



# COMMERCIAL COMBINED INSURANCE POLICY

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## INTRODUCTION

The proposal form and declaration signed and dated by you forms the basis of this Insurance.

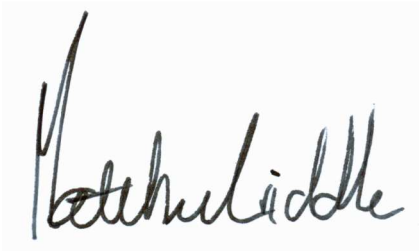
We have relied upon the details contained in it to decide whether to accept this Insurance and to determine the terms of such acceptance. You must ensure that all the statements in the proposal form are accurate and that you have not withheld any material facts, otherwise this Insurance may be avoided.

You must inform us of any change in circumstances which may materially affect this Insurance, if you are in any doubt you should consult us.

Please read this Insurance together with the Schedule and if incorrect notify us immediately of any alterations.

This Certificate has been signed in accordance with the authorisation granted under the Contract (the number of which is specified in the Schedule) issued to the signatory hereon by the Insurer and in consideration of the payment of the premium specified herein, the Insurer is bound to insure in accordance with the terms and conditions contained herein or endorsed hereon.

In witness whereof this Certificate has been signed at the place stated and on the date specified in the Schedule by

A handwritten signature in black ink, appearing to read "Matthew Liddle". The signature is written in a cursive style with a large initial 'M'.

Authorised Signatory  
Naturesave Policies Limited  
58 Fore Street, Totnes, Devon, TQ9 5RU  
Registered in England No: 310631

# GENERAL DEFINITIONS

APPLICABLE TO ALL SECTIONS UNDER THIS INSURANCE (EXCEPT WHERE INDICATED)

## PROPOSAL

Any signed proposal and declaration and any information in addition thereto or in substitution thereof supplied to the Insurer by or on behalf of the Insured.

## THE INSURER

Catlin Insurance Company (UK) Limited.

## BUSINESS

shall mean the Insured's business as described in the Schedule and includes

- a) the ownership repair and maintenance and decoration of the Insured's premises
- b) the provision and management of canteen social sports and welfare organisations for the benefit of any employee fire first aid medical ambulance and security services
- c) participation in exhibitions

## THE INSURED

shall mean the person(s) or company(ies) stated in the Schedule or their personal representatives

## THE PREMISES

The building(s) occupied by the Insured in connection with the Business excluding any building(s) or part of any building(s) incapable of being locked any open space yard or garden.

**EXCESS** (not applicable to Section G – Employers', Public and Products Liability)

The first part of each and every loss which the Insured must bear after the application of any Condition of Average.

## PERIOD OF INSURANCE

Any period for which the Insurer may accept payment of a premium in respect of this Insurance.

# GENERAL EXCLUSIONS

APPLICABLE TO ALL SECTIONS UNDER THIS INSURANCE

### 1. Radioactive Contamination

This Insurance does not cover loss damage cost expense or indemnity against any legal liability of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- b) the radioactive toxic explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

In respect of bodily injury caused to an employee this Exclusion will only apply where such legal liability is

- i) that of any principal
- ii) accepted under agreement and would not have attached in the absence of such agreement

### 2. Sonic Bangs

This Insurance does not cover loss destruction or damage directly caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

### 3. War and Similar Risks

This Insurance does not cover loss or damage directly or indirectly occasioned by happening through or in consequence of war invasion act of foreign enemies hostilities or war like 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 or nationalisation or requisition or destruction of or damage to property by or under the order of any Government or public or local authority.

#### 4. **Millennium**

This Insurance shall not cover liability of whatsoever nature or any physical loss or damages or any consequential loss directly or indirectly caused by or consisting of or arising from the failure of any computer, data processing equipment or media, microchip, integrated circuit or similar device or any computer software, whether the property of the Insured or not, and whether occurring before, during or after the year 2000, to:

- (a) recognise correctly any date as its true calendar date.
- (b) capture, save or retain and/or correctly 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.
- (c) capture, save, retain or correctly process any data as a result of the operation of any programmed command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.

But this shall not exclude:

- A. any ensuing physical loss of or damage to property insured under Section A;
  - (i) resulting from a peril insured under this Insurance and
  - (ii) which is not otherwise excluded;
- B. any consequential loss, as covered under Section F, which may arise from such ensuing physical loss or damage.

Provided that nothing in this or any other provision or extension of this Insurance shall be construed to extend the liability of the Insurer to cover any costs and expenses, whether preventative, remedial or otherwise arising out of or relating to change, alteration or modification of any computer system, hardware, programme, or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the Insured or not.

#### 5. **Electronic Risk**

- (a) This Insurance does not cover loss, damage, destruction, distortion, erasure, corruption, or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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

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

- (b) However, in the event that an insured peril results from any of the matters described in paragraph (a) above, this Insurance, subject to all its terms, conditions and exclusions, will cover physical damage to property insured by this Insurance directly caused by an insured peril.

#### 6. **Terrorism**

This Insurance excludes loss, damage, cost or expense of whatsoever nature occasioned by or happening through or in consequence directly or indirectly of

- (a) TERRORISM regardless of any other cause or event contributing concurrently or in any other sequence to the loss, and
- (b) in Northern Ireland civil commotion

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

This Insurance also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

In any action suit or other proceedings where the Insurer alleges that by reason of this definition any loss or damage is not covered by this Insurance (or is covered only up to a specified limit of liability) the burden of proving that such loss or damage is covered (or is covered beyond a specified limit of liability) shall be upon the Insured.

#### Employers Liability

Notwithstanding the foregoing it is agreed that this Exclusion will not apply to damages payable by the Insured under Section G - Sub Section 1 (where insured by this Insurance) to any claimant or number of claimants in respect of any one claim or all claims of a series arising out of the same occurrence and in the aggregate in any one Period of Insurance up to a limit of GBP 5,000,000 inclusive of all costs and expenses.

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

# GENERAL CONDITIONS

APPLICABLE TO ALL SECTIONS UNDER THIS INSURANCE

## INTERPRETATION

1. Any phrase or word in this Insurance and the Schedule will be interpreted in accordance with the law of England

This Insurance and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Insurance or the Schedule shall bear such specific meaning wherever it may appear

## INSURANCE VOIDABLE

2. This Insurance shall be voidable in the event of misrepresentation, mis-description or non-disclosure in any material particular.

## ALTERATION

3. This Insurance shall be avoided with respect to any part thereof in regard to which there be any alteration after the commencement of this Insurance:-
  - (a) by removal; or
  - (b) whereby the risk of loss, destruction, damage, accident or injury is increased; or
  - (c) whereby the interest of the Insured ceases except by will or operation of law;unless such alteration be admitted by the Insurer in writing.

## WARRANTIES

4. Every warranty shall from the time that the warranty attaches apply and continue to be in force throughout the currency of this Insurance and non-compliance with any such warranty whether it increases the risk or not shall be a bar to any claim.

## CANCELLATION

5. This Insurance may be cancelled at any time at the request of the Insured by giving written notice to the Insurer in the terms set out in Condition 13 below, and the premium hereon shall be adjusted on the basis of the Insurer receiving or retaining the customary short term premium. This Insurance may also be cancelled by or on behalf of the Insurer by sending seven days notice to the Insured's intermediary whereupon the Insured shall become entitled to a refund of a proportionate part of the premium. Notice shall be deemed to be duly received in the course of the post if sent by pre paid letter post properly addressed.

## REASONABLE PRECAUTIONS

6. The Insured shall:-
  - (a) maintain the premises, machinery, plant and equipment in a satisfactory state of repair;
  - (b) take all reasonable precautions for the safety of the Property Insured;
  - (c) take all reasonable precautions to prevent loss, destruction, damage, accident or injury;
  - (d) comply with all statutory requirements and other safety regulations imposed by any authority;
  - (e) keep books with a complete record of purchases and sales;
  - (f) take all precautions to minimise the costs of claims or legal proceedings.

## ARBITRATION

7. If any difference should arise as the amount to be paid under this Insurance (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the Insurer.

## AVERAGE

8. Wherever an item is said to be subject to Average, if at the time of any loss, destruction or damage, its Sum Insured is less than the total value of such property the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss accordingly.

## REINSTATEMENT

9. Except as stated herein to the contrary if the Insurer elects or becomes bound to reinstate or replace any property, the Insured shall at their own expense, produce and give to the Insurer all such plans, documents, books and information as the Insurer may reasonably require. The Insurer shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one item of the items insured more than the Sum Insured thereon.

## **PREMIUM ADJUSTMENT**

10. If any part of the Premium for this Insurance has been calculated on estimates furnished by the Insured the Insured shall keep accurate records containing all particulars relative thereto and shall at all times allow the Insurer to inspect such records

The Insured shall within three months from the expiry of each Period of Insurance furnish such information as the Insurer may require and the premium for such period shall thereupon be adjusted and the difference paid by or allowed to the Insured as the case may be subject to any minimum premium required

The Insurer reserves the right to request that the Insured supplies an auditor's certificate with such calculations that are the subject of adjustment under this Insurance attesting to the accuracy thereof

## **SURVEY CLAUSE**

11. Where cover is subject to a receipt by the Insurer of a satisfactory survey carried out by a surveyor appointed by the Insurer during currency of this Insurance. The Insurer reserves the right to cancel this Insurance with immediate effect or impose special terms and conditions and/or revise the premium rate upon receipt of the survey.

It is condition precedent to liability that the Insured shall implement survey requirement(s) or as otherwise agreed by the Insurer within a period to be agreed by the Insurer and advised to the Insured.

## **CLAIMS CONDITIONS – ACTION BY THE INSURED**

12. (a) On the happening of any loss, destruction, damage, accident or injury which may give rise to a claim the Insured shall in the terms set out in Condition 13 below give written notice to the Insurer as soon as reasonably practicable and shall give all such additional information as the Insurer may require.
- (b) In respect of loss, destruction or damage caused by malicious persons or by theft it is a condition precedent to any claim that immediate notice of the loss, destruction or damage shall have been given by the Insured to the Police Authority.
- (c) The Insured shall within 30 days after such loss, destruction, damage, accident or injury (7 days in the case of loss, destruction or damage caused by theft, riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances or malicious persons) or such further time as the Insurer may in writing allow at the expense of the Insured, deliver to the Insurer a claim in writing containing as particular an account as may be reasonably practicable of the accident, injury or any articles or portions of property lost, destroyed or damaged and of the amount of damage thereto, together with details of any other insurances on the property hereby insured. The Insured shall also give to the Insurer all such particulars and information with respect to the claim as may reasonably be required together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith. No claim under this Insurance shall be payable unless the terms of this condition have been complied with.
- (d) Every letter of claim writ summons or process and all documents relating thereto and any other written notification of a claim shall be forwarded unanswered to the Insurer immediately they are received.
- (e) The Insured shall not negotiate, pay, settle, admit or repudiate any claim without the written consent of the Insurer.
- (f) If the Insured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Insurance shall become void and all claims(s) hereunder shall be forfeited.

## **NOTICE REQUIREMENTS**

13. Where any Condition requires notice to be given to the Insurer that notice shall be given in writing to Naturesave Policies Limited, 58 Fore Street, Totnes, Devon, TQ9 5RU.

## **INSURED'S COMPLIANCE**

14. The Insured shall at all times in addition to their obligations set out in Condition 12 above provide such information to and co-operate with the Insurer or its appointed agents to allow the Insurer to be able to comply with such relevant Practice Directions and Pre-Action Protocols as may be issued and approved from time to time by the Head of Civil Justice

## **SUBROGATION**

15. (a) Any claimant under this Insurance shall at the request and at the expense of the Insurer do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Insurer, for the purpose of enforcing any rights and remedies of or of obtaining relief or indemnity from other parties, to which the Insurer shall be or would become entitled or subrogated upon it paying for or making good any loss, destruction or damage, accident or injury under this Insurance whether such acts and things shall be or become necessary or required before or after indemnification by the Insurer.
- (b) The Insurer who shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute in the name of the Insured for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured shall give all such information and assistance as the Insurer may reasonably require

**DISCHARGE OF LIABILITY**

16. The Insurer may at any time pay the Limit of Indemnity, the Limit of Liability, or the Sum Insured (after the deduction of any sum already paid) or any less amount for which a claim can be settled and shall relinquish the conduct and control of the claim and be under no further liability except for payment of costs or expenses incurred prior to the date of such payment.

**NON CONTRIBUTION**

17. This Insurance does not cover any loss destruction damage legal costs expenses or liability which at the time of happening of such loss destruction damage legal costs expenses or liability is also covered in whole or in part by any other insurance or would but for the existence of this Insurance be covered by any other insurance except in respect of any excess beyond the maximum amount which would be payable under such other insurance had this Insurance not been effected.

**RIGHTS OF THE INSURER**

18. On the happening of any loss, destruction or damage in respect of which a claim is or may be made under this Insurance, the Insurer and every person authorised by the Insurer may without thereby incurring any liability and without diminishing the right of the Insurer to rely upon any condition of this Insurance enter, take or keep possession of the building or premises where the loss, destruction or damage has happened and may take possession of or require to be delivered to it any of the property hereby insured and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the leave and licence of the Insured to the Insurer so to do. If the Insured or anyone acting on behalf of the Insured shall not comply with the requirements of the Insurer or shall hinder or obstruct the Insurer in doing any of the above-mentioned acts then all benefit under this Insurance shall be forfeited. The Insured shall not in any case be entitled to abandon any property to the Insurer whether taken possession of by the Insurer or not.

**EMU CONTINUITY OF CONTRACT**

19. The introduction of the EURO shall not have the effect of altering any terms of this Insurance of discharging or excusing performance under this contract nor give any party the right unilaterally to alter or terminate this Insurance

**DISPUTES CLAUSE**

20. Any dispute concerning the interpretation of the terms Conditions limitations and/or Exclusions contained therein is understood and agreed by both the Insured and the Insurer 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 deemed in accordance with the law and practice of such Court.



## SECTION A MATERIAL LOSS OR DAMAGE

### COVER

Loss or destruction or damage (hereinafter termed "Damage") to the Property Insured described in the Schedule which occurs during the Period of Insurance at the Premises by any of the following Perils which are applicable only if the letter set against them appears on the Schedule subject to the sums insured, terms, conditions and exclusions of this Section.

### PERILS

- A. FIRE excluding Damage
  - i) by explosion resulting from fire
  - ii) to property caused by its undergoing any process involving the application of heat
- B. EXPLOSION excluding Damage
  - i) caused by the bursting of any boiler economiser or other vessel machine or apparatus belonging to or under the control of the Insured in which internal pressure is due to steam only
  - ii) to any vessel machine or apparatus or its contents resulting from the explosion thereof but this shall not exclude Damage caused by explosion of
    - (a) any boiler
    - (b) gas used for domestic purposes only
- C. AIRCRAFT or other aerial devices or articles dropped therefrom
- D. RIOT, CIVIL COMMOTION, STRIKERS, LOCKED-OUT WORKERS OR PERSONS TAKING PART IN LABOUR DISTURBANCES OR MALICIOUS PERSONS excluding Damage
  - (i) arising from confiscation requisition or destruction by order of the Government or any public authority
  - (ii) arising from cessation of work
  - (iii) (a) in the course of theft or attempted theft
  - (b) in respect of any building which is empty or not in use directly caused by malicious persons not acting on behalf of or in connection with any political organisation
- E. EARTHQUAKE excluding Damage caused by fire
- F. SUBTERRANEAN FIRE
- G. Fire only of or to any property or any part thereof caused by its own SPONTANEOUS FERMENTATION, HEATING OR COMBUSTION
- H. STORM OR FLOOD excluding Damage
  - (a) attributable solely to change in the water table level
  - (b) caused by frost subsidence ground heave or landslip
  - (c) to fences gates and movable property in the open
- I. LIGHTNING
- J. ESCAPE OF WATER FROM ANY TANK, APPARATUS OR PIPE excluding Damage
  - (a) by water discharged or leaking from any automatic sprinkler installation
  - (b) in respect of any building which is empty or not in use
- K. IMPACT by any road vehicle or animal
- L. BREAKAGE OR COLLAPSE of television and radio aerials, satellite dishes, aerial fittings and masts
- M. LEAKAGE OF FUEL from any fixed oil heating installation
- N. THEFT (which shall be deemed to include attempted theft) excluding Damage
  - i) which does not involve
    - (a) entry to or exit from that part of the building occupied by the Insured for the purpose of the Business by forcible and violent means, or
    - (b) actual or threatened assault or violence
  - ii) from any part of the building not occupied by the Insured for the purpose of the Business
  - iii) from the open or from any outbuilding
  - iv) to property in transit
  - v) to money and securities of any description
  - vi) caused by or in collusion with the Insured or any partner, director or employee of the Insured or any member of the Insured's family or any other person lawfully on the Premises.
- P. ACCIDENTAL ESCAPE OF WATER FROM ANY AUTOMATIC SPRINKLER INSTALLATION excluding Damage
  - i) by freezing in any building which is empty or not in use
  - ii) by heat caused by fire

- Q. SUBSIDENCE GROUND HEAVE or LANDSLIP excluding Damage
- i) arising from settlement or movement of made-up ground or by coastal or river erosion
  - ii) occurring as a result of the construction demolition structural alteration or structural repair of any property at the Premises
  - iii) arising from normal settlement or bedding down of new structures
  - iv) commencing prior to the granting of cover under this Insurance.

## SECTION A - EXTENSIONS

The undernoted extensions are operative only if specifically mentioned in the Schedule, and are subject otherwise to the limits, terms, conditions and exclusions of this Insurance.

