5) Frost and weight of snow

damage caused by or consisting of frost, or by weight of snow to the contents outbuildings, and lean-to structures but subsequent damage which itself results from a cause not excluded elsewhere in this Section or policy is covered under this Section

(6) Inbuilt defect wear tear and defective workmanship

damage to property caused by or consisting of

(a) inbuilt or latent defect gradual deterioration wear and tear its own faulty or defective design or materials

(b) faulty or defective workmanship operational error or omission on your part or that of any of your employees

but subsequent damage which itself results from a cause not excluded elsewhere in this Section or policy is covered under this Section

(7) Joint leakage or breakdown

damage consisting of

- (a) joint leakage or failure of welds cracking fracturing collapse or overheating of boiler economisers superheaters pressure vessels or any range of steam or feed piping connected to them
- (b) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which breakdown or derangement originates but the following is covered under this Section
 - (i) such damage not excluded elsewhere in this Section or policy which itself results from any specified peril
 - (ii) subsequent damage which itself results from a cause not excluded elsewhere in this Section or policy

(8) Machinery requiring statutory inspection

damage caused by explosion of and originating in any vessel machinery or apparatus or its contents belonging to you or under your control which is required to be inspected to comply with any regulations or statutory provisions unless such vessel machinery or apparatus is the subject of a policy or other contract providing the required inspection service

(9) Processing

damage to any property (other than by Fire or Explosion) resulting from its undergoing any process of production packing treatment testing commissioning servicing cleaning dyeing or repair

(10) Property in the open or open sided or ended structures

damage to moveable property in the open, fences, gates, open-sided or ended buildings or the contents thereof, caused by wind, rain, hail, sleet, snow flood, dust or other climatic conditions

(11) Property in course of development

damage to property or structures in course or construction, erection or demolition and materials, equipment or supplies in connection therewith;

(12) Property insured by other insurance

any property which at the time of damage is insured by a more specific insurance

(13) Self-ignition of electrical apparatus

to any electrical apparatus or wiring caused by its own self-ignition but this Exclusion shall only apply to that part of the electrical apparatus or wiring in which the self-ignition occurs

(14) Steam pressure apparatus

damage 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 you or under your control but subsequent damage which itself results from a cause not excluded elsewhere in this Section or policy is covered under this Section

(15) Theft Fraud or dishonesty

damage caused by:-

- (a) theft where an employee is involved either as principal or an accessory unless such damage involves forcible and violent entry to exit from the building(s) at the premises
- (b) any act of fraud or dishonesty by any partner, director or employee of the insured

(16) Unoccupied Buildings

damage in respect of any contents within Buildings which are unoccupied caused by:-

- (a) freezing
- (b) escape of water from any tank apparatus or pipe
- (c) malicious persons (other than by Fire or Explosion)
- (d) theft or attempted theft

(17) Water Damage

- (a) damage by water to **computer systems**, trade stock or samples kept at ground floor, basement level or in any outbuilding unless stored at least 10 centimetres off the floor
- (b) damage attributable to change in the water table level

BASIS OF PAYMENT

(1) Day One Value Basis

This Condition applies only when a "Declared Value" is also shown for any Item in the schedule applicable to this Section

(a) The insured having stated in writing the "Declared Value" incorporated in each Item to which this Condition applies the premium has been calculated accordingly;

"Declared Value" means your assessment of the cost of reinstatement of the property insured by any Item arrived at in accordance with paragraph (a) of Reinstatement Basis of Payment at the level of costs applying at the inception of the period of insurance (ignoring inflationary factors which may operate subsequently) together with in so far as the insurance by the Item provides due allowance for

- (i) the additional cost of reinstatement to comply with Public Authority requirements
- (ii) professional fees
- (iii) debris removal costs

(b) At the inception of each period of insurance the insured shall notify the company of the "Declared Value" of the property insured by each of the said Item(s).

In the absence of such declaration the "Declared Value" for the previous period of insurance shall be increased by a percentage determined by the company and the resultant figure shall be taken as the Declared Value for the ensuing period of insurance

(c) Proviso (ii) of Reinstatement Basis of Payment is amended to read:-

If at the time of damage the "Declared Value" of the property insured by such Item be less than the cost of reinstatement (as defined above) at the inception of the period of insurance then the company's liability for any damage shall not exceed that proportion thereof which the "Declared Value" bears to the cost of reinstatement

(d) the liability of the company for the repair or restoration of damage to property insured will not exceed the amount that would have been paid if the property had been completely destroyed;

(e) no payment will be made beyond the amount that would have been payable in the absence of this Clause unless Reinstatement commences and proceeds without unreasonable delay and until the cost of reinstatement has actually been incurred.

(2) Reinstatement Basis of Payment

Subject to the undernoted provisions the basis upon which the amount payable in respect of any Item under this section (other than valuable papers and records, trade stock, motor vehicles and their accessories employees' directors' visitors' and guests pedal cycles and personal effects) is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose reinstatement means

(a) the rebuilding or replacement of property lost or destroyed which provided the liability of the company's is not increased may be carried out

- (i) in any manner suitable to the insured's requirements
- (ii) upon another site

(b) the repair or restoration of property damaged in either case to a condition equivalent to or substantially the same as but not better or more extensive than its conditions when new; provided that

- (i) The liability of the company for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed
- (ii) If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property insured by any Item subject to this Condition exceeds its sum insured at the commencement of any damage the liability of the company shall not exceed that proportion of the amount of the damage which the said sum insured shall bear to the sum representing the whole of such property at that time
- (iii) No payment beyond the amount which would have been payable in the absence of this Condition shall be made

1. unless reinstatement commences and proceeds without unreasonable delay
2. until the cost of reinstatement shall have been actually incurred
3. if the property insured by any Item at the time of its damage shall be insured by any other insurance effected by or on your behalf which is not upon the same basis of reinstatement

(3) Index Linking

This Condition applies to all Items insured by this Section, other than any item of stock in trade.

The sum insured (and the "Declared Value" where appropriate) on any Item will be adjusted by the percentage change in an appropriate price index determined by the company. No premium will be charged on such adjustments, but the renewal premium for the subsequent period of insurance will be calculated on the revised sums insured (and "Declared Value").

The index linking will continue to apply to the sum(s) insured of any property insured that is the subject of a claim (at the rate of 1/365th per day), until the time of final adjustment of the loss.

(4) European Union and Public Authorities

The cover under this Section for Contents extends to include additional costs of rebuilding or reinstatement of lost destroyed or damaged property which you incur solely to comply with:-

- (1) European Union Legislation, or
- (2) Building or other Regulations under or framed in pursuance of any Act of Parliament or with Byelaws of any Public Authority excluding:-
 - (a) any such costs where the Item is not subject to the Reinstatement Basis of Payment (Special Condition (1))
 - (b) the cost incurred in complying with any of the aforesaid Regulations or Byelaws
 - (i) in respect of damage occurring before this cover was granted
 - (ii) in respect of damage not insured by this Section
 - (iii) under which notice was served upon you before the date of damage
 - (iv) in respect of undamaged property or undamaged portions of property forming any part of the property sustaining damage except for undamaged foundations (unless foundations are specifically excluded from cover by endorsement to this policy)
- (3) the additional cost exceeding that which would have been required to make good property which sustained damage to a condition equal to its condition when new had it not been necessary to comply with any one of the above Regulations or Byelaws
- (4) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by its owner in order to comply with any of the above Regulations or Byelaws.

Provided that:-

- (a) the work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the date of the damage or within such further time as the company may allow (during the said 12 months) and may be carried out upon another site (if Regulations or Bye Laws so require) subject to the company's liability not being increased by this additional cover
- (b) if apart from this additional cover the company's liability for property is reduced by the application of any terms and conditions of this policy then the company's liability in respect of any such costs will be reduced in like proportion
- (c) the total amount payable for property will not exceed the sum insured for it stated in the schedule applicable to this Section

SPECIAL CONDITIONS TO THE CONTENTS SECTION**(1) Non-Invalidation**

The insurance by this Section will not be made invalid by any act omission or alteration which unknown to you or beyond your control increases the risk of damage provided that you

- (a) notify the company immediately you become aware of such act omission or alteration and
- (b) pay any additional premium that the company may require

(2) Subrogation Waiver

In the event of a claim arising under this Section the company agrees to waive any rights remedies or relief to which they may become entitled by subrogation against any company:-

- (a) in the relation of holding company or subsidiary to you
 - (b) which is a subsidiary of a parent company of which you are yourself a subsidiary
- in each case within the meaning of the relevant companies' legislation current at the time of the damage

IN ADDITION THE COMPANY WILL PROVIDE COVER UNDER THIS SECTION AS FOLLOWS

Capital Additions

The cover under this Section includes

- (1) any newly erected or acquired property excluding trade stock
- (2) alterations additions and improvements to property excluding stock (but not for any appreciation in value) anywhere within the geographical limits

Provided that

- (a) at any one location this cover does not exceed 10% of the total of the sums insured as shown in the schedule applicable to this Section or £500,000 whichever is less
- (b) you undertake to give particulars when this cover is required as soon as practicable and in any event at intervals of not more than six months and undertake to pay such additional premium as the company will require for insurance dating back to the date when the company's liability began

Contract Price

If following loss or destruction of or damage to trade stock which is

- (1) sold but not delivered and
- (2) subject to a sale contract and your sale is cancelled
 - (a) entirely or
 - (b) only to the extent of the damage

due to the sale contract conditions being applied the company's liability will be based on the contract price

For the purpose of this cover the value of all trade stock to which this cover applies in the event of damage will also be calculated on this basis.

Cost of Metered Utilities

The cost or value of metered water, gas, electricity or domestic heating oil lost following accidental damage to fixed water or heating installations in the premises subject to a limit of £25,000 in any one period of insurance.

Provided that the company shall not be liable for any claim in respect of building which is empty or not in use.

Damage to Landscaped Gardens

The cost of restoring any damage to landscaped gardens by caused by the emergency services in attending the premises as a result of the operation of any damage insured by this Section. Provided that the liability of the company shall not exceed £25,000 in any one period of insurance.

Debris Removal Costs

The insurance by each Item in the schedule applicable to this Section includes necessary costs and expenses you incur with the company's consent in

- (1) removing debris from
- (2) dismantling and/or demolishing
- (3) shoring up or propping

Provided that the company's liability for damage and debris removal costs will not exceed in total during any one period of insurance the sum insured stated for each Item in the schedule applicable to this Section

Document Transmission

The insured's legal liability for the cost of damage, including the claimant's costs and expenses incurred with the company's written consent, arising from the insured's negligence or omission to send any documents by record delivery or registered post, provided that the liability of the company shall not exceed £2,500 any one claim, nor £25,000 in any one period of insurance

Exhibitions

The cover for property also applies at any exhibitions away from the premises for a period not exceeding 14 days and whilst in transit to and from any exhibitions in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man subject to a maximum liability of £20,000 in any one period of insurance. The company shall not be liable for the first £250 of each and every loss.

Fire Extinguishing Appliances

If you maintain fire extinguishing appliances at the premises, you must ensure all appliances are in efficient working order and remedy promptly any defects. Providing you do this, the company agrees not to invalidate this policy because of any defect in any of the appliances due to circumstances unknown to or beyond your control.

Fire Extinguishing Expenses

The company will pay the reasonable costs incurred by you up to a maximum limit of £10,000 for

- (1) refilling fire extinguishing appliances and replacing used sprinkler heads solely in consequence of insured damage.
- (2) extinguishing operations in order to minimise loss.

Glass Breakage and Breakage of sanitaryware

- (1) breakage of glass including shelves and mirrors at the premises, for which you are legally responsible, including the costs of:-

- (a) temporary boarding up pending the replacement of the broken glass,
- (b) repairing window frames and fittings
- (c) replacing or repairing any lettering, artwork or other ornamental work, on the glass
- (d) damage to the contents of windows displays as a result of breakage of glass in the shopfront

- (2) damage to fixed sanitaryware at the premises for which you are legally responsible

- (3) breakage or damage to signage at the premises for which you are legally responsible but excluding breakage or damage in respect of:-

- (a) glass sanitaryware or signage that comprises stock
- (b) breakage or damage arising from repairs or alterations to the premises
- (c) existing before the start of the period of insurance.
- (d) electronic or neon signs by wear and tear, gradual deterioration, mechanical or electrical breakdown
- (e) scratched, cracked or insecurely fixed glass
- (f) damage at any premises which is unoccupied for more than 30 days unless specifically agreed by the company

Provided that the maximum liability of the company in respect of any claim shall not exceed :-

- (a) £5,000 in respect of damage to sanitaryware or signage
- (b) £1,000 in respect of lettering, artwork or other ornamental work on the glass
- (c) £1,000 in respect of damage to window frames and the contents of shopfront displays

Interested Parties

It is understood that other parties may have an interest in certain property insured by this policy. The nature and extent of this interest must be disclosed in the event of damage.

Personal effects

The cover under this Section includes in so far as they are not insured elsewhere your employees' directors' visitors' and guests' pedal cycles and personal effects (except motor vehicles) for an amount not exceeding

£250 for any one pedal cycle and £1,000 for all other personal effects of any one employee director visitor or guest

Professional Fees

The cover under this Section for Contents includes necessary architects' surveyors' consulting engineers' legal and other fees you incur in reinstating your property following its damage as insured by this Section but not for preparing any claim;

Provided that the company's liability for damage and professional fees will not exceed in total the sum insured for each Item in the schedule applicable to this Section

Replacement of Locks

The cost of replacement of locks following theft of keys to the premises

- (1) following a hold up accompanied by violence or threat of violence whilst such keys are in your personal custody or that of any of your directors partners or authorised employees
- (2) involving entry to or exit from the premises by forcible and violent means
- (3) involving entry to or exit from your residence or that of any of your directors partners or authorised employees by forcible and violent means

Provided that the company's liability for this cover will not exceed £5,000 any one premises, nor £10,000 in the aggregate in any one period of insurance.

Temporary Removal

Property whilst temporarily removed to, and whilst in transit, within the geographical limits, or elsewhere within Europe for up to 15 days any one trip; excluding

- (1) property comprising valuable papers and records
- (2) damage caused by theft, or attempted theft:-
 - i) from an unattended vehicle;
 - ii) when otherwise left unattended by the insured, unless such theft or attempt thereat involves entry to, or exit from a building involving forcible and violent means; or theft from the insured's hotel room;
- (3) any amount in excess of:-
 - i) 10% the sum insured stated in the schedule for the relevant property
 - ii) £5,000 in respect of any one item or article

Temporary Removal of valuable papers and records

Valuable papers and records for an amount not exceeding 10% of the sum insured for such property stated in the schedule applicable to this Section whilst temporarily removed to, and whilst in transit, within the geographical limits, or elsewhere within Europe for up to 15 days any one trip, excluding

- (1) damage caused by theft from any unattended vehicle
- (2) any amount in excess of 10% the sum insured stated in the schedule for the relevant property

Theft Damage to Buildings

The company will pay for the damage to buildings at the premises which are not owned by the insured or insured by this policy, but for which you are legally responsible for, as a result of theft or attempted theft. The maximum amount payable by the company in respect of any one claim shall not exceed £25,000

Trace and Access

In the event of damage resulting from escape of water or oil as covered by this policy, the company will pay

- (1) the costs necessarily and reasonably incurred in locating the source of such damage and subsequently making good and
- (2) the cost of repairing or replacing tanks, apparatus, pipes or appliances which have been damaged by freezing.

Provided that the company shall not pay more than £25,000 or 10% of the sum insured by this Section, whichever is the lesser.

