



# Allied Westminster VillageGuard Policy





## Introduction

Welcome to Aviva. We are committed to providing a first-class service. Aviva is the UK's largest insurer with over 200 years' experience in the insurance industry.

This is your insurance policy which sets out your insurance protection in detail.

Your premium has been calculated on the basis of the extent of cover you have selected which is specified in the schedule, the information you have provided and the declaration you have made. Please read the policy and the schedule carefully to ensure that the cover meets your requirements.

Please contact your insurance adviser if you have any questions or if you wish to make adjustments. Your insurance adviser's details are:

Allied Westminster (Insurance Services) Ltd, Allied House, Holgate Lane, Boston Spa, LS23 6BN.  
Tel: 01937 845245. Email: [insurance@alliedwestminster.com](mailto:insurance@alliedwestminster.com). Website: [www.villageguard.com](http://www.villageguard.com)



# Contents

This policy consists of individual sections. You should read this policy in conjunction with the schedule which confirms the sections you are insured under and gives precise details of the extent of your insurance protection.

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## Contact details for claims and help

### Services

Additional services to help you keep your business running smoothly.

**Claims Service 01937 845 245** (9am to 5pm Monday to Friday)

**0800 015 1498** (emergency assistance outside these hours, and bank holidays)

A 24 hour, 365 days a year claims service providing you with emergency assistance whenever it is required. When we know about your problem, we will start to put the solutions in place.

### Legal and Tax Helpline

**0345 300 1899**

Call this helpline anytime, day or night, for advice on legal or tax matters in the United Kingdom. Given in confidence, the advice is free and you pay for just the cost of the call.

### Commercial Legal Protection

**0345 300 1899**

If you have Commercial Legal Protection cover, please call the helpline for legal advice as soon as you are aware of an incident. Please have your policy number to hand.

If you think you may need to claim, please call the helpline to request a claim form. We can only proceed with your claim when we have details of the incident in writing. A claim form is available to download at [www.aviva.co.uk/legalprotection](http://www.aviva.co.uk/legalprotection).

### Risk Solutions Helpline

**0345 366 6666**

Call for advice on safety, fire, security and other issues that can affect your business. Most enquiries can be dealt with over the telephone, but if we can't give you an immediate answer, we will deal with your enquiry within one working day. This service is available during office hours with an answering service outside these times.

### Counselling Service Helpline

**0117 934 0105**

This is a confidential service available to your staff to help deal with personal issues such as bereavement, divorce, the threat of violence in the workplace and bullying at work.

### Telephone Call Charges and Recording

Calls to 0800 numbers from UK landlines and mobiles are free. The cost of calls to 03 prefixed numbers are charged at national call rates (charges may vary dependent on your network provider) and are usually included in inclusive minute plans from landlines and mobiles. For our joint protection telephone calls may be recorded and/or monitored.

## Contact details for claims and help (Continued)

### Website

#### [www.cutredtape.co.uk](http://www.cutredtape.co.uk)

This is Aviva's free website offering many tools and resources to help you manage your business effectively. You'll get access to

- over 700 legal and business guides across HR, sales and marketing, finance, technology, law and risk management
- easy to use templates to build legal documents including employee contracts, health and safety policies, dismissal letters
- discounts on Legal Services
- email alerts on changes in law, legislation and regulation.

To register, please visit [www.cutredtape.co.uk](http://www.cutredtape.co.uk) and use the voucher code CRTAVIVA for exclusive discounts on a range of legal documents and services.



# Complaints Procedure

## Our promise of service

Our goal is to give excellent service to all our customers but we recognise that things do go wrong occasionally. We take all complaints we receive seriously and aim to resolve all our customers' problems promptly. To ensure that we provide the kind of service you expect, we welcome your feedback. We will record and analyse your comments to make sure we continually improve the service we offer.

## What will happen if you complain

- We will acknowledge your complaint promptly.
- We aim to resolve all complaints as quickly as possible.

Most of our customers' concerns can be resolved quickly but occasionally more detailed enquiries are needed. If this is likely, we will contact you with an update within 10 working days of receipt and give you an expected date of response.

## What to do if you are unhappy

If you are unhappy with any aspect of the handling of your insurance we would encourage you, in the first instance, to seek resolution by contacting Allied Westminster (Insurance Services) Ltd, Allied House, Holgate Lane, Boston Spa, LS23 6BN. Telephone: 01937 845 245.

If you are unhappy with the outcome of your complaint you may refer the matter to the Financial Ombudsman Service at:

The Financial Ombudsman Service  
Exchange Tower  
London  
E14 9SR

Telephone:  
0800 023 4567 (Calls from UK landlines and mobiles are free) or  
0300 123 9123

Or simply log on to their website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

Whilst we are bound by the decision of the Financial Ombudsman Service, you are not. Following the complaints procedure does not affect your right to take legal action.

# Important Information

## Choice of Law

The appropriate law as set out below will apply unless you and the insurer agree otherwise:

1. The law applying in that part of the United Kingdom, the Channel Islands or the Isle of Man in which you normally live or (if applicable) the first named policyholder normally lives, or
2. In the case of a business, the law applying in that part of the United Kingdom, the Channel Islands or the Isle of Man where it has its principal place of business, or
3. Should neither of the above be applicable, the law of England and Wales will apply.

## Financial Services Compensation Scheme

We are members of the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from this scheme if we cannot meet our obligations, depending on the type of insurance and the circumstances of your claim.

Further information about the scheme is available from the FSCS website [www.fscs.org.uk](http://www.fscs.org.uk), or write to

Financial Services Compensation Scheme  
10th Floor  
Beaufort House  
15 St. Botolph Street  
London  
EC3A 7QU

## Use of Language

Unless otherwise agreed, the contractual terms and conditions and other information relating to this contract will be in English.

## Customers with Disabilities

This policy and associated documentation are also available in large print, audio and Braille. If you require any of these formats, please contact your insurance adviser.

# The Contract of Insurance

The policy, the information You have provided and/or the application form, the declaration made by You and The Schedule should be read together and form the contract of insurance between You, The Policyholder and Us, Aviva.

In return for You having paid or agreed to pay the premium for the Period of Insurance, We will indemnify You by payment or, at Our option, by reinstatement or repair, in respect of loss, liability, destruction, damage, accident or injury, to the extent of and subject to the terms contained in or endorsed on the policy.

## Important

This policy is a legal contract. You must tell Us about any material circumstances which affect Your insurance and which have occurred either since the policy started or since the last renewal date.

A circumstance is material if it would influence Our judgement in determining whether to provide the cover and, if so, on what terms. If You are not sure whether a circumstance is material ask Your insurance adviser. If You fail to tell Us it could affect the extent of cover provided under the policy.