### 1 ACCIDENTAL DAMAGE

The Insurer agrees to insure the Property Insured specified in the Schedule against ALL RISKS OF ACCIDENTAL PHYSICAL LOSS OR DAMAGE occurring during the Period of Insurance at the Premises and subject to the Sums Insured specified in the Schedule excluding

- 1) Damage by any of
  - a) the Perils
  - b) the causes expressly excluded from the Perils specified above or Extensions 2 - 4 (whether or not insured)
- 2) Damage to any property caused by
  - a) its own faulty or defective design or materials
  - b) inherent vice latent defect gradual deterioration wear and tear
  - c) faulty or defective workmanship operational error or omission on the part of the Insured or any of their employees but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded
- 3) Damage caused by
  - a) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
  - b) change in temperature colour flavour texture or finish
  - c) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels of any range of steam and feed piping in connection therewith
  - d) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates but this shall not exclude
    - i) such Damage which itself results from other Damage and is not otherwise excluded
    - ii) subsequent Damage which itself results from a cause not otherwise excluded
- 4) Damage caused by
  - a) pollution or contamination
  - b) acts of fraud or dishonesty
  - c) disappearance unexplained or inventory shortage misfiling or misplacing of information
- 5) Damage to
  - a) a building or structure caused by its own collapse or cracking
  - b) moveable property in the open fences and gates by wind rain hail sleet snow flood or dust
  - c) to property resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair
- 6) Damage to
  - a) property in transit
  - b) money and securities of any description
  - c) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft
  - d) property or structures in course of construction or erection and materials or supplies in connection with all such property in the course of construction or erection
- 7) Loss by delay, loss of market, consequential loss of any and every description

### 2 GLASS

The Insurer agrees to insure

- a) accidental breakage of fixed glass by fracture extending through its entire thickness
- b) Damage to neon and illuminated signs and electric light fittings
- c) accidental breakage of sanitary earthenware
- d) Damage by impact or falling glass to
  - i) the framework and fittings of the ground floor frontage
  - ii) goods on display in windows

excluding

- 1) breakage or Damage
  - i) consequent upon alterations to the framework or position of any of the glass or to neon and illuminated signs and electric light fittings or to sanitary earthenware
  - ii) consequent upon settlement or expansion or contraction of frames and fittings in buildings under construction and during a period of six months after the date of completion of the buildings

- iii) whilst the Premises are empty or not in use unless specifically agreed
- iv) existing prior to the commencement of this insurance and not subsequently replaced
- v) of neon and illuminated signs and electric light fittings
  - a) occasioned by or traceable to wear and tear or gradual deterioration mechanical or electrical breakdown or removal from the fixed position other than by theft or attempt thereat
  - b) of bulbs or tubes unless consequent upon Damage to signs or fittings
- vi) of
  - a) glass which is bent tinted stained and fired or incorporated in multiple glazed units
  - b) lettering or decoration or protective film or alarm foil on glass
 unless to comply with the quality recommended in the British Standard Code of Practice BS 6262:1982
- 2) any consequence of fire or explosion unless more specifically insured under Peril 1

Provided that the liability of the Insurer during any one Period of Insurance shall not exceed the sum insured shown in the Schedule in respect of Extension 2

### 3 ALL RISKS

The Insurer agrees to insure Damage to Property whilst situate anywhere in the territorial limits as specified in the Schedule excluding

- 1) Damage caused by
  - a) wear and tear moth vermin atmospheric or climatic conditions or any gradually operating cause
  - b) alterations maintenance repairs or any process of cleaning or restoring
  - c) delay confiscation or detention by order of any Government of Public Authority
  - d) counterfeit substitute or foreign coins
  - e) mechanical or electrical breakdown or derangement
- 2) breakage of electrical valves bulbs or tubes unless forming part of the property and fixed therein and happening as the result of Damage to such property
- 3) the contents of machines unless such contents are shown in the Schedule
- 4) depreciation contamination consequential loss or consequential damage of any kind or description
- 5) Damage consequent upon any person obtaining any property by deception
- 6) theft from unattended vehicles

Provided that the liability of the Insurer during any one Period of Insurance shall not exceed the sum insured shown in the Schedule in respect of Extension 3

### 4 FROZEN FOODS

The Insurer agrees to insure loss of or damage to foodstuffs the property of the Insured or held by the Insured in trust or on commission or for which they are responsible whilst at the Premises contained in the refrigerating units specified in the Schedule, by deterioration, contamination or putrefaction caused by or arising from

- 1. a rise or fall in temperature as a result of
  - (a) the breaking, distortion or burning out of any part of the unit (including its own wiring terminating at and including the plug and fuse) arising from mechanical or electrical defects in the unit occurring whilst the unit is being used under normal working conditions;
  - (b) non-operation of the thermostatic or automatic controlling devices forming part of the unit;
  - (c) accidental failure of the public supply of electricity not occasioned by the deliberate act of any supply authority
- 2. accidental leakage of refrigerant or refrigerant fumes from the unit excluding loss of or damage resulting from
  - (a) failure of the public supply services which do not exceed thirty consecutive minutes;
  - (b) failure of the public supply services due to any deliberate act of a public supply undertaking not performed for the sole purpose of safeguarding life or protecting any part of the public supply undertakings systems or any scheme of rationing not necessitated solely by accidental damage to the public supply undertaking generating or supply equipment;
  - (c) wear and tear, deterioration or gradually developing flaws or defects in the refrigerating unit or incorrect setting of thermostats and automatic controls.

Provided that the liability of the Insurer during any one Period of Insurance shall not exceed the sum insured shown in the Schedule in respect of Extension 4

It is warranted that on the expiry of any guarantee period the Insured shall effect a Maintenance Contract on any refrigerating unit which does not have a hermetically sealed motor and compressor.

## SECTION A - EXCLUSIONS

This Section does not cover

- 1. consequential loss of any kind or description, except loss of rent when such loss is included
- 2. loss, destruction or damage caused by or arising from any kind of seepage or any kind of pollution and/or contamination.
- 3. the amount of the Excess specified in the Schedule.

## SECTION A - STANDARD CLAUSES

### INSURER'S LIABILITY

1. The liability of the Insurer in any one Period of Insurance shall not exceed in respect of any one item its Sum Insured or in the whole the Total Sum Insured or any other stated Limit of Liability at the time of the loss, destruction or damage.

### LOCAL AUTHORITIES

2. The Insurance by each item of the Schedule on Buildings and Machinery extends to include such additional cost of reinstatement of the destroyed or damaged property thereby insured as may be incurred solely by reason of the necessity to comply with Building Regulations or local authority or other statutory requirements provided that
  1. the amount recoverable under this clause shall not include
    - (a) the cost incurred in complying with any of the aforesaid regulations or requirements;
      - (i) in respect of destruction or damage occurring prior to the granting to this clause;
      - (ii) in respect of the destruction or damage not insured by this Section;
      - (iii) under which notice has been served upon the Insured prior to the happening of the destruction or damage;
      - (iv) in respect of undamaged property or undamaged portions of property other than foundations (unless specifically excluded) of that portion of the property destroyed or damaged;
    - (b) the additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or requirements not arisen;
    - (c) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the Regulations or requirements referred to.
  2. the work of reinstatement must be commenced and carried out with reasonable dispatch and in any case must be completed within twelve months after the destruction or damage or within such further time as the Insurer may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or requirements so necessitate) subject to the liability of the Insurer under this clause not being thereby increased.
  3. if the liability of the Insurer under any item of the Schedule apart from this clause shall be reduced by the application of any of the terms and conditions of this Section, then the liability of the Insurer under this clause in respect of any such item shall be reduced in like proportion.
  4. the total amount recoverable under any item of the Schedule shall not exceed the Sum Insured thereby.
  5. all the conditions of this Section and this Insurance, except in so far as they may be hereby expressly varied, shall apply as if they had been incorporated herein.

### ALL OTHER CONTENTS

3. The term "All Other Contents" is understood to include, in so far as such property is not more specifically insured:-
  - (a) documents, manuscripts and business books but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up and not for the value to the Insured of the information contained therein; for an amount not exceeding GBP 25,000.
  - (b) computer systems records but only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records and not for the value to the Insured of the information contained therein for an amount not exceeding GBP 25,000;
  - (c) patterns, models, plans and designs but only for the value of the materials together with the cost of labour expended in reinstatement and so far as the same are not otherwise insured;
  - (d) directors', employees', visitors' and customers' personal effects, pedal cycles, tools, instruments and the like, indemnity hereunder being restricted to a maximum sum of GBP 500 in respect of any one person.

### TEMPORARY REMOVAL

- 4.1 Property for Cleaning or Renovation excluding such property as covered by 4.2 hereof.  
Subject to the following provisions the property insured by this Section (other than Stock and Materials in Trade if insured hereby) is covered whilst temporarily removed for cleaning, renovation, repair or other similar purposes elsewhere on the same or to any other premises and in transit thereto and therefrom on land or inland waterway in Great Britain, Northern Ireland, the Channel Islands and the Isle of Man. The amount recoverable under this clause in respect of each item of the Section shall not exceed the amount which would have been recoverable had the loss or damage occurred in that part of the premises from which the property is temporarily removed or, in respect of any loss or damage occurring elsewhere than at the said premises, ten per cent of the Sum Insured by the item after deducting therefrom the value of any building (exclusive of fixtures and fittings), stock in trade or merchandise insured thereby. This extension does not apply to property if and so far as it is otherwise insured or as regards loss or damage occurring elsewhere than at the premises from which the property is temporarily removed to:-
  - (a) motor vehicles and motor chassis licensed for normal road use;
  - (b) property held by the Insured in trust other than machinery and plant.

#### 4.2 Documents and Computer Systems Records.

Any Insurance under this Section on computer systems records, deeds and other documents (including stamps thereon) manuscripts, plans and writings of every description and books (written and printed) is extended to include such property for an amount not exceeding ten per cent of the value thereof whilst temporarily removed to any premises not in the Insured's occupation and whilst in transit by road, rail or inland waterway all in Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

#### **ARCHITECTS, SURVEYORS AND CONSULTANTS FEES**

5. The Sum Insured by each item of the Schedule for Buildings and Machinery includes an amount in respect of Architects', Surveyors', Consulting Engineers' Legal and Other Fees necessarily and reasonably incurred in the reinstatement of the Property Insured consequent upon its destruction or damage by any Peril hereby insured against but not for preparing any claim, provided that the liability for such destruction or damage and fees shall not exceed in the aggregate the Sum Insured by each item.

#### **DEBRIS REMOVAL (OTHER THAN STOCK AND MATERIALS IN TRADE)**

6. Except where more specifically insured, it is understood that the Insurance by each item of the Schedule covering property other than Stock and Materials in Trade, extends to include costs and expenses necessarily incurred by the Insured with the consent of the Insurer in:-
  - (a) removing debris;
  - (b) dismantling and/or demolishing;
  - (c) shoring up or propping;of the portion or portions of the Property Insured by the said item(s) destroyed or damaged by any Peril hereby insured against.  
The Insurer will not pay for any costs or expenses:-
  - (a) incurred in removing debris elsewhere than from the site of such property destroyed or damaged and the area immediately adjacent to such site;
  - (b) arising from pollution or contamination of property not insured by this Insurance.The liability of the Insurer under this clause in respect of any item shall in no case exceed the Sum Insured thereby.

#### **TRANSFER OF INTEREST**

7. If at the time of destruction or damage to any building hereby insured, the Insured shall have contracted to sell their interest in such building and the purchase shall not have been but shall be thereafter completed, the purchaser on the completion of the purchase if and so far as the property is not otherwise insured by or on behalf of the purchaser against such destruction or damage, shall be entitled to the benefit of this Insurance so far as it relates to such destruction or damage, without prejudice to the rights and liabilities of the Insured or the Insurer under this Section up to the date of completion.

#### **NOTICE OF OCCUPANCY**

8. Notice is to be given to the Insurer in the terms set out in General Condition 13 above immediately any of the buildings referred to in the Schedule become unoccupied or when any unoccupied portion of such buildings become tenanted and a suitable additional premium is to be paid if required by the Insurer.

#### **REINSTATEMENT**

9. It is hereby agreed unless stated herein to the contrary that in the event of the Property Insured under each item of the Schedule on Buildings and/or Machinery being destroyed or damaged by any Peril hereby insured against, the basis upon which the amount payable under each of the said items of the Schedule is to be calculated, shall be the reinstatement of the property destroyed or damaged subject to the following special provisions and subject also to the terms and conditions of this Section except insofar as the same may be varied hereby.  
For the purposes of Insurance under this clause "reinstatement" shall mean the carrying out of the after-mentioned work namely
  - (a) where property is destroyed the rebuilding of the property if a building or, in the case of other property its replacement by similar property, in either case in a condition equal to but not better or more extensive than its condition when new;
  - (b) where property is damaged the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.

#### **SPECIAL PROVISIONS**

1. The work of reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Insurer not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment beyond the amount which would have been payable under this Section if this clause had not been incorporated therein shall be made.
2. When any property insured under this clause is damaged or destroyed in part only, the liability of the Insurer shall not exceed the sum representing the cost which the Insurer could have been called upon to pay for reinstatement if such property had been wholly destroyed.
3. No payment beyond the amount which would have been payable under this Section if this clause had not been incorporated therein shall be made until the cost of reinstatement has been actually incurred.

4. Each item insured under this clause is declared to be separately insured subject to the following Condition of Average namely:-  
If at the time of the reinstatement, the sum representing 85% of the cost which would have been incurred in reinstatement if the whole of the property covered by such item had been destroyed, exceeds the Sum Insured, then the Insured shall be considered as being his own insurer for the difference between the sum representing the cost of reinstatement of the whole of the property and shall bear a rateable proportion of the loss accordingly.
5. No payment beyond the amount which would have been payable under this Section if this clause had not been incorporated therein shall be made if at the time of any destruction or damage to any Property Insured hereunder such property shall be covered by any other Insurance effected by or on behalf of the Insured which is not upon the identical basis of reinstatement set forth herein.
6. Where, by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under this Section if this clause had not been incorporated therein, the rights and liabilities of the Insurer and the Insured in respect of the destruction or damage shall be subject to the terms and conditions of this Section including any Condition of Average therein as if this clause had not been incorporated therein.
- N.B. The provisions of these Reinstatement Conditions do not apply to directors', employees', visitors' or customers' personal effects, pedal cycles, tools, instruments and the like.

#### **DESIGNATION OF PROPERTY**

10. For the purpose of determining where necessary the item under which property is insured, the Insurer agrees to accept the designation under which such property has been entered in the Insured's books.

#### **WORKMEN**

11. Joiners and other tradesman may be employed effecting repairs and minor structural alterations in all or any of the buildings referred to in the Schedule and this is allowed without prejudice to the Insurance hereby.

#### **MOTOR VEHICLES**

12. Motor vehicles and their accessories designed for incorporation thereon or therein and their contents more specifically insured, are excluded from this Section, except in respect of any amount in excess of that covered under the terms of such more specific Insurance.

#### **FIRE EXTINGUISHING APPLIANCES / AUTOMATIC SPRINKLER SYSTEMS**

13. a) It is warranted that fire extinguishing appliances, in accordance with details lodged with the Insurer, shall be maintained in efficient working order during the currency of this Insurance. Subject to the observance of this undertaking this Insurance shall not be prejudiced or invalidated by any defect in the said appliances due to any circumstances unknown to or beyond the control of the Insured.
- b) Where the Insured has an automatic sprinkler system the following clause shall apply instead of 13a)  
It is warranted that:-
- A. the Insured will maintain:-  
(a) an installation or installations of Automatic Sprinklers together with,  
(b) fire extinguishing appliance(s) as per details lodged with the Insurer,
- B. the Insured undertake(s) to:-
1. make a test every week for the purpose of ascertaining that the alarm gong is in working order and that stop valves controlling the individual water supplies and the installation are fully open;
  2. make quarterly or half-yearly tests if required by the Insurer to do so for the purpose of ascertaining that each water supply is in order and record the particulars of each test;
  3. make a test every weekday (holidays excepted) of (i) the Fire Brigade connection (ii) the circuit between the alarm switch and the control unit and (iii) the batteries in respect of each approved system for the transmission of alarm signals from sprinkler installations to a Fire Brigade.  
Note 1: It is permissible for test (i) to be carried out by the Fire Brigade if they are prepared to give a written undertaking to perform the duty.  
Note 2: Where the circuits in (i) and (ii) are continuously monitored tests need only to be made once per week.
  4. remedy promptly any defect revealed by such tests;
  5. maintain the whole of the fire appliances in efficient working order during the Period of Insurance.
  6. notify the Insurer before any installation is rendered inoperative or immediately in the event of any emergency.
  7. allow the Insurer access to the Premises at all reasonable times for the purpose of inspecting the sprinkler installation.

Subject to the observance of the above undertaking this Insurance will not be prejudiced by defect in the said automatic sprinklers or fire extinguishing appliances due to any circumstances unknown to or beyond the control of the Insured.

#### **MISCELLANEOUS PROPERTIES EXTENSION**

14. The Insurance by Item 1 of the Schedule for Section A is extended to include
- (a) telephone, gas, water and electrical instruments, meters, piping, cabling and the like and all accessories thereof including similar property in adjoining yards or roadways or underground and pertaining to the Premises insured by this Section all the property of the Insured or for which the Insured is responsible;
  - (b) plant, conveyors, trunks, cables, lines, wires, service pipes and other equipment including all supporting structures in the open or adjoining or communicating with a building.

#### **AUTOMATIC REINSTATEMENT OF SUM INSURED**

15. In consideration of the Insurance not being reduced by the amount of any loss or damage, the Insured shall pay the appropriate extra premium on the amount of the loss or damage from the date thereof to the date of the expiry of the Period of Insurance.

#### **RENT**

16. If cover for Rent under item 8 of the Schedule for Section A is included, such cover applies only if (any of) the building(s) or any part thereof Insured by item 1 of the Schedule for Section A is unfit for occupation in consequence of its destruction or damage, by any Peril hereby insured against and then the amount payable shall not exceed such proportion of the Sum Insured on Rent as the period necessary for reinstatement bears to the term of Rent insured.