Underground Services

- (1) Accidental loss or destruction of or damage not otherwise excluded to underground water gas oil drain or sewer pipes and underground electricity or telephone cables which extend from the premises to the public mains and which you are responsible to repair or reinstate
- (2) costs and expenses incurred in clearing and cleaning drains gutters sewers drain inspection covers and similar underground service areas for which you are responsible in consequence of any peril insured by this Section

Provided that the liability of the company hereunder shall not exceed £5,000 in any one period of insurance

SECTION 2 BUSINESS INTERRUPTION

INSURING CLAUSE

If any property used by you at the premises for the purpose of your business

- (1) suffers damage as a result of an incident during the period of insurance and
- (2) in consequence your business as carried on by you at the premises suffers business interruption as defined below the company will indemnify you for

- (a) loss resulting in business interruption
- (b) reasonable charges payable by you to your professional accountants for producing any particulars or details or any other proof information or evidence that may be required by the company under the terms of General Conditions of this policy but not for preparing any claim

Provided that at the time of damage giving rise to business interruption your interest in the property at the premises is insured against such incident and

- (i) payment has been made or liability admitted for it by the company; or
- (ii) payment would have been made or liability admitted but for the operation of a deductible or other proviso excluding liability for losses below a specified amount.

DEFINITIONS TO THE BUSINESS INTERRUPTION SECTION

NB For the purpose of these definitions any adjustment implemented in current cost accounting shall be disregarded

Business Interruption

means interruption of or interference with the insured's business as carried on by them at the premises in consequence of an incident

Gross Rents

means money paid or payable to the insured in respect of the provision of rented or leased accommodation at the premises

Gross Revenue

means the money paid or payable to the insured in respect of work done and services provided in the course of the business

Incident

means damage to property used by the insured at the premises for the purpose of the business and which is insured by Sections 1 Contents or Section 10 Buildings of this policy

Maximum Indemnity Period

means period beginning with the occurrence of the damage and ending not later than the Maximum Indemnity Period (stated in the schedule applicable to this Section) thereafter during which the results of the business shall be affected in consequence thereof

Outstanding Debit Balances

means the total of outstanding customers' accounts last recorded by you before damage occurred and adjusted for

- (1) bad debts
- (2) amounts
 - (a) debited (or invoiced but not debited)
 - (b) credited (including credit notes and cash not passed through your books at the time of damage) to customers' accounts in the period between the date to which the last record (kept by you in accordance with Special Condition (2) of this Section) relates and the date of damage
- (3) any abnormal condition of trade which had or could have had a material effect on your business so that the adjusted figures will represent as nearly as reasonably practicable those which would have existed at the date of the damage had the damage not occurred

NB the words and expressions used in this definition shall have the meaning usually attached to them in your books and accounts

Annual Gross Rents or Gross Revenue

means gross rents or gross revenue during the 12 months immediately before the date of the damage

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

Standard Gross Rents or Gross Revenue means gross rents or gross revenue during that period in the 12 months immediately before the date the damage which corresponds with the indemnity period

BASIS OF PAYMENT**(1) Gross Revenue (including Gross Rents)**

The insurance under each Item on gross revenue is limited to

- (a) loss of gross revenue and
- (b) increase in cost of working

and the amount payable as indemnity thereunder shall be

- (i) in respect of loss of gross revenue the amount by which the gross revenue during the maximum indemnity period shall fall short of the standard gross revenue in consequence of the incident
- (ii) in respect of increase in cost of working 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 maximum indemnity period in consequence of the incident but not exceeding the amount of reduction in gross revenue thereby avoided

less any sum saved during the maximum 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 incident

(2) Increased Costs of Working

The insurance under increased costs of working is limited to the additional expenditure, including the cost of obtaining temporary offices, and expenses incidental to the occupation thereof and additional employment costs and other abnormal expenditure, necessarily and reasonably incurred by the insured in consequence of the incident during the maximum indemnity period in order to continue the business

EXCLUSIONS TO THE BUSINESS INTERRUPTION SECTION

This Section does not cover loss resulting from interruption of or interference with your business

- (1) arising from deliberate falsification of any records used for your business
- (2) due to any damage excluded by Exclusions 2 17 to the Contents Section of this policy all of which are incorporated into and must be read as applying to this Section
- (3) due to any cost incurred in the cleaning repair replacement recall or checking of any property or in making any refund
- (4) arising directly or indirectly from accidental breakdown of **computer systems**
- (5) caused by or consisting of the bursting of any vessel machine or apparatus (not being a boiler or economiser on the premises or a boiler used for domestic purposes only) in which internal pressure is due to steam only and belonging to you or under your control but this will not exclude subsequent loss which itself results from a cause not excluded elsewhere in this Section or policy

SPECIAL CONDITIONS TO THE BUSINESS INTERRUPTION SECTION

- (1) If any standing charges of your business are not insured by this Section (having been deducted in arriving at the gross revenue) then in computing the amount recoverable hereunder as increased costs of working that proportion only of any additional expenditure shall be brought into account which the gross revenue or gross rentals bears to the sum of the gross revenue or gross rentals and the total of standing charges
- (2) If during the maximum indemnity period goods shall be sold or services rendered elsewhere than at the premises for the benefit of your business either by you or by others on your behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the gross revenue or gross rentals during the maximum indemnity period
- (3) You will be entitled to receive interim payments as agreed between you and the company in advance of final settlement of any claim agreed under this Section
- (4) If your business is conducted in departments and the independent trading results of each can be traced the cover provided by this Section will apply separately to each department of your business affected in consequence of damage
- (5) To the extent that you are accountable to the tax authorities for Value Added Tax all terms relating to this Section will be exclusive of such tax
- (6) The insurance by this Section shall be avoided if
 - (a) the business is wound up, carried on by a liquidator or permanently discontinued; or
 - (b) your interest ceases otherwise than by death that any time after the commencement of this insurance unless the company agree it may continue.
- (7) If the incident occurs in the trading year of the business the indemnity under this Section will be based upon the trading figures prior to the loss.

EXTENSIONS TO THE BUSINESS INTERRUPTION SECTION

The following Extensions are applicable to this Section

(1) Outstanding Debit Balances

The company agrees that if any of the insured's books of account or other business books or records at the premises be so destroyed or damaged by an insured peril as to render it impossible for the insured to obtain from customers all sums due to them and outstanding at the date of the incident event then the company will pay.

- (a) the amount of outstanding debit balances which cannot be traced
- (b) additional expenditure incurred with the company's prior consent in tracing and establishing outstanding debit balances after damage has occurred.
- (c) reasonable charges payable by you to your professional accountants for producing information required by the company and reporting that such particulars or details are in accordance with your books of account or other records used for your business.

The company's liability in respect of any one loss shall not exceed £50,000 in any period of insurance or unless stated otherwise in the policy schedule.

Special Conditions in respect of Outstanding Debit Balances

- (a) Fire-resistant safes - If there are fire-resistant safes or cabinets at the premises your books or records used for your business in which customers' accounts are shown must be kept in such safes or cabinets when not in use
- (b) Record of Outstanding Customers' Accounts - you must calculate the total of outstanding customers' accounts every month and keep a record of each month's total (including back up copies of **data**) in a place other than at the premises

(2) Employees' Lottery Win – Additional Expenses

The company will indemnify you in respect of any additional expense you incur to prevent or limit a reduction in income during the maximum indemnity period due to an employee or group of employees resigning from their posts within your business as a direct consequence of their securing a win in a lottery, including but not limited to

- (a) recruitment and additional overtime costs; and
- (b) the cost of employing temporary staff for amounts in excess of permanent full time rates of payment.

The company will not indemnify you unless

- (a) the employee or group of employees resign within fourteen days from the date of the successful lottery win; and
- (b) the amount won by any one employee is not less than £100,000.

The company will not pay under this Extension more than £50,000 in any one period of insurance.

For the purposes of this Extension only.

- (a) Indemnity period means the period during which the business results are affected due to an employee or group of employees resigning from their posts within your business as a direct consequence of their securing a win in a lottery, starting from the date of their first departure
- (b) indemnity period means one month
- (c) Lottery means
 - (i) UK National Lottery prize draws including scratchcards
 - (ii) UK National Football Pools (Littlewoods and Vernons)
 - (iii) Euro Millions lottery
 - (iv) Irish National lottery
 - (v) UK Premium Bond prize draws

(3) Murder, Suicide, Disease or Public Health Closure

Interruption of or interference with your business as insured by this Section shall be deemed to include

- (a) murder or suicide at the premises;
- (b) any occurrence of Legionellosis at the premises;
- (c) any organism that is likely to cause a Specified Illness at the premises
- (d) closure, in whole or in part, of the premises by a competent public authority following defects in drains or other sanitary arrangements, or the discovery of pests or vermin at the premises;

The company's liability under this Extension in respect of each and every claim shall not exceed £250,000, and £500,000 in total in any one period of insurance unless otherwise stated in the policy schedule.

For the purposes of this extension the following Definitions apply:

Legionellosis: means illness sustained by any person or persons resulting from the escape of legionella from water systems, tanks, air-conditioning plants or cooling towers at the premises

Specified Illness: means illness sustained by any person or persons resulting from any of the following human infectious or contagious diseases:

Mumps, Malaria, Yellow Fever, Acute Encephalitis, Chickenpox, Cholera, Scarlet Fever, Viral Hepatitis, Whooping Cough, Tuberculosis, Smallpox, Dysentery, Acute Poliomyelitis, Anthrax, Diphtheria, Leprosy, Leptospirosis, Meningococcal Infection, Ophthalmia Neonatorum, Paratyphoid Fever, Plague, Rabies, Rubella, Tetanus and Typhoid Fever

(4) Prevention of Access

Interruption of or interference with your business in consequence of damage to property in the vicinity of the premises which shall prevent or hinder the use of the premises or access thereto, whether the property of the insured at the premises shall be damaged or not.

Provided that the company's liability shall not exceed £250,000 unless otherwise stated in the policy schedule.

(5) Public Utilities

Interruption of or interference with your business in consequence of the accidental failure of the supply of electricity, gas, telecommunications or water up to the terminal feed points at the premises. Provided that the company's liability under this clause in respect of any one occurrence shall not exceed £250,000 in respect of any one claim unless otherwise stated in the policy schedule.

This Extension does not cover interruption of or interference:

- (a) brought about by the deliberate act of any supply authority, by the exercise of any such authority of its power to withhold or restrict supply or by drought; or
- (b) occasioned by strike or labour or trade disputes
- (c) due to atmospheric or weather conditions, but this shall not exclude failure due to damage to equipment caused by such conditions.
- (d) to failure of electricity, gas or water for the first 4 hours of any such interruption or interference for each and every claim
- (e) to telecommunications for the first 12 hours of any such interruption or interference for each and every claim

(6) Records Removed and in Transit

The amount of any loss ascertained in accordance with the terms and conditions of this Section resulting from interruption or interference arising from valuable papers and records:-

- (a) in any premises in the geographical limits occupied by persons acting on the insured's behalf and to which the insured's books of accounts or other records are temporarily removed
- (b) to the insured's books of account or other business books or records whilst in transit within the geographical limits

CONDITION PRECEDENT TO THE BUSINESS INTERRUPTION SECTION

Computer systems and Data Back Up Regime

It is a condition precedent to the liability of the company that the insured maintain a minimum of 2 back-up copies of **computer system** records, that are both capable of restoration, and such copies to be taken at least once every 48 hours, one copy of which must be stored off site.

SECTION 3 MONEY AND PERSONAL INJURY

MONEY INSURING CLAUSE

In the event of damage to money occurring during the period of insurance and within the geographical limits the company will indemnify you in accordance with the limits of liability, in respect of

- (1) (a) money held by the insured in connection with the business whilst in transit in the custody of the insured, or their authorised representative or in the night safe of your bank awaiting removal by a bank official
 - (b) money on the premises during business hours
 - (c) money on the premises outside of business hours;-
 - (i) contained within a locked safe(s)
 - (ii) not contained within a locked safe
 - (d) money in your home or that of one of your employees with your consent
- (2) damage by theft or attempted theft of any safe or strongroom at the premises or any case bag or waistcoat in which money is contained or any stamp franking machine used for your business
- (3) any amount you become liable for under the terms of issue and use of any bank debit, credit cash or charge card issued to and used only in connection with the business, following fraudulent use by any unauthorised person within the geographical limits. Provided that you report the loss to the issuing company immediately and to the police within 24 hours of discovering the loss and have complied with the terms and conditions of issue of the card

DEFINITIONS TO THE MONEY SECTION

Authorised Representative

means any of your employees with your consent or any person employed by a professional security company under contract with you to carry money on your behalf

LIMITS OF LIABILITY

The company will indemnify the insured up to an amount of £5,000 any one occurrence unless otherwise stated in the schedule, except in respect of:-

- (a) crossed cheques, crossed postal orders, crossed money orders and credit card sales vouchers where a limit of £250,000 applies;
- (b) loss event 1 (c) (i) of the Insuring Clause - where a limit of £2,500 applies,
- (c) loss events 1 (c) (ii) and 1(d) of the Insuring Clause – where a limit of £500 applies
- (d) loss event (2) of the Insuring Clause – where the liability of the company shall be the cost of repair or if beyond economic repair the cost of replacement but in either case to a condition substantially the same as but not better or more extensive than its condition when new up to an amount not exceeding £2,500
- (e) loss event (3) of the Insuring Clause – where a limit of £2,500 applies in respect of any one loss and for all losses in any one period of insurance

EXCLUSIONS TO THE MONEY SECTION

This Section does not cover

- (1) the first £100 of each and every claim
- (2) any loss of money due to the fraud or dishonesty of any director, partner or employee, unless the loss is discovered within 14 days of the date of its occurrence
- (3) damage to
 - (a) money during transit by post (other than registered post)
 - (b) the contents of any machine operated by notes coins or tokens
- (4) any loss or shortage due to error or omission or any depreciation in value
- (5) any loss suffered by you as an immediate result of a business transaction
- (6) loss of money from any unattended vehicle
- (7) loss caused by the use of counterfeit money

SPECIAL CONDITIONS TO THE MONEY SECTION

- (1) Money in the care of collectors must be delivered to the premises or to the bank or post office within 24 hours of receipt
- (2) All keys and/or notes of combination lock codes for safes and strongrooms containing money (except those deposited with a bank) must be held in the personal custody of an authorised person and must not be left in the premises at any time
- (3) You shall keep a complete record of money in transit and on the premises and such record shall be kept in a place other than with the money

CONDITION PRECEDENT TO THE MONEY SECTION

It is a condition precedent to the liability that money in transit (other than non-negotiable money in the private residence of the insured) is accompanied by able bodied employees aged between 20 and 60 years in accordance with the following unless specified elsewhere by endorsement to this policy

Amount in Transit	Minimum Number of employees
up to £3,000	One
£3,001 to £6,000	Two
£6,001 or over	as specially agreed by the company and stated in the schedule applicable to this Section

This condition shall not apply to money in transit by professional security company

PERSONAL INJURY INSURING CLAUSE

If any insured person independently of any other cause suffers death permanent disablement or temporary disablement by violent external and visible means

- (1) caused by actual or attempted robbery or hold up
- (2) while engaged in duties connected with your business
- (3) within the geographical limits
- (4) during the period of insurance

the company will pay the benefits stated in the Schedule of Benefits applicable to this Section provided that such death or disablement occurs within 24 months of the incident.

In addition company will reimburse you in respect of medical expenses necessarily incurred in the treatment of the insured person up to 15% of the amount under the permanent disablement and temporary disablement benefit.

DEFINITIONS TO PERSONAL INJURY COVER

Insured Person

means any of your directors partners or employees under 70 years of age

Medical Expenses

means the cost of medical, surgical or other remedial attention, treatment or appliances given or prescribed by a qualified member of the medical profession and all hospital, nursing home or ambulance charges.