You should keep a written record (including copies of letters) of any information You give Us or Your insurance adviser when You renew this policy.

## Breach of Term

We agree that where there has been a breach of any term (express or implied) which would otherwise result in Us automatically being discharged from any liability, then such a breach shall result in any liability We might have under this policy being suspended. Such a suspension will apply only from the date and time at which the breach occurred and up until the date and time at which the breach is remedied. This means that We will have no liability in respect of any loss occurring, or attributable to something happening, during the period of suspension.

## Terms not relevant to the actual loss

Where there has been non-compliance with any term (express or implied) of this policy, other than a term that defines the risk as a whole, and compliance with such term would tend to reduce the risk of:

- loss of a particular kind, and/or
- loss at a particular location, and/or
- loss at a particular time,

then We agree that We may not rely on the non-compliance to exclude, limit or discharge Our liability under this policy if You show that non-compliance with the term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

# Recognising You

## Nobody recognises you like Aviva

Aviva is committed to providing a first-class service. We want you to feel that we recognise you and understand your requirements.

As a customer of our Industry product for Charitable and Not For Profit Organisations, you will automatically benefit from a number of additional covers. You'll find more information about them within your policy wording.

## Additional Covers

If you have selected any of the covers listed below, your insurance cover is automatically increased as specified.

## Industry for Charitable and Not For Profit Organisations

### Policy Definitions

Governors and trustees are added to the definition of Employee

### Property Damage and Theft Clauses

Bequeathed Property – up to £100,000 for buildings and £25,000 for contents per location

Property at Fundraising and Catering Events – up to £5,000 for any one claim

Raffle Prizes and Donations – up to £500 per item and £1,500 per claim

### Money and Assault

Collection tins or boxes in the UK – up to £100 for any one claim and £500 per period of insurance

Fundraising Events – doubling of specified limits

### Business Interruption Extensions

Second-hand and Donated Stock and Materials in Trade – up to Stock sum insured

### Business Interruption – Additional Contingencies

Death or Adverse Publicity of a Patron – up to £25,000 per period of insurance

### Commercial Legal Protection

Tax Protection includes investigations by your charity regulator

# Recognising You

## Risk Management

By choosing Aviva, you will gain access to the following free risk management resources from Aviva Risk Management Solutions (ARMS).

### Online Knowledge Store

Contains over 200 useful risk management fact sheets and templates.

You can access the Knowledge Store by visiting:

<http://www.aviva.co.uk/yourbusiness/risk-management/>.

### Preferred Supplier Scheme

We have secured discounts from carefully vetted risk management providers, to help you protect your business. Some of these services are particularly relevant to your sector including fire safety products and services to help you prevent, detect and contain a fire and ensure your premises are evacuated safely.

Aviva insured customers also receive discounts off ARMS training and consultancy services:

**Short courses** – ideal if you are looking to understand your health and safety obligations and receive practical advice about how to meet them. The current programme includes a risk assessment and getting started in health and safety course.

**Accredited training** – ARMS is accredited to deliver a number of IOSH, CIEH, IEMA and NEBOSH courses. We boast amongst the highest pass rates in the industry reflecting the quality of our training.

**In-company training** – our team can adapt any course or develop a bespoke one to ensure that your specific requirements are addressed.

**eTraining** – Our online courses are quick and easy to complete making them ideal for those with limited time and resources. Our programme covers a range of topics including stress awareness for managers.

**Consultancy** – If you don't have an in-house safety resource or if your team needs expert assistance to address a particular safety issue, ARMS can help. The services available include fire risk assessments, safety audits and our competent person support service.

For further information about the services ARMS provides, call the team on 0345 366 66 66 or visit <http://www.aviva.co.uk/yourbusiness/risk-management/>.

## Policy Definitions

*Each time We use one of the words or phrases listed below, it will have the same meaning wherever it appears in Your policy unless We state otherwise. A defined word or phrase will start with a capital letter each time it appears in the policy, for example Employee, except when used in the sections of this policy headed 'Introduction', 'Contents', 'Contact details for claims and help', 'Complaints Procedure' and 'Important Information' and in headings and titles.*

*Each Section of the policy contains definitions which apply to that particular Section and they must be read in conjunction with the following policy definitions.*

### Building

Buildings as described in the Schedule including any landlords fixtures and fittings, outbuildings, extensions and annexes adjoining or communicating with the Building and boundary walls, ornamental ponds and fountains, hard courts, fixed tanks providing fuel to the Building, cesspits, septic tanks, gates, fences, hedges, terraces, drives, lampposts, railings, car parks and footpaths including;

Playing surfaces and Greens up to a maximum value of £2,000.

### Computer and Electronic Equipment

All computers, computer installations and systems, microchips, integrated circuits, microprocessors, embedded systems, hardware, and any electronic equipment, data processing equipment, information repository, telecommunication equipment, computer controlled or programmed machinery, equipment capable of processing data and/or similar devices, whether physically or remotely connected thereto.

### Contents

Contents as described in The Schedule including furniture, utensils and all other contents belonging to You or held by You in trust for which You are responsible whilst contained within the Building.

### Data

All information which is

- (1) electronically stored  
or
- (2) electronically represented  
or
- (3) contained on any current and back-up disks, tapes or other materials or devices used for the storage of data

including but not limited to operating systems, records, programs, software or firmware, code or series of instructions.

### Data Storage Materials

Any materials or devices used for the storage or representation of Data including but not limited to disks, tapes, CD-ROMs, DVDs, memory sticks, memory cards or other materials or devices which may or may not also constitute Computer and Electronic Equipment.

### Defined Contingencies

- (1) fire
- (2) lightning
- (3) explosion
- (4) aircraft and other aerial devices or articles dropped from them
- (5) earthquake
- (6) riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances
- (7) storm or flood
- (8) escape of water from any tank, apparatus or pipe
- (9) falling trees
- (10) impact
- (11) escape of fuel from any fixed oil heating installation

## Policy Definitions (Continued)

- (12) malicious persons other than thieves
- (13) theft or attempted theft but only where involving entry into or exit from The Premises by forcible and violent means

### Denial of Service Attack

Any actions or instructions with the ability to damage, interfere with, or otherwise affect the availability of Computer and Electronic Equipment or Data, including but not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, and the generation of excess or non genuine traffic within, between or amongst networks.

### Employee

Any person who is

- (1) under a contract of service or apprenticeship with You
- (2) borrowed by or hired to You
- (3) a labour master or supplied by a labour master
- (4) employed by labour only sub-contractors
- (5) self-employed
- (6) under a work experience or training scheme
- (7) a voluntary helper
- (8) a governor
- (9) a trustee

while working under Your control in connection with The Business

- (10) an outworker or homeworker when engaged in work on Your behalf.