#### **APPLICATION OF AVERAGE**

17. The Sum Insured under each item on property is subject to General Condition 8 - Average.

#### **SPONTANEOUS HEATING**

18. Damage or destruction (by Fire or otherwise) of or to coal and wood blocks caused by their own Spontaneous Fermentation, Heating or Combustion is covered hereunder notwithstanding anything to the contrary contained in the conditions attached to this Section, within the Sum(s) Insured on Stock and All Other Contents.

#### **CAPITAL ADDITIONS**

19. It is agreed that the Insurance by this Section shall, subject to its terms and conditions, extend to cover the following property situated anywhere in Great Britain, Northern Ireland, the Channel Islands and the Isle of Man:-

- (a) any newly erected and/or newly acquired Building and/or Machinery; and
- (b) alterations, additions and improvements to Buildings and/or Machinery but not in respect of any appreciation in value;

provided that the maximum liability of the Insurer at any one situation under this clause shall not exceed:-

- (a) 10% of the total Building and Machinery Sum Insured by this Section, or
- (b) GBP 500,000;

whichever is the lower.

The Insured undertake(s) to provide particulars of such extensions of cover as soon as practicable and, in any event, at intervals of not more than 6 months and to effect specific Insurance thereon retrospective to the date of the commencement of the Insured's responsibility.

#### **CUSTOMERS GOODS**

20. The Insured having intimated to their customers that they will accept responsibility for loss or damage to goods the property of such customers or for which the said customers may be legally responsible (whether manufactured by the Insured or not) upon which work is to be, is being or has been done on behalf of the customer by the Insured or which may be left in the Insured's hands for storage or dispatch or otherwise temporarily in the Insured's custody, it is hereby declared and agreed that all such goods shall be held to be insured by the items of the Schedule covering Stock and Materials in Trade except in so far as they shall be more specifically otherwise insured.

#### **DRAINS**

21. The Insurance by each item of the Schedule relating to Buildings extends to include expenses necessarily and reasonably incurred by the Insured with the consent of the Insurer in cleaning and/or clearing drains, sewers or gutters the property of the Insured or for which they are responsible following destruction or damage to the Property Insured hereunder by any Peril hereby insured against.

#### **NON-INVALIDATION**

22. The Insurance of this Section shall not be invalidated by any act, omission or alteration whereby the risk of destruction or damage is increased unknown to or beyond the control of the Insured provided that, immediately they become aware thereof they shall give notice to the Insurer and pay an additional premium if required.

#### **SUBROGATION RIGHTS WAIVER**

23. In the event of a claim arising under this Section the Insurer agrees to waive any rights remedies or relief to which it might have become entitled by subrogation against any:-

1. company standing in the relation of parent to subsidiary (subsidiary to parent) to the Insured as defined in the Companies Act or the Companies (N.I.) Order as appropriate current at the time of Damage
2. company which is a subsidiary of a parent company of which the Insured are themselves a subsidiary in each case within the meaning of the Companies Act or the Companies (N.I.) Order as appropriate current at the time of Damage.
3. tenant provided that
  - (i) the Damage did not result from a criminal fraudulent or malicious act of the tenant
  - (ii) the tenant contributes to the cost of insuring the property insured against the event which caused the Damage

#### **PROTECTIONS**

24. It is a condition precedent to the Insurer's liability that, whenever the Premises are closed for business or left unattended, all security devices provided to protect the Premises are properly fitted and are in full and effective operation.

**HIRE AGREEMENTS**

25. In consequence of certain property insured under this Section being the subject of hire agreements, it is understood and agreed that the interest of the owners is deemed to be included in the protection afforded by this Insurance, it being understood that the Insured shall declare the name of any other interested party in the event of loss or damage.

**MACHINERY RE-ERECTION COSTS**

26. The Insurance on Machinery and Plant by this Section extends to include, subject to the terms and conditions of this Section, the cost of re-erection and of fixing of Machinery and Plant in consequence of destruction or damage by any Peril hereby insured against it being understood that the amount recoverable in respect of any destruction or damage shall not exceed the Sum Insured hereby.

**CONTRACT SALE PRICE**

27. In respect only of goods sold but not delivered for which the Insured is responsible and with regard to which under the conditions of the sale the sale contract is cancelled by reason of any Peril hereby insured against either wholly or to the extent of the loss or damage, the liability of the Insurer shall be based on the contract price and for the purpose of Average the value of goods to which this clause would in the event of loss or damage be applicable shall be ascertained on the same basis.



## SECTION A - SPECIAL CLAUSES

The undernoted clauses are operative only if the letter set against them appears in the in the Schedule, and are subject otherwise to the limits, terms, conditions and exclusions of this Insurance.

### DAY ONE BASIS (NON ADJUSTABLE)

- A. Day One Basis (Non Adjustable) Clause applicable to the property (Buildings and/or Machinery).
1. The Insured having stated the Declared Value incorporated in each item to which this clause applies the premium has been calculated accordingly.  
"Declared Value" shall mean the Insured's assessment of the Cost of Reinstatement of the Property Insured arrived at in accordance with paragraph (a) of the Reinstatement Clause (Standard Clause 9) at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with, insofar as the Insurance by the item provides due allowance for:
    - (a) the additional cost of reinstatement to comply with Local Authority requirements;
    - (b) professional fees;
    - (c) debris removal costs.
  2. The Declared Value incorporated in each item is as stated on the Schedule.  
At the inception of each Period of Insurance the Insured shall notify the Insurer of the Declared Value of the Property Insured by each of the said item(s). In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance.
  3. Notwithstanding any general indication or endorsement to the contrary, the following wordings replace Special Provisions 4 and 6 of the Reinstatement Clause (Standard Clause 9):-
    4. Each item insured under this clause is declared to be separately subject to the following Condition of Average namely:  
If at the time of loss the Declared Value of the property covered by such item be less than the Cost of Reinstatement (as defined in paragraph 1 of the Day One Basis (Non Adjustable) Clause) at the inception of the Period of Insurance, then the Insurer's liability for any loss hereby insured shall be limited to that proportion thereof which the Declared Value bears to the Cost of Reinstatement.
    6. Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under this Section if this clause had not been incorporated therein, the rights and liabilities of the Insurer and the Insured in respect of the destruction or damage shall be subject to the terms and conditions of this Section including any Condition of Average therein, as if this clause had not been incorporated therein except that the sums insured shall be limited to 115% of the Declared Values as stated on the Schedule.
  4. In the event of loss the liability of the Insurer in respect of property to which this clause applies shall not exceed its Sum Insured as stated in the Schedule.

### STOCK DECLARATION CONDITIONS

- B. The Insurance on Stock and Materials in Trade as insured under the Item(s) stated on the Schedule is subject to the following:-
- (a) The value of the property
    - (i) on the last day of each month if the Schedule states that monthly declarations are required, or;
    - (ii) on the last day of each of the months of March, June, September and December if the Schedule states that quarterly declarations are requiredshall be declared in writing by the Insured to the Insurer within thirty days thereafter and if a declaration be not so given the Insured shall be deemed to have declared the maximum Sum Insured as the value. Basis of valuation for Declarations: Market Value
  - (b) On the expiry of each Period of Insurance the actual premium shall be calculated at the rate per cent per annum applicable on the average amount declared i.e. the total of the sums declared divided by the number of declarations.
  - (c) If the actual premium be greater than the provisional premium paid for the period the Insured shall pay the difference, if it be less the difference shall be repaid to the Insured, but such repayment shall not exceed 25% of the First or Annual Premium respectively.
  - (d) In consideration of the Insurance not being reduced by the amount of any loss the Insured shall pay the appropriate extra premium on the amount of the loss from the date thereof to the date of the expiry of the Period of Insurance.
  - (e) It is warranted that every insurance on the property shall be identical in wording with this Insurance.

### METAL WORKERS

- C. In consideration of the payment of an additional premium, the Insurance on Stock and Materials in Trade as provided by this Section extends to apply:-
- (a) whilst at any machine maker's, engineer's, founder's or other metal worker's premises;
  - (b) whilst at any customer's and/or agent's premises;
  - (c) whilst at any sub-contractor's premises;
  - (d) whilst in transit by road, rail or inland waterway;
- all in Great Britain, Northern Ireland, the Channel Islands, and the Isle of Man but excluding any portion of premises occupied by the Insured subject to the maximum liability in respect of this clause and the item not exceeding its Sum Insured as stated on the Schedule.

#### **LOCAL AUTHORITIES - UNDAMAGED PROPERTIES EXTENSION**

- D. Notwithstanding paragraph 1(a)(iv) of the Local Authorities Clause (Standard Clause 2) the Insurance by each item of the Schedule on Buildings and/or Machinery extends to include the additional cost of reinstatement as described in the said clause in respect of undamaged portions of property provided that
- (a) the Insurer shall not be liable for such additional cost in respect of any building or machinery which has not sustained Damage by a Peril hereby insured against,
  - (b) the amount recoverable shall not exceed:
    - (i) in respect of undamaged portions of property other than foundations 15% of the total amount for which the Insurer would have been liable had the building or machinery been totally destroyed,
    - (ii) in respect of any item of this Section the Sum Insured thereby;
  - (c) all the conditions of the Local Authorities Clause including any Condition of Average shall apply except insofar as they are hereby expressly varied.

#### **CHANGING LOCKS**

- E. Where Machinery, Plant and Stock in Trade are insured by this Section cover is extended to include the cost of changing locks at the Premises following the loss of keys during the Period of Insurance by:-
- (a) theft or any attempt thereat from the Premises or from the home of the Insured or an authorized employee;
  - (b) robbery whilst such keys are in the personal custody of the Insured or an authorised employee;
- up to a limit of GBP 500 any one loss.
- Provided that if such keys relate to a safe they shall not be left on the Premises overnight unless the Premises are occupied by the Insured or an authorised employee in which case they shall be deposited in a secure place not in the vicinity of the safe.

#### **COLLUSION**

- F. Indemnity is provided as within described in the event of Damage by theft caused during the Period of Insurance by or in collusion with any director, partner or employee of the Insured provided that the Insurer shall not be liable unless such Damage is accompanied by visible evidence of violent and forcible entry to or exit from the premises.

#### **FIRST LOSS AVERAGE CLAUSE**

- G. When the Sum Insured is shown first loss in the Schedule - The applicable item of this Section is subject to the Condition of Average (First Loss), that is to say, if the total value of all property covered by the item shall at the time of any loss be greater than the value notified by the Insured, then the Insured shall be entitled to recover hereunder only such proportion of the said loss as the said notified value bears to the total value, up to but not exceeding the Sum Insured for the item.

#### **OBSOLETE BUILDING CLAUSE**

- H. The basis of valuation for the purpose of Average shall be:-
- (a) the cost of purchasing a similar building to the Insured Building plus an allowance for removal of debris costs, or
  - (b) the cost of erecting a modern building providing comparable facilities to the Insured Building plus an allowance for professional fees, removal of debris costs and the additional expenditure which might arise out of local authorities' requirements.

#### **EXTINGUISHMENT EXPENSES**

- I. The Insurer will pay the reasonable costs incurred by the Insured for refilling fire extinguishment appliances and replacing used sprinkler heads but excluding
- (a) the amount of the Excess specified in the Schedule
  - (b) costs other than as a direct result of Damage caused by a Peril hereby insured against
  - (c) any amount in excess of GBP 10,000

#### **TRACE AND ACCESS**

- J. The Insurance by this Section extends to include costs necessarily and reasonably incurred with the consent of the Insurer in locating the source of any escape of water from any fixed domestic water services or heating installation or escape of fuel oil including subsequent repair to walls floors or ceilings

Provided that

- (a) this Extension shall not apply to the cost of repairs to any fixed domestic water services or heating installation
- (b) the Insurer's maximum liability under this Extension shall not exceed GBP 5,000 in the aggregate during any one Period of Insurance

#### **ADDITIONAL METERED WATER CHARGES**

K. The Insurance by this Section extends to include additional metered water charges incurred by the Insured and for which the Insured is responsible as a result of Damage to the water installation at the Premises provided that the Insured maintains a record of readings from the water authority meter at intervals of not more than 7 days

The amount payable as indemnity shall be ascertained by comparing the charge made by the water authority on their account for the period during which the loss of metered water occurred with the charges for the previous period adjusted for any relevant factors affecting the Insured's normal consumption of water during the periods concerned

Provided that

- (a) Damage in respect of any Building which is empty or not in use is excluded
- (b) the Insurer's maximum liability under this Extension shall not exceed GBP 5,000 in the aggregate during any one Period of Insurance
- (c) the Insured shall take all practical steps to terminate such unauthorised use as soon as it is discovered

#### **ALTERNATIVE ACCOMMODATION**

L. The Insurer will pay for

- (a) loss of rent (including ground rent and management charges) which should have been received by the Insured but has been lost
- (b) the cost of reasonable alternative accommodation incurred by any owner or lessee if they permanently reside in that part of the residential Premises that are unfit to live in or access is denied to
- (c) temporary storage of the Insured's furniture
- (d) any ground rent which continues to be payable if the property is leasehold

while the residential Premises are unfit to live in or access is denied as a result of Damage insured by this Section excluding any amount in excess of the amount shown in the Schedule but in respect of each residential unit the payment may be adjusted according to the percentage contribution made by each unit towards the ground rent and/or total management charges of the residential Premises

#### **UNDERGROUND PIPES AND CABLES**

M. The Insurer will pay the cost of replacing or repairing underground service pipes and cables extending from the residential Premises to the public mains which the Insured are legally responsible for following accidental damage

#### **MORTGAGEES AND OTHER INTERESTS**

N. The interest of the leaseholders(s) mortgagee(s) and tenant(s) in the individual portions of the property insured to which their interest applies is noted such interest to be advised to the Insurer in the event of a claim In addition the interest of the Insured or mortgagee(s) in this Insurance shall not be prejudiced by any act or neglect of the occupier(s) or mortgagor(s) of any building hereby insured whereby the risk of Damage is increased without the authority or knowledge of the Insured or mortgagee(s) provided that the Insured or mortgagee(s) shall immediately on becoming aware thereof give notice in writing to the Insurer and on demand pay such reasonable additional premium as the Insurer may require.

# **SECTION B – MONEY NON-NEGOTIABLE DOCUMENTS AND ASSAULT**

## **SUB-SECTION 1 MONEY AND NON-NEGOTIABLE DOCUMENTS**

### **COVER**

The Insurer agrees to the extent and in the manner provided herein to indemnify the Insured for amounts not exceeding the limits and Sum Insured stated in the Schedule against

- 1) Loss of Non-Negotiable Documents from any cause
- 2) Loss of Money from any cause whilst
  - (a) in the Premises outside Business Hours not contained in locked safes or strongrooms
  - (b) in the private residence of the Insured or any authorised partner, director or employee of the Insured
  - (c) in the Premises outside Business Hours contained in locked safes or strongrooms described in the Schedule
  - (d) on the Premises during Business Hours
  - (e) whilst in Transit
- 3) Loss of or damage done by thieves to safes and strongrooms (as described in the Schedule), stamp franking machines, approved security cases, bags or waistcoats containing the Non Negotiable Documents and Money insured hereby.

occurring during the Period of Insurance

### **DEFINITIONS**

#### **Money**

Coins, bank and currency notes, postal and money orders, bankers' drafts, cheques, giro cheques, crossed warrants, bills of exchange, securities for money, postage revenue, national insurance and holiday with pay stamps, stamped national insurance and holiday with pay cards, national savings stamps or certificates, war bonds, premium savings bonds, franking machine impressions other than unused units in postage stamp franking machines, credit company sales vouchers, luncheon vouchers, trading stamps and VAT invoices, phone cards, the property of the Insured or for which the Insured is responsible in the course of the Business.

#### **Non-Negotiable Documents**

Crossed cheques, crossed giro cheques, crossed postal or money orders, crossed bankers' drafts and unused units in postage stamp franking machines, the property of the Insured or for which the Insured is responsible in the course of the Business.

#### **Business Hours**

The Insured's usual office hours and the working hours (including overtime) during which the Insured, his principals or persons employed entrusted with the Money and Non-Negotiable Documents are on the Premises for the purpose of the Business.

#### **Transit**

Between the Premises and the place of banking whilst in the custody of the Insured or his authorized representative

### **WARRANTY**

It is warranted that:-

- (a) a complete record is kept of the Money and Non-Negotiable Documents;
- (b) such record is deposited in a secure place other than in the safes and strongrooms containing the Money and Non-Negotiable Documents;
- (c) outside Business Hours the safes and strongrooms are kept locked and the keys to the safes and strongrooms are not left on the Premises.

### **EXCLUSIONS**

Sub-Section 1 does not cover:-

1. Shortages due to clerical or accounting errors.
2. Loss due to the fraud or dishonesty of the Insured or any person employed by the Insured
  - (a) not discovered within seven working days of its occurrence;
  - (b) more specifically insured by any other Insurance or Insurances except in respect of any loss beyond the amount payable under such other Insurance or Insurances.
3. Loss of Money and/or Non-Negotiable Documents from:-
  - (a) vending or gaming machines unless specifically stated in the Schedule;
  - (b) unattended vehicles.
4. Loss or damage arising elsewhere than in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
5. Unexplained loss or disappearance
6. The amount of any applicable Excess specified in the Schedule.

## **STANDARD CLAUSES APPLICABLE TO SUB-SECTION 1**

### **Transit**

1. Where Money and Non Negotiable Documents in excess of GBP 1,500 is in Transit it shall be escorted as follows:-

Amount in Transit	Minimum Escort
GBP 1,501 to GBP 5,000	Two able bodied persons (including carrier)
GBP 5,001 to GBP 10,000	Three able bodied persons (including carrier)
GBP 10,001 and over	Specialist Security Company

### **Protections**

2. It is a condition precedent to the Insurer's liability that whenever the Premises are closed for business or left unattended all security devices provided to protect the Premises are properly fitted and put into full operation.