Permanent Disablement

means

- (1) total loss of use or physical severance of a limb at or above the wrist or ankle
- (2) loss of an eye or total and irrecoverable loss of sight in one or both eyes or loss of speech or hearing
- (3) permanent and total disablement from engaging in or giving attention to a profession business or occupation of any kind

Temporary Disablement

means disablement other than Permanent Disablement preventing the insured person from engaging in or giving attention to their usual business profession or occupation

SCHEDULE OF BENEFITS

Benefit	Amount of Benefit
1) death	£ 25,000
2) permanent disablement	£ 25,000
3) temporary total disablement – amount per week during such disablement	£ 100
4) medical expenses	up to 15% of Items 2) or 3) above
5) damage to clothing or personal effects	£ 500

EXCLUSION TO PERSONAL INJURY COVER

The company will not be liable for death permanent disablement or temporary disablement caused by or arising entirely or partly from any physical condition defect or infirmity existing before the incident for which a claim is being made under this Section

SPECIAL CONDITIONS TO PERSONAL INJURY COVER

- (1) The company shall not be liable under more than one of Benefits 3(a), 3(b), or 3(c) stated in the schedule applicable to this Section
- (2) Benefit in respect of temporary disablement
 - (a) will not be payable for more than 104 weeks in respect of disablement arising from any one occurrence
 - (b) will become payable when the total amount is agreed or at your request in arrears at intervals of four weeks
- (3) The insured person will submit to a medical examination at the request and expense of the company

SECTION 4 EMPLOYERS' LIABILITY

INSURING CLAUSE

In the event of injury to any employee caused during the period of insurance and arising out of and in the course of their employment by you in connection with your business within the geographical limits the company will indemnify you against all sums that you shall become legally liable to pay as compensation in respect of such injury together with costs and expenses

DEFINITIONS TO THE EMPLOYERS' LIABILITY SECTION

Offshore

means from the time of embarkation by an employee onto a conveyance at the point of final departure to either an offshore rig or offshore platform until disembarkation by an employee from a conveyance onto land upon return from either an offshore rig or offshore platform

BASIS OF PAYMENT

The liability of the company for compensation and costs and expenses will not exceed the Limit of Indemnity stated in the schedule applicable to this Section for any one claim or series of claims arising from one source or original cause

The company may at any time pay to you or anyone else entitled to indemnity under this Section

- (1) the amount stated as the limit of indemnity in the schedule applicable to this Section after deducting any sum or sums already paid as compensation and any costs and expenses paid by the company or
- (2) any lesser amount for which any claim or claims can be settled

and upon such payment the company will relinquish conduct and control of and be under no further liability in connection with such claim or claims except for costs and expenses incurred or which can be recovered in respect of action taken before the date of the company's payment under this Section

Any sum paid will be inclusive of all costs and expenses incurred and no further sums will be payable by the company

EXCLUSIONS TO THE EMPLOYERS' LIABILITY SECTION

There will be no indemnity under this Section for

Fines or Penalties

- (1) the payment of fines or penalties

Indemnity for directors partners and employees

- (2) liability of any of the insured's directors partners or employees for which the insured would not have been entitled to indemnity if the claim had been made against them

Manual Work Away

- (3) liability for injury, loss or damage arising out of or in connection with manual work undertaken away from the premises other than the collection or delivery of goods, or whilst participating at exhibitions or trade fairs for the purpose of the business

Mechanically propelled vehicles

- (4) injury to any employee whilst
 - (a) carried in or upon
 - (b) entering or getting on to or alighting from

any mechanically propelled vehicle in circumstances where any road traffic legislation requires insurance or security

Work Offshore

(5) work undertaken by anyone claiming indemnity under this Section in respect of liability arising offshore

SPECIAL CONDITION TO THE EMPLOYERS' LIABILITY SECTION**Employers' Liability Compulsory Insurance Act**

The indemnity provided by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to employees in Great Britain Northern Ireland the Channel Islands or the Isle of Man but you shall repay to the company all sums paid by the company which the company would not have been liable to pay but for the provisions of such law

IN ADDITION THE COMPANY WILL PROVIDE INDEMNITY UNDER THIS SECTION AS FOLLOWS**Compensation for Court Attendance**

In the event of the following persons attending court at the request of the company in connection with a claim under this Section the company will compensate you at the rate of each person's wages or salary or at the following rates whichever is the less for each day on which attendance is required

- (1) by you or any of your directors or partners £500 per day
- (2) by any of your employees £250 per day

Contractual Liability

Subject to Exclusion (3) of this Section where any contract or agreement entered into by you so requires liability assumed by you by virtue of such contract or agreement but only in so far as concerns liability to an employee

Cross Liabilities

If the insured comprises more than one party the company will provide indemnity to each in the same manner and to the same extent as if a separate policy has been issued to each provided that the total amount payable in respect of any one claim or series of claims arising from some source or original cause shall not exceed the Limit of Liability stated in the schedule applicable to this Section

Geographical Limits

The geographical limits shall extend to include elsewhere in the world for visits made in connection with the business by you or any of your directors partners or employees provided that such persons usually reside within the geographical limits

Health and Safety at Work and Corporate Manslaughter Defence Costs In the event of

- (1) any act omission or incident or alleged act omission or incident leading to criminal proceedings brought in respect of a breach of the Health and Safety at Work Act 1974 Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation in the United Kingdom or
- (2) an incident which results in an enquiry ordered under the Health and Safety Inquiries (Procedure) Regulations 1975 the company will provide indemnity against costs and expenses incurred in representing you in such proceedings including appealing the results of such proceedings as long as the proceedings relate to an act omission or incident or alleged act omission or incident which has been committed during the period of insurance within the United Kingdom and in the course of your business

Provided that

- (a) the company's total liability in respect of costs and expenses shall not exceed £1,000,000 in the aggregate during any one period of insurance
- (b) the company will only indemnify the insured where costs and expenses arise as a result of any matter which is the subject of indemnity under this policy
- (c) the company will only be liable for costs and expenses incurred in respect of legal

representation appointed by them

- (d) if there is any other insurance or indemnity in force covering the same costs and expenses the company's liability shall be limited to a proportionate amount of the total costs and expenses but subject always to the limit of indemnity of £1,000,000
- (e) this indemnity will not apply
 - (i) in respect of fines or penalties of any kind
 - (ii) to proceedings consequent upon any injury deliberately caused by the insured
 - (iii) to persons other than the insured, any of their directors partners proprietors or employees

Indemnity to Others

- (1) If the insured so requests
 - (a) any of the insured's directors partners or employees in respect of liability for which the insured would have been entitled to indemnity under this Section if the claim for which indemnity is being sought had been made against you
 - (b) any officer or member of the insured's social sports and welfare organisations or fire first aid or ambulance services while acting in their respective capacities as such
 - (2) The legal personal representatives of any deceased person who was entitled to claim indemnity under this Section in respect of liability incurred by that person
 - (3) Where any contract or agreement entered into by the insured so requires any principal in like manner to you in respect of the principal's liability arising from the contract or agreement but only so far as concerns liability to an employee
- Provided that they observe the terms of this policy as far as they can apply

Unsatisfied Court Judgements

In the event of a judgement for damages being obtained against someone other than you

- (1) under the jurisdiction of a court in England Scotland Wales Northern Ireland the Channel Islands or the Isle of Man by any employee or their representative
- (2) in respect of injury arising out of and in the course of your employee's employment or engagement by you which remains unsatisfied in whole or in part six months after the date of such judgement the company will at your request pay to your employee or representative the amount of any damages or awarded costs to the extent that they remain unsatisfied

Provided that

- (a) there is no appeal outstanding
- (b) the judgement relates to injury which would otherwise be covered under this Section
- (c) any payment made by the company will be only in respect of liability for which you would have been entitled to indemnity under this Section had judgement been made against you
- (d) the company are entitled to take over and prosecute for their own benefit any claim made against any other person and you and your employee or their representative must provide all information and assistance required by the company

SECTION 5 PUBLIC LIABILITY

INSURING CLAUSE

In the event of

- (1) accidental injury to any person
- (2) accidental loss of or accidental damage to material property
- (3) accidental loss of amenities nuisance trespass or interference with any right of way light air or water occurring during the period of insurance and arising out of or in connection with:-
 - (a) the insured's business,
 - (b) the occupation of the premises

including collection and delivery within the geographical limits, the company will indemnify the insured in respect of their liability at law for compensation together with costs and expenses

BASIS OF PAYMENT

The company will pay up to the limit of indemnity stated in the schedule applicable to this Section for any one claim or series of claims arising from one source or original cause; except in respect of products where the limit of indemnity shall apply in respect of any one claim or series of claims arising from one source or original cause and in total during any one period of insurance

In addition the company will pay costs and expenses

EXCLUSIONS TO THE PUBLIC LIABILITY SECTION

This Section does not cover

Asbestos

- (1) liability arising from the manufacture mining processing distribution testing remediation removal storage disposal sale use or exposure to asbestos or materials or products containing asbestos whether or not there is another cause to loss which may have contributed concurrently or in consequence of a loss.

Advice, professional and medical services

- (2) liability caused by or arising from
 - (a) any advice, design, formula, specification, inspection, certification, survey, valuation or testing, undertaken or given by the insured or on their behalf, for a fee or where a fee would normally be payable
 - (b) any medical or dental practice, nursing care or healthcare advice, diagnosis or treatment, or the dispensing, sale, supply prescription or exchange of any drugs, medicines, hypodermic needles, or medical supplies or equipment

Aircraft hovercraft and watercraft

- (3) liability caused by or arising from the ownership possession or use by you or on your behalf of any aircraft hovercraft or watercraft (other than watercraft eight metres in length or less and used on inland waterways)

Component Building Material

- (4) liability 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.

Contractual liability

- (5) liability which attaches itself solely by virtue of a contract or agreement, but any liability which would have attached in the absence of such contract or agreement is covered under this Section

Excess

- (6) the first £250 of each and every claim for third party property damage

Fines liquidated damages or penalties

- (7) liability for fines liquidated damages or penalties of any kind or for punitive exemplary restitutionary or multiplied damages

Injury to Employees

- (8) liability to any employee for injury arising out of and in the course of their employment by the insured

Manual Work Away Exclusion (other than collection & delivery)

- (9) liability for injury, loss or damage arising out of or in connection with manual work undertaken away from the premises other than the collection or delivery of goods, or whilst participating at exhibitions or trade fairs for the purpose of the business

Mechanically propelled vehicles

- (10) liability caused by or arising from the ownership possession or use by or on behalf of you of any mechanically propelled vehicle, or trailer attached to it, whilst towed, or otherwise being used in circumstances for which compulsory insurance or security is required under any legislation governing the use of the vehicle

Mildew Mould Spore(s) or Allergens

- (11) liability directly or indirectly occasioned by, happening through, arising out of, resulting from or in connection with any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens; or
- (a) 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 fungus of any kind whatsoever, including but not limited to mildew, spore(s), or allergens; or
 - (b) any obligations or duty to defend any actions directly or indirectly occasioned by, or happening through, arising out of, resulting from or in connection with 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.

North American Risks

- (12) liability caused by or arising from any operations domiciled or registered in the United States of America or Canada or any territory within their jurisdiction; or arising from any products known by the insured to be for use or integrated within any other products for the use in or supply to the United States of America or Canada

Property in the insured's custody or control

- (13) physical loss of or damage to
- (a) property belonging to the insured or in their custody or under their control or that of any employee (other than property belonging to your visitors directors partners or employees)
 - (b) that part of any property on which the insured or any of their employees or agents are or have been working where the physical loss or damage results from such work

Products Liability

- (14) liability arising out of the sale or supply of any products other than
- (a) books stationary, documents, printed matter and **data** used to promote or fulfil non manual services offered by the insured
 - (b) second hand possessions previously used by the insured, other than motor vehicles
 - (c) food and drink sold or supplied at the premises

IN ADDITION THE COMPANY WILL PROVIDE INDEMNITY UNDER THIS SECTION AS FOLLOWS

Car park liability

The indemnity provided by this Section extends to include liability at law for damage to motor vehicles (and the contents of and accessories on such vehicles) belonging to any of the insured's employees or visitors whilst within any car park for which the insured is responsible provided that

- (a) such vehicle (or the contents and accessories) is not lent to the insured;
- (b) if any charge is made for the parking of vehicles, a ticket bearing a disclaimer of liability shall be issued to every person paying such charge; and
- (c) this Extension shall not apply to damage due to the driving of any vehicle by the insured or any of their employees.

Compensation for Court Attendance

In the event of the following persons attending court at the request of the company in connection with a claim under this Section the company will compensate you at a rate of each person's wages or salary or at the following rates whichever is the less for each day on which attendance is required

- (1) by you or any of your directors or partners £500 per day
- (2) by any of your employees £250 per day

Contingent Liability for Employee's Vehicles

Exclusion (11) of this Section excludes mechanically propelled vehicles but the company will indemnify you for liability caused by or in connection with any vehicle owned by an employee which is being used in the course of your business excluding any liability

- (1) arising when such vehicle is being driven
 - (a) by you
 - (b) with your consent by anyone whom you know does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- (2) for physical loss of or damage to any such vehicle
- (3) for any use outside the geographical limits

Cross Liabilities

If the insured comprises more than one party the company will provide indemnity to each in the same manner and to the same extent as if a separate policy has been issued to each provided that the total amount payable in respect of any one claim or series of claims arising from one source or original cause shall not exceed the Limit of Liability stated in the schedule applicable to this Section

Defective Premises Act

Insofar as this insurance indemnifies the insured against liability at law for compensation in respect of injury or damage to the property of third parties, this insurance shall apply to liability incurred by the insured by virtue of Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 or any subsequent amendment to them, in connection with premises which have been disposed of by the insured

The company shall not be liable under this Extension

- (1) in respect of such injury or damage happening prior to such disposal;
- (2) for the cost of remedying any defect or alleged defect which results or, if not remedied, may result in injury or damage to property as aforesaid;
- (3) if the insured is entitled to indemnity from any other source; or
- (4) for injury or damage in connection with buildings which were owned by the insured

Food Safety Act and Consumer Protection Act Defence Costs

You and also at your request any of your directors partners or employees are indemnified for legal costs and expenses incurred:-

- (1) in defending any prosecution for breach of duty
- (2) with the company's consent in an appeal against a conviction resulting from prosecution under Part II of the Food Safety Act 1990 or Part II of the Consumer Protection Act 1987 committed or alleged to have been committed during the period of insurance where circumstances may otherwise give rise to a claim under this Section excluding legal costs and expenses in connection with any breach of duty arising from a deliberate or premeditated act event or omission which any person claiming indemnity under this Section knows or should have known would be likely to constitute an offence under the above Act

Geographical Limits

The geographical limits shall extend to include elsewhere in the world for visits made in connection with your business in a non manual capacity provided that such persons usually reside within the geographical limits

Health and Safety at Work and Corporate Manslaughter Defence Costs

In the event of

- (1) any act omission or incident or alleged act omission or incident leading to criminal proceedings brought in respect of a breach of the Health and Safety at Work Act 1974 Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation in the United Kingdom or
- (2) an incident which results in an enquiry ordered under the Health and Safety Inquiries (Procedure) Regulations 1975

the company will provide indemnity against costs and expenses incurred in representing you in such proceedings including appealing the results of such proceedings as long as the proceedings relate to an act omission or incident or alleged act omission or incident which has been committed during the period of insurance within the United Kingdom and in the course of your business

Provided that

- (a) the company's total liability in respect of costs and expenses shall not exceed £1,000,000 in the aggregate during any one period of insurance
- (b) the company will only indemnify the insured where costs and expenses arise as a result of any matter which is the subject of indemnity under this policy
- (c) the company will only be liable for costs and expenses incurred in respect of legal representation appointed by them
- (d) if there is any other insurance or indemnity in force covering the same costs and expenses the company's liability shall be limited to a proportionate amount of the total costs and expenses but subject always to the limit of indemnity of £1,000,000
- (e) this indemnity will not apply
 - (i) in respect of fines or penalties of any kind
 - (ii) to proceedings consequent upon any injury deliberately caused by the insured
 - (iii) to persons other than the insured, any of their directors partners proprietors or employees