### Excess / Excesses

The amount(s) specified in Your policy or The Schedule which We will deduct from each and every claim at each separate premises.

The amount(s) to be deducted after the application of any Average condition.

You will repay any such amount paid by Us.

### Failure

Any partial or complete reduction in the

- (1) performance
  - or
- (2) availability
  - or
- (3) functionality
  - or
- (4) ability to recognise or process any date or time, of any
  - (a) Computer and Electronic Equipment,
  - (b) electronic means of communication,
  - (c) website.

### Loss of Data

Physical or electronic or other loss or destruction or alteration or loss of use, whether permanent or temporary, of or damage to Data, of whatsoever nature, in whole or in part, including, but not limited to, Loss of Data resulting from loss or damage to Computer and Electronic Equipment or Data Storage Materials, including while stored on Data Storage Materials.

## Policy Definitions (Continued)

### Money

Current

- (1) coins, bank and currency notes
- (2) postal and money orders, bankers' drafts, cheques and giro cheques
- (3) crossed warrants, bills of exchange and securities for money
- (4) postage, revenue, national insurance and holiday with pay stamps
- (5) national insurance and holiday with pay cards, national savings certificates, war bonds, premium savings bonds and franking machine impressions
- (6) credit company sales vouchers, luncheon vouchers and trading stamps
- (7) VAT invoices.

### Period of Insurance

From the effective date until the expiry date (both shown in The Schedule) or any subsequent period for which We accept payment for renewal of this policy.

### The Business

Activities directly connected with the business specified in The Schedule.

### The Premises

The premises specified in The Schedule.

### The Schedule

The document which specifies details of The Policyholder, The Premises, Property Insured, Sums Insured, Limits of Indemnity and any Excess(es), Endorsements and Conditions applying to this policy.

### Unattended Vehicle

Any vehicle where neither You or any person(s) authorised by You are able to keep the vehicle under observation and able to observe and reasonably prevent any attempt to interfere with it.

### Unoccupied

Any building or portion of a building that is

- (1) not physically occupied by You or Your Employees during Your normal working hours and/or
- (2) not used for the purposes of The Business and/or
- (3) empty, vacant, disused, untenanted or unfurnished and/or
- (4) awaiting refurbishment, redevelopment, renovation or demolition

for a period in excess of 45 consecutive days and/or is used for less than 12 days in any 12 month period.

### Virus or Similar Mechanism

Program code, programming instruction or any set of instructions with the ability to damage, interfere with, or otherwise adversely affect Computer and Electronic Equipment or Data, whether involving self-replication or not, including, but not limited to trojan horses, worms and logic bombs.

### We/Us/Our/Aviva

Aviva Insurance Limited.

### You/Your/The Policyholder

The person, persons, company, companies, partnership, partnerships or unincorporated association, named in The Schedule as The Policyholder.



## Asset Protection Property Damage – All Risks

### Definitions

*The following definitions apply to this Section, in addition to the Policy Definitions at the front of this policy, and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.*

### Damage

Physical loss, destruction or damage.

### Property Insured

Property insured as detailed in The Schedule.

### Cover

We will indemnify You in respect of Damage to the Property Insured occurring during the Period of Insurance at The Premises.

### Cover Extension

#### Glass

We will indemnify You in respect of

- (1) breakage (including the cost of boarding up) of glass at The Premises
- (2)
  - (a) Damage at The Premises to
    - (i) contents of display windows
    - (ii) window and door frames
  - (b) the cost of removing and reinstating obstructions to replacing glass
  - (c) the cost of replacing alarm foil, lettering, painting, embossing, silvering, or other ornamental work on glassoccurring during the Period of Insurance.  
The maximum that We will pay in respect of item 2 (a), (b) and (c) is £2,000 in respect of the total of all claims during any one Period of Insurance.
- (3) breakage of fixed
  - (a) wash hand basins, pedestals, baths, sinks
  - (b) lavatory bowls, bidets, cisterns
  - (c) shower trays, splash backs at The Premises.

We will not indemnify You in respect of

- (1) Damage to glass in
  - (a) light fittings
  - (b) signs
  - (c) Stock and Materials in Trade or goods in trust
  - (d) vehicles
  - (e) vending machines.
- (2) Damage to glass caused by
  - (a) scratching
  - (b) gradual deterioration or wear and tear
  - (c) change in colour or finish.
- (3) breakage of glass
  - (a) while The Premises are Unoccupied
  - (b) in transit or while being fitted
  - (c) by workmen carrying out alterations or repairs to The Premises.
- (4) the Excess stated in The Schedule.

### Conditions

*The following conditions apply to this Section in addition to the Policy Conditions at the back of this policy.*

#### (1) Average

Where a Sum Insured is stated to be subject to average, this means that if at the time of Damage, the Sum Insured is less than the total value of the Property Insured, You will

- (a) be responsible for the difference
- (b) bear a proportionate share of the loss.

#### (2) Fire Extinguishing Appliances

You must maintain all fire extinguishing appliances on The Premises in full working order in accordance with the manufacturer's instructions.

## **Asset Protection** Property Damage – All Risks (Continued)

### **(3) Our Rights**

If Damage occurs which may lead to a claim  
We may

- (a) enter or take possession of the building or The Premises
- (b) take possession of, or require to be delivered to Us, the Property Insured which We will deal with in a reasonable manner

without incurring liability or reducing Our rights.

We will not pay for any Damage if You or anyone acting on Your behalf

- (i) do not comply with Our requirements
- (ii) hinder or obstruct Us.

You are not entitled to abandon property to Us.

### **(4) Change of Occupancy**

You must tell Us immediately if

- (a) any building at The Premises becomes Unoccupied.
- (b) any Unoccupied building at The Premises becomes occupied.

### **(5) Construction Heating and Occupation of the Buildings**

Unless otherwise stated in The Schedule the buildings are

- (a) constructed of brick, stone, or concrete
- (b) roofed with slates, tiles, concrete, metal or asbestos
- (c) heated by
  - (i) low pressure hot water or steam
  - (ii) oil fired space heaters fed from a fuel tank in the open

(iii) overhead gas or electrical appliances

(iv) gas or electric fires in offices only

or as expressly varied in accordance with details provided to Us

- (d) occupied for the sole purpose of The Business and otherwise only as a private dwelling.

### **(6) Interested Parties – Specified**

In the event of Damage as insured by this Section interested parties, as stated in The Schedule, must declare the nature and extent of their interest.