## **SUB-SECTION 2 ASSAULT**

### **COVER**

If in connection with the Business the Person Insured shall suffer an assault within the Territorial Limits during the Period of Insurance and which assault shall independently of any other cause be the sole cause of Results (a) - (g) specified below the Insurer will pay to the Person Insured or their legal personal representative the Compensation as detailed on the Schedule for any of the Results specified below.

### **Results**

- (a) Death
- (b) Total and Permanent loss of all sight in one or both eyes.
- (c) Total loss by physical severance of a hand at or above the wrist or of a foot at or above the ankle or total and Permanent loss of use of one or both hands or feet.
- (d) Permanent Total Disablement other than shown in b) and c) above.
- (e) Reimbursement of incurred medical expenses.
- (f) Damage to clothing and personal effects belonging to the Person Insured.
- (g) Temporary Total Disablement.

### **DEFINITIONS**

#### **Medical Expenses**

Expenses necessarily incurred in respect of the Person Insured for medical, hospital, surgical, manipulative, massage, therapeutic, x-ray or nursing treatment, including the cost of medical supplies and ambulance hire.

#### **Territorial Limits**

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

#### **Person Insured**

Any director, manager or partner of the Insured or person employed by the Insured aged not less than 16 years nor more than 70 years.

#### **Permanent**

means lasting 24 calendar months and at the expiry of that period being beyond hope of improvement.

#### **Total Disablement**

means disablement which necessarily and continuously disables a Person Insured from attending to their usual occupation.

### **COMPENSATION CLAUSES**

1. Compensation for Result g) Temporary Total Disablement shall be:-
  - (a) payable for a period not exceeding 104 weeks from the commencement of the Result;
  - (b) payable when the total amount has been agreed or at the request of the Insured at intervals of not less than four weeks (but not in advance) commencing four weeks after receipt of written notice of any injury by the Insurer.
2. Compensation shall not be payable for:-
  - (a) any of the Results a) to e) and g) unless such Results occur within two years of sustaining the injury causing such Result;
  - (b) more than one of Results a) to d) and when payable for one of those Results shall not be payable for any of the Results caused by any subsequent injury to such Person Insured.
3. Compensation payable for Result g) shall be deducted from any compensation payable for Results a) to d) arising from the same assault.

## SECTION C GOODS IN TRANSIT

### COVER

The Insurer hereby agrees, to the extent and in the manner hereinafter provided, to insure and indemnify the Insured whilst in Transit, stock work in progress goods and/or merchandise intended for sale, sheets, ropes, packing materials and the like (excluding containers), being the property of the Insured, against accidental loss or damage occurring during the Period of Insurance shown in the Schedule but not exceeding the amount shown in the Schedule as the limit any one load or in the aggregate during any one Period of Insurance which shall be the maximum extent of Insurer's liability.

### DEFINITION

"Transit" shall mean in transit per the Insured's vehicles and/or trailers and/or containers (including all such conveyances in the Insured's care, custody or control) and/or Road Hauliers and/or Post and/or Parcel Post and/or Rail and other methods of despatch between any address(es) in Great Britain, Northern Ireland, the Isle of Man, the Channel Islands or the Republic of Ireland, including any loading and unloading and packing and unpacking, and whilst in the normal course of transit the goods and/or merchandise are temporarily housed on or off the vehicles and/or trailers, or in containers that are on or off the vehicles and/or trailers for up to 72 hours.

### EXTENSION

#### Sheets, Tarpaulins, Ropes - Personal Effects

This Section extends to indemnify the Insured against all risks of physical loss, destruction of or damage which occurs during the Period of Insurance to:

- (a) sheets, tarpaulins, ropes, toggles, chocks, chains, skips and trolleys whilst carried in the course of Transit by any vehicle up to an amount not exceeding GBP 1,000 any one loss.
- (b) personal property belonging to the driver and/or mate whilst carried in any vehicle conveying property insured in the course of their employment up to an amount not exceeding GBP 250 any one person.

### EXCLUSIONS

This Section does not cover:-

1. Loss or damage in respect of, or arising from, or caused by, mildew, moth, vermin, inherent vice, deterioration, insufficiency of insulation, electrical and/or mechanical derangement unless caused by external means, contamination, shortage in weight, evaporation, taint, consequential loss, loss of market or delay.
2. Livestock, jewellery, furs, watches, precious metals and stones, Treasury notes, bullion, cash, bonds, deeds, stamps, securities, manuscripts, documents and plans, patterns, models, moulds, computer system records, safety razor blades, non ferrous metal and scrap, perfumery, tobacco, cigars, cigarettes, wines, spirits and the like, explosives, radios, television sets, tape recorders and similar articles, unless permission is obtained from the Insurer and rates and terms agreed prior to the carriage of such goods and/or merchandise.
3. Theft of or from vehicles(s) and/or trailer(s) and/or container(s) the Insured's own or in their care or control when left unattended, unless
  - (i) between 2200 hours and 0600 hours - such vehicle and/or trailer and/or container is garaged in a building or parked in a fully enclosed yard, which is securely closed and locked or under constant surveillance AND the vehicle and/or trailer and/or container has all doors, window, boot, and other openings closed and securely locked, and all additional protective devices put into full and proper operation, and has all keys removed, so far as local fire regulations permit.
  - (ii) between 0600 hours and 2200 hours - such vehicle and/or trailer and/or container has all doors, windows, boot and other openings closed and securely locked, and all additional protective devices put into full and proper operation, and has all keys removed.
4. Any loss directly or indirectly occasioned by, or happening through, or in consequence of strikes, lock-outs, labour disturbances, riots and civil commotions other than in Great Britain, Isle of Man and the Channel Islands.
5. Property conveyed in a refrigerated, frozen, chilled or insulated condition as a result of deterioration due to any variation in temperature unless as a result of an accident to the vehicle or unless specifically agreed by Insurer.
6. The amount of the Excess specified in the Schedule.

### CLAUSES

#### Average

This Section is subject to the Condition of Average, that is to say, if the property covered by this Insurance shall at the time of any loss be of greater value than the limit set forth in the Schedule, the Insured shall only be entitled to recover hereunder such proportion of the said loss as the limit bears to the total value of the said property.

#### Protections

The Insured shall take all reasonable precautions for the protection and safeguarding of the goods and/or merchandise and all vehicles, trailers, containers and protective devices shall be maintained in good order. Such devices shall be used at all times and shall not be varied or withdrawn without written consent by the Insurer.

#### Loss Duty

It is the duty of the Insured in the event that any of the property insured hereunder be lost or damaged, to take all reasonable steps to effect its recovery or preservation.

## SECTION D BOOK DEBTS

### COVER

In the event of the Insured's books of account or other business books or records at the Premises being:-

- (a) destroyed or damaged by an accidental cause;
- (b) lost due to theft involving entry into or exit from the Premises by forcible and violent means or any attempt thereat;
- (c) lost due to hold-up namely theft consequent upon and in connection with assault or violence or threat thereof to the Insured or any employee of the Insured;

during the Period of Insurance (such loss, destruction or damage so caused being termed Damage in this Section) and the Insured in consequence thereof being unable to trace or establish the outstanding debit balances in whole or in part due to them, then the Insurer will pay to the Insured:-

**In respect of Item 1** (as detailed in the Schedule)

the amount of loss resulting from such Damage but not exceeding

- (a) the difference between
  - (i) the Outstanding Debit Balances, and
  - (ii) the total of the amounts received or traced in respect thereof,
- (b) the additional expenditure incurred with the previous consent of the Insurer in tracing and establishing customers debit balances after the Damage, provided that if the Sum Insured by this Item be less than the outstanding debit balances the amount payable shall be proportionately reduced;

**In respect of Item 2** (as detailed in the Schedule)

the reasonable charges payable by the Insured to their auditors or professional accountants for producing any particulars or details or any other proofs, information or evidence as may be required by the Insurer under the terms of this Section and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents.

The Limit of Liability of the Insurer under each item of this Section shall not exceed its Sum Insured as stated in the Schedule.

### STANDARD CLAUSES

#### Declaration

1. The Insured shall within thirty days of the end of each quarter deposit with the Insurer a signed statement showing the total amount outstanding in customers' accounts as set out in the Insured's accounts as at the end of the said quarter.

On the expiry of each Period of Insurance and provided that a quarterly declaration has been made for each quarter therein, the actual premium shall be calculated at the rate per cent per annum on the average amount insured i.e. the total of the sums declared divided by the number of declarations. Should the amount of a declaration exceed the Sum Insured applicable at the date of such declaration then for the purposes of this clause only the Insured shall be deemed to have declared such Sum Insured. If the actual premium shall be less than the first premium (or in the case of the second and subsequent periods of Insurance the annual premium) the difference shall be repaid to the Insured but such repayment shall not exceed 25% of the first or annual premium respectively.

If a quarterly declaration is not made for each quarter of any Period of Insurance no such return of premium shall be made for that period.

#### Automatic Reinstatement

2. In consideration of the Insurance not being reduced by the amount of any loss the Insured shall pay the appropriate extra premium on the amount of the loss from the date thereof to the date of the expiry of the Period of Insurance.

#### Temporary Removal

3. This Insurance extends to include loss ascertained in accordance with the provisions of this Section resulting from Damage:-
  - (a) in any premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, occupied by persons acting on behalf of the Insured to which the Insured's books of account or other business books or records are temporarily removed;
  - (b) to the Insured's books of account or other business books or records whilst in transit within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

#### Fire Resisting Safes

4. It is warranted that the Insured's books of account or other business books or records in which customers' accounts are shown shall be kept in fire resisting safes or fire resisting cabinets when not in use. This clause shall not apply to books of account or other business books or records, which have been removed from the Premises, covered hereunder by Standard Clause 3 (Temporary Removal).

## DEFINITION

### Outstanding Debit Balances

The total last recorded by the Insured under the provisions of Standard Clause 1 of this Section adjusted for:-

- (a) bad debts;
- (b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Damage) to customers' accounts in the period between the date to which the said last statement relates and the date of the Damage; and
- (c) any abnormal condition of trade which had or could have had a material effect on the Business

so that the figures thus adjusted shall represent as nearly as reasonable practicable those which would have been obtained at the date of the Damage had the Damage not occurred.

## EXCLUSIONS

The Insurance by this Section does not cover loss occasioned by or happening through:-

1. erasure or distortion of information on computer systems or other records
  - (a) due to the presence of a magnetic flux or whilst mounted in or on any machine or data processing apparatus unless caused by Damage to the said machine or apparatus;
  - (b) due to defects in such records.
2. deliberate falsification of business records.
3. mislaying or misfiling of tapes and records.
4. the deliberate act of the Public Supply undertaking in restricting or withholding electricity supply.
5. wear and tear and gradual deterioration, vermin, rust, damp or mildew.
6. the connivance by any employee of the Insured.
7. loss, destruction or damage caused by or arising from any kind of seepage or any kind of pollution and/or contamination.
8. (a) loss of or damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss of or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered (including business interruption losses).
  - (b) loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage. This exclusion does not, however, apply to property other than data, software and computer programs.



## **SECTION E LOSS OF LICENCE**

### **COVER**

In the event of all licences which have been granted for the sale of excisable liquors in respect of the Premises stated in the Schedule being totally and permanently forfeited under the provisions of the appropriate legislation governing such licence(s) or if the licence(s) has/have been revoked under the provisions of the appropriate legislation governing such licence(s) or refused renewal after due application for such renewal to the appropriate authority, the Insurer will pay or make good to the Insured all loss that the Insured may sustain in respect of

1. the depreciation in value of the interest of the Insured in the Premises by the forfeiture of or revocation of or refusal to renew the licence(s) to an amount not exceeding the sum insured
2. the cost and expenses being incurred by the Insured with the written consent of the Insurer in connection with any appeal against the forfeiture of or revocation of or refusal to renew the licence(s) provided always that if the Insured shall be entitled to obtain the payment of compensation under the provisions of any Act of Parliament in respect of the refusal to renew the licence(s) no claim shall arise under this Section.

### **EXCLUSIONS**

This Section does not cover any claim

1. arising directly or indirectly from any scheme of town or country planning, improvement or redevelopment, compulsory purchase or from any alteration of the law affecting the granting, surrender, refusal to renew, suspension or forfeiture of licence(s)
2. occasioned wholly or partly by or through the misconduct or procurement or connivance or neglect or omission of the Insured to take any step necessary for keeping the licence(s) in force unless the Insured or any other claimant hereunder shall prove to the reasonable satisfaction of the Insurer that such matter was beyond their power or control.
3. arising from the forfeiture of or revocation of or refusal to renew the licence(s) occasioned wholly or partly by a Criminal Act of the owner, manager or Insured's employees.
4. arising from the forfeiture of or revocation of or refusal to renew the licence(s) occasioned by the implementation of the Public Entertainments Licences (Drug Misuse) Act 1997.

### **WARRANTIES**

1. In the event of the death, bankruptcy, incapacity, desertion of the premises or conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect of their honesty, moral standing or sobriety) of the licenceholder, manager, tenant or occupier, the Insured shall where practicable and at the request of the Insurer procure a suitable person to replace them and one to whom the Justices will transfer the licence(s) or grant the licence(s) by way of renewal.
2. The Insured shall on becoming aware of any:
  - (a) complaint against the Premises or the control thereof;
  - (b) proceedings against or conviction of the licenceholder, manager, tenant or occupier of the Premises for any breach of licensing law or any matter whatsoever whereby the character or reputation of the person concerned is affected or called into question with respect of their honesty, moral standing or sobriety;
  - (c) transfer or proposed transfer of the license(s);
  - (d) alteration in the purpose for which the Premises are used;
  - (e) objection to renewal or other circumstances which may endanger the licence(s) or renewal thereof;
  - (f) application for revocation of the licence(s)immediately give notice thereof in writing to the Insurer and supply such additional information and give such assistance as the Insurer may reasonably require.
3. It is warranted that the Insured shall not use any reference to the Insurer hereon to promote their business.

### **ENDORSEMENT**

It is noted and agreed that this Section extends to include the entertainment licence(s) granted to the Premises.

### **SCOTTISH LAW**

Where the Insured is subject to Scottish Law the following apply –

1. Any reference to excisable liquors is deemed to mean alcoholic liquors and any references to Justices is deemed to mean Licensing Boards
2. Cover does not operate in the event of –
  - (a) Structural Alteration Orders
  - (b) Closure Orders
  - (c) Suspensions of Licence

## **SECTION F BUSINESS INTERRUPTION**

### **COVER**

Loss in respect of each item in the Schedule resulting from interruption or interference with the Business in consequence of loss, destruction or damage (hereinafter termed "Damage") to property used by the Insured at the Premises for the purpose of the Business by the Section A perils (if the letter set against them appears on the Schedule) or by Section A Extension 1 (if shown as included on the Schedule) which occurs during the Period of Insurance.

### **SECTION F - STANDARD CLAUSES**

(Applicable to all Insurances by this Section)

#### **SALVAGE SALE**

- A. If, following Damage giving rise to a claim under this Section, the Insured shall hold a salvage sale during the Indemnity Period, Clause (a) of the Gross Profit Specifications shall, for the purpose of such claim, read as follows:-
- (a) In respect of reduction in Turnover, the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) shall, in consequence of the Damage, fall short of the Standard Turnover from which sum shall be deducted the Gross Profit actually earned during the period of the salvage sale.

#### **DEPARTMENTAL**

- B. If the Business be conducted in departments the independent trading results of which are ascertainable, the provisions of Clauses (a) and (b) of Gross Profit Specifications shall apply separately to each department affected by the Damage except that, if the Insurance is not on a declaration-linked basis, if the sum insured by the said item be less than the aggregate of the sums produced by applying the Rate of Gross Profit for each department of the Business (whether affected by the Damage or not) to its relative annual turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

#### **SUBROGATION RIGHTS WAIVER**

- C. In the event of a claim arising under this Section the Insurer agrees to waive any rights remedies or relief to which it might have become entitled by subrogation against any:-
- (a) company standing in the relation of parent to subsidiary (subsidiary to parent) to the Insured as defined in the Companies Act or the Companies (N.I.) Order as appropriate current at the time of Damage
- (b) company which is a subsidiary of a parent company of which the Insured are themselves a subsidiary in each case within the meaning of the Companies Act or the Companies (N.I.) Order as appropriate current at the time of Damage.

#### **PAYMENT ON ACCOUNT**

- D. Claim payments on account will be made to the Insured during the Indemnity Period, if requested.

#### **REINSTATEMENT OF LOSS**

- E. In the event of loss under this Section, and in the absence of written notice by the Insurer or the Insured to the contrary, the amount of such loss is to be automatically reinstated from the date thereof, the Insured undertaking to pay such necessary premium as may be required for reinstatement for the remainder of the Period of Insurance.

#### **ACCUMULATED STOCKS**

- F. In adjusting any loss, account shall be taken and an equitable allowance made if any shortage in Turnover due to the Damage is postponed by reason of the Turnover being temporarily maintained from accumulated stocks of finished goods on the Insured's premises.

#### **FINES AND DAMAGES**

- G. The Insurer shall not be liable for any loss due to fines or damages for breach of contract, for late or non-completion of orders or for any penalties of whatever nature.

#### **AUDITORS OR PROFESSIONAL ACCOUNTANTS**

- H. (i) Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Insurer under Standard Clause L of this Section for the purpose of investigating or verifying any claim hereunder may be produced by auditors or professional accountants, if at the time they are regularly acting as such for the Insured, and their report shall be prima facie evidence of the particulars and details to which such report relates.
- (ii) Except in respect of the Increase in Cost of Working Specification the Insurer will pay to the Insured the reasonable charges payable by the Insured to their auditors or professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by the Insurer under the terms of Standard Clause L of this Section and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents, provided that the sum of the amount payable under this Section shall in no case exceed the Sum Insured for the item.