Indemnity to Others

- (1) If you so request
 - (a) any of your directors partners or employees in respect of liability for which you would have been entitled to indemnity under this Section had the claim for which indemnity is being sought been made against you
 - (b) any officer or member of your social sports or welfare organisations or fire first aid or ambulance services while acting in their respective capacities as such
- (2) The legal personal representatives of any deceased person who was entitled to claim indemnity under this Section in respect of liability incurred by that person
- (3) Any principal in like manner to you where any contract or agreement entered into by you for the performance of work so requires in respect of the principal's liability arising from the performance of work by you

Leased and Rented Premises

Exclusion 14(a) of this Section does not apply to physical loss or damage to premises leased or rented to you in connection with your business

Overseas Personal Liability

You and if you so request

- (1) any of your directors partners or employees
- (2) your spouse or child or any spouse or child of your director partner or employee accompanying you or accompanying such director partner or employee

against liability at law for compensation together with costs and expenses for liability incurred in a personal capacity while you or any of your partners or employees are visiting a country anywhere in the world in connection with your business

excluding any liability

- (a) arising from any contract or agreement unless liability would have existed otherwise
- (b) arising out of the ownership or occupation of land or buildings
- (c) arising from the carrying on of any trade or profession
- (d) where indemnity is provided by any other insurance
- (e) arising from the ownership possession or use of wild animals firearms (other than sporting guns) mechanically propelled vehicles aircraft or watercraft

Sudden and Unintended Pollution

Pollution is excluded by General Exclusion 1(c) of this policy but this Section provides pollution cover subject to all other provisions of this policy for liability in respect of injury or loss of or damage to property caused solely by pollution

- (1) which results from a sudden identifiable unintended and unexpected incident and
- (2) such incident occurs entirely at a specific and identified time and place while the policy remains in force

Provided that

- (a) all pollution which arises out of any one incident will be deemed to have happened at the time such incident takes place
- (b) the company will not indemnify you against liability in respect of pollution happening anywhere in the United States of America or Canada
- (c) the total liability of the company for compensation will not exceed the Limit of Indemnity stated in the schedule applicable to this Section for this additional cover and for any claim otherwise payable under this Section arising from the same source or original cause

Wrongful Arrest

Legal liability to pay compensation together with costs and expenses following any charge of wrongful arrest or malicious prosecution made against you during the period of insurance in respect of any allegation of theft or the improper conduct by any person (other than your employees) in connection with the business.

SECTION 6 LEGAL EXPENSES

NB: The insurance provided by this Section is on a “claims made” basis, which means that for there to be a valid claim under this cover, the claim must be reported to the company within the period of insurance.

INSURING CLAUSE

The company will indemnify the insured or an insured person against legal expenses incurred in respect of any of the insured incidents stated below arising in connection with the business provided that:-

- (1) the insured incident is notified to the company during the period of insurance and arises within the geographical limits;
- (2) any legal proceedings will be dealt with by a court or other body which the company agrees to within the geographical limits; and
- (3) in civil claims it is always more likely than not that the insured or an insured person will recover damages (or obtain other legal remedy which the company have agreed to) or make a successful defense.

DEFINITIONS TO THE LEGAL EXPENSES SECTION

Arbitration

means a method of settling a dispute by asking an independent lawyer to consider it. They will be chosen by the company and the insured or an insured person jointly or (if agreement cannot be reached) by the president of The Law Society. Whoever loses the argument must usually pay the lawyer’s costs. If the insured or an insured person lose, these costs are not covered by this policy.

Dispute

means any situation involving a disagreement with or action by someone in which the insured or an insured person’s legal rights need to be protected, whether by legal proceedings or otherwise.

Insured Person

means any of the insured’s principals, directors, partners or employees.

Legal Advice Service

means a professional legal advisory service provided on behalf of the company, for advice and guidance in relation to the insurance provided by this Section. In certain instances seeking and following their advice prior to taking action is a condition of the insurance. Their contact details are stated at the end of this Section.

Legal Expenses

means

- (1) Legal costs all reasonable and necessary costs chargeable by the nominated representative and the costs incurred by opponents in civil cases if the insured or an insured person has been ordered to pay them or the company has agreed to pay them.
- (2) Accountants costs - all costs reasonably incurred by the nominated representative.
- (3) Attendance expenses – for each day that an insured person is required to attend any court or tribunal at the request of a nominated representative, the company will pay the actual loss of the salary of an insured person for the time that they are off work; provided that:-
 - (a) such salary or wages are not recoverable from the relevant court, tribunal or other party;
 - (b) the company will not pay for any loss incurred before an insured person makes a claim;
 - (c) the company will not pay for any claim where the insured is unable to support their loss.

Nominated Representative

means a lawyer, accountant or other suitably qualified person who has been appointed by the company to act for the insured or an insured person in accordance with the terms of this Section.

Reasonable Prospects

means that in respect of each claim there is always more than a 50% chance of the insured or insured person recovering damages, defending a claim or prosecution or obtaining a legal remedy. This will be assessed by the company or nominated representative.

Geographical Limits

means

(1) For insured incidents 2) (Legal Defence) and 3)b) Injury, The European Union, the Channel Islands, the Isle of Man, Albania, Bosnia Herzegovina, Croatia, Gibraltar, Iceland, Liechtenstein, Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey (west of the Bosphorus).

(2) For all other insured incidents, the United Kingdom, the Channel Islands and the Isle of Man.

INSURED INCIDENTS

(1) EMPLOYMENT DISPUTES AND COMPENSATION AWARDS

(a) Employment Disputes

The company will pay legal expenses in relation to the defence of legal proceedings in an Employment Tribunal arising from or relating to a breach of an employee's contract of service or their statutory rights under employment legislation;

Provided that:-

- (i) in the event of any issues that could give rise to a legal dispute with an employee, the insured or insured person has contacted the legal advice service and followed the advice provided to them.
- (ii) the insured person seeks and continues to follow all advice from the legal advice service as to the steps to be taken in the following situations:-
 - 1. before taking any disciplinary action or commencing a disciplinary procedure;
 - 2. before dismissing an employee;
 - 3. upon receipt of notification of any form of grievance by an employee or a complaint of discrimination;
 - 4. before starting any redundancy process or making an employee redundant;
 - 5. before seeking to make a material change to an employee's contract, which is likely to have a negative impact on that employee;
 - 6. upon becoming aware of a situation that could give rise to a potential claim for constructive dismissal by any employee.

EXCLUSIONS TO EMPLOYMENT DISPUTES

- (1) any claim in respect of damages for injury or damage to property;
- (2) any claim arising from or relating to any transfer of business which falls within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006 and any subsequent amendment to them;
- (3) any claim relating to disciplinary hearings or internal grievance procedures;
- (4) the costs of any disputes relating to a settlement agreement;
- (5) any dispute relating to a shareholding, partnership or directors contract;
- (6) any claim relating to future contracts of employment;
- (7) any claim relating to unpaid wages or commission or deductions from wages or commission;
- (8) any claim relating to benefits due under a contract of employment;
- (9) any claim relating to payment in relation to redundancy.

(b) Compensation Awards

The company will pay any basic and / or compensatory award which is awarded to an employee by either a tribunal or through the Advisory, Conciliation and Arbitration Service (ACAS) Arbitration Scheme, or an amount agreed by the company in settlement of a dispute.

Provided that the basic and /or compensatory award follows a claim which the company have accepted under Insured Incident 1) a) (Employment Disputes) above.

EXCLUSIONS TO COMPENSATION AWARDS

Any basic or compensation award relating to the following:-

- (i) any award arising out of the insured person's failure to provide any employee with written reasons for their dismissal;
 - (ii) any award made as a result of the insured person's failure to provide a contract of employment or statement of terms and conditions of employment;
 - (iii) any award relating to any contractual rights to which the employee is entitled;
 - (iv) any claim in relation to equal pay or the minimum wage employment legislation.
- (a) Service Occupancy
The company will pay legal expenses in relation to the insured's legal rights against an employee or ex-employee to recover possession of premises owned by the insured or for which the insured is responsible.

EXCLUSION TO SERVICE OCCUPANCY

Any claim relating to defending the insured's legal rights, other than defending a counter-claim.

(2) LEGAL DEFENCE

The company will pay legal expenses in relation to:-

- (a) defending the insured's or an insured person's legal rights following:-
 - (i) an event which leads to the insured or an insured person being prosecuted in a court of criminal jurisdiction arising out of health and safety at work, occupational hygiene, food safety hygiene, food legality or the supply of safe goods;
 - (b) defending the insured or an insured person's legal rights following civil action taken against the insured or an insured person for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the period of insurance.
 - (c) defending an insured person's legal rights if
 - (i) an event arising from their work as an employee leads to civil action being taken against them under legislation for unlawful discrimination on the grounds of age, race, sex, sexual orientation, disability, religious belief or political opinion; or
 - (ii) civil action is taken against them as a trustee of a pension fund set up for the benefit of the insured's employees.
 - (d) representing the insured or an insured person in appealing against the imposition or terms of an Improvement or Prohibition Notice or a Suspension Notice or an Order of Enforcement or an Enforcement Deregistration or Transfer Prohibition Notice under any of the following legislation.
 - (i) Health and Safety at Work etc Act 1974;
 - (ii) Food Safety Act 1990;
 - (iii) Fair Employment (Northern Ireland) Act 1989;
 - (iv) Consumer Protection Act 1987; or any subsequent amendment to them.
 - (e) representing the insured in appealing against the refusal of the Information Commissioner to register the insured's application for notification under the General Data Protection Regulation and any subsequent amendment to it.
- Provided that
- (i) insofar as proceedings under the Health and Safety at Work etc Act 1974 and any subsequent amendment to it are concerned the geographical limits shall be any place where the Act applies; and
 - (ii) in respect of paragraph a) ii) above, the insured have registered with the Information Commissioner.

EXCLUSION TO LEGAL DEFENCE

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

(3) PROPERTY PROTECTION AND INJURY**(a) Property Protection**

The company will pay legal expenses in relation to the insured's legal rights in any civil action relating to material property which is owned by the insured or for which the insured is responsible following:

- (i) any event which causes or could cause physical damage to such material property; or
- (ii) any nuisance or trespass.

EXCLUSIONS TO PROPERTY PROTECTION

Any claim relating to the following.

- (1) a contract entered into by the insured
 - (2) goods in transit.
 - (3) goods at premises other than those occupied by the insured, unless the goods are at such premises for the purpose of installation or use in work to be carried out by the insured.
 - (4) mining subsidence.
 - (5) a motor vehicle owned by, hired or leased to or used by the insured or an insured person, other than damage to motor vehicles, where the insured are engaged in the business of selling motor vehicles.
- (b) Injury**
- The company will pay legal expenses in relation to the pursuit of a claim arising from an incident causing bodily injury or death to an insured person.

EXCLUSIONS TO INJURY

Any claim relating to the following.

- (1) any injury which develops gradually or is not caused by a specific or sudden accident;
- (2) defending any insured person's legal rights, other than defending a counter-claim;
- (3) a motor vehicle owned by, hired or leased to or used by the insured or an insured person;
- (4) any actual or alleged clinical, medical or dental negligence.

(4) TAX PROTECTION

The company will pay legal expenses in relation to defending the insured during an investigation by HM Revenue and Customs:-

- (a) following the commencement of a Tax Enquiry or Cross-Tax Enquiry
- (b) an investigation of the insured's compliance with Pay As You Earn regulations;
- (c) an appeal to a VAT tribunal following an assessment by HM Revenue and Customs. Provided that:
 - (i) the insured has taken reasonable care to ensure that accounts and tax affairs and record have been properly maintained
 - (ii) all returns to HM Revenue and Customs have been completed, are correct and submitted on time.

EXCLUSIONS TO TAX PROTECTION

Any claim relating to the insured's prosecution or to the extent of anything done or to be done:-

- (1) after any matter first becomes referred to or dealt with by any Special Office, Investigation Division or Collection Investigation Unit of HM Revenue and Customs;
- (2) in an official investigation before the government department has first expressed its dissatisfaction with the books and records the insured are required to produce for in-depth examination;
- (3) before the commencement of VAT enforcement proceedings against the insured;
- (4) only because of some earlier official investigation into the insured's tax affairs or some earlier VAT enforcement proceedings against the insured, or their failure to register for VAT;
- (5) in preparing, challenging, appealing or otherwise processing any tax computation, assessment, demand or payment which the insured would necessarily deal with, notwithstanding that official investigation or dispute;
- (6) in connection with or arising from a tax avoidance scheme;

(5) EVICTION OF SQUATTERS

The company will pay legal expenses to secure the eviction from any premises insured under Section 8 of this policy, of anyone who is not the insured's tenant or ex-tenant and who does not have the insured's permission to be there.

(6) CONTRACT DISPUTES

The company will pay legal expenses in relation to the insured's legal rights arising in a contractual dispute arising from an agreement or alleged agreement which has been entered into by the insured or on the insured's behalf relating to the purchase, hire, lease, hire purchase, service, maintenance, testing, sale or provision of goods or services in relation to a premises insured under Section 1 of this policy;

Provided that:-

- (a) the amount in dispute exceeds £500;
- (b) for an undisputed debt claim the insured must notify the company within 90 days of the money becoming payable and have already have undertaken all their normal credit control procedures and made reasonable efforts to recover the debt

EXCLUSIONS TO CONTRACT DISPUTES

The company shall not be liable for disputes relating to:-

- (1) **computer systems** that have been tailored to the insured's requirements
- (2) construction work, designing converting or extending a premises
- (3) loans, mortgages, pensions, endowments, investments or any other financial product
- (4) the purchase or sale of any premises or land
- (5) the settlement, or lack thereof, under an insurance or assurance policy
- (6) any tenancy agreement

LIMITS OF LIABILITY

The company's liability shall not exceed

- (1) for all claims which result from one or more events arising at the same time and from the same original cause:-
 - (a) in respect of Insured Incidents 1), 2), 3) and 4) - £100,000, and
 - (b) in respect of Insured Incidents 5) and 6) - £ 50,000; nor
- (2) for all claims which are notified to the company during the period of insurance, £500,000

EXCLUSIONS TO THE LEGAL EXPENSES SECTION

This Section does not cover the following;

- (1) an excess of £250 in respect of each and every claim except under (6) Contract Disputes when the amount in dispute exceeds £5,000, where an excess of £500 applies
- (2) any legal expenses incurred before the written acceptance of a claim by the company.
- (3) any claim (or any circumstances which might lead to a claim) of which the insured were, or should have been, first aware outside the period of insurance.
- (4) fines, penalties, compensation or damages which the insured or an insured person are ordered to pay by a court or other authority order, other than compensation awards as covered under insured incidents 1. b) Compensation Awards. d) Any claim relating to patents, copyright, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
- (5) any claim relating to franchise rights or agency rights where the insured have the legal capacity to alter legal relations of another.
- (6) any Insured Incident deliberately or intentionally solicited by the insured or an insured person.
- (7) a dispute with the company not otherwise dealt with under Special Condition 10 of this Section.
- (8) any claim relating to a shareholding or partnership share in the insured.
- (9) an application for judicial review.
- (10) any legal action the insured or an insured person take which the company has not agreed to or where the insured or an insured person do anything that hinders the company or the nominated representative .

(11) any claim if, either at the commencement or during the course of a claim notified under this section, the insured is bankrupt, have filed a bankruptcy or winding up petition, have made an arrangement with creditors, have entered into a deed of arrangement, are in liquidation or part or all of the insured's affairs or property is in the care or control of a receiver or administrator.