## Asset Protection Property Damage – All Risks (Continued)

### Exceptions

*The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.*

We will not indemnify You in respect of

- (1) Damage to the Property Insured caused by or consisting of
  - (a) an existing or hidden defect
  - (b) gradual deterioration or wear and tear
  - (c) frost or change in the water table level
  - (d) faulty or defective
    - (i) design
    - (ii) materials used in its construction
  - (e) (i) faulty or defective workmanship
  - (ii) operating error or omissionby You or any of Your Employees
- (f) the bursting of a boiler, economiser, vessel, machine or apparatus, not being used for domestic purposes where the internal pressure is due to steam only and belongs to You or is under Your control.

However, We will indemnify You in respect of any subsequent Damage which results from a cause not otherwise excluded.

- (2) Damage to the Property Insured caused by or consisting of
  - (a) (i) corrosion, rust or rot
  - (ii) shrinkage, evaporation or loss of weight
  - (iii) dampness or dryness
  - (iv) scratching
  - (v) vermin or insects
  - (vi) mould or fungus
- (b) change in
  - (i) temperature
  - (ii) colour
  - (iii) flavour

- (iv) texture
  - (v) finish
- (c) (i) nipple or joint leakage
  - (ii) failure of welds
- (d) cracking, fracturing, collapse or overheating of a boiler, vessel, machine or apparatus in which internal pressure is due to steam only and any associating piping
  - (e) the Property Insured's own mechanical or electrical breakdown or derangement.

However, We will indemnify You in respect of

- (i) Damage not otherwise excluded which results from Defined Contingencies (1) to (12) or any other accidental cause
  - (ii) any subsequent Damage which results from a cause not otherwise excluded.
- (3) Damage to the Property Insured caused by pollution or contamination.  
However, We will indemnify You in respect of Damage to the Property Insured not otherwise excluded caused by
    - (a) pollution or contamination which results from Defined Contingencies (1) to (12)
    - (b) Defined Contingencies (1) to (12) which results from pollution or contamination.
  - (4) Damage to the Property Insured caused by
    - (a) subsidence, ground heave or landslip unless
      - (i) resulting from fire, explosion, earthquake or escape of water from any tank, apparatus or pipe
      - or
      - (ii) specifically mentioned as insured in The Schedule.
    - (b) normal settlement of new structures.
    - (c) acts of fraud or dishonesty.
    - (d) (i) disappearance
    - (ii) unexplained or inventory shortage

## Asset Protection Property Damage – All Risks (Continued)

- (iii) misfiling, misplacing of information or clerical error.
  - (e) theft or attempted theft.
- (5) Damage to any building or structure caused by its own cracking or collapse.  
However, We will indemnify You in respect of such Damage if it results from Defined Contingencies (1) to (12) and is not otherwise excluded.
- (6) Damage to
  - (a) gates
  - (b) fences
  - (c) moveable property in the openby
  - (i) wind
  - (ii) rain, hail, sleet or snow
  - (iii) flood
  - (iv) dustHowever, We will indemnify You for Damage to such property caused by falling trees and not otherwise excluded.
- (7) Damage
  - (a) to the Property Insured by fire resulting from its undergoing any process involving the application of heat.
  - (b) to that portion of the Property Insured caused by its own self ignition, leakage of electricity, short circuiting, or over running.
  - (c) resulting from the Property Insured undergoing any process of
    - (i) production or packaging
    - (ii) treatment, testing or commissioning
    - (iii) servicing or repair.However, We will indemnify You in respect of such Damage if it is caused by fire or explosion and is not otherwise excluded.
- (8) Damage to the Property Insured caused by
  - (a) escape of water from any tank, apparatus or pipe
  - (b) malicious persons (other than by fire or explosion)when The Premises are Unoccupied.
- (9) Damage to glass, china, earthenware, marble or other fragile objects, which do not form part of the structure of the Buildings or its fixtures and fittings, unless specifically mentioned as insured in The Schedule.  
However, We will indemnify You in respect of such Damage if it results from Defined Contingencies (1) to (12) and is not otherwise excluded.
- (10) Damage to
  - (a) vehicles licensed for road use including accessories on or attached to them
  - (b) caravans or trailers
  - (c) railway locomotives or rolling stock
  - (d) watercraft or aircraft
  - (e) property in the course of construction including materials for use in the construction
  - (f) land, roads or pavements, piers, jetties, bridges, culverts or excavations
  - (g) livestock
  - (h) growing crops or trees.However, We will indemnify You if such property is specifically stated as insured in The Schedule and the Damage is not otherwise excluded.
- (11) Damage
  - (a) insured by any marine policy
  - (b) which would be insured under any marine policy if this policy did not exist.

## Asset Protection Property Damage – All Risks (Continued)

However, We will indemnify You in respect of Damage not otherwise excluded for any sum beyond the amount which would have been payable under the marine policy had the insurance not existed.

(12) Damage more specifically insured by You or on Your behalf.

(13) any consequential loss or damage.

However, We will indemnify You in respect of rent when this item(s) is specifically mentioned as insured in The Schedule.

(14) any Damage to the Property Insured resulting directly or indirectly from or in connection with any of the following regardless of any other cause or event contributing concurrently or other sequence to the loss

- (a) Terrorism
- (b) civil commotion in Northern Ireland
- (c) any action taken in controlling, preventing, suppressing, or in any way relating to (a) and/or (b) above.

Terrorism means

(i) in respect of Damage occurring in England, Wales and Scotland only (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man or the Channel Islands)

acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence Her Majesty's government in the United Kingdom or any other government de jure or de facto

(ii) in respect of Damage occurring in any territory not specified in (i) above any act or acts including but not limited to

- the use or threat of force and/or violence  
and/or

- harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

In any action, suit or other proceedings where We allege that any Damage results from Terrorism as defined above and is therefore not covered by this Section, the burden of proving that any such Damage is covered under this Section will be upon You.

(15) (a) Loss of Data

(b) any Damage to Computer and Electronic Equipment or Failure resulting directly or indirectly from, or in connection with

- (i) Virus or Similar Mechanism,
- (ii) Denial of Service Attack,
- (iii) unauthorised access to or use of Computer and Electronic Equipment.

However, We will indemnify You in respect of subsequent Damage to the Property Insured caused by or resulting from Defined Contingencies (1) to (11) and (13) which is not otherwise excluded.

(16) the Excess stated in The Schedule.

## Asset Protection Property Damage – Additional Contingencies

### Additional Contingencies

The following Additional Contingencies apply to the Property Damage – All Risks Section where stated in The Schedule.

#### Subsidence

We will indemnify You in respect of Damage at The Premises caused by subsidence or ground heave of the site of the Property Insured, or landslip.