## **LIMIT OF LIABILITY**

- J. The liability of the Insurer under this Section in any one Period of Insurance shall in no case exceed:-
- (a) in respect of each item, the sum expressed in the Schedule to be insured thereon or in the whole the total Sum Insured by such items;
  - (b) any limit of liability shown in the Schedule or any applicable clause herein; or such other sum or sums as may be substituted therefore by memorandum hereon or attached hereto signed by or on behalf of the Insurer.

## **ALTERATION**

- K. The Insurance by this Section shall be avoided if:-
- (a) the Business be wound up or carried on by liquidator or receiver or permanently discontinued or;
  - (b) the Insured's interest ceases, otherwise than by death, at any time after the commencement of this Insurance, unless its continuance be admitted by memorandum signed by or on behalf of the Insurer.

## **CLAIMS**

- L. On the happening of any Damage in consequence of which a claim is, or may be, made under this Section, the Insured shall give notice in writing to the Insurer and shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss, and in the event of a claim being made under this Section shall, not later than thirty days after the expiry of the Indemnity Period or within such further time as the Insurer may in writing allow, at their own expense deliver to the Insurer in writing a statement setting forth particulars of this claim, together with details of all other insurance's covering the Damage or any part of it or consequential loss of any kind resulting therefrom. The Insured shall, at their own expense, also produce and furnish to the Insurer such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonably be required by the Insurer for the purpose of investigating or verifying the claim, together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith. No claim under this Section shall be payable unless the terms of this condition have been complied with, and in the event of non-compliance therewith in any respect any payment on account of the claim already made shall be repaid to the Insurer forthwith.

## **MATERIAL DAMAGE PROVISO**

- M. The Insurer's liability under this Section is conditional on there being in force at the time of the happening of the Damage an insurance covering the interest of the Insured in the property at the Premises against such Damage and that payment shall have been made or liability admitted therefore, or that payment would have been made or liability would have been admitted therefore but for the operation of a proviso in such Insurance excluding liability for losses below a specified amount.

## **SECTION F - EXCLUSION**

This Insurance does not cover loss, destruction or damage caused by or arising from any kind of seepage or any kind of pollution and/or contamination.

## **SECTION F - SPECIAL CLAUSES**

The undernoted clauses are operative only if the letter set against them appears in the in the Schedule, and are subject otherwise to the limits, terms, conditions and exclusions of this Insurance.

### **PROVISIONAL PREMIUM ADJUSTMENT CLAUSE**

- A. **Part 1** (Applicable only in respect of an Insurance shown in the Schedule as being on a Sum Insured Specification)
- (a) Any other Memorandum in the Specification applicable to adjustment of premium shall be cancelled.
  - (b) The first and annual premiums are provisional being 75% of the premiums payable at the commencement of the Period of Insurance with the balance of 25% to be paid within 6 months of expiry of that period, except that:-
    - (i) In respect of any items on Gross Profit/Revenue/Rentals, the premium paid shall be adjusted on receipt by the Insurer of a declaration of Gross Profit/Revenue/Rentals earned during the financial year most nearly concurrent with such Period of Insurance as reported by the Insured's auditors or professional accountants;
    - (ii) If any Damage shall have occurred giving rise to a claim for loss of Gross Profit/Revenue/Rentals, the above mentioned declaration shall be increased by the Insurer for the purpose of premium adjustment by the amount by which Gross Profit/Revenue/Rentals was reduced during the financial year solely in consequence of the Damage;
    - (iii) If the declaration (adjusted as provided for above and proportionately increased where the Maximum Indemnity Period exceeds 12 months):-
      - (a) is less than 75% of the Sum Insured on Gross Profit/Revenue/Rentals for the relative period, the Insurer will allow a pro rata return of premium not exceeding 33.33% of the provisional premium paid;
      - (b) is greater than 75% of the Sum Insured on Gross Profit/Revenue/Rentals for the relative period, the Insured shall pay a pro-rata additional premium not exceeding 33.33% of the provisional premium paid;
    - (iv) In the event that no declaration is received within 6 months of the expiry of such Period of Insurance, the balance of 25% shall be paid.

**Part 2** (Applicable only in respect of an Insurance shown in the Schedule as being on a Declaration-Linked Specification)

- (a) Any other Memorandum in the Specification applicable to adjustment of premium shall be cancelled.
- (b) The first and annual premium are provisional and are based on 75% of the Estimated Gross Profit or Revenue:-
- (i) In respect of any item on Gross Profit or Revenue, the premium paid shall be adjusted on receipt by the Insurer of a declaration confirmed by the Insured's auditors or professional accountants and furnished by the Insured not later than 6 months after the expiry of each Period of Insurance of Gross Profit or Revenue earned during the financial year most nearly concurrent with such Period of Insurance as reported by the Insured's auditors or professional accountants.
- (ii) If any Damage shall have occurred giving rise to a claim for loss of Gross Profit or Revenue, the above mentioned declaration shall be increased by the Insurer for the purpose of premium adjustment by the amount by which Gross Profit or Revenue was reduced during the financial year solely in consequence of the Damage.
- (iii) If the declaration (adjusted as provided for above and proportionately increased where the Maximum Indemnity Period exceeds 12 months) :
- (a) is less than 75% of the Estimated Gross Profit or Revenue for the relative period, the Insurer will allow a pro-rata return of premium not exceeding 25% of the provisional premium paid;
- (b) is greater than 75% of the Estimated Gross Profit or Revenue for the relative period, the Insured shall pay a pro-rata addition to the premium paid on 75% of the Estimated amount.

**INFECTIOUS DISEASES**

- B. The Insurance by this Section is extended to include loss as insured hereunder directly resulting from interruption of or interference with the Business carried on by the Insured at the Premises in consequence of:
1. Notifiable Disease manifested by any person whilst at the Premises;
  2. an outbreak of a Notifiable Disease within 25 miles of the Premises;
  3. murder or suicide occurring at the Premises;
  4. injury or illness sustained by any guest arising from, or traceable to, foreign or injurious matter in food or drink provided on the Premises;
  5. closing of the whole or part of the Premises by the order or on the advice of a competent Public Authority as a result of:-
    - (a) defects in the drains or other sanitary arrangements in the Premises
    - (b) the Premises becoming infested with vermin or pests.
  6. the cancellation of bookings for accommodation at the Premises (if the Business comprises/includes hotel or boarding house proprietors or nursing and residential home proprietors) in consequence of the outbreak of a Notifiable Disease anywhere in Great Britain, Northern Ireland, Channel Islands or the Isle of Man.

**Special Provisions**

- (a) Notifiable Disease means illness sustained by any person resulting from any human infectious or human contagious disease (excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS-related condition) an outbreak of which the competent local authority has stipulated shall be notified to them;
- (b) For the purpose of this clause, Indemnity Period means the period during which the results of the Business shall be affected in consequence of the Damage beginning with:-
- (i) the occurrence or discovery of the incident in the case of 1, 2, 3, 4 and 6 above;
  - (ii) the date from which the restrictions on the Premises are applied and ending not later than the Maximum Indemnity Period thereafter in the case of 5 above.

**SECTION F - EXTENSIONS**

The undernoted extensions are operative only if the letter set against them appears in the in the Schedule, and are subject otherwise to the limits, terms, conditions and exclusions of this Insurance.

Any loss as insured by Item 1 of this Section resulting from interruption of or interference with the Business in consequence of Damage at the situations or to property (as detailed below) shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises, provided that after the application of all other terms and conditions of this Section, the liability under the applicable Extension in respect of any one occurrence shall not exceed:-

- (a) the percentage of the total of the Sum Insured (or if on a declaration linked basis the percentage of 133.33% of the Estimated Amount) by Item 1 of this Section shown in the Schedule; or
- (b) the amount shown in the Schedule as the Limit.

- A. **PROPERTY STORED** Property of the Insured whilst stored anywhere in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, elsewhere than at any premises in the occupation of the Insured.
- B. **PATTERNS** Patterns, jigs, models, templates, moulds, dies, tools, plans, drawings and designs, the property of the Insured or held by them in trust or on commission for which they are responsible whilst at the premises situate Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, of any machine makers, engineers, founders or other metal workers, but excluding any premises wholly or partly occupied by the Insured and whilst in transit thereto and therefrom by road, rail or inland waterway in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

- C. TRANSIT Property of the Insured whilst in transit by road, rail or inland waterway in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, but it is understood that damage arising from impact to, or collision with, the conveying road or rail vehicle, or waterborne craft is specifically excluded from this extension.
- D. MOTOR VEHICLES Motor vehicles, the property of the Insured, whilst in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, elsewhere than at any premises in the occupation of the Insured.
- E. CONTRACT SITES Any situation in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, not in the occupation of the Insured, where the Insured is carrying out a contract.
- F. EXHIBITION SITES Any situation in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, not in the occupation of the Insured, where the Insured is exhibiting their goods for sale.
- G. UTILITIES (ELECTRICITY) Property at any generating station or sub-station of the electricity supply undertaking from which the Insured obtains electricity including the terminal ends of the supply authority's service feeders at the Premises.
- H. UTILITIES (GAS) Property at any land based premises of the gas supply undertaking, or of any natural gas producer linked directly therewith, from which the Insured obtains gas including the supply authority's meters at the Premises.
- J. UTILITIES (WATER) Property at any waterworks or pumping station of the water supply undertaking from which the Insured obtains water including the supply authority's main stop cock serving the Premises.
- K. TELECOMMUNICATIONS Property at any land based premises of the telecommunications undertaking from which the Insured obtains telecommunication services including the incoming line terminals or receivers, but excluding the use of satellites for such services to the Premises.
- L. PREVENTION OF ACCESS Property in the vicinity of the Premises, destruction of or damage to which shall prevent or hinder use of the Premises or access thereto, whether the Premises or property of the Insured shall be damaged or not.
- M. DAMAGE IN THE VICINITY Property in the vicinity of the Premises, destruction of or damage to which shall cause loss of custom to the Insured, directly due to loss of amenities in the immediate vicinity of the Premises, whether the Premises or property of the Insured therein shall be damaged or not.
- N. SPECIFIED SUPPLIERS The premises of those suppliers which are detailed in the Schedule.
- P. UNSPECIFIED SUPPLIERS AND STORAGE SITES The premises of any of the Insured's suppliers, manufacturers or processors of components, goods or materials, but excluding the premises of any supply undertaking from which the Insured obtains electricity, gas, water or telecommunication services and premises not in the occupation of the Insured where property of the Insured is stored, all in Great Britain, Northern Ireland, the Channel Islands or Isle of Man.
- Q. SPECIFIED CUSTOMERS The premises of those customers which are detailed in the Schedule.
- R. UNSPECIFIED CUSTOMERS The premises of any of the Insured's customers in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
- S. MOTOR VEHICLE MANUFACTURERS The premises of those motor vehicle manufacturers which are detailed in the Schedule.

In respect of Extensions G H J and K excluding

- (i) any loss or failure which does not involve a cessation of supply for at least four consecutive hours in respect of electricity, gas or water, or at least twenty four consecutive hours in respect of telecommunication services
- (ii) loss resulting from failure caused by
  - (a) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity or telecommunication services (unless such discontinuation is due to a deliberate act of the supply authority for the sole purpose of safeguarding life or protecting any part of the supply system or a scheme of rationing due to Damage to the supply authority's premises)
  - (b) strikes or any labour or trade dispute
  - (c) drought
  - (d) other atmospheric or weather conditions, but this shall not exclude failure due to damage to equipment caused by such conditions
- (iii) loss damage cost or expense resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs

**SECTION F - GROSS PROFIT SUM INSURED SPECIFICATION**

ITEM No.	Sum Insured
1. On Gross Profit	As stated in the Schedule

The Insurance under Item No.1 is limited to loss of Gross Profit due to: a) reduction in Turnover, and b) Increase in Cost of Working, and the amount payable as indemnity thereunder shall be:-

- (a) in respect of reduction in Turnover the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover;
- (b) in respect of Increase in Cost of Working the additional expenditure (subject to the provisions of the undernoted Uninsured Standing Charges Clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided;

Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage.

Provided that if the Sum Insured by this Item be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

**DEFINITIONS**

Note 1: To the extent that the Insured is accountable to the tax authorities for Value Added Tax, all terms in this Insurance shall be exclusive of such tax.

Note 2: For the purpose of these definitions, any adjustment implemented in current cost accounting shall be disregarded.

**Indemnity Period**

The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period thereafter, during which the results of the Business shall be affected in consequence thereof.

**Maximum Indemnity Period**

The number of months stated in the Schedule.

**Turnover**

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

**Gross Profit**

The amount by which:-

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

Note: The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation.

**Specified Working Expenses**

Purchases (less discounts received). Discounts allowed: Carriage, Packing and Freight and such additional expenses specified in the Schedule.

Note: The words and expressions used in this definition (other than wages) shall have the meaning usually attached to them in the books and accounts of the Insured.

**Rate of Gross Profit** The Rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage

**Annual Turnover** The Turnover during the twelve months immediately before the date of the Damage

**Standard Turnover** The Turnover during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period

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

**SPECIFICATION CLAUSES**

**Alternative Trading**

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

**Uninsured Standing Charges**

If any standing charges of the Business are not insured by this Insurance (having been deducted in arriving at the Gross Profit as defined herein) then, in computing the amount recoverable hereunder as Increase in Cost of Working, that proportion only of any additional expenditure shall be brought into account which the Gross Profit bears to the sum of the Gross Profit and the uninsured standing charges.

## **SECTION F - GROSS PROFIT DECLARATION LINKED SPECIFICATION**

ITEM No.	Estimated Gross Profit
1. On Gross Profit	As stated in the Schedule

The Insurance under Item No.1 is limited to loss of Gross Profit due to a) reduction in Turnover and b) Increase In Cost of Working and the amount payable as indemnity thereunder shall be:-

- (a) in respect of reduction in Turnover the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover;
- (b) in respect of Increase in Cost of Working the additional expenditure (subject to the provisions of the undernoted Uninsured Standing Charges Clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover, which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided;

Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage.

Notwithstanding Standard Clause J (Limit of Liability):-

- (i) the liability of the Insurer shall in no case exceed in respect of Gross Profit 133.33% of the Estimated Gross Profit stated herein, in respect of each other item 100% of the Sum Insured stated herein nor in the whole the sum of 133.33% of the Estimated Gross Profit and 100% of the sums insured by other items or such other amounts as may be substituted therefore by memorandum signed by or on behalf of the Insurer;
- (ii) in the absence of written notice by the Insured or the Insurer to the contrary the Insurer's liability shall not stand reduced by the amount of any loss, the Insured undertaking to pay the appropriate additional premium for such automatic reinstatement of cover.

### **DEFINITIONS**

Note 1: To the extent that the Insured is accountable to the tax authorities for Value Added Tax, all terms in this Insurance shall be exclusive of such tax.

Note 2: For the purpose of these definitions, any adjustment implemented in current cost accounting shall be disregarded.

#### **Indemnity Period**

The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period thereafter, during which the results of the Business shall be affected in consequence thereof.

#### **Maximum Indemnity Period**

The number of months stated in the Schedule.

#### **Turnover**

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

#### **Gross Profit**

The amount by which:-

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

Note: The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods, due provisions being made for depreciation.

#### **Specified Working Expenses**

Purchases (less discounts received). Discounts allowed: Carriage, Packing & Freight and such additional expenses specified in the Schedule.

Note: The words and expressions used in this definition (other than wages) shall have the meaning usually attached to them in the books and accounts of the Insured).

#### **Estimated Gross Profit**

The amount declared by the Insured to the Insurer as representing not less than the Gross Profit which it is anticipated will be earned by the Business during the financial year, most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months).

**Rate of Gross Profit**

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

**Standard Turnover**

The Turnover during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period

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

**SPECIFICATION CLAUSES****Premium Adjustment**

The first and annual premiums (in respect of Item 1) are provisional and are based on the Estimated Gross Profit.

The Insured shall provide to the Insurer, not later than six months after the expiry of each Period of Insurance, a declaration confirmed by the Insured's auditors or professional accountants of the Gross Profit earned during the financial year most nearly concurrent with the Period of Insurance.

If any Damage shall have occurred giving rise to a claim for loss of Gross Profit, the above mentioned declaration shall be increased by the Insurer for the purpose of premium adjustment by the amount by which the Gross Profit was reduced during the financial year solely in consequence of the Damage.

If the declaration (adjusted as provided above and proportionately increased where the Maximum Indemnity Period exceeds 12 months):-

- (a) is less than the Estimated Gross Profit for the relative period of Insurance, the Insurer will allow a pro-rata return of premium paid on the Estimated Gross Profit (but not exceeding 25% of such premium);
- (b) is greater than the Estimated Gross Profit for the relative period of Insurance, the Insured shall pay a pro-rata addition to the premium paid on the Estimated Gross Profit.

**Alternative Trading**

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

**Uninsured Standing Charges**

If any standing charges of the Business are not insured by this Insurance (having been deducted in arriving at the Gross Profit as defined herein) then, in computing the amount recoverable hereunder as Increase in Cost of Working, that proportion only of any additional expenditure shall be brought into account which the Gross Profit bears to the sum of the Gross Profit and the uninsured standing charges.

**Renewal**

The Insured shall, prior to each renewal, provide the Insurer with the Estimated Gross Profit for the financial year most nearly concurrent with the ensuing Period of Insurance.



## SECTION F - GROSS REVENUE SUM INSURED SPECIFICATION

ITEM No.	Sum Insured
1. On Gross Revenue	As stated in the Schedule

The Insurance under Item No.1 is limited to a) loss of Gross Revenue and b) Increase in Cost of Working and the amount payable as indemnity thereunder shall be:-

- (a) in respect of loss of Gross Revenue, the amount by which the Gross Revenue during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Gross Revenue;
- (b) 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 Indemnity Period in consequence of the Damage, but not exceeding the amount of the reduction in Gross Revenue thereby avoided;

Less any sum saved during the Indemnity Period in respect of the charges and expenses of the Business, payable out of Gross Revenue, as may cease or be reduced in consequence of the Damage.