SPECIAL CONDITIONS APPLICABLE TO THIS SECTION

(1) It is a condition precedent to the company's liability to meet any claim that the insured or an insured person shall:

(a) give notice to the company in writing during the period of insurance immediately upon becoming aware of any Insured Incident or event which may give rise to a claim under this sub section;

(b) give the company as soon as possible, all the information, documents and assistance they need to deal with any claim under this Section;

(c) give the company the reason for wishing to appeal against any decision given in legal proceedings which must be done immediately and in any event before the deadline for lodging the appeal;

(d) forward to the company immediately upon receipt every form ET1, and ET3 issued by an Employment Tribunal to the insured or an insured person.

(2) the insured or an insured person shall

(a) take reasonable steps to keep any amount the company has to pay to a minimum;

(b) send everything the company ask for in writing.

(3) (a) the company must have accepted the claim in writing before they can deal with it.

(b) the company will accept the claim when they are satisfied that:

(i) the company has all the information that they need;

(ii) the insured or an insured person can identify any person with whom the insured are in dispute; and

(iii) it is reasonable for the insured or an insured person to pursue or defend their legal rights (taking into account a reasonable estimate of the insured or an insured person's total Legal Expenses) and the insured or an insured person will have reasonable prospects of achieving a worthwhile result.

(4) (a) the company may appoint a lawyer or other suitably qualified person working for them to represent, pursue or defend the insured's or an insured person's rights.

In the event of any legal proceedings or if there is a conflict of interest, the insured or an insured person have the right to choose their own nominated representative. The insured must send the company the name and address of such person before the commencement of any legal proceedings.

(b) In other situations or if the company thinks that the insured or an insured person needs one to help to protect the insured's or the insured persons rights, they will appoint a nominated representative to act on behalf of the insured or an insured person .

(c) The company can take over and conduct and negotiate in the name of the insured or an insured person any claim or legal proceedings at anytime.

(d) The nominated representative must cooperate fully with the company at all times.

(e) The company will have direct contact with the nominated representative.

(f) The insured or an insured person must cooperate fully with the company and the nominated representative and must keep the company up-to-date with the progress of the claim.

(g) The insured or an insured person must give the nominated representative any instructions that the company requires.

5) If, following legal proceedings to which the company have consented, the insured or an insured person wish to appeal or defend an appeal, the grounds for such appeal should be submitted to the company immediately or as soon as practicable. Before any legal expenses towards the appeal are

paid, the company must agree that it is always more likely than not that the appeal will be successful.

- 6)
 - (a) the insured or an insured person must tell the company if anyone offers to settle a claim.
 - (b) If the insured or an insured person do not accept a reasonable offer to settle a claim, the company may refuse to pay any further legal expenses.
 - (c) The company may decide to pay the insured or an insured person the amount of damages that the insured person is claiming or is being claimed against them, instead of starting or continuing legal proceedings.
- 7)
 - (a) If the company asks, the insured or an insured person must tell the nominated representative to have legal expenses taxed, assessed or audited.
 - (b) The insured or an insured person must take every step to recover legal expenses that the company have to pay and must pay the company any legal expenses that are recovered.
- 8) If any nominated representative refuses to continue acting for the insured or an insured person or if the insured or an insured person dismisses a nominated representative, the cover the company provides will end at once unless the company agrees to appoint another nominated representative.
- 9) If the insured or an insured person settle a claim or withdraw their claim without the company's agreement or do not give suitable instructions to a nominated representative, the cover the company provide will end at once and the company will be entitled to re-claim any legal expenses paid.
- 10) If the company and the insured, or an insured person agree, arbitration can be used to settle any unresolved dispute about anything said in this policy or anything to do with the claim. If arbitration is used, the insured or an insured person may still take that dispute to court or try to settle it in another way.
- 11) The company may, at their discretion, require the insured or an insured person to obtain an opinion from counsel at the insured's or an insured person's expense as to the merits of a claim or proceedings. If counsel's opinion indicates that there are reasonable prospects for the pursuit or defence of a claim or proceedings, the cost of obtaining the opinion will be paid for by the company.
- 12) The company will not pay any claim covered under any other policy or any claim that would have been covered by any other policy if this Section did not exist.
- 13) All Acts of Parliament within the wording of this sub section shall include equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man as the case may be.
- 14) The company may at any time settle the claim by paying the reasonable amount of damages claimed if in the company opinion this would achieve a more economic solution.

LEGAL ADVICE SERVICE

The company provides this service 24 hours per day seven days a week during the period of insurance. To help the company check and improve service standards all calls are recorded.

The company will give the insured confidential legal advice over the phone on any commercial legal problem affecting the business under the laws of the United Kingdom, the Channel Islands and the Isle of Man.

The company will not accept responsibility if the helpline services fail for reasons outside of the company's control.

Legal advice service: Independent Living Group (ILG)

Telephone: 01476 513 796

Quoting reference: China Taiping

In all communications with the company, please quote your policy number.

SECTION 7 COMPUTER BREAKDOWN

INSURING CLAUSE

In the event of breakdown of any **computer system** belonging to the insured or for which the insured are legally responsible, the company will indemnify the insured in respect of any loss resulting from such breakdown, or at its option replace or reinstate such **computer system** in accordance with the provisions of the policy. Provided that their liability under this Section does not exceed the sum(s) insured shown in the schedule under Section 1 for **computer systems**

DEFINITIONS TO THE COMPUTER BREAKDOWN SECTION

Additional Costs of Working

means the reasonable costs necessarily incurred in minimising or preventing interruption or interference to the computer operations of the insured

Ancillary Equipment

means all equipment solely for use with the computer equipment comprising of air conditioning and cooling equipment, generating equipment, voltage regulating equipment, satellite and telecommunication links, computerised telephone exchanges, electronic access equipment and temperature and humidity recording equipment.

Breakdown

means loss destruction or damage caused by the actual breaking failure, distortion or burning out, electrical arcing, or artificially generated electrical current that disturbs electrical devices, appliances or wires, forming part of the computer equipment whilst in ordinary use, arising from defects in the computer equipment causing its sudden stoppage necessitating repair or replacement before it can resume operation.

Computer Systems

means **computer system** as defined in General Definitions but excluding:-

- (1) any equipment held as stock or customers equipment held in trust
- (2) any mobile device that where the sole or primary function of the item is to make send and receive telephone calls or SMS messages
- (3) equipment that is greater than 10 years old unless accepted and agreed by the company

Indemnity Period

means the period beginning with the occurrence of the breakdown and ending not later than six months thereafter during which the insured's computer operations are interrupted or interfered with as a consequence of the breakdown

Maintenance Agreement

means a contract providing on-call remedial and /or corrective maintenance with all parts and labour at an inclusive cost.

Reinstatement of Data

means the costs of reinstating **data** lost or damaged as a result of breakdown of **computer systems** but only for the costs of labour and materials expended in recreating such **data**, and not for the value of the information or **data** contained therein.

BASIS OF PAYMENT

In the event of breakdown as insured by this Section to the **computer system** the basis upon which the amount payable is to be calculated shall be.

- (1) where the **computer system** is damaged to the extent that it cannot be economically repaired, its replacement by similar computer equipment of similar capacity in a condition equal to but not better or more extensive than its condition when new. If it is impossible to replace the computer equipment with equipment of similar capacity replacement will be computer equipment to the next higher capacity.

(2) where the **computer system** is damaged but can be economically repaired, the costs of restoration of the damaged portion of the **computer system** to a condition substantially the same as but not better or more extensive than its condition when new.

Provided that:

- (a) the work of reinstatement is commenced and carried out with reasonable dispatch
 - (b) where the **computer system** is damaged in part only, the company's liability shall not exceed the sum representing the cost which would have been paid if the **computer system** had been wholly destroyed
 - (c) no payment shall be made until reinstatement costs have actually been incurred.
 - (d) where for any reason a payment cannot be made in accordance with (a) and (b) above
- The liability of the company will be arrived at as if this basis of settlement had not been incorporated and shall be subject to the terms and conditions of the policy.

IN ADDITION COMPANY WILL PROVIDE COVER UNDER THIS SECTION AS FOLLOWS

Additional Computer System

Additional **computer system** acquired during the period of insurance up to a maximum of £25,000 or 10% of the sum insured as specified in the policy schedule, whichever is the lesser. Subject to you notifying the company as soon as practical and pay any additional premium due as result.

Additional Rental Charges

Additional rental costs arising out of the replacement of a lease / hire agreement in respect of similar **computer system** to that damaged, provided that the company's liability shall not exceed £7,500.

Incompatibility of Software, Programs or Data

Where breakdown of **computer system** results in undamaged software, programs or **data** which are incompatible with the replacement **computer system**, the **company** will at their option pay for either;

- (1) the necessary modifications to the replacement computer **system**, or
- (2) the conversion of the undamaged software, programs or **data** into a format compatible with the replacement **computer system**

provided that the **company's** liability shall not exceed £10,000 any one claim and in the aggregate for the **period of insurance**.

Loss Prevention Measures

Any reasonable costs incurred by you to avoid or mitigate damage which would otherwise be inevitable subject to the company's liability not exceeding £5,000 provided that;

- (1) the impending damage does not stem from any reasonable, foreseeable or gradually developing cause, and
- (2) the company are satisfied that the damage has been avoided or mitigated as a result of the measures taken.

Repair Investigation Costs

Where approved by the company costs including consulting fees necessarily and reasonably incurred in the reinstatement of the **computer system** consequent upon breakdown but not for preparing any claim provided that the company's liability shall not exceed £2,500

Temporary Repairs and Expediting costs

In the event of damage not excluded by this Section the **computer system**, additional expenses necessarily and reasonably incurred in making temporary repairs provided that the company's liability shall not exceed £2,500.

EXCLUSIONS TO THE COMPUTER BREAKDOWN SECTION

This Section does not cover;

- (1) an excess of £250 unless otherwise stated in the schedule,
- (2) loss of use of the **computer system** or other consequential losses, other than as provided for under additional costs of working, or liability of any nature whatsoever.
- (3) damage recoverable under any guarantee or maintenance agreement, rental, hire or lease agreement, or that would have been recoverable but for a breach(es) of your obligations under such agreement
- (4) damage to any **computer system** or computer numerically controlled machinery which takes in, processes, forms, cuts, shapes, grinds or conveys raw materials, materials undergoing the process or the finished product including any equipment forming a part of the dedicated power supply driving or controlling mechanism for such machine or apparatus or any consequential losses arising from damage thereto

SPECIAL EXTENSIONS TO THE COMPUTER BREAKDOWN SECTION

The following Extensions are applicable to this Section

Additional Costs of Working

The **company** will indemnify you for additional costs of working expended in consequence of breakdown, provided that the **company's** liability under this Extension shall exclude:-

- (1) any loss in excess of £25,000, or any greater amount stated in the schedule, during the indemnity period
- (2) any losses discovered later more than 6 months after the loss was initiated
- (3) any breakdown lasting less than 24 hours
- (4) breakdown caused by a deliberate act of the public electricity or telecommunications supply undertakings unless performed for the sole purpose of protecting life or any part of the supply undertakings system
- (5) any defective program or programming error or limitation computer virus or similar mechanism or loss of **data**

Reinstatement of Data

The **company** will indemnify you in respect of necessarily and reasonably incurred cost of **reinstatement of data** contained in the **computer system** in consequence of accidental or malicious erasure, loss, destruction, distortion or corruption discovered during the **period of insurance** and resulting directly from breakdown.

Provided that the **company's** liability under this Extension shall not exceed £25,000 in respect of any one loss, or in the aggregate in any one **period of insurance**.

The **company's** liability under this Extension excludes:

- (1) the amount of the excess as specified in the schedule
- (2) a deliberate act of the public electricity supply undertaking not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's system
- (3) a scheme of rationing not necessitated solely by accidental damage to the public supply undertaking's generating or supply equipment
- (4) the cost of reinstating **data** or programs on equipment used for teaching purposes in educational establishments.

SPECIAL CONDITIONS TO THE COMPUTER BREAKDOWN SECTION

It is a condition precedent to the liability on company's under this Section that you must:-

- (1) to keep the **computer system** in a proper state of maintenance and repair
- (2) maintain a minimum of 2 back-up copies of computer records, that are both capable of restoration, and such copies to be taken at least once every 48 hours. One copy of which must be stored off site.

OPTIONAL COVERAGE SECTIONS

The following Sections are only applicable where stated in the Schedule

SECTION 8 BUILDINGS

This Section applies only if a sum insured is shown against this Section in the schedule

INSURING CLAUSE

If any buildings at the premises suffers damage during the period of insurance by a cause that is not excluded hereunder, the company will pay to the insured an amount calculated in accordance with the Basis of Payment, or at their option will reinstate or replace the buildings or any part of it which is lost destroyed or damaged. Provided that their liability under this Section does not exceed:-

- (1) the sum insured for each Item,
- (2) in total, the total sum insured stated in the schedule applicable to this Section

DEFINITIONS TO THE BUILDINGS SECTION

NB For the purpose of determining where necessary the definition within which any property is insured the company agree to accept the designation under which such property has been entered in your books

Buildings

means the buildings at the premises stated in the schedule applicable to this Section, substantially constructed of brick, stone, concrete or other non-combustible materials and including at the same address

- (1) landlords' fixtures and fittings
- (2) outbuildings extensions annexes and gangways
- (3) walls gates and fences
- (4) yards, car parks, driveways, service areas, roads and pavements,
- (5) telephone gas water and electric installations piping ducting cables wires and associated control gear and accessories extending to the public mains which you are responsible to repair or reinstate
- (6) fixed fuel oil tanks, fixed diesel fuel tanks and fixed liquefied petroleum tanks
- (7) security lighting, security cameras and other security devices, signs, communication aerials and similar devices and solar panels.