We will only indemnify You in respect of Damage to

- (1) forecourts, car parks, driveways, footpaths, swimming pools, terraces or patios
- (2) walls, gates, hedges or fences  
if
  - (a) such property is specifically insured by this Section  
and
  - (b) Damage also occurs to the building to which such property applies and that building is insured by this Section.

We will not indemnify You in respect of

- (1) Damage caused by
  - (a) collapse of any building
  - (b) the normal settlement, shrinking and cracking of any building
  - (c) coastal or river erosion
  - (d) defective design or inadequate construction of foundations
  - (e) any demolition, construction, erection, ground or excavation works, carried out at the site of The Premises or the site of any adjoining premises, unless We have agreed otherwise in writing
  - (f) settlement or movement of made up ground.

- (2) Damage as a result of movement of solid floor slabs.

However, We will indemnify You in respect of Damage not otherwise excluded if there is Damage to the foundations beneath the exterior walls of The Premises at the same time.

- (3) the Excess stated in The Schedule.

#### Underground Services

Where Buildings are insured under this Section or You are responsible for repairs, We will indemnify You in respect of accidental damage to underground

- (a) pipes
- (b) cables

which extend from the buildings to the public mains.

We will not indemnify You in respect of

- (1) the cost of maintenance
- (2) damage caused by
  - (a)
    - (i) gradual deterioration or wear and tear
    - (ii) corrosion, rust, rot, mould or fungus
    - (iii) vermin or insects
    - (iv) atmospheric or climatic conditions
    - (v) normal settlement or shrinkage
  - (b) faulty workmanship, defective design or the use of defective materials
- (3) the Excess stated in The Schedule.

## Asset Protection Property Damage and Theft – Clauses

### Property Damage and Theft – Clauses

*The following clauses apply to the Property Damage – All Risks Section and/or Theft Section if stated as insured in The Schedule, except where otherwise stated.*

#### All Other Contents

This term includes

- (1) documents, manuscripts and business books
- (2) Data Storage Materials
- (3) plans and designs

which require to be replaced and are capable of being replaced, belonging to You or held by You in trust for which You are responsible while

- (1) at The Premises
- (2) temporarily removed to any premises not occupied by You
- (3) in transit by road, rail or inland waterway

all in England, Wales, Scotland, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man

but only for

- (a) the value of the physical materials
- (b) the costs of labour incurred in replacing them and the Data thereon
- (c) the costs necessarily and reasonably incurred in collating such data from existing source material.

The maximum We will pay in respect of

- (i) documents, manuscripts, business books, plans and designs is £250,000
- (ii) Data Storage Materials is £25,000

for any one claim and in any one Period of Insurance.

We will not pay for the value to You of any information lost.

- (4) Computer and Electronic Equipment

- (5) pedal cycles, tools and other personal items belonging to You or any of Your directors, members, Employees, customers or visitors but only if they are not otherwise insured.

The maximum We will pay for any one person's property is £1,000 in total for any one claim.

- (6) rare books, antiques, paintings, or other works of art.

The maximum We will pay is £2,500 in respect of any one item and £10,000 in total for any one claim.

- (7) wines, spirits, cigarettes and tobacco held at The Premises for Your own private and business entertainment purposes.

The maximum We will pay is £1,000 in respect of any one claim.

- (8) satellite television receiving equipment and television and radio aerials.

The maximum We will pay is £2,000 in respect of any one claim.

#### Automatic Reinstatement

The Sums Insured stated in The Schedule will not be reduced by the amount of any claim unless We or You give notice to the contrary.

You must pay any additional premium required by Us to reinstate the Sums Insured.

#### Basis of Claim Settlement – Reinstatement

In the event of Damage to the Property Insured, excluding any items on

- (i) Stock and Materials in Trade,
- (ii) professional fees,
- (iii) debris removal,
- (iv) rent,
- (v) pedal cycles and personal effects,
- (vi) motor vehicles,
- (vii) Computer and Electronic Office Equipment,

## Asset Protection Property Damage and Theft – Clauses (Continued)

the basis upon which We will calculate the amount We will pay in respect of any claim will be the reinstatement of the property lost, destroyed or damaged, subject to the following conditions

- (1) Where the Property Insured is
  - (a) lost or destroyed, We will pay for its rebuilding or replacement by similar property in a condition as good as, but not better or more extensive than, its condition when new.
  - (b) damaged, We will pay for the replacement or repair of the damaged portion to a condition as good as, but not better or more extensive than, its condition when new.

However, We will not pay more than We would have done if the property has been completely destroyed.

- (2) Where Computer and Electronic Office Equipment is insured by this Section and such property is
  - (a) lost or destroyed beyond economic repair, We will pay for its replacement by new Computer and Electronic Office Equipment of equal performance and/or capacity but if this is not possible, by Computer and Electronic Office Equipment with the nearest higher performance and/or capacity.
  - (b) damaged, if an economic repair is possible, We will pay for the repair of the Computer and Electronic Office Equipment, to its condition when new.

However, We will not pay more than We would have done if Computer and Electronic Office Equipment had been completely destroyed.

- (3) (1) and (2) above includes the costs necessary to comply with any
  - (a) European Union Legislation
  - (b) Act of Parliament
  - (c) Bye laws of any public authority.

We will not indemnify You

- (a) in respect of the costs incurred

- (i) for Damage not insured by this Section
  - (ii) where notice was served on You before the Damage occurred
  - (iii) where an existing requirement must be completed within a stipulated period
  - (iv) for property or parts of the property, other than foundations (unless foundations are specifically excluded), which have not suffered Damage
- (b) in respect of any charge or assessment arising from capital appreciation following compliance with any legislation or Bye law.

- (4) The work of reinstatement
  - (a) may be carried out on another site and in a manner suitable to Your needs. However,
    - (i) Our liability must not be increased
    - (ii) this will not apply when The Premises are Unoccupied unless We have agreed otherwise in writing.
  - (b) must begin and be carried out as quickly as possible.

- (5) The following condition of Average will apply. If the Sum Insured at the time the Damage occurred is less than 85% of the amount necessary to replace the whole of the Property Insured and/or Computer and Electronic Office Equipment, at the time of rebuilding or replacement, You will be liable to bear a proportionate share of the loss.

- (6) We will not indemnify You if You
  - (a) do not incur the cost of replacing or repairing the Property Insured and/or Computer and Electronic Office Equipment.
  - (b) or someone acting on Your behalf, have insured the property under another policy which does not have a similar basis of reinstatement.
  - (c) do not comply with any of the terms of this clause.