Provided that if the Sum Insured by this Item be less than the Annual Gross Revenue (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

### DEFINITIONS

Note 1: To the extent that the Insured is accountable to the tax authorities for Value Added Tax, all terms in this Insurance shall be exclusive of such tax.

Note 2: For the purpose of these definitions, any adjustment implemented in current cost accounting shall be disregarded.

### Indemnity Period

The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period thereafter, during which the results of the Business shall be affected in consequence thereof.

### Maximum Indemnity Period

The number of months stated in the Schedule.

### Gross Revenue

The money paid or payable to the Insured for services rendered in the course of the Business at the Premises.

### Annual Gross Revenue

The Gross Revenue earned during the twelve months immediately before the date of the Damage

### Standard Gross Revenue

The Gross Revenue during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period

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

## SPECIFICATION CLAUSES

### Alternative Trading

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

### Premium Adjustment

The premium paid hereon may be adjusted on receipt by the Insurer of a declaration of Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance, as reported by the Insured's auditors or professional accountants. If any Damage shall have occurred giving rise to a claim for loss of Gross Revenue, the above mentioned declaration shall be increased by the Insurer for the purpose of premium adjustment by the amount by which the Gross Revenue was reduced during the financial year, solely in consequence of the Damage.

If the declaration (adjusted as provided for above and proportionately increased where the Maximum Indemnity Period exceeds 12 months) is less than the Sum Insured on Gross Revenue for the relative period of Insurance, the Insurer will allow a pro-rata return of premium not exceeding 25% of the premium paid.

## SECTION F - GROSS REVENUE DECLARATION LINKED SPECIFICATION

ITEM No.	Estimated Gross Revenue
1. On Gross Revenue	As stated in the Schedule

The Insurance under Item No.1 is limited to a) loss of Gross Revenue and b) Increase in Cost of Working, and the amount payable as indemnity hereunder shall be:-

- a) in respect of the loss of Gross Revenue, the amount by which the Gross Revenue during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Gross Revenue;
- b) 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 Indemnity Period in consequence of the Damage, but not exceeding the amount of the reduction in Gross Revenue thereby avoided; Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Revenue as may cease or be reduced in consequence of the Damage.

Notwithstanding Standard Clause J (Limit of Liability):-

- (i) the liability of the Insurer shall in no case exceed in respect of Gross Revenue 133.33% of the Estimated Gross Revenue stated herein, in respect of each other item 100% of the Sum Insured stated herein or in whole the sum of 133.33% of Estimated Gross Revenue and 100% of the sums insured by other items or such other amounts as may be substituted therefore by memorandum signed by or on behalf of the Insurer;
- (ii) in the absence of written notice by the Insured or the Insurer to the contrary, the Insurer's liability shall not stand reduced by the amount of any loss, the Insured undertaking to pay the appropriate additional premium for such automatic reinstatement of cover.

### DEFINITIONS

Note 1: To the extent that the Insured is accountable to the tax authorities for Value Added Tax, all terms in this Insurance shall be exclusive of such tax.

Note 2: For the purpose of these definitions, any adjustment implemented in current cost accounting shall be disregarded.

#### Indemnity Period

The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period thereafter, during which the results of the Business shall be affected in consequence thereof.

#### Maximum Indemnity Period

The number of months stated in the Schedule.

#### Gross Revenue

The money paid or payable to the Insured for services rendered in the course of Business at the Premises.

#### Estimated Gross Revenue

The amount declared by the Insured to the Insurer as representing not less than the Gross Revenue which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the period of Insurance (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months).

#### Standard Gross Revenue

The Gross Revenue during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in, or other circumstances, affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

### SPECIFICATION CLAUSES

#### Premium Adjustment

The first and annual premiums (in respect of Item 1) are provisional and are based on the Estimated Gross Revenue.

The Insured shall provide to the Insurer, not later than six months after the expiry of each Period of Insurance, a declaration confirmed by the Insured's auditors or professional accountants of the Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance.

If any Damage shall have occurred giving rise to a claim for loss of Gross Revenue the above mentioned declaration shall be increased by the Insurer for the purpose of premium adjustment by the amount by which the Gross Revenue was reduced during the financial year solely in consequence of the Damage.

If the declaration (adjusted as provided above and proportionately increased where the Maximum Indemnity Period exceeds 12 months):-

- (a) is less than the Estimated Gross Revenue for the relative period of Insurance, the Insurer will allow a pro-rata return of premium paid on the Estimated Gross Revenue (but not exceeding 25% of such premium);
- (b) is greater than the Estimated Gross Revenue for the relative period of Insurance, the Insured shall pay a pro-rata addition to the premium paid on the Estimated Gross Revenue.

**Alternative Trading**

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

**Renewal**

The Insured shall, prior to each renewal, provide the Insurer with the Estimated Gross Revenue for the financial year most nearly concurrent with the ensuing Period of Insurance.

**SECTION F - GROSS RENTALS SPECIFICATION**

ITEM No. Sum Insured  
1. On Gross Rentals As stated in the Schedule.

The insurance under Item No.1 is limited to loss of Gross Rentals and the amount payable as Indemnity thereunder shall be:-

The amount by which the Gross Rentals during the Indemnity Period shall, in consequence of the Damage, fall short of the standard Gross Rentals;

Less any sum saved during the Indemnity Period in respect of the charges and expenses of the Business normally payable out of Gross Rentals as may cease or be reduced in consequence of the Damage.

Provided that if the Sum Insured by this Item be less than the Annual Gross Rentals (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

**DEFINITIONS**

Note 1: To the extent that the Insured is accountable to the Tax Authorities for Value Added Tax, all terms in this Section shall be exclusive of such tax.

Note 2: For the purpose of these definitions, any adjustment implemented in current cost accounting shall be disregarded.

**Indemnity Period**

The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period thereafter, during which the results of the Business shall be affected in consequence thereof.

**Maximum Indemnity Period**

The number of months stated in the Schedule.

**Gross Rentals**

The money paid or payable to the Insured by the Tenants in respect of rental of the Premises.

**Annual Gross Rentals**

The Gross Rentals earned during the twelve months immediately before the date of the Damage

**Standard Gross Rentals**

The Gross Rentals during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period

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

## **SECTION F - INCREASE IN COST OF WORKING SPECIFICATION**

ITEM No.	Sum Insured
1. On Increase in Cost of Working	As Stated in the Schedule
2. On auditors or professional accountants' charges	As Stated in the Schedule

The Insurance under Item No.1 is limited to Increase in Cost of Working, and the amount payable as indemnity thereunder shall be the additional expenditure necessarily and reasonable incurred in consequence of the Damage in order to continue the Business during the Indemnity Period. Provided that the indemnity under Item No.1 shall be limited to the additional expenditure which is necessarily incurred to maintain the Business as existing immediately before the Damage.

The liability of the Insurer shall be no more than 50% of the Sum Insured by Item No.1 for such additional expenditure arising in the first 3 months following the date of the Damage or 10% of the Sum Insured for the additional expenditure in any one month thereafter but the Insurer's liability shall not exceed the Sum Insured for Item No.1 as stated in the Schedule.

The Insurance under Item No.2 is limited to the reasonable charges payable by the Insured to their auditors or professional accountants for producing and reporting any particulars or details contained in the Insured's books of account or other business books or documents or such other proofs, information, or evidence as may be required by the Insurer under the terms of Standard Clause L (Claims).

### **DEFINITIONS**

#### **Indemnity Period**

The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period thereafter, during which the results of the Business shall be affected in consequence of the Damage.

#### **Maximum Indemnity Period**

The number of months as stated in the Schedule.

# SECTION G EMPLOYERS', PUBLIC AND PRODUCTS LIABILITY

## SECTION G - DEFINITIONS

1. **Injury** shall mean
  - a) death bodily injury illness or disease false arrest imprisonment or false eviction of or to any person
  - b) mental injury mental anguish or nervous shock but not defamation
2. **Employee** shall mean any
  - a) person under a contract of service or apprenticeship with the Insured
  - b) labour master or labour only sub-contractor or person supplied or employed by them
  - c) self employed person
  - d) person hired to or borrowed by the Insured
  - e) person under a work experience or training scheme
  - f) voluntary workers
  - g) person supplied to the Insured under a contract or agreement the terms of which deem such person to be in the employment of the Insured whilst working under the direction and control of the Insured in connection with the Business
3. **Damage** shall mean loss of possession of or damage to tangible property but shall not include Data
4. **Data** shall mean information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware
5. **Offshore** shall mean from the time an Employee embarks onto a conveyance at the point of final departure onto an Offshore rig platform or support vessel until the Employee disembarks onto land upon their return from an Offshore rig platform or support vessel
6. **Pollution** shall mean Pollution or contamination of the atmosphere or of any water land or other tangible property
7. **Product** shall mean any property (including packaging containers and labels) after it has left the custody or control of the Insured which has been designed specified formulated manufactured constructed installed sold supplied distributed treated serviced altered or repaired by or on behalf of the Insured
8. **Damages** shall mean monetary compensation capable of being awarded in civil proceedings but excluding aggravated damages and/or exemplary damages and/or punitive damages
9. **Geographical Limits** shall mean
  - a) Great Britain Northern Ireland the Channel Islands and the Isle of Man and offshore installations in territorial waters around Great Britain and its Continental Shelf
  - b) anywhere in the world in respect of temporary Business visits undertaken by any Employee normally resident in the territories defined in a) above provided such Employee is engaged in non-manual work
  - c) anywhere in the world in respect of products sold or supplied from the territories defined in a) above
10. **Excess** shall mean the total amount inclusive of claimants costs fees and expenses as stated in the Schedule payable by the Insured or any other person entitled to receive indemnity before the Insurer is liable to make any payment  
It being agreed that if any payment made by Insurer shall include this amount such amount shall be repaid to the Insurer forthwith

## SECTION G - OPERATIVE AND INDEMNITY CLAUSE

The Insurer in consideration of the Insured having paid or agreed to pay the premium will indemnify the Insured against

- 1 their liability to pay Damages (including claimants' costs fees and expenses) in accordance with the law of any country but not in respect of any judgement award payment or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement award payment or settlement either in whole or in part) unless the Insured has requested that there shall be no such limitation and has accepted the terms offered by the Insurer in granting such cover which offer and acceptance must be signified by specific endorsement to this Insurance
- 2 all costs fees and expenses incurred by the Insured with the Insurer's prior written consent in the defence or settlement of any claim under this Insurance (hereinafter called "Defence Costs") other than in respect of actions in the United States of America or Canada

Defence Costs include legal expenses

- a) arising out of representation at any Coroners Inquest or Fatal Accident Inquiry
- b) arising out of any criminal prosecution proceedings relating to an offence alleged to have been committed during the Period of Insurance and in the course of the Insured's Business in respect of matters which may form the subject of indemnity by this Insurance (including, with the Insurer's prior consent Employees partners or directors of the Insured) provided that
  - i) the Insurer shall not be liable for any fines or penalties imposed as a consequence of such prosecution
  - ii) the Insurer shall not be responsible for Defence Costs where at the Insurer's discretion it may require the opinion of counsel (whose appointment is at the Insurer's sole discretion) as to whether or not such costs should extend or continue to extend to the support of such defence and where such counsels opinion is that there is no reasonable defence to the prosecution
  - iii) the Insurer's liability for Defence Costs in cases of breach or alleged breach of The Health and Safety at Work Act 1974 and such Regulations as are passed under or exist as a consequence of that Act are (unless with the Insurer's prior consent otherwise) limited to prosecutions under Section 33(1)(a) to (c) of the Act or similar duty imposed under legislation in Northern Ireland, the Isle of Man or the Channel Islands
  - iv) the Insurer's liability for Defence Costs in cases of breach or alleged breach of Part II of the Consumer Protection Act 1987 will be limited to proceedings not consequent upon a deliberate act or omission

The indemnity applies only to such liability as defined by each insured Sub-Section arising out of the Business specified in the Schedule subject always to the terms Conditions and Exclusions of such Sub-Section and of the Insurance as a whole

## **SECTION G – SUB-SECTION 1 EMPLOYERS LIABILITY**

### **Indemnity**

The Insured is indemnified by this Sub-Section in accordance with the Operative and Indemnity Clause but only for Injury to an Employee where such Injury arises out of the Business and is caused during the Period of Insurance as stated in the Schedule within the Geographical Limits

### **Limits of Indemnity**

The Insurer's liability to pay Damages (including claimants' costs fees and expenses) and Defence Costs shall not exceed the sum stated in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause

### **Rights of Recovery**

This Sub-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 and the Isle of Man and Offshore installations in territorial waters around Great Britain and its continental shelf but the Insured shall repay to the Insurer all sums paid by the Insurer which the Insurer would not have been liable to pay but for the provisions of such law ordinance or statute

### **Additional Persons Insured**

At the request of the Insured indemnity will be extended to

1. any director of the Insured or Employee in respect of liability arising in connection with the Business
2. any officer committee or member of the Insured's canteen sports social welfare organisation fire security first aid medical or ambulance services in their respective capacities as such but not including medical practitioners while working in a professional capacity
3. any director or senior official of the Insured in respect of private work undertaken by any Employee for such director or senior official

each of whom shall as though the Insured be subject to the terms of this Insurance so far as they can apply and provided that the Insured would have been entitled to indemnity under this Sub-Section if the claim had been made against the Insured



## **SECTION G – SUB-SECTION 2 PUBLIC LIABILITY**

### **Indemnity**

The Insured is indemnified by this Sub-Section in accordance with the Operative and Indemnity Clause for

1. Injury
2. Damage
3. nuisance trespass or interference with any easement right of air light water or way

occurring during the Period of Insurance as stated in the Schedule within the Geographical Limits but not against liability arising out of or in connection with any Product

### **Limit of Indemnity**

The Insurer's liability to pay Damages (including claimants' costs fees and expenses) and Defence Costs shall not exceed the sum stated in the Schedule in respect of any one occurrence or series of occurrences arising out of one originating cause

In the event of any one originating cause giving rise to an occurrence or series of occurrences which form the subject of indemnity under this Sub-Section and Sub-Sections 3 each Sub-Section shall apply separately and be subject to its own separate Limit of Indemnity provided always that the total amount of the Insurer's liability shall be limited to the greatest Limit of Indemnity available under either Sub-Section providing indemnity for the occurrence or series of occurrences

### **Additional Persons Insured**

At the request of the Insured indemnity will be extended to include liability of

1. any director of the Insured or Employee in respect of liability arising in connection with the Business
2. any officer committee or member of the Insured's canteen sports social welfare organisation fire security first aid medical or ambulance services in their respective capacities as such but not including medical practitioners while working in a professional capacity
3. any director or senior official of the Insured in respect of private work undertaken by any Employee for such director or senior official

each of whom shall as though the Insured be subject to the terms of this Insurance so far as they can apply and provided that the Insured would have been entitled to indemnity under this Sub-Section if the claim had been made against the Insured

### **Exclusions**

This Sub-Section does not apply to liability

1. arising out of the ownership possession or use by or on behalf of the Insured of any motor vehicle or trailer for which compulsory insurance is required by legislation other than liability
  - a) caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer
  - b) arising beyond the limits of any carriageway or thoroughfare by the loading or unloading of any motor vehicle or trailer
  - c) for Damage to any bridge weighbridge road or anything beneath caused by the weight of any motor vehicle or trailer or of the load carried thereon
  - d) arising out of any motor vehicle or trailer temporarily in the Insured's custody or control for the purpose of parking and where such liability does not require compulsory insurance by legislation governing the use of any motor vehicle or trailer
2. arising out of the ownership possession or use by or on behalf of the Insured of any aircraft watercraft or hovercraft other than watercraft not exceeding fifty feet in length (and then only whilst on inland waterways) or watercraft used for Business entertainment where the Insured is not responsible for insurance
3. for Damage to property owned leased or hired by or under hire purchase or on loan to the Insured or otherwise in the Insured's care custody or control other than
  - a) premises (or the contents thereof) temporarily occupied by the Insured for work therein (but no indemnity is granted for Damage to that part of the property on which the Insured is working and which arises out of such work)
  - b) employees' and visitors' clothing and personal effects including vehicles and their contents
  - c) premises tenanted by the Insured to the extent that the Insured would be held liable in the absence of any specific agreement

## **SECTION G – SUB-SECTION 3 PRODUCTS LIABILITY**

### **Indemnity**

The Insured is indemnified by this Sub-Section in accordance with the Operative and Indemnity Clause for Injury and/or Damage occurring during the Period of Insurance as stated in the Schedule within the Geographical Limits but only against liability arising out of or in connection with any Product

### **Limit of Indemnity**

The Insurer's liability to pay Damages (including claimants' costs fees and expenses) and Defence Costs shall not exceed the sum stated in the Schedule in respect of all occurrences

In the event of any one originating cause giving rise to an occurrence or series of occurrences which form the subject of indemnity under this Sub-Section and Sub-Section 2 each Sub-Section shall apply separately and be subject to its own separate Limit of Indemnity provided always that the total amount of the Insurer's liability shall be limited to the greatest Limit of Indemnity available under either Sub-Section providing indemnity for the occurrence or series of occurrences

### **Additional Persons Insured**

At the request of the Insured indemnity will be extended to include liability of

1. any director of the Insured or Employee in respect of liability arising in connection with the Business
2. any officer committee or member of the Insured's canteen sports social welfare organisation fire security first aid medical or ambulance services in their respective capacities as such but not including medical practitioners while working in a professional capacity
3. any director or senior official of the Insured in respect of private work undertaken by any Employee for such director or senior official

each of whom shall as though the Insured be subject to the terms of this Insurance so far as they can apply and provided that the Insured would have been entitled to indemnity under this Sub-Section if the claim had been made against the Insured

### **Exclusions**

This Sub-Section does not apply to liability

1. for Damage to any Product or part thereof
2. for costs incurred in the repair reconditioning or replacement of any Product or part thereof and/or financial loss consequent upon the necessity for such repair reconditioning or replacement
3. arising out of the recall of any Product or part thereof
4. arising out of any Product which with the Insured's knowledge is intended for manufacturers of aircraft and safety critical aircraft components such as airframe, driving equipment, landing gear, under structure, electronic equipment, hydraulic equipment and technical instruments.