EXCLUSIONS TO THE BUILDINGS SECTION

This Section does not cover

- (1) **Change in the water table level**
damage attributable to change in the water table level
- (2) **Collapse**
damage to a building or structure caused by its own collapse or cracking unless resulting from a specified peril
- (3) **Corrosion or change in temperature damage caused by or consisting of**
(a) corrosion rust wet or dry rot shrinkage evaporation contamination loss of weight dampness dryness marring scratching denting vermin or insects
but the following is covered under this Section
 - (i) such damage not excluded elsewhere in this Section or policy which itself results from any specified peril;
 - (ii) subsequent damage which itself results from a cause not excluded elsewhere in this Section or policy
- (4) **Excess**
unless otherwise stated in the schedule
 - (a) the first £1,000 of each and every claim in respect of damage caused by subsidence, ground heave or landslip;
 - (b) the first £250 of all other claims

(5) Inbuilt defect wear tear and defective workmanship damage to buildings caused by or consisting of

- (a) inbuilt or latent defect gradual deterioration wear and tear its own faulty or defective design or materials
 - (b) faulty or defective workmanship operational error or omission on your part or that of any of your employees
- but subsequent damage which itself results from a cause not excluded elsewhere in this Section or policy is covered under this Section

(6) Fences, gates and open-sided buildings

damage to fences, gates and open-sided or open-ended buildings caused by wind, rain, hail, sleet, flood or dust;

(7) Frost and weight of snow damage caused by:-

- (a) frost,
 - (b) by weight of snow to outbuildings, lean-to structures or the contents thereof
- but subsequent damage which itself results from a cause not excluded elsewhere in this Section or policy is covered under this Section

(8) Joint leakage or breakdown

damage consisting of or caused by

- (a) joint leakage or failure of welds cracking fracturing collapse or overheating of boiler economisers superheaters pressure vessels or any range of steam or feed piping connected to them
- (b) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which breakdown or derangement originates.

but the following is covered under this Section

- (i) such damage not excluded elsewhere in this Section or policy which itself results from any specified peril
- (ii) subsequent damage which itself results from a cause not excluded elsewhere in this Section or policy

(9) Property insured by other insurance

any building which at the time of damage is insured by a more specific insurance

(10) Settlement of new structures and damage to buildings involving damage caused by or consisting of:-

- (a) normal settlement or bedding down of new structures
- (b) subsidence ground heave or landslide which commenced prior to the inception of this cover
- (c) the settlement or movement of made up ground or by coastal or river erosion
- (d) movement or settlement of outbuildings, yards, car parks, roads, pavements, walls, gates or fences unless the main building insured by this Section are affected at the same time and by the same cause
- (e) use of defective materials or arising from defective design or workmanship, or demolition, construction or structural alterations or repair of any buildings at the premises

(11) Theft

damage caused by theft or attempt thereat:-

- (a) unless involving entry to or exit from the buildings at the premises by forcible and violent means or by violence or threat of violence to the insured or any employee
- (b) involving the collusion of the insured or any employee(s)

(12) Unoccupied Buildings

damage in respect of any buildings which are unoccupied caused by:-

- (a) freezing
- (b) escape of water from any tank apparatus or pipe
- (c) malicious persons (other than by Fire or Explosion)
- (d) theft or attempted theft

BASIS OF PAYMENT

(1) Day One Value Basis

This Condition applies only when a "Declared Value" is also shown for any Item in the schedule applicable to this Section

(a) The insured having stated in writing the "Declared Value" incorporated in each Item to which this Condition applies the premium has been calculated accordingly;
"Declared Value" means your assessment of the cost of reinstatement of the property insured by any Item arrived at in accordance with paragraph (a) of Reinstatement

Basis of Payment at the level of costs applying at the inception of the period of insurance (ignoring inflationary factors which may operate subsequently) together with in so far as the insurance by the Item provides due allowance for

- (i) the additional cost of reinstatement to comply with Public Authority requirements
- (ii) professional fees
- (iii) debris removal costs

(b) At the inception of each period of insurance the insured shall notify the company of the "Declared Value" of the property insured by each of the said Item(s).

In the absence of such declaration the "Declared Value" for the previous period of insurance shall be increased by a percentage determined by the company and the resultant figure shall be taken as the Declared Value for the ensuing period of insurance

(c) Proviso (ii) of Reinstatement Basis of Payment is amended to read:-

If at the time of damage the "Declared Value" of the property insured by such Item be less than the cost of reinstatement (as defined above) at the inception of the period of insurance then the company's liability for any damage shall not exceed that proportion thereof which the "Declared Value" bears to the cost of reinstatement

(d) the liability of the company for the repair or restoration of damage to property insured will not exceed the amount that would have been paid if the property had been completely destroyed;

(e) no payment will be made beyond the amount that would have been payable in the absence of this Clause unless reinstatement commences and proceeds without unreasonable delay is and until the cost of reinstatement has actually been incurred.

(2) Reinstatement Basis of Payment

Subject to the undernoted provisions the basis upon which the amount payable in respect of any Item to which this Condition applies (other than stock, motor vehicles and their accessories employees' directors' visitors' and guests pedal cycles and personal effects) is to be calculated shall be the reinstatement of the buildings lost destroyed or damaged

For this purpose reinstatement means

(a) the rebuilding or replacement of any buildings lost or destroyed which provided the liability of the company's is not increased may be carried out

- (i) in any manner suitable to your requirements
- (ii) upon another site

(b) the repair or restoration of any buildings damaged in either case to a condition equivalent to or substantially the same as but not better or more extensive than its conditions when new.

Provided that

- (i) the liability of the company for the repair or restoration of any buildings damaged in part only shall not exceed the amount which would have been payable had such any buildings been wholly destroyed
- (ii) If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the buildings insured by any Item subject to this Condition exceeds its sum insured at the commencement of any damage the liability of the company shall not exceed that proportion of the amount of the damage which the said sum insured shall bear to the sum representing the whole of such

buildings at that time

(iii) No payment beyond the amount which would have been payable in the absence of this Condition shall be made

1. unless reinstatement commences and proceeds without unreasonable delay
2. until the cost of reinstatement shall have been actually incurred
3. if the buildings insured by any Item at the time of its damage shall be insured by any other insurance effected by or on your behalf which is not upon the same basis of reinstatement

(3) Index Linking

This Condition applies to all items insured by this Section, other than any item on Rent.

The sum insured (and the "Declared Value" where appropriate) on any Item will be adjusted by the percentage change in an appropriate price index determined by the company. No premium will be charged on such adjustments, but the renewal premium for the subsequent period of insurance will be calculated on the revised sums insured (and "Declared Value").

The index linking will continue to apply to the sum(s) insured of any property insured that is the subject of a claim (at the rate of 1/365th per day), until the time of final adjustment of the loss.

(2) European Union and Public Authorities

The cover under this Section for buildings extends to include additional costs of rebuilding or reinstatement of lost destroyed or damaged buildings which you incur solely to comply with

(1) European Union Legislation, or

(2) Building or other Regulations under or framed in pursuance of any Act of Parliament or with Bye Laws of any Public Authority excluding:-

(a) any such costs where the Item is not subject to the Reinstatement Basis of Payment Condition

(b) the cost incurred in complying with any of the aforesaid Regulations or Byelaws

(i) in respect of damage occurring before this cover was granted

(ii) in respect of damage not insured by this Section

(iii) under which notice was served upon you before the date of damage

(iv) in respect of undamaged buildings or undamaged portions of any buildings forming any part of the buildings sustaining damage except for undamaged foundations (unless foundations are specifically excluded from cover by endorsement to this policy)

(3) the additional cost exceeding that which would have been required to make good any buildings which sustained damage to a condition equal to its condition when new had it not been necessary to comply with any one of the above Regulations or Byelaws

(4) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the buildings or by its owner in order to comply with any of the above Regulations or Byelaws;

Provided that:-

(a) the work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the date of the damage or within such further time as the company may allow (during the said 12 months) and may be carried out upon another site (if Regulations or Byelaws so require) subject to the company's liability not being increased by this additional cover

(b) if apart from this additional cover the company's liability for buildings is reduced by the application of any terms and conditions of this policy then the company's liability in respect of any such costs will be reduced in like proportion

(c) the total amount payable for buildings will not exceed the sum insured for it stated in the schedule applicable to this Section

SPECIAL CONDITIONS TO THE BUILDINGS SECTION

(1) Non-Invalidation

The insurance by this Section will not be made invalid by any act omission or alteration which unknown to you or beyond your control increases the risk of damage provided that you

- (a) notify the company immediately you become aware of such act omission or alteration and
- (b) pay any additional premium that the company may require

(2) Subrogation Waiver

In the event of a claim arising under this Section the company agrees to waive any rights remedies or relief to which they may become entitled by subrogation against any company:-

- (a) in the relation of holding company or subsidiary to you
- (b) which is a subsidiary of a parent company of which you are yourself a subsidiary in each case within the meaning of the relevant companies' legislation current at the time of the damage

(3) Flat Roof Condition

It is a condition precedent to the liability of the company for damage caused by storm or ingress of water that all flat felted roof(s) or areas of flat felt roofing, forming part of the buildings at the premises either owned by the insured or for which they are legally responsible shall be subject to inspection no less than once every 2 years by a qualified builder or surveyor and any defects identified by that inspection shall be repaired within 30 days of inspection.

IN ADDITION THE COMPANY WILL PROVIDE COVER UNDER THIS SECTION AS FOLLOWS

Capital Additions

The cover under this Section includes

- (1) any newly erected or acquired buildings
- (2) alterations additions and improvements to buildings (but not for any appreciation in value) anywhere within the geographical limits

Provided that

- (a) at any one location this cover does not exceed 10% of the total of the sums insured on buildings shown in the schedule applicable to this Section or £500,000 whichever is less
- (b) you undertake to give particulars when this cover is required as soon as practicable and in any event at intervals of not more than six months and undertake to pay such additional premium as the company will require for insurance dating back to the date when the company's liability began

Contracting Purchasers

If at the time of loss or destruction of or damage to any buildings you have contracted to sell your interest in any buildings covered by this Section and the purchase is not completed but will be completed at a later date the purchaser will on completion of the purchase (in so far as the buildings is not insured elsewhere against such damage by or on his behalf) be entitled to benefit under this Section until completion of the purchase without affecting your rights and liabilities under this Section or those of the company

Debris Removal Costs

The insurance by each Item in the schedule applicable to this Section includes necessary costs and expenses you incur with the company's consent in

- (1) removing debris from
- (2) dismantling and/or demolishing
- (3) shoring up or propping

Provided that the company's liability for damage and debris removal costs will not exceed in total during any one period of insurance the sum insured stated for each Item in the schedule applicable to this Section

Defective Premises Act

Insofar as this Section indemnifies the insured against liability at law for compensation arising out of the ownership of buildings, such indemnity shall apply to liability incurred by them by virtue of Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 or any subsequent amendment to them, in connection with buildings which have been disposed of by you.

The company shall not be liable under this Extension

- (1) in respect of such injury or damage happening prior to such disposal;
- (2) for the cost of remedying any defect or alleged defect which results or, if not remedied may result in injury or damage to the buildings aforesaid; or
- (3) if you are entitled to indemnity from any other source.
- (4) for injury or damage in connection with buildings which were owned by you

Interested Parties

It is understood that other parties may have an interest in certain buildings insured by this policy. The nature and extent of this interest must be disclosed in the event of damage.

Professional Fees

The cover under this Section for buildings includes necessary architects' surveyors' consulting engineers' legal and other fees you incur in reinstating your buildings following its damage as insured by this Section but not for preparing any claim

Provided that the company's liability for damage and professional fees will not exceed in total the sum insured for each Item in the schedule applicable to this Section

Property owners' liability

This insurance covers sums which the insured shall become legally liable to pay as compensation to any person other than an employee together with costs and expenses for accidental injury or damage to buildings solely in connection with their ownership of or responsibility for the buildings insured by this Section.

The company's liability under this Extension for all compensation payable to any one claimant or any number of claimants in respect of or arising out of all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the sum of £5,000,000.

In addition, the company will pay costs and expenses.

This Extension does not apply to or include liability arising

- (1) under any contract of indemnity which imposes upon the insured a liability they would not otherwise have been under; or
- (2) from boilers (other than a boiler used for domestic purposes only) or pressure plant
- (3) the first £250 of damage to third party property

Theft of fixed fabric of the buildings

Cover includes damage by theft, or attempt thereof of the fixed fabric of the building covered by this Section, including fixed external CCTV and security lighting equipment, but excluding:-

- (1) damage of or to any unoccupied building unless agreed otherwise by the company in writing
- (2) damage involving the collusion of insured or any employee(s)
- (3) the amount of the excess shown in the schedule or £500 whichever is the greater

Provided that the liability of the company shall not exceed £25,000 in any one period of period of insurance

Trace and Access

In the event of damage resulting from escape of water or oil as covered by this policy, the company will pay

- (1) the costs necessarily and reasonably incurred in locating the source of such damage and subsequently making good and
- (2) the cost of repairing or replacing tanks, apparatus, pipes or appliances which have been damaged by freezing.

Provided that the company shall not pay more than £25,000 or 10% of the sum insured by this Section, whichever is the lesser, nor make a payment under this Extension if payment is being made under Section 1 of this policy for the same incident.

SECTION 9 EQUIPMENT BREAKDOWN

This Section applies only if a Sum Insured is shown against this Section in the schedule

INSURING CLAUSE

In the event of an accident to covered equipment within the geographical limits owned by the insured or for which the insured is responsible during the period of insurance the company will indemnify the insured in respect of any loss resulting from such damage or at its option replace or reinstate such covered equipment in accordance with the provisions of the policy, provided that:-

- (1) during the period of insurance the liability of the company under this Section shall not exceed the total sum insured under Section 1 (Contents) or £1,000,000, whichever is the lesser amount.
- (2) such limit will not be reduced by the value of any claim for damage in the period of insurance unless the insured or the company advises to the contrary within 30 days of the loss.

DEFINITIONS TO THE EQUIPMENT BREAKDOWN SECTION

Accident

damage as a result of

- (1) electrical or mechanical breakdown including rupture or bursting caused by centrifugal force
- (2) artificially generated electrical current including electric arcing that disturbs electrical devices appliances or wires
- (3) explosion or collapse of steam boilers, steam pipes, steam engines or steam turbines owned or leased by the insured or operated under the insured's control
- (4) loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event not otherwise excluded occurring inside such boilers or equipment
- (5) loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event no otherwise excluded occurring inside such equipment
- (6) operator error
- (7) caused by material being processed

If an initial accident causes another accident all shall be considered one accident. All accidents that are the result of the same event shall be considered one accident

Breakdown

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

Fracturing of any part of the covered equipment by frost when such fracture renders the covered equipment inoperative

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

Collapse

The Sudden and dangerous distortion whether or not attended by rupture of any part of the covered equipment caused by crushing stress by force or steam or other fluid pressure other than pressure of chemical action or ignited flue gasses or ignition of the contents

Covered Equipment

Equipment built to operate under vacuum or pressure, (other than weight of contents) or used for the generation transmission or utilisation of energy

None of the following is covered equipment

- (1) structure foundation masonry brickwork cabinet compartment or air supported structure or building
- (2) insulating or refractory material
- (3) sewer piping underground vessels or piping or piping forming part of a sprinkler system
- (4) water piping other than boiler feed water piping boiler condensate return piping or water piping forming a part of a refrigerating or air condition system
- (5) any electricity generating equipment other than emergency back-up power equipment or wind turbines less than 10kw or photovoltaic equipment less than 50kw
- (6) mobile plant and equipment (other than fork lift trucks used by the insured at their premises) dragline excavation or construction equipment
- (7) equipment manufactured by the insured for sale
- (8) tools dies cutting edges crushing surfaces trailing cables non-metallic linings driving belts or bands or any part requiring periodic renewal
- (9) any electronic equipment used for research diagnostic treatment experimental or other medical or scientific purposes
- (10) any manufacturing production or process equipment
- (11) domestic laundry kitchen audio visual and home entertainment equipment when such equipment is used in private living quarters
- (12) equipment owned by tenants of the insured
- (13) **computer systems**

Explosion

The sudden and violent rending of the covered equipment by force of internal steam or other fluid pressure other than pressure of chemical action of ignited flue gasses or ignition of the contents causing bodily displacement of any part of the covered equipment together with forcible ejection of the contents

Manufacturing Production of Process Equipment

Any machine or apparatus which takes in processes forms, cuts shapes, grinds or conveys raw materials, material undergoing the process or the finished product including any equipment forming a part of the dedicated power supply driving or controlling mechanism for such machine or apparatus

Verified

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

EXTENSIONS TO THE EQUIPMENT BREAKDOWN SECTION

Business Interruption

If Business Interruption cover is operative under this policy the company will indemnify the insured for consequential losses as insured by Section 2 of this policy by an accident to covered equipment subject to:-

- (1) a maximum of £100,000 in respect of any one claim and in total for all claims in any period of insurance
- (2) the company shall not be liable for any losses incurred within the first 24 hours of any such interruption

Contents of Oil Storage Tanks

The company will indemnify the insured for loss of the contents of oil storage tanks belonging to the insured or for which the insured is responsible at the premises by

- (1) Escape of contents – leakage, discharge or overflow from the oil storage tanks caused by or resulting from an accident
- (2) Contamination – contamination of the contents of the oil storage tanks caused by or resulting from an accident including cleaning costs incurred as a result of such loss