However, the Basis of Claim Settlement – Indemnity will apply.



## Asset Protection Property Damage and Theft – Clauses (Continued)

For the purposes of this clause Computer and Electronic Office Equipment means

- (a) all computers, computer installations and systems, microchips, integrated circuits, microprocessors, embedded systems, hardware, data processing equipment, information repository, equipment capable of processing data and or similar devices, whether physically or remotely connected thereto,
- (b) personal computers, laptops, small micro computers and similar equipment used for processing electronic data and which are designed to be carried by hand,
- (c) all electronic office equipment including telecommunications equipment, facsimile, printing and photocopying machines.

Computer and Electronic Office Equipment does not include

- (i) Portable equipment away from The Premises
- (ii) Computer and Electronic Office Equipment held as stock or customers' Computer and Electronic Office Equipment held in trust
- (iii) Computer and Electronic Office Equipment controlling or monitoring any manufacturing process.

### Basis of Claim Settlement – Rent

If rent is insured under this Section, We will indemnify You in respect of loss of rent resulting from the Building or any part of the Building

- (1) generating the rent received
- or
- (2) for which rent is payable

being made unfit for the purpose of The Business as a result of Damage insured by this Section.

The maximum amount that We will pay You in respect of loss of rent will be the proportion of the Rent Sum Insured that would have been payable during the period from the date of the Damage until the Building is repaired or reinstated.

### Bequeathed Property

We will indemnify You in respect of Damage occurring during the Period of Insurance to bequeathed properties for which You are responsible following the administration of a deceased persons assets situated anywhere in England, Wales, Scotland, Northern Ireland, The Channel Island or the Isle of Man.

The maximum We will pay in respect of any on bequeathed property is

- (1) Buildings £100,000 or 10% of the total buildings sum insured whichever is the lower
- (2) Contents
  - (i) £10,000 any one item excluding rare books, works of art, jewellery and precious stones
  - and
  - (ii) £1,000 any one rare book, works of art, jewellery or precious stones and £10,000 in total for any one claim
  - and
  - (iii) £25,000 any one claim.

You must

- (a) provide Us with details of any bequeathed property as soon as reasonably possible, but at least within three months from the commencement date of Your interest in the bequeathed property
- (b) specifically insure such property with Us from the date such property legally belongs to You
- (c) pay the agreed additional premium.

We will not indemnify You

- (a) if the bequeathed property is more specifically insured.
- (b) in respect of
  - (i) vehicles licensed for road use including accessories on or attached to the vehicle
  - (ii) caravans or trailers
  - (iii) watercraft or aircraft

## Asset Protection Property Damage and Theft – Clauses (Continued)

- (iv) livestock
  - (v) growing crops or trees
- unless specifically agreed in writing by Us.
- (c) in respect of items more specifically excluded under the Policy Exceptions.

### Capital Additions

We will indemnify You in respect of Damage to

- (1) new Buildings and/or Machinery and Plant built or acquired during the Period of Insurance
- (2) alterations, additions and improvements to Buildings and/or Machinery and Plant made during the Period of Insurance, but not in respect of any appreciation in value

situate anywhere in England, Wales, Scotland, Northern Ireland, the Channel Islands and the Isle of Man.

The maximum We will pay in respect of any one premises is

- (1) 10% of the total Buildings and Machinery and Plant Sum Insured under this Section
- or
- (2) £500,000

whichever is the lower.

You must

- (a) provide Us with details of such additional Buildings and/or Machinery and Plant as soon as possible but, in any event,
  - (i) within six months of the date You became responsible for the insurance of such Buildings and Machinery and Plant
  - and
  - (ii) before the expiry of the Period of Insurance
- (b) specifically insure such property with Us from the date Our liability commenced
- (c) pay the agreed additional premium.

In respect of any Unoccupied premises insured under the provisions of this clause, We will only indemnify

You in respect of Defined Contingencies (1) to (6) and (10).

We will not indemnify You unless

- (1) a certificate of completion has been issued
- or
- (2) works to such property has been completed and handed over to You

prior to the date of the Damage.

### Change in Temperature

The insurance on each Building, Machinery and Plant and Stock and Materials in Trade item stated in The Schedule, extends to include Damage caused by change in temperature, resulting from total or partial destruction or disablement of refrigerating, electrical or conditioning plant or apparatus, by any Contingency stated as applicable in The Schedule.

### Clean up Cost

We will indemnify You in respect of costs and expenses necessarily and reasonably incurred in cleaning, clearing or removing debris from land at The Premises, and the area immediately adjacent to it, following escape of oil, effluent waste or fertiliser from any tank owned by You.

Provided that such escape results from Damage by any of the Defined Contingencies (1) to (12) if insured by this section.

The maximum that We will pay is £10,000 during any one Period of Insurance.

### Contract Sale Price

If Stock and Materials in Trade which have been sold but not yet delivered, suffer Damage insured by this Section, and as a result the contract of sale is cancelled under the conditions of sale, Our liability will be calculated on the basis of the contract price for the Stock and Materials in Trade which have suffered Damage.

Any calculation for the purpose of Average will be on the basis of the contract price for all Stock and Materials in Trade which have been sold but not yet delivered, whether suffering Damage or not.

## Asset Protection Property Damage and Theft – Clauses (Continued)

### Customers' Goods

Any Stock and Materials in Trade Item(s) stated in The Schedule extends to include

- (1) Your customers' goods
- (2) goods for which Your customers are legally responsible

while these goods are temporarily in Your custody or control and for which You have accepted responsibility but only to the extent that they are not more specifically insured.

### Damage to Playing Surfaces

We will indemnify You in respect of Damage to the playing surfaces stated in The Schedule, including any installed irrigation or heating systems.

In the event of Damage to any trees or plants forming part of the playing surface of a golf course, We will pay for the cost of replacement by saplings of the same or similar species.

The maximum We will pay in respect of any one claim is £2000 unless otherwise stated in The Schedule.

We will not indemnify You under this clause in respect of

- (1) Damage caused by or consisting of
  - (a) the application of fertilisers or chemicals
  - (b) the failure to apply fertilisers or chemicals
  - (c) storm, flood and other effects of weather
  - (d) wear, tear and the course of play
  - (e) maintenance work at The Premises
  - (f) animals or insects.
- (2) Damage caused to irrigation systems during the period 1 October to 30 April each year unless the system is drained.
- (3) The first £250 of any claim.

### Debris Removal

Unless a separate item for costs of removal of debris is insured under this Section, the Sum Insured for each item on Buildings, Machinery and Plant and Stock and Materials in Trade in The Schedule,

includes costs and expenses You incur with Our consent for

- (1) the removal of debris
- (2) dismantling
- (3) demolishing
- (4) shoring up or propping of those parts

of the Property Insured which have suffered Damage.