## SECTION G – CONDITION

### Proportionment of Defence Costs

Except where the Limit of Indemnity is inclusive of Defence Costs if a payment exceeding the Limit of Indemnity has to be made to dispose of a claim the liability of the Insurer to pay all Defence Costs in connection therewith shall be limited to such proportion of the said Defence Costs as the Limit of Indemnity bears to the amount paid to dispose of a claim

## SECTION G – EXCLUSIONS

### APPLICABLE TO ALL SUB-SECTIONS UNDER THIS INSURANCE

#### 1 Road Traffic Act

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

#### 2 Asbestos Trade

This Insurance does not cover any liability, loss, cost or expense directly or indirectly arising out of, resulting as a consequence of, or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to Asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

#### 3 Offshore

This Insurance does not apply to liability in connection with any work Offshore. If the Insurer is required by law under Sub -Section 1 of this Insurance to make a payment regarding Offshore cover then a Limit of Indemnity of GBP 5,000,000 any one occurrence shall apply.

#### 4 Exclusions applicable only to Sub-Sections 2 and 3

This Insurance does not apply to liability

- a) for Injury to an Employee where such Injury arises out of the Business
- b) arising out of the deliberate conscious or intentional disregard by the Insured's technical or administrative management of the need to take all reasonable steps to prevent Injury Damage nuisance trespass or interference with any easement right of air light water or way
- c) arising out of liquidated damages clauses penalty clauses or performance warranties unless proven that liability would have attached in the absence of such clauses or warranties
- d) arising out of professional advice design or specification given by the Insured for a fee
- e) arising from Pollution other than caused by a sudden identifiable unintended and unexpected occurrence which takes place in its entirety at a specific time and place during the Period of Insurance. All Pollution which arises out of one occurrence shall be deemed to have occurred at the time such occurrence takes place. The Insurer's liability to pay Damages (including claimant's costs fees and expenses) shall not exceed the sum stated in the Schedule in respect of all occurrences.

#### 5 Excess

This Insurance does not apply to liability for the Excess as stated in the Schedule in respect of the first amount of each claim or series of claims arising out of one originating cause

## SECTION G - EXTENSIONS

### APPLICABLE TO ALL SUB-SECTIONS UNDER THIS INSURANCE (EXCEPT WHERE INDICATED)

All extensions are subject otherwise to the limits, terms, conditions and exclusions of this Insurance

#### 1 Court Attendance Costs

In the event of any of the under mentioned persons attending court as a witness at the request of the Insurer in connection with a claim in respect of which the Insured is entitled to indemnity under this Insurance the Insurer will provide compensation to the Insured at the following rates per day on which attendance is required

- a) any director or partner of the Insured                      GBP 500
- b) any employee    GBP 250

Provided always that

- i) the Insurer shall not be liable unless the Insurer has the sole conduct and control of all claims covered by this Extension
- ii) this Extension shall not apply to any liability which is covered by any other Insurance

**2 Cross Liabilities**

**Applicable to Sub-Sections 2 and 3**

Each person or party specified as the Insured in the Schedule is separately indemnified in respect of claims made against any of them by any other subject to the Insurer's total liability not exceeding the stated Limits of Indemnity

**3 Data Protection Act 1998**

**Applicable to Sub-Sections 2 and 3**

It is agreed that the indemnity provided by this Insurance extends to include liability for damage and distress under Sections 22 and 23 of the Data Protection Act 1984 or Section 13 of the Data Protection Act 1998 provided that

- a) the liability arises from data for which the Insured are registered under the Act
- b) the Insured are not in business as a computer bureau
- c) the Insured do not supply data for a fee other than to a data subject
- d) the Insurer will not provide an indemnity against any claim or claims made by or on behalf of any director or Employee of the Insured in connection with employment in the Business

**4 Defective Premises Act**

It is agreed that in respect of liability arising out of the ownership of premises in the event of any premises being disposed of by the Insured prior or subsequent to the inception of this cover the indemnity shall apply to liability which devolves upon the Insured by reason of the Defective Premises Act 1972 or similar legislation provided that

- a) such liability is not otherwise insured
- b) the Insurer shall not be liable in respect of the costs incurred by anyone in removing rebuilding repairing or rectifying any such premises

**5 Principals**

Where the Insured so requests the Insurer agrees to indemnify any Principal of the Insured but only to the extent that such liability arises solely out of the work performed for the Principal by or on behalf of the Insured such Principal shall be subject to and comply with the terms and Conditions herein and this clause shall in no way operate to increase the Limits of Indemnity as stated in the Schedule

**6 Motor Contingent Liability**

**Applicable to Sub-Section 2**

It is agreed that notwithstanding Exclusion 1 of Sub-Section 2 herein this Insurance is extended to provide an indemnity in respect of Injury or Damage arising out of the use of any motor vehicle owned by an Employee and being used in the course of the Business of the Insured

Provided always that no indemnity is provided by this Extension

- a) in respect of personal injury to any person being carried by motor cycle other than in a sidecar attached to it
- b) for loss of or Damage to any vehicle and/or contents therein
- c) for death injury illness disease or loss or Damage arising while such vehicle is being driven by the Insured or any Employee of the Insured other than the owner of such vehicle
- d) if such vehicle is more specifically insured
- e) for any Employee whilst driving or in charge of such vehicle
- f) if such vehicle is being used outside Great Britain Northern Ireland the Channel Islands and the Isle of Man

## **MATERIAL DAMAGE AND BUSINESS INTERRUPTION WARRANTIES**

Every warranty shall from the time that the warranty attaches apply and continue to be in force throughout the currency of this Insurance and non-compliance with any such warranty whether it increases the risk or not shall be a bar to any claim.

The undernoted warranties are operative only if the letter set against them appears in the in the Schedule, and are subject otherwise to the limits, terms, conditions and exclusions of this Insurance.

### **Waste Warranty**

A. It is warranted that all oily and/or greasy waste and used cleaning cloths which remain in the buildings overnight are kept in metal receptacles with metal lids and removed from the buildings at least once a week.

### **Waste Warranty**

B. It is warranted that all combustible trade waste and refuse is removed from the buildings every night.

### **Waste Warranty**

C. It is warranted that all combustible trade waste and refuse is swept up daily and kept in bags or bins and removed from the buildings at least once a week.

### **Fire-Proof Doors Warranty**

D. It is warranted that all fire-proof doors and shutters are kept closed except during working hours and are kept in efficient working order.

### **Portable Heater Warranty**

E. It is warranted that there is no use or storage on the premises of paraffin or portable electric or gas heaters or containers unless specifically agreed by the Insurer prior to such use or storage. This does not apply to offices or designated rest rooms agreed with the Insurer.

### **Premises Inspection Warranty**

F. It is warranted that a thorough examination of the buildings for smouldering matches, tobacco or other material is carried out at the close of each day the buildings are in use for business purposes and that signed reports are made daily by an Employee detailed to make the examination and that such reports are checked at least once a week by the management.

### **Frying and Cooking Equipment Warranty**

G. It is warranted that:-  
(a) all frying and cooking equipment including flues and exhaust ducting are securely fixed and free from contact with combustible materials at all times;  
(b) all flues, exhaust ducting, grease traps and filters are cleaned at least once a month.

### **Unoccupancy Warranty**

H. It is warranted that in respect of buildings or parts thereof which are unoccupied:  
(a) the buildings are made secure against illegal entry;  
(b) the buildings are inspected weekly and any damage repaired immediately;  
(c) all services are switched off at the mains and drained where applicable;  
(d) all combustible debris and waste is cleared from the premises;  
(e) all windows are boarded and letter boxes are sealed;  
(f) cover excludes loss or damage caused by contractors whilst premises are being renovated.

### **Protection Maintenance Warranty**

J. It is warranted that the whole of the protections provided for the safety of the insured property are maintained in good order and are in full and effective use at all times out of business hours or when the Insured's premises are left unattended and that such protections are not withdrawn or varied to the detriment of the interests of the Insurer without its consent.

### **Electrical Circuit Maintenance Warranty (3 year)**

K. It is warranted that all electrical circuits are tested at least once in every three years by qualified Electrical Engineers and that any defects found are remedied immediately in accordance with the Regulations of the Institute of Electrical Engineers, their certificate confirming the same to be issued to, and retained by, the Insured.

### **Stillage Warranty**

L. It is warranted that all stock is stored on racks, pallets or stillages at least 10cm above floor level at all times throughout the currency of this Insurance.

### **Spray Painting Warranty**

- M. It is warranted that all spraying of paints or varnishes with a flash point below 32 degrees centigrade is carried out in an area enclosed by non-combustible materials and extraction to the open air and any electrical installation including that for extraction is of flameproof design and any heating is of the black-heat type and with fully enclosed elements.
- It is also warranted that:
- (a) only one days supply of flammables is kept in the spraying area.
  - (b) all other flammables are kept in a designated enclosed steel bin or if such stocks are substantial they are kept in a store with high and low level vents to the open air or forced flameproof extractor at floor level.
  - (c) all lighting must also be flameproof.
  - (d) smoking is prohibited in the areas where processes are carried and signs to this effect to be prominently displayed.
  - (e) paint spray solids from all areas of the booth, including the area behind the filters or curtains, must be removed on a weekly basis and transferred to a non-combustible container and then disposed of in the appropriate manner.

### **Pipe Lagging Warranty**

- N. It is warranted that all exposed visible water pipes in unheated parts of the building are to be fully lagged in modern insulation materials to reduce the risk of burst pipes during freezing weather conditions.

### **Frost Stat Warranty**

- P. It is warranted that the frost-stat controls connected to the central heating boiler be maintained at a minimum temperature of four degrees centigrade at all times from 31st October to 1st April annually.

### **Flat Roof Warranty**

- Q. It is a condition precedent to liability in respect of damage by storm, tempest or flood, that any flat felted roof portion of the within described premises shall be inspected at least once every year by a qualified builder or property surveyor and any defects brought to light by that inspection shall be repaired immediately. The Insured must keep a copy of the invoice showing that the work has been undertaken.

### **Valley Gutter Inspection Warranty**

- R. It is warranted that all Valley Gutters are inspected twice annually by a qualified company (or person) with all debris being removed. The Insured must keep a copy of the invoice showing that the work has been undertaken.

### **Electrical Circuit Maintenance Warranty (5 year)**

- S. It is warranted that all electrical circuits are tested at least once in every five years by qualified Electrical Engineers and that any defects found are remedied immediately in accordance with the Regulations of the Institute of Electrical Engineers, their certificate confirming the same to be issued to, and retained by, the Insured.

### **Outside Waste and Storage Warranty**

- T. It is warranted that all combustible items are stored at least 5 metres away from the Premises.

### **Unattended Machinery Warranty**

- U. It is warranted that there will be no process or operation of machinery of any description outside of business hours at any time when the premises are unattended.

### **Composite Panel Warranty**

- V. It is warranted that in respect of all buildings which have composite panels to any degree -
- (a) any damaged composite panels must be replaced or repaired without delay
  - (b) items such as battery chargers must not be suspended from composite panels
  - (c) a Hot Work permit system must be in operation
  - (d) all ductwork passing through composite panels must be sleeved in non combustible material
  - (e) all wiring passing through composite panels must be encased in metal conduit and sealed with rubber grommets

## LIABILITY ENDORSEMENTS

The undernoted endorsements are operative only if the reference set against them appears in the in the Schedule, and are subject otherwise to the limits, terms, conditions and exclusions of this Insurance.

### A01R. Application of Heat Work Exclusion

It is hereby understood and agreed that Sub-Section 2 does not indemnify the Insured in respect of any claim arising out of or in connection with any work undertaken by the Insured involving the use or application of heat away from the Insured's own premises.

### A02R. Aircraft, Watercraft and Motor Exclusion

The Insurer shall not indemnify the Insured against liability in respect of any claims arising from any product used with the Insured's knowledge in connection with aircraft, watercraft or any safety critical parts of motor vehicles.

### A04R. Airside Liability Exclusion

This Insurance excludes all liability arising out of work carried out in any location "airside" – that is on any part of an airport where the Insured or their Employees may come into contact with or work alongside aircraft.

### A05R. Attendance Warranty

It is warranted that at least one responsible adult is in attendance at all times.

### B02R. Burning and Welding Conditions

It is a condition precedent to liability that in respect of the use of blow-lamps propane torches or similar burning equipment oxy-acetylene or similar burning or welding equipment and soldering or brazing equipment the undernoted minimum precautions must be complied with on each occasion:-

- 1 before starting work
  - (a) the Insured shall appoint a competent Employee to be responsible for fire safety and for ensuring that these precautions are taken
  - (b) if working away from the Insured's Premises the appointed Employee shall obtain permission to carry out the work from the person in charge of the site
  - (c) all Employees and any sub-contractors shall be made aware of the location of fire alarms and fire fighting equipment
  - (d) the appointed Employee shall examine the vicinity of the place where the heat is to be applied (including the area on the opposite side of any wall or partition) and shall ensure that all combustible materials are removed to beyond a radius of 15 metres. Where such material cannot be moved it must be covered and fully protected by overlapping sheets or screens of non-combustible material.
  - (e) a sufficient number of suitable fire extinguishers shall be kept close to the work available for immediate use and not removed until at least one hour after completion of the work
  - (f) gas cylinders not in immediate use shall be stored in the open air at least 15 metres from where the heat is to be applied
  - (g) all heating of asphalt bitumen or similar material will be carried out in the correct vessel using portable gas. If the vessel is to be used on a potentially combustible surface it must have an adequate air gap and be placed upon an adequate thickness of non-combustible material
- 2 during the progress of the work
  - (a) a responsible person shall work alongside each operative using the equipment solely to see that there is no outbreak of fire and that the fire-fighting equipment and extinguishers are available for immediate use
  - (b) blow-lamps and torches shall be lighted as short a time as possible before use, not left unattended and extinguished immediately after use
- 3 after ceasing work upon completion of the application of heat an examination, every half hour, for a period of one hour shall be made of
  - (a) the immediate vicinity of the work i.e. within a radius of 15 metres
  - (b) the area on the other side of any wall or partition to ensure that there is no risk of fire

### B05R. Bona Fide Sub-Contractors Warranty

It is warranted that all sub-contractors have Employers Liability and Public Liability Insurance in respect of their liability at law for Injury or Damage arising in connection with the Business described in this Insurance and that

- i) the Limit of Indemnity of the Public Liability insurance not be less than GBP 2,000,000 in respect of any one claim arising out of one cause.
- ii) such insurances have been extended to indemnify the Insured as Principal against all liability for such Injury or Damage.

## C01R. Contractors Endorsement

### CONSTRUCTION EXCLUSION

The Insurer shall not indemnify the Insured under –Sub-Sections 1 or 2 in connection with:-

- a) any work of demolition (except demolition of buildings not exceeding 9 metres in height when such demolition is carried out by workmen in the direct employment of the Insured and which forms part of a contract for reconstruction alteration or repair)
- b) the construction alteration maintenance demolition or repair of towers gas holders steeples chimney shafts viaducts bridges piers docks dams or tunnels
- c) pile driving structural steel erection or repair mining quarrying tunnelling excavating and the provision of all underground or underwater services in connection therewith other than ground workers to a maximum depth limit of five metres

### BURNING AND WELDING CONDITIONS

It is a condition precedent to liability that in respect of the use of blow-lamps propane torches or similar burning equipment oxy-acetylene or similar burning or welding equipment and soldering or brazing equipment the undernoted minimum precautions must be complied with on each occasion:-

- 1 before starting work
  - (a) the Insured shall appoint a competent Employee to be responsible for fire safety and for ensuring that these precautions are taken
  - (b) if working away from the Insured's Premises the appointed Employee shall obtain permission to carry out the work from the person in charge of the site
  - (c) all Employees and any sub-contractors shall be made aware of the location of fire alarms and fire fighting equipment
  - (d) the appointed Employee shall examine the vicinity of the place where the heat is to be applied (including the area on the opposite side of any wall or partition) and shall ensure that all combustible materials are removed to beyond a radius of 15 metres. Where such material cannot be moved it must be covered and fully protected by overlapping sheets or screens of non-combustible material.
  - (e) a sufficient number of suitable fire extinguishers shall be kept close to the work available for immediate use and not removed until at least one hour after completion of the work
  - (f) gas cylinders not in immediate use shall be stored in the open air at least 15 metres from where the heat is to be applied
  - (g) all heating of asphalt bitumen or similar material will be carried out in the correct vessel using portable gas. If the vessel is to be used on a potentially combustible surface it must have an adequate air gap and be placed upon an adequate thickness of non-combustible material
- 2 during the progress of the work
  - (a) a responsible person shall work alongside each operative using the equipment solely to see that there is no outbreak of fire and that the fire-fighting equipment and extinguishers are available for immediate use
  - (b) blow-lamps and torches shall be lighted as short a time as possible before use, not left unattended and extinguished immediately after use
- 3 after ceasing work upon completion of the application of heat an examination, every half hour, for a period of one hour shall be made of
  - (a) the immediate vicinity of the work i.e. within a radius of 15 metres
  - (b) the area on the other side of any wall or partition to ensure that there is no risk of fire

### UNDERGROUND SERVICES WARRANTY

Prior to undertaking digging or excavation work the Insured shall take all reasonable steps to ascertain the position of all pipes cables and other underground services including the inspection of plans of all such services and in particular plans held by any local or public utility authority or company.