This Extension excludes

- (1) Loss caused by fire howsoever the fire may have been caused
 - (2) Loss resulting from corrosion erosion or wasting
 - (3) Contamination of the contents resulting from
 - (a) The natural settling, separation or accumulation of fluids or materials constituting the normal contents
 - (b) The deliberate use of fluids or materials in the oil storage for cleaning flushing or similar purposes
 - (4) Loss sustained whilst oil storage tanks are in transit
 - (5) Costs or expenses arising from pollution or contamination of property not covered by this Extension
- This Extension is provided subject to a maximum of £5,000 in respect of any one accident or series of accidents arising out of one occurrence

Expediting Expenses

With respect to damaged covered equipment the company will indemnify the insured for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement subject to an aggregate maximum of £20,000 in any one period of insurance

Hazardous Substances

The company will indemnify the insured for the additional cost to repair or replace covered equipment due to contamination or pollution by a hazardous substance. This includes the additional expenses to clean up or dispose of such covered equipment

Hazardous substance means any substance other than ammonia that has been declared to be hazardous to health by a government agency

Additional costs mean those beyond what would have been required had no hazardous substance been involved

This Extension

- (1) includes consequential loss as described in Section 2 only if Section 2 is operative
- (2) is provided subject to a maximum of £10,000 for any one loss

Hire of Substitute Item

If covered equipment is damaged as a result of an accident the company will indemnify the insured against the cost of hire charges actually incurred by the insured during the period of insurance for the necessary hire of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item damaged subject to an aggregate maximum limit of £5,000 in any one period of insurance

Loss Avoidance Measures

The company will indemnify the insured for reasonable costs necessarily incurred to take exceptional measures to prevent or mitigate impending damage to covered equipment as a result of an accident provided that

- (1) damage would reasonably be expected if such measurements were not implemented
- (2) the company are satisfied that damage has been avoided or mitigated by means of the exceptional measures
- (3) the amount payable shall be limited to the cost of damage which would have otherwise occurred
- (4) if damage had occurred it would have resulted in a claim that would have been accepted by the company under this Section of the policy

This Extension is provided subject to an aggregate maximum of £5,000 in any one period of insurance

Public Authorities/Law or Ordinance

If an accident to covered equipment damages Buildings and the loss is increased by enforcement of any public authority ordinance or law in force at the time of the accident that regulates the construction or repair of buildings or establishes zoning or land use requirements the company will indemnify the insured for the following additional costs to comply with such ordinance or law

- (1) the insured's actual expenditures for the cost to demolish and clear the site of undamaged parts
- (2) the insured's actual expenditures for increased costs to repair, rebuild or construct the Buildings. If the Buildings are repaired or rebuilt it must be intended for similar use or occupancy as the current Buildings unless otherwise required by zoning or land use ordinance or law
- (3) consequential loss as described in Section 2 as a result of (1) or (2) above only if Section 2 is operative

The company shall not be liable for

- (1) any fine
- (2) any liability to a third party
- (3) any increase in loss due to a hazardous substance other than as specifically insured under Hazardous Substances Extension
- (4) increased construction costs until the Buildings are actually repaired or replaced

This Extension is within and does not increase the sum insured for such buildings stated in Section 8 of the policy schedule

BASIS OF SETTLEMENT CLAUSE

Subject to the following Special Conditions the basis upon which the amount payable in respect of covered equipment is to be calculated shall be the reinstatement of the covered equipment the subject of an accident

For this purpose reinstatement means

- (1) the replacement of covered equipment the subject of an accident which provided the liability of the company is not increased may be carried out
 - (a) in any manner to the requirements of the insured
 - (b) upon another site
- (2) the repair or restoration of covered equipment the subject of an accident in the case of (1) or (2) to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

SPECIAL CONDITIONS

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

CONDITIONS TO EQUIPMENT BREAKDOWN SECTION

Precautions

The insured shall exercise due diligence in

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

EXCLUSIONS TO THIS SECTION

The company shall not be liable for

- (1) damage caused by or resulting from
 - (a) any loss insured by Section 1 - Contents, Section 7 - Computer Breakdown or Section 8 - Buildings
 - (b) a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
 - (c) mould fungus mildew or yeast whether or not such matter is living including any spores toxins vapour gas emissions or substances produced by or emanating from such mould fungus

- (a) mildew or yeast
 - (b) depletion, deterioration, corrosion, erosion, wear and tear or other gradually developing conditions but if loss or damage from an accident results the company shall be liable for that resulting loss or damage
 - (c) loss due to solidification, biological activity or spontaneous chemical reaction in the contents of tanks
 - (d) any fines or penalties
 - (e) any liability to a third party
 - (f) an excess of £500 each and every claim
- (2) loss or damage recoverable under the maintenance agreement or any warranty or guarantee or which would be recoverable but for breach of the insured's obligations under the agreement.

SECTION 10 THEFT BY EMPLOYEE

This Section applies only if Limits of Indemnity are shown against this Section in the schedule

INSURING CLAUSE

In the event of direct loss of money or other property belonging to or legally held by you by any act of theft committed by any employee during the period of insurance and discovered no later than 24 months after the termination of:-

- (1) this Insurance; or
- (2) the Insurance in respect of any employee specified by name or position whichever occurs first

the company will indemnify the insured for the amount of loss up to the limit of indemnity stated in the schedule

DEFINITIONS TO THE THEFT BY EMPLOYEE SECTION

References

means written or fully documented verbal references obtained directly from 1 to 5 below for the period of 2 years immediately preceding the commencement of employment of the employee with the insured.

- (1) previous employers in respect of any period(s) of employment confirming the dates and honesty of the employee
- (2) the accountant and one other customer in respect of any period(s) of self employment confirming the dates and honesty of the employee
- (3) the school, college or similar in respect of any period(s) of full-time education confirming the dates and not indicating dishonesty by the employee
- (4) the Job Centre in respect of any period(s) of unemployment of the employee
- (5) where the employee has been discharged from HM Forces the insured should take a copy of the original discharge papers as evidence of the dates of service.

The maximum gap between two consecutive references without a further reference for the gap should be 28 days.

If the insured cannot obtain a reference for any period, the insured must obtain evidence of what the employee was doing, which must not indicate dishonesty (for example for overseas travel the evidence might be a copy of the passport).

Theft

means any act of fraud or dishonesty by an employee committed with the clear intent of obtaining an improper financial gain for themselves or for another person or organisation intended by the employee to receive such gain other than salaries fees commissions or other employee benefit earned in the normal course of employment.

BASIS OF PAYMENT

The liability of the company will not exceed the limit stated in the policy schedule to any one employee and in respect of all claims during the period of insurance

EXCLUSIONS TO THE THEFT BY EMPLOYEE SECTION

This Section does not cover

- (1) an excess of £500 of each and every claim unless otherwise stated in the schedule
- (2) loss of interest or consequential loss of any kind
- (3) any loss which proof is dependent upon an inventory or a profit and loss computation
- (4) loss caused by any person hired or borrowed by the insured from another employer
- (5) loss caused by the act of any employee prior to the commencement of cover for that employee
- (6) a director who controls more than 5% of the issued share capital of the insured

SPECIAL CONDITIONS TO THE THEFT BY EMPLOYEE SECTION

- (1) any money of the employee held by the insured or any money or assets which, but for the act of fraud or dishonesty have been due to the employee shall be deducted from the amount of loss. Any subsequent recovery shall be shared in the proportion that the amount of the loss borne by company and the insured bears to the total amount of loss.
- (2) In the event of any claim the insured shall identify, by name, the employee who has committed the acts insured against giving rise to the loss which is the subject of such claim.
- (3) Immediately following discovery by the insured or any other person responsible for supervising employees of any act of fraud or dishonesty committed by an employee, this Insurance shall cease in respect of any further acts of fraud or dishonesty by such employee
- (4) the insured should retain references for all employees as they will need to produce them for each employee involved or implicated in a claim who was engaged on or after the commencement date of this Insurance.
- (5) The following Minimum Standards of Control and Supervision regarding financial matters of the insured's business are the company's minimum requirements and shall be operated or brought into force by the insured, and maintained throughout the period of insurance. No changes shall be made to the Minimum Standards of Control unless agreed in writing by the company:-
 - (a) Audit: the insured's accounts must be examined by external auditors every 12 months. Any recommendations made by the auditors, or alternatives acceptable to them, must be implemented by the insured without delay
 - (b) Cheque signing: any cheque or other bank instruments drawn for more than £5,000 shall require two signatories, both manually signed, after the amount payable has been inserted. At least one signatory must examine all the supporting documentation before signing. The insured's bank must be aware of this requirement.
 - (c) Payroll: For all employees not paid by crossed cheque or credit transfer, the amount of the total payroll shall be subject to an independent check before payment is made to verify the amount being drawn. At least once per quarter and independently of persons responsible, the payroll must be checked to ensure correct and no sign of inflated payments or fictitious names.
 - (d) Stocktaking: there must be an annual physical check on all stock and materials held against verified records of stock held, independently of employees responsible for stock
 - (e) Computer security: security controls and checks over computer functions must be integral to the system, with reconciliations made as necessary. Responsibilities for processing of transactions, authorisation of transactions and handling of output, shall be exercised by different employees.

IN ADDITION THE COMPANY WILL PROVIDE COVER UNDER THIS SECTION AS FOLLOWS

Auditors fees

The company will indemnify the insured against the cost of auditors' fees incurred with the company's written consent solely to substantiate a claim under this Section, provided that the indemnity so provided shall not increase the limit of liability provided.

SECTION 11 PERSONAL ACCIDENT

This Section applies only if Amounts of Benefit are shown against this Section in the schedule

INSURING CLAUSE

In the event of insured or any employee suffering bodily injury during the period of insurance, the company will pay the benefit shown below for the number of units stated in the policy schedule in respect of the insured persons.

DEFINITIONS TO THE PERSONAL ACCIDENT SECTION

Insured Persons

means persons and or categories of employees named in the policy schedule

Bodily Injury

Injury caused by

- (1) accidental, violent, external and visible means; or
- (2) exposure to the elements following a misfortune to any aircraft, vessel, in which an insured person is travelling, excluding any illness or disease.

Medical Expenses

means the cost of medical, surgical or other remedial attention, treatment or appliances given or prescribed by a qualified member of the medical profession and all hospital, nursing home or ambulance charges.

Permanent Disablement

means

- (1) total loss of use or physical severance of a limb at or above the wrist or ankle
- (2) loss of an eye or total and irrecoverable loss of sight in one or both eyes or loss of speech or hearing
- (3) permanent and total disablement from engaging in or giving attention to a profession business or occupation of any kind

Temporary Total Disablement

means disablement other than Permanent Disablement preventing the insured person from engaging in or giving attention to their usual business profession or occupation

Benefits

	Bodily Injury causing	One unit of Benefit
1.	death	£10,000
2.	total and irrecoverable loss of all sight in one or both eyes rendering the insured person absolutely blind in the eye or eyes beyond remedy by surgical or other treatment	£10,000
3.	total loss by physical severance or complete and irrecoverable loss of use of either one or both hands or one or both feet	£10,000
4.	permanent total disablement (other than as provided by benefits 2 and 3) entirely preventing the insured person from engaging in or giving attention to their usual occupation	£10,000
5.	temporary total disablement entirely preventing the insured person from engaging in or giving attention to their usual occupation	£100 per week
6.	medical expenses necessarily incurred in the treatment of the Reimbursement up to insured person	15% of Item 5

EXCLUSIONS TO THE PERSONAL ACCIDENT SECTION

This Section does not cover

- (1) the first 14 days of temporary total disablement
- (2) the first 28 days of temporary total disablement resulting from playing any type of football rugby or field hockey.
- (3) bodily injury resulting from an insured person taking part in or practicing for
 - (a) abseiling, boxing, caving, hunting, ice hockey, judo, martial arts, polo, potholing, professional sports, sub aqua diving, water skiing, winter sports or wrestling;
 - (b) flying and aerial activities of any kind other than as a fare paying passenger (not carrying out any duties in connection with the flight) in a properly certified or licensed aircraft constructed to carry passengers;
 - (c) mountaineering or rock-climbing which would normally necessitate the use of ropes or guides; or
 - (d) racing of any kind other than on foot or swimming.
- (4) bodily injury resulting from the use by an insured person of
 - (a) a motorcycle (as driver or passenger); or
 - (b) fixed power driven woodworking machinery.
- (5) bodily injury arising from
 - (a) any pre-existing defect, infirmity, medical condition or chronic or recurring ailment of which an insured person is aware or could reasonably be expected to have been aware unless it has been declared in writing to and accepted by company; or
 - (b) pregnancy or childbirth.
- (6) bodily injury sustained while under the influence of or due wholly or partly directly indirectly to the taking of alcohol or drugs, other than drugs taken as directed and prescribed by a qualified and registered medical practitioner, but not for the treatment of drug addiction.
- (7) an insured person committing or attempting to commit suicide.
- (8) self-inflicted bodily injury.
- (9) willful exposure to danger except in an attempt to save human life.
- (10) bodily injury sustained by any insured person under 16 or over 65 years of age at the commencement of the period of insurance.
- (11) bodily injury resulting solely in the inability to take part in sports or pastimes.
- (12) bodily injury resulting from an insured person's own criminal act or taking part in civil commotion.
- (13) bodily injury resulting from use of nuclear, chemical or biological weapons of mass destruction, howsoever these may be distributed or combined.

Use of nuclear weapons of mass destruction means the use of any explosive nuclear weapon or device or the emission, discharge, dispersal or escape of fissile material emitting a level of radioactivity capable of causing incapacitating disablement or death amongst people or animals.

Use of chemical weapons of mass destruction means the emission, discharge, dispersal, release or escape of any solid, liquid or gaseous chemical compound which, when suitably distributed, is capable of causing incapacitating disablement or death amongst people or animals.

Use of biological weapons of mass destruction means the emission, discharge, dispersal, release or escape of any pathogenic (disease producing) micro-organism(s) and chemically synthesised toxin(s) (including genetically modified organisms and chemically synthesised toxins) which are capable of causing incapacitating disablement or death amongst people or animals.

SPECIAL CONDITIONS TO THE PERSONAL ACCIDENT SECTION

- (1) Claims shall not be payable under more than one of benefits 1 to 5 in respect of the same bodily injury or the same period of disablement, except that payment may be made under Benefit 5 for any period prior to being made under benefits 1, 2, 3 or 4, provided that the amount already paid under benefit 5 shall be deducted from the payment due under benefits 1, 2, 3 or 4. After a claim has been paid under one of benefits 1, 2, 3 or 4, no further liability shall attach to company in respect of the insured person.
- (2) Benefit 4 shall be payable only on certification by a medical referee of permanent total disablement and not before the expiry of 104 consecutive weeks temporary total disablement.
- (3) The maximum weekly amount payable under Benefit 5 shall not exceed 75% of the Gross Weekly Wage.
- (4) The maximum amount payable under Benefit 6 Medical Expenses shall not exceed 15% or £5,000 whichever is the less.
- (5) Benefit 5 shall be payable up to but not exceeding in all 104 weeks in respect of any period(s) of temporary total disablement resulting from any one bodily injury and shall be paid at the end of any period of disablement or, at your request, at periodic intervals of not less than 4 weeks.
- (6) The insured person shall take all practical steps to minimise any bodily injury.
- (7)
 - (a) The insured person shall, as often as required and at company's expense, submit to examination by a medical practitioner of company's choice.
 - (b) the company shall be entitled to a post mortem examination at company's own expense in the event of the death of an insured person.
- (8) You must inform the company in writing as soon as possible
 - (a) of any change in an insured person's occupation, habits, leisure pursuits or bodily powers; or
 - (b) after receipt of a renewal invitation of any bodily injury or change in state of health not already notified to company suffered since the previous renewal date.
- (9) This Section is not assignable and your receipt or your legal representatives' receipt shall be a valid discharge of company's liability.
- (10) You must inform the company in writing as soon as possible if other insurance (other than temporary travel) against bodily injury is affected on behalf of an insured person.
- (11) General Condition (7) (Duty of Fair Representation) sets out the obligations upon the insured to make a complete and accurate presentation of the risk, and the company's rights and remedies in the event of a breach of this duty. The company hereby agrees that in the event that such a breach arises solely from misrepresentation by or on behalf of an insured person in connection with this Section, that the rights and remedies of the company shall only apply in respect of the cover for that insured person, and the remainder of the policy will be unaffected.
- (12) The maximum liability of the company arising out of any single incident involving bodily injury to more than one insured persons shall not exceed £250,000

ADDITIONAL BENEFITS - CYBERSCOUT

Working in partnership with Cyberscout, your policy includes access to bespoke cyber protection support and relevant educational services to help you avoid becoming a victim of a cyber incident. The details of how to access this service can be found on your policy schedule.