We will not indemnify You in respect of such costs and expenses

- (1) incurred in removing debris from anywhere other than the site of the Damage and the area immediately adjacent to it
- (2) arising from pollution or contamination of property not insured by this Section
- (3) more specifically insured.

The maximum We will pay for costs and expenses in respect of Stock and Materials in Trade is £25,000.

### Description of Property

In determining the item under which property is insured We will accept the description given in Your business records.

### Drains

The Sum Insured under each Buildings and/ or Machinery and Plant item includes costs and expenses You incur with Our consent for cleaning and/or clearing of

- (1) drains
- (2) sewers
- (3) gutters

for which You are responsible following Damage to the Property Insured.

### Exhibitions

We will indemnify You in respect of Damage insured by this Section to Stock and Materials in Trade and/ or Machinery and Plant while

- (1) at any exhibition which does not exceed seven days

## Asset Protection Property Damage and Theft – Clauses (Continued)

- (2) in the course of demonstration, construction, erection or dismantling at any such exhibition
  - (3) in transit thereto and there from
- in the European Economic Area.

The maximum We will pay in respect of any one claim is £25,000.

We will not indemnify You in respect of damage

- (1) caused by or happening through
  - (a) defective or inadequate packing, insulation or labelling
  - (b) evaporation or ordinary leakage
  - (c) delay
  - (d) inadequate documentation
  - (e) shortage in weight.
- (2) occurring outside of the European Economic Area.

### Falling Trees

We will indemnify You in respect of

- (i) the cost of removing fallen trees belonging to You or for which You are responsible but only where there has been Damage to property
- (ii) the cost of felling, lopping or pruning trees belonging to You or for which You are responsible at The Premises to prevent the immediate threat of Damage to property or for safeguarding life.

The maximum We will pay in respect of (i) and/or (ii) above is £2,500.

### Fire and Rescue Services Damage

We will indemnify You in respect of costs and expenses incurred in reinstating or repairing landscape gardens and grounds following damage caused by the Fire and Rescue Services or other emergency services equipment or personnel in the course of combating fire.

The maximum We will pay in respect of any one claim is £25,000.

### Fire and Security Equipment

We will indemnify You in respect of costs and expenses incurred in

- (1) refilling, recharging or replacing any
  - (a) portable fire extinguishing appliances
  - (b) local fire suppression system
  - (c) fixed fire suppression system
  - (d) sprinkler installation
  - (e) sprinkler heads.
- (2) re-setting fire and/or intruder alarms and/or closed circuit television equipment following Damage insured by this Section.

The maximum We will pay in respect of any one claim is £25,000.

If in relation to any claim under this clause You have failed to fulfil the following condition, You will lose Your right to indemnity or payment for that claim.

You must maintain all such equipment in accordance with the manufacturer's instructions.

We will not indemnify You in respect of any costs and expenses recoverable from Your maintenance company or Fire and Rescue Service.

### Glass

**The following clause is only applicable where the Property Damage – All Risks Section is stated as insured in The Schedule.**

Where Buildings are insured under this Section We will indemnify You in respect of

- (1) breakage (including the cost of boarding up) of glass at The Premises including
  - (a) the cost of removing and reinstating obstructions to replacing glass.
  - (b) the cost of replacing alarm foil, lettering, painting, embossing, silvering or other ornamental work on glass.
- (2) breakage of fixed
  - (a) wash hand basins, pedestals, baths, sinks
  - (b) lavatory bowls, bidets, cisterns

## **Asset Protection** Property Damage and Theft – Clauses (Continued)

- (c) shower trays, splashbacks at The Premises.

We will not indemnify You in respect of breakage of glass

- (a) when The Premises are Unoccupied
- (b) in transit or while being fitted
- (c) by workmen carrying out alterations or repairs to The Premises.

The maximum We will pay in respect of any one claim will be the Buildings Sum Insured stated in The Schedule.

### **Hire Agreement**

If the Property Insured by this Section is the subject of hire agreements, We will include the interest of the owners in any indemnity provided by this Section.

You must provide the name of any other interested party in the event of a claim.

### **Incompatibility of Software or Programs**

If Damage to Computer and Electronic Office Equipment results in existing software or programs being incompatible with the replacement Computer and Electronic Office Equipment (as defined in the Basis of Settlement – Reinstatement clause above,) We will, at Our option, indemnify You in respect of either

- (1) the necessary modifications to the replacement Computer and Electronic Office Equipment,
- (2) the conversion of the existing software or programs into a format which is compatible with the replacement Computer and Electronic Office Equipment, and the cost of replacing incompatible Data Carrying Materials where necessary.

The maximum We will pay for any or all claims arising out of one cause is £25,000 or the Sum Insured specified in The Schedule.

### **Lamps, Signs and Nameplates**

We will indemnify You in respect of Damage to

- (1) lamps
  - (2) signs
  - (3) nameplates
- at The Premises.

The maximum We will pay in respect of any one item is £1,000.

### **Machinery Re-erection Costs**

The Sum Insured for each Machinery and Plant item extends to include the cost of re-erecting machinery following Damage insured by this Section.

### **Metered Services**

We will indemnify You for charges for which You are responsible if water, electricity or gas is accidentally discharged from a metered system providing service to The Premises.

The maximum We will pay in respect of any one claim is £25,000.

We will not indemnify You in respect of any charges incurred while The Premises are Unoccupied.

### **Munitions of War**

Policy Exceptions 1 (a) and (c) will not apply in respect of Damage to the Property Insured caused by or resulting from the detonation of munitions of war or parts thereof, at or within one mile of the boundary of The Premises, provided that the presence of such munitions does not result from a state of war current at the time of the Damage.

### **Non-invalidation**

The insurance by this Section will not be invalidated by any act, omission or alteration, either unknown to You or beyond Your control, which increases the risk of Damage.

However, You must

- (1) notify Us immediately You become aware of any such act, omission or alteration and
- (2) pay any additional premium We require.

## **Asset Protection** Property Damage and Theft – Clauses (Continued)

### **Oil Tanks**

We will indemnify You in respect of Damage to oil tanks and contents belonging to You at The Premises.

We will not indemnify You in respect of motor vehicles, or their contents, which are more specifically insured.

### **Portable Space Heaters**

If in relation to any claim for Damage to the Property Insured caused by or resulting from fire or explosion You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (1) not place portable space heaters
  - (i) where they are liable to be overturned or suffer mechanical damage
  - (ii) where flammable atmospheres exist
  - (iii) on combustible surfaces
- (2) keep portable space heaters clear of combustible materials
- (3) maintain a clear space of at least one metre around portable space heaters by using a non-combustible guard
- (4) not refill portable space heaters while alight nor for a period of 30 minutes after the heater has been switched off
- (5) switch off all portable space heaters when The Premises are unattended.