### HOUSING GRANTS CONSTRUCTION & REGENERATION CLAUSE

In this Endorsement "Dispute" means a dispute (including any difference) arising under a construction contract as defined in Part 11 of the Housing Grants Construction and Regeneration Act 1996

- 1) This Insurance shall not apply to any
  - a) liability determined and/or any payment ordered by an adjudicator in connect with any occurrence which is the of adjudication as provided for by Part 11 Section 108 of the Housing Grants Construction and Regeneration Act 1996 or where applicable Part 1 of the Scheme for Construction Contracts (England & Wales) Regulations 1998 or Part 1 of the Scheme for Construction Contracts (Scotland) Regulations 1998
  - b) costs and expenses incurred in connection with a) above
- 2) Subject to the Additional Conditions specified in clause 1 above, this Insurance shall not apply to liability in connection with any occurrence in respect of which the Insured is otherwise entitled to indemnity under this Insurance and which is or shall become the subject of a Dispute

#### Additional Conditions

Additional Conditions 1, 2 and 3 are precedent to any liability of the Insurer

- 1) The Insured shall give immediate notice to the Insurer
  - a) as soon as the Insured shall become aware of any Dispute relating to any occurrence which is or may be the subject of a claim for indemnity under this Insurance
  - b) upon receipt of notice from any part of an intention to refer any such Dispute for adjudication. Such notice shall be given by telephone and confirmed immediately by facsimile together with full particulars of the occurrence and shall be given regardless of the Insured's views as to the validity of the said Dispute



- 2) Upon receipt of notice given in accordance with condition 1 above the subject to the Insured's entitlement to indemnity the Insurer shall be entitled at its discretion to have in the name of the Insured full conduct and control of all matters relating to or arising in connection with any proposed adjudication and the Insured shall immediately provide to the Insurer full information documentation and assistance
- 3) The Insured shall not without prior written consent of the Insurer propose intimate or refer any dispute for adjudication if such dispute relates to an occurrence which is or may be the subject of a claim for indemnity under this Insurance
- 4) Where the parties to a dispute have agreed to accept the decision of the adjudicators as finally determining the dispute any indemnity afforded under this Insurance in respect of liability attaching to the Insured will only be afforded to the extent of the liability which would have attached in the absence of such an agreement.

**C02R. Car Park Liability**

For the purpose of this Insurance vehicles (including spare parts and accessories thereon) left in any garage or parking place belonging to or under the control of the Insured shall not be deemed to be property held in trust by or in the custody or control of the Insured.

PROVIDED THAT such garage or parking place is not used by the Insured for any motor trade purposes.

**C03R. Cloakroom Liability Clause**

For the purpose of this Insurance property in any cloakroom provided by the Insured shall not be deemed to be property held in trust by or in the custody or control of the Insured. PROVIDED THAT liability in respect of any one article shall not exceed GBP 250

**C05R. Construction Exclusion**

The Insurer shall not indemnify the Insured under Sub-Sections 1 or 2 in connection with:-

- a) any work of demolition (except demolition of buildings not exceeding 9 metres in height when such demolition is carried out by workmen in the direct employment of the Insured and which forms part of a contract for reconstruction alteration or repair)
- b) the construction alteration maintenance demolition or repair of towers gas holders steeples chimney shafts viaducts bridges piers docks dams or tunnels
- c) pile driving structural steel erection or repair mining quarrying tunnelling excavating and the provision of all underground or underwater services in connection therewith other than ground workers to a maximum depth limit of five metres

**C13R. Crop Spraying Exclusion**

This Insurance does not indemnify the Insured in respect of liability arising out of the spraying of crops by any method.

**C17R. Container Warranty**

It is warranted that all chemicals, pesticides and the like are stored in a locked container when not in use at all times throughout the currency of this Insurance.

**C19R. Child Minders Warranty**

It is warranted that the Insured are registered with the local authority for the operation of their Business.

**C21R. Cradlework Exclusion**

This Insurance does not indemnify the Insured in respect of any claims arising in connection with any use of cradles or slings.

**D01R. Door Clause**

It is a condition precedent to liability under this Insurance that the Insured shall keep all doors and/or fire escapes unlocked and free of obstructions at all times during the opening of the Business

**D07R. Dog Clause**

This Insurance excludes all liability arising out of or caused by the use of dogs.

**D09R. Defective Workmanship Exclusion**

This Insurance does not indemnify the Insured in respect of any claims arising due to or caused by any workmanship repairs, alterations or conversions carried out by the Insured or their employees, sub-contractors or agents.

**E03R. Efficacy Exclusion**

This Insurance does not indemnify the Insured in respect of any claim arising from the failure of any product to perform the function for which it was intended or the failure or partial failure of the Insured to carry out the task or function for which they were engaged.

**F01R. Financial Loss (Public Liability)**

This Insurance is extended to indemnify the Insured under Sub-Section 2 in respect of liability for accidental financial loss (not occasioned by loss of or damage to property)

This extension shall not apply in respect of:

- a) the first 10% or GBP 2,500 whichever is the greater of damages costs or expenses which shall be retained by the Insured as their own liability and uninsured and the Insured shall reimburse the Insurer for sums which the Insurer shall pay in respect thereof
- b) any liability which is assumed by the Insured by agreement (other than liability arising out of a condition or warranty of goods implied by law) unless such liability would have attached in the absence of such agreement.
- c) any liability arising from a breach of professional duty
- d) passing off or infringement of patent copyright design trademark or trade name
- e) libel slander or wrongful arrest
- f) any liability for a breach of obligation owed by the Insured as an employer to an employee.
- g) loss or damage to Data which shall mean information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

**F02R. Financial Loss (Products)**

This Insurance is extended to indemnify the Insured under Sub-Section 3 in respect of liability for accidental Financial Loss (not occasioned by loss of or damage to property) caused by any Product.

This indemnity granted by this extension shall not apply in respect of:

- a) the first 10% or GBP 2,500 whichever is the greater of damages costs or expenses which shall be retained by the Insured as their own liability and uninsured and the Insured shall reimburse the Insurer for sums which the Insurer shall pay in respect thereof
- b) any liability which is assumed by the Insured by agreement (other than liability arising out of a condition or warranty of goods implied by law) unless such liability would have attached in the absence of such agreement.
- c) passing off or infringement of patent copyright design trademark or trade name
- d) libel slander or wrongful arrest
- e) loss or damage to Data which shall mean information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

**F03R. Food and Drink Poisoning Extension Clause**

It is agreed that the Insurer will indemnify the Insured in respect of the Insured's legal liability for Injury or Damage caused by or through or in connection with any food and/or drink and/or any containers thereof sold or supplied by the Insured at the premises.

**F05R. Firework Displays Clause**

In connection with all firework displays, it is warranted that the following precautions are observed:

- a) all fireworks are stored in a covered container or containers,
- b) all fireworks are discharged by designated persons only,
- c) all spectators are kept at least 50 metres from the discharge point.

**F06R. Foul Berthing Exclusion**

This Insurance excludes liability arising out of foul berthing or foul mooring.

**F08R. Freight Forwarders/Warehousemans Liability Exclusion**

This Insurance does not indemnify the Insured in respect of any claim arising in connection with Freight Forwarders or Warehousemans Liability.

**G01R. Guard Dogs Warranty**

It is warranted that the Insured comply with the provisions of the Guard Dogs Act in 1975 and/or any subsequent or amending Legislation at all times when using guard dogs in the Business.

**H01R. Height Limit**

This Insurance does not indemnify the Insured in respect of any claim arising out of work exceeding 1 storey above the ground level.

**H03R. Hard Hats Warranty**

It is warranted that all riders wear hard hats when riding.

**H04R. Heat Work Away Exclusion (other than Soldering Irons)**

This Insurance does not indemnify the Insured in respect of the use of heat work away from the Insured's premises, other than the use of soldering irons

**H07R. Hairdressers Treatment Endorsement**

Exclusion d) shall not apply but is a condition precedent to any liability of the Insurer that, on every occasion prior to the undertaking of any hair dyeing or other treatment, the Insured shall observe and supply all the tests and procedures required or recommended by the makers or vendors of such hair dyes or other treatment. If the result of any such test or procedure is unsatisfactory, the Insurer shall not be liable for any consequence whatsoever which may arise from the Insured's proceeding with such dyeing or other treatment.

In respect of Injury or Damage caused by or arising out of any treatment of hair, scalps, eyebrows, eye lashes or hands, this Section is subject to a Limit of Indemnity of GBP 100,000 in the aggregate any one Period of Insurance.

**H10R. Hairdressers Treatment Risk Exclusion**

This Insurance does not indemnify the Insured in respect of Injury caused by:

- a) treatments necessitating the puncturing or cutting of the hair or skin or the use of medical and medicated products
- b) permanent hair waving, dyeing, tinting or bleaching.
- c) electrolysis, eyelash tinting or hair removal.

**H12R. Housing Warranty**

This Insurance does not indemnify the Insured in respect of any claim arising in connection with cooking in rooms other than designated cooking areas.

It is warranted that all premises are fitted with smoke detectors and fire extinguishers and that both are subject to a maintenance contract.

**H14R. Hazardous Activities Exclusion**

This Insurance does not indemnify the Insured in respect of any claim arising in connection with any of the following activities: Potholing, rock climbing, abseiling, canoeing, water skiing, hang gliding, caving, mountaineering (involving ropes and/or tackle), go karting, quad and/or tri biking, aqualung or scuba diving, motor racing, bungee jumping, parachuting or any other mechanically propelled vehicle risk.

**J01R. UK Jurisdiction Clause**

Any dispute concerning the interpretation of the terms, conditions, limitations and/or exclusions contained herein is understood and agreed by both the Insured and the Insurer to be subject to the Law of England and Wales. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within England and Wales 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.

**L01R. Loss of Computer Data Exclusion**

It is hereby noted and agreed that the Insurer will not indemnify the Insured for any claim directly or indirectly resulting from or in consequence of the loss or corruption of any Data held on, or created or processed by, any electronic data processing equipment or system.

**M01R. Medical and Repatriation Exclusion Clause**

It is hereby understood and agreed that Sub-Section 1 does not indemnify the Insured for their legal liability to pay any claim in respect of:-

- a. medical expenses
- b. repatriation expenses
- c. Workmens Compensation Act benefits
- d. hospitalisation expenses

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

**M03R. Medical Malpractice Exclusion**

This Insurance does not indemnify the Insured in respect of any claims arising through treatment administered or failing to be administered or advice given or failing to be given or any other professional failing on the premises resulting in death, injury, accident or illness from the negligence of trained nursing and other professional or medical staff or therapists.

**M05R. Member to Member Liability**

Where so requested by the Insured, this Insurance shall apply as if an individual Insurance had been issued to each member of the Insured.

Providing that:

- a) this Insurance will not apply where a more specific insurance is in force.
- b) nothing contained herein shall be deemed to increase the Insurer's liability under the Limit of Indemnity arising out of any one accident.

**N02R. Non-Manual Principal/Director Clause**

This Insurance does not indemnify the Insured in respect of any claim arising in connection with any principal, partner or director unless such work is office based, clerical and non-manual.

**P01R. Photography Restriction**

This Insurance does not indemnify the Insured in respect of any claims arising from underwater or aerial photography.

**P03R. Professional Indemnity Exclusion**

This Insurance excludes all liability arising out of the exercising by the Insured or any servant Employee, agent or sub-contractor of the Insured of any professional advice design or specification whether fees are charged or not. It is hereby noted and agreed that this Exclusion replaces Exclusion 4 part d)

**P04R. Property Owners Liability Extension**

This Insurance will indemnify the Insured only against all sums which the Insured shall be legally liable to pay as Damages in respect of Injury or Damage to property happening during the Period of Insurance and caused by any defect in Premises or arising from the maintenance or repair or decoration of the Premises.

Provided that the Insured shall at all times ensure that all buildings or premises to which this Insurance applies are kept in good repair and if any defects be discovered by complaints from tenants or otherwise the Insured shall forthwith cause such defects to be made good and in the meantime cause such temporary precautions to be taken as the circumstances may require. So far as is reasonably practicable no alteration or repair shall, without consent of the Insurer be made to any building or premises after any accident has occurred in connection therewith until the Insurer shall have had an opportunity of inspecting the same.

**P06R. Plant Hire Endorsement**

It is a condition precedent to liability under this Insurance that:

- i) all plant is hired out subject to Contractors Plant Association Conditions of Contract.
- ii) plant is maintained in a safe and sound condition and is examined by the Insured prior to and at the end of each hiring and any defects rectified.

**P07R. Personal Liability**

It is agreed that Sub-Section 2 extends to include liability incurred in a personal capacity in connection with the Business

Provided that this indemnity shall not apply

- a) to liability arising out of the ownership or occupation of land or buildings
- b) to liability arising out of ownership, possession or use of firearms (other than sporting guns)
- c) to liability arising out of ownership of animals
- d) where indemnity is provided by any other insurance

**P15R. Proprietary Brands Warranty**

It is warranted that the Insured only use proprietary brands and these are used and stored in accordance with the manufacturer's instructions.

**R04R. Rights of Recourse Warranty**

It is warranted that the Insured maintains full rights of recourse against any manufacturer or supplier with whom the Insured has entered into a legal contract for the provision of products as defined by this Insurance.

**S02R. Skip Hirers Warranty**

It is warranted that whenever any skip or waste container owned or hired out by the Insured is left on a Highway it is sited and lit in accordance with any statutory requirements or Local Authority by-laws.

**S03R. Scrap Metal Clause**

It is hereby warranted that the Insured does not permit members of the public to dismantle or remove parts from vehicles, plant or machinery or have access to the storage area unless accompanied by the Insured.

**S06R. Sun Bed Warranty**

It is warranted that the Insured provide adequate eye protection and full instructions where such are relevant.

**T04R. Toxic Waste Exclusion**

This Insurance does not indemnify the Insured in respect of any claims arising out of the carriage, dumping or disposal of any toxic or notifiable waste materials.

**T01R. Tree Felling Exclusion**

This Insurance does not indemnify the Insured in respect of any claims arising out of or caused by tree felling or the lopping or pruning of trees.

**T07R. Treatment Risk Exclusion**

This Insurance does not indemnify the Insured in respect of any claims arising for any medical, therapeutic or other treatment given or omitted to be given by the Insured.

**U01R. United States of America and/or Canada Conditions**

In respect of claims made under the laws of the United States of America and/or Canada subject to indemnity under this Insurance the following conditions apply:-

1. Punitive and Exemplary Damages Exclusion Clause  
Regardless of any other provision of this insurance, this Insurance does not apply to punitive or exemplary damages.
2. Industries, Seepage, Pollution and Contamination Exclusion Clause  
This Insurance does not cover any liability for:
  - a. Injury or Damage directly or indirectly caused by Pollution.
  - b. the cost of removing, nullifying or cleaning up Pollution.
  - c. fines, penalties, punitive or exemplary damages.
3. Costs and expenses are included within limit of indemnity.
4. Disputes Clause English Law

All disputes concerning the interpretation of the terms, conditions, limitations and or exclusions contained herein is understood and agreed by both the Insured and the Insurer to be subject to English and/or Scottish Law. Each party agrees to submit to the jurisdiction of any Court of competent jurisdiction within the United Kingdom 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.

**U02R. Unsatisfied Court Judgements** (applicable to Sub-Section 1)

In the event of a judgement for Damages being obtained by any Employee or the personal representatives of any Employee in respect of Injury to the Employee caused during any Period of Insurance and arising out of and in the course of employment by the Insured in the Business against any company or individual operating from the Premises within Great Britain Northern Ireland the Channel Islands or Isle of Man in any court situated in the aforesaid territories and remaining unsatisfied in whole or in part six months after the date of such judgement the Insurer will pay to the Employee or personal representative of the Employee at the request of the Insured the amount of any such Damages and any awarded costs to the extent that they remain unsatisfied

Provided always that

- a) there is no appeal outstanding
- b) if any payment is made under the terms of this extension the Employee or personal representatives of the Employee shall assign the judgement to the Insurer

**W01R. Manual Work Away Exclusion (other than Collection and Delivery)**

This Insurance does not indemnify the Insured in respect of any claims arising in connection with any manual work away from his premises by the Insured, or his employees (other than for collection and delivery).

**W04R. Dangerous Wild Animals Act 1976**

It is warranted that this Insurance is granted subject to the Insured holding a licence in accordance with the Dangerous Wild Animals Act 1976, for the animal or animals insured hereunder. Further, the Insured shall comply with all requirements, which a local authority may impose with regard to the keeping of the animal.

**W05R. Window Cleaning Extension**

This Insurance is extended to include window cleaning provided it is carried out at ground level only.

**W10R. Waste Disposal Warranty**

It is warranted that all waste is only disposed of at licensed waste sites

**W11R. Waste Site Exclusion**

This Insurance excludes the ownership or operation of waste disposal sites, civic amenity sites or waste transfer stations.

## ENQUIRY OR COMPLAINTS PROCEDURE

The Insurer is dedicated to providing a high quality service and want to ensure that it maintains this at all times. If the Insured feels that they have not been offered a first class service or if the Insured has any questions or concerns about the policy or the handling of a Claim the Insured should, in the first instance, contact Naturesave Policies Limited through whom this insurance was placed.

Naturesave Policies Limited  
58 Fore Street  
Totnes  
Devon  
TQ9 5RU

Tel No: 01803 864390  
E-mail: [mail@naturesave.co.uk](mailto:mail@naturesave.co.uk)

If the Insured is unable to resolve the situation and wishes to make a complaint, the Insured can do so at any time by referring the matter to:

Compliance Department  
Catlin Insurance Company (UK) Limited  
3 Minster Court  
London  
EC3R 7DD

Tel No: 020 7743 8487  
E-mail: [catlinukcomplaints@catlin.com](mailto:catlinukcomplaints@catlin.com)

Complaints that cannot be resolved by the Compliance Department may be referred to the Financial Ombudsman Service at:

South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR

Tel No: 0845 080 1800  
e-mail: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Naturesave Policies Ltd  
Insurances effected with certain  
underwriters at Lloyd's and Companies

<http://www.naturesave.co.uk>



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