Commercial Cyber Assistance

In Partnership with Cyberscout



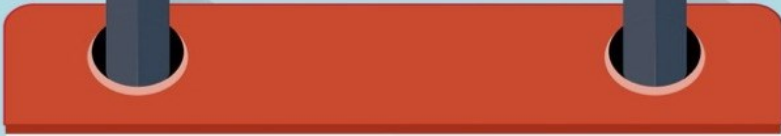
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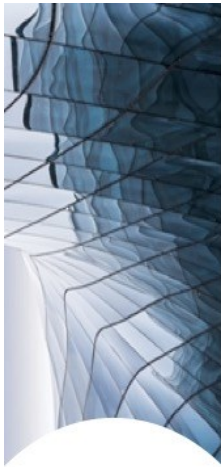
60% of small businesses go out of business following an incident due to bad press and cost. (UPS Capital)	91% of organisations have suffered at least one business-disrupting cyber event in the past 24 months. 60% have experienced two or more. (Ponemon Institute, 2019)	71% of all cyber assaults occur at businesses with less than 100 employees. (UPS Capital)
The average ransomware attack costs a company \$713,000 per incident (Tech Transformers)	Ransomware damages will cost the world \$5 billion, up from \$325 million in 2015 – a 15X increase in just 2 years (CyberSecurity Ventures)	It takes organizations an average of 191 days to identify data breaches (TekMonks)

Cyber Landscape

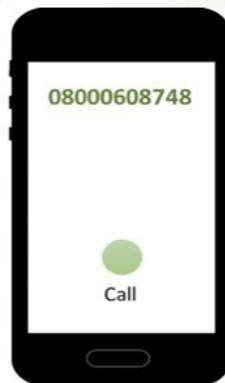
While small to mid-sized businesses may not initially consider themselves to be a worthwhile target, the reality is that they are impacted as significantly as larger enterprises.

Like no other time in history, businesses of every size are facing serious cyber risks to their operations. From stolen laptops, misrouted emails, careless website updates, employee error, viruses and hackers and more, the consequences can have a crippling effect on an organisation. Common risks include:

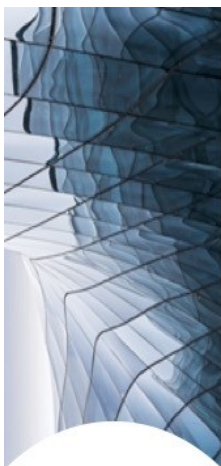
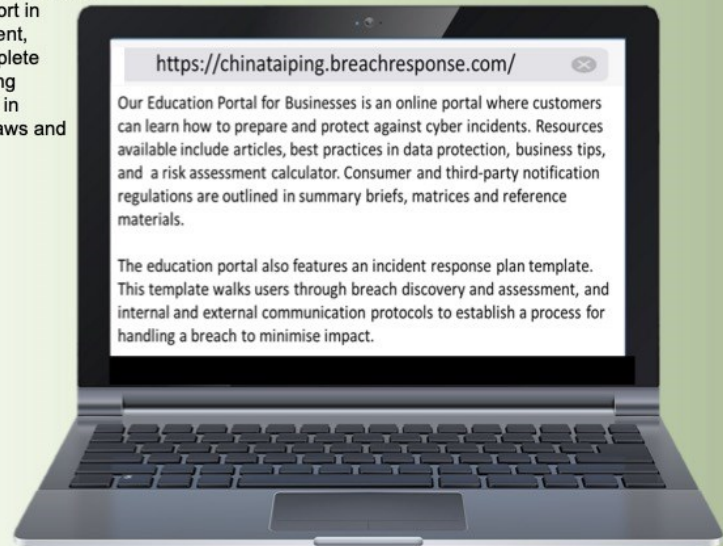
- Malware
- Phishing Schemes
- Ransomware
- Employee Error
- Electronic Funds Transfer Schemes
- Telecommunications Services Theft
- Intellectual Property Loss



With our Cyber Services, you and your customers will receive valuable educational resources and tools that help you better understand your data risk and take steps to prepare for a cyber incident. If a data breach does occur, you and your customers will have access to a hotline to call for support in determining the extent of the incident, guidance on remediation and complete support for identifying and executing notifications to affected individuals in accordance with relevant breach laws and regulations.



Services Overview

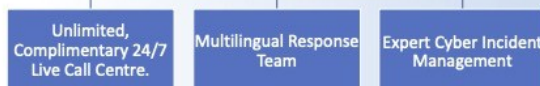


Many businesses feel a false sense of security believing cyber incidents are only an IT-related issue or that compliance with common regulatory frameworks fully protects them. While these steps are certainly helpful, they are not a complete solution.

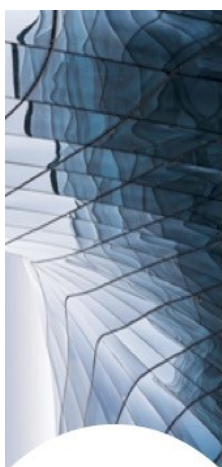
We provide any and all of the following cyber services to assist you and your customers:

Please note that some resolutions may incur a charge if additional services are required e.g. expert technical support, legal support

Services Overview



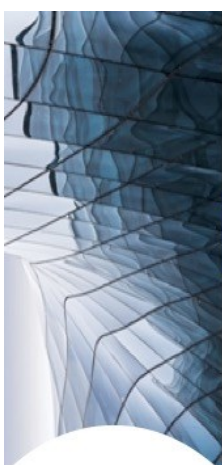
- Proactive Cyber Queries & Concerns
- Cyber Crisis Management
- Evidentiary Support
- Notification Assistance
- Email, postal mail, webpage
- Forensic Cyber Incident Response
- Virtual Investigation
- Facilitate Ransomware Payment
- Engagement with third-party specialists
- Legal providers
- PR firms
- IT Solutions
- Breach Victim Remediation
- Credit Monitoring
- Dark Web Monitoring
- Post-Breach Call Centre Support
- Victim Services Fraud Call Centre



Examples of Resolution Services

Type of Cyber Event	Example Scenario	Examples of Commercial Cyber Guidance Provided by our Resolution Center
Privacy Breach Response	A retail company's network was breached and hackers took customer information from the server.	<ul style="list-style-type: none"> • Multilingual services available. • Breach remediation services • Notification guidance
Liability	A community bank is breached and hackers stole social security numbers and bank account data from customer files. He sold the information to an internet site that used it to create false identities for criminals. The business incurred legal expenses and damages from lawsuits.	<ul style="list-style-type: none"> • Breach remediation services • Notification guidance • Engagement with third-party specialists • Evidentiary support • Proactive mitigation services
Cyber Crime	A social engineering criminal called an employee posing as an IT support person and convinced him to divulge his password. He then used this information to access server and steal data including customer data and PII.	<ul style="list-style-type: none"> • Breach remediation services • Evidentiary Support
System Data Restoration	A manufacturing company experienced a ransomware virus and all systems have been shut down.	<ul style="list-style-type: none"> • Forensic evaluation and response

Please note that some resolutions may incur a charge if additional services are required e.g. expert technical support, legal support



Examples of Resolution Services continued...

Type of Cyber Event	Example Scenario	Examples of Commercial Cyber Guidance Provided by our Resolution Center
Extortion	A hacker stole the encryption key to a company's entire operation system and threatened to make all business and customer data public if they did not pay.	<ul style="list-style-type: none"> • Engagement with third-party specialists • Facilitate ransomware payment
Business Interruption (BI)	Due to an employee clicking a phishing link, a cloud software company's system is hacked forcing their platform to go down.	<ul style="list-style-type: none"> • Forensic evaluation and response
Reputational Harm	A Distributed Denial of Service (DDOS) attack occurs and an online retail company website is overloaded with requests organized by a malicious party, causing the website to go down for 48 hours. The business experiences a significant loss of revenue.	<ul style="list-style-type: none"> • Engagement with third-party specialists • Evidentiary Support

Please note that some resolutions may incur a charge if additional services are required e.g. expert technical support, legal support



How to get our Help

Access our services

- ❖ Call our 24/7/363 hotline on **08000608748** and talk to one of our specialists
- ❖ We can service the line from 3am-10am GMT in Mandarin Chinese
- ❖ Go online to access our dedicated educational portal:
<https://chinataiping.breachresponse.com/>

CLAIMS CONDITIONS AND NOTIFICATION

CLAIMS GENERAL CONDITIONS

The following Conditions apply to all Sections of this policy and the insured must comply with them or this policy may not be in force

(A) The insured's responsibilities

(1) notify the company or their insurance intermediary as soon as is practicable, but no later than the following timescales, and give full details of the occurrence:-

- (a) seven days of damage caused by riot civil commotion strikes labour disturbances or malicious persons
- (b) 30 days of the expiry of the maximum indemnity period in the event of a claim under the Business Interruption Section of this policy
- (c) 30 days of damage by any other cause or injury insured by this policy
- (d) forward to the company immediately on receipt and without answering it any letter claim writ summons or process

(2) inform the police as soon as practicable no later than 5 days of any malicious damage, Violent disorder or riot or civil commotion, or act of terrorism or the theft or loss of any property insured or money

(3) send to the company at their own expense a written claim together with such detailed particulars and proofs certificates or other documents as may reasonably be required by the company and send also details of any other insurance covering the loss, destruction, damage, injury or liability for which they are claiming indemnity under this policy.

(4) take all reasonable steps to diminish or avoid the damage and to minimise any interruption of or interference with the business, or risk of injury

(5) not negotiate with nor make any admission of liability nor offer payment or promise to any party without the company's written consent

(6) must retain ownership of their property at all times, and not abandon any property to the company. The company will not take ownership, possession or accept liability for any of the insured's property unless agreed in writing first.

The company shall be under no obligation to settle a claim under this policy unless the terms of this Condition have been complied with and any payment on account of a claim already made shall be repaid to the company.

(B) The company's rights

(7) If any event happens which may give rise to a claim under this policy the company will be entitled to:-

- (a) enter the building where damage has occurred and to take and keep possession of damaged property insured herein and to deal with the salvage in a reasonable manner and this Condition shall be proof of your consent for such purpose - no property may be abandoned to the company;
- (b) exercise sole conduct and control over the defence or settlement of any claim made upon the insured or any other person covered by this policy by any other party
- (c) prosecute in the insured's name or the name of any other person covered by this policy, but for the company's benefit, any claim for damages or indemnity

(8) In the event of any claim under this policy, the insured shall at the company's request and expense take and permit to be taken all necessary steps for enforcing rights against any other party in your name before or after any payment is made by the company

(9) The insured will provide all help and assistance and co-operation required by the company in connection with any claim.

(10) The company may at any time pay to the insured in connection with any claim, or series of Claims, the amount of the limit of indemnity or the sum insured, or such lesser amount as the claim or claims can be settled for, after the deduction of any amounts already paid and the amount of any excess

The company will not make any further payment in respect of such claim, or claims, except for costs and expenses which they have already agreed to bear and which were incurred prior to such payment

Procedure for notifying claims

(A) applicable to all Sections other than Legal Expenses claims under Section 6

In the event of an incident which may give rise to a claim, the insured must notify the company, or their insurance intermediary, giving full details of what has happened as soon as possible, and in accordance with the timescales detailed in Claims Condition (1). To notify us, please contact the Claims Department, quoting your policy number, via:-

Telephone: 020 7839 1888; or Facsimile: 020 7621 1202; or

via e-mail at: newclaims@uk.cntaiping.com

or write to us at: China Taiping Insurance (UK) Co Ltd, 2 Finch Lane, London EC3V 3NA

(B) applicable to any Legal Expenses claims under Section 6

All claims are handled on the company's behalf by Independent Living Group (ILG) and in the event of an incident that may arise in a claim they should be contacted in writing at the address shown below. Reference to the company in this section in relation to the control and handling of any claim the insured make may refer to either the company or Independent Living Group (ILG) acting on company's behalf.

NB: Please note that in respect of Cover (1) for Employment Disputes, you must contact the Legal Advice Service, and to follow all the advice provided by them, prior to taking any steps of instituting any disciplinary action, redundancy process or making a material change to an employee's contract of employment

Legal advice service: **Independent Living Group (ILG)**

Address: **Premier House, Londonthorpe Road, Grantham, Lincolnshire NG31 9SN**

Telephone: **01476 513 796**

Quoting reference: **China Taiping**

PRIVACY AND YOUR PERSONAL INFORMATION

China Taiping Insurance (UK) Co Ltd are the data controller (as defined by the UK Data Protection Act 2018 and all applicable laws which replace or amend it, including the General Data Protection Regulation) in respect of this contract of insurance. **We** may obtain, collect and process **your** personal information for the purposes of entering into and performing **our** insurance contract with **you**.

For full details of what data **we** collect about **you**, how **we** use it, who **we** share it with, how long **we** keep it and **your** rights relating to **your** personal data, please refer to **our** [Privacy Notice](https://uk.cntaiping.com/uk-privacy/) which is available on **our** website at: <https://uk.cntaiping.com/uk-privacy/>

If **you** do not have access to the Internet, please write to **our** Data Protection Officer (at the address shown below) with **your** name and address and a copy will be sent to **you** in the post.

In summary, **we**, may, as part of **our** agreement with **you** under this contract, collect personal information about **you**, including:-

- Name, address, contact details, date of birth and cover required
- Financial information such as previous credit history, bank details
- Details of any previous insurance claims.
- Information for Employers' Liability Database records (if Employers' Liability insurance is included)

We may also collect sensitive personal information about **you**, and any additional people who **you** wish to be insured under the policy, including medical records to validate a claim should **you** be claiming for sickness or an accident.

We collect and process **your** personal information for the purpose of insurance and claims administration.

Telephone calls may be monitored and recorded and the recordings used for fraud prevention and detection, training and quality control purposes.

Your personal information may be shared with third parties which supply services to us or which process information on **our** behalf (for example, premium collection and claims validation, or for communication purposes related to **your** cover). **We** will ensure that they keep **your** information secure and do not use it for purposes other than those that **we** have specified in **our** [Privacy Notice](#).

Some third parties that process **your** data on **our** behalf may do so outside of the European Economic Area ("EEA"). Where such transfers occur, **we** ensure that they do not occur without **our** prior written authority and that an appropriate transfer agreement is put in place to protect **your** personal information to an equivalent standard to that found in the EEA.

We will keep **your** personal information only for as long as **we** believe is necessary to fulfil the purposes for which the personal information was collected (including for the purpose of meeting any legal obligations).

We will share **your** information if **we** are required to by law. **We** may share **your** information with enforcement authorities if they ask us to, or with a third party in the context of actual or threatened legal proceedings, provided **we** can do so without breaching data protection laws.

If **you** have any concerns about how **your** personal data is being collected and processed, or wish to exercise any of **your** rights detailed in **our** [Privacy Notice](#), please contact **our** Data Protection Officer at:-

China Taiping Insurance (UK) Co Limited;
2, Finch Lane, London EC3V 3NA
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