### **Professional Fees**

Unless a separate item for professional fees, and reasonably incurred with Our consent, is insured under this Section, the Sum Insured for each item on Buildings and Machinery and Plant includes an amount for professional fees, necessarily and reasonably incurred with Our consent, in reinstating or repairing the Property Insured, following Damage insured by this Section.

We will not indemnify You in respect of fees

- (1) more specifically insured
- (2) incurred in preparing a claim.

### **Property at Fundraising and Catering Events**

We will indemnify You in respect of Damage insured by this Section to Stock and Materials in Trade and/ or Machinery and Plant while

- (1) at any fundraising event or event where You are providing outside catering which does not exceed seven days
- (2) in the course of demonstration, construction, erection or dismantling at any such event
- (3) in transit thereto and there from

in the European Economic Area.

The maximum We will pay in respect of any one claim is £5,000.

We will not indemnify You in respect of Damage

- (1) caused by or happening through
  - (a) defective or inadequate packing, insulation or labelling
  - (b) evaporation or ordinary leakage
  - (c) delay
  - (d) inadequate documentation
  - (e) shortage in weight.
- (2) occurring outside of the European Economic Area.

### **Raffle Prizes and Donations**

We will indemnify You in respect of Damage to raffle prizes and donated goods to be used for fund raising events situate anywhere in England, Wales, Scotland, Northern Ireland, the Channel Islands and the Isle of Man.

The maximum We will pay is

- (1) £1,500 in respect of any one claim.
- (2) £500 in respect of any one item.

### **Seasonal Increase**

The Sum Insured for each item of Stock and Materials in Trade in The Schedule is increased by 25% or £500,000, whichever is the lower, during the months of November, December and January or

## **Asset Protection** Property Damage and Theft – Clauses (Continued)

for any other period selected by You and stated in The Schedule.

### **Services**

Where Buildings are insured under this Section or You are liable as a tenant, We will indemnify You in respect of Damage to service pipes and cables, including their associated meters and instruments, which connect The Premises to the public mains.

### **Subrogation**

In the event of any claim under this Section, We agree to waive any rights, remedies or relief to which We may be entitled by subrogation against any company

- (1) whose relationship to You is either a parent or subsidiary
- (2) which is a subsidiary of a parent company of which You are a subsidiary

as defined within the relevant legislation current at the time of Damage.

### **Temporary Removal**

We will indemnify You in respect of Damage to the Property Insured except for

- (1) documents, manuscripts, business books, Data Storage Materials, plans and designs  
and
- (2) Stock and Materials in Trade

while temporarily removed for cleaning, renovation or repair or similar purposes

- (1) to another part of The Premises
- (2) to any other premises in England, Wales, Scotland, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man including whilst in transit by road, rail or inland waterway.

The maximum We will pay in respect of any one claim is

- (1) 10% of the item Sum Insured specified in The Schedule  
or
- (2) £250,000

whichever is the lower.

We will not indemnify You in respect of

- (a) property more specifically insured
- (b) Damage occurring elsewhere than at The Premises to motor vehicles or motor chassis licensed for normal road use
- (c) property removed for more than 90 consecutive days unless We agree a longer period in writing.

### **Theft Damage to Buildings**

Where Buildings are insured under this Section, We will indemnify You in respect of Damage to such Buildings including landlords' fixtures and fittings at The Premises caused by theft or attempted theft not involving entry into or exit from The Premises by forcible and violent means.

We will not indemnify You in respect of Damage

- (a) caused to any property other than buildings and landlords' fixtures and fittings
- (b) caused by any person lawfully on The Premises
- (c) while The Premises are Unoccupied
- (d) more specifically insured by You or on Your behalf.

The maximum amount We will pay is £25,000 for any one claim and in any one Period of Insurance.

### **Trace and Access**

We will indemnify You in respect of reasonable costs and expenses incurred with Our consent

- (1) in locating the actual source of Damage  
and
- (2) any repairs directly arising from (1)

caused by the escape of water from any tank, apparatus or pipe or leakage of fuel from any fixed oil heating installation, provided such Damage is insured by this Section.

The maximum We will pay in respect of any or all claims in any one Period of Insurance is £25,000.

## **Asset Protection** Property Damage and Theft – Clauses (Continued)

### **Trade Samples**

We will indemnify You in respect of Damage to trade samples whilst anywhere in the European Economic Area including while in transit thereto and therefrom.

The maximum We will pay is

- (1) £500 in respect of any one item  
and
- (2) £10,000 for any one claim.

### **Transfer of Interest**

If at the time of Damage to a Building insured under this Section You have entered into a contract to sell Your interest in it but

- (1) the contract has not yet been completed  
and
- (2) the building has not yet been insured by or on behalf of the purchaser

We will indemnify the purchaser to the extent that this Section insures the Building if the purchase is subsequently completed.

This will not affect either Your or Our rights and liabilities up to the date of completion of the purchase.

### **Workmen**

Repairs and minor structural alterations may be carried out at The Premises without affecting the Cover.



## Asset Protection Property Damage – Additional Clauses

### Property Damage Additional Clauses

*The following Additional Clauses apply to the Property Damage – All Risks Section if stated as applying in The Schedule.*

#### Day One Basis of Settlement

For each item of Property Insured to which this clause applies (as stated in The Schedule).

- (1) The first and annual premiums are based upon the Declared Value as stated in The Schedule.

Declared Value shall mean

Your assessment of the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (1) of the Basis of Settlement - Reinstatement Clause at the level of costs applying at the start of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with an allowance for

- (a) the additional cost of reinstatement to comply with
  - (i) European Union Legislation
  - (ii) Act of Parliament
  - (iii) Bye laws of any public authority
- (b) professional fees
- (c) debris removal costs.

The declared Value incorporated in each item is stated in The Schedule.

- (2) You must notify Us of the Declared Value at the start of each Period of Insurance.

If You fail to notify Us of the Declared Value at the start of any Period of Insurance, We will use the last Declared Value notified to Us for the following Period of Insurance.

- (3) Paragraphs (5) and (6) of the Basis of Settlement - Reinstatement are restated as follows

- (5) if, at the time of the Damage, the Declared Value is less than the cost of reinstatement of the Property Insured, arrived at in accordance with paragraph (1) of this Clause, at the start of the Period

of Insurance, Our liability for any Damage will be limited to that proportion which the Declared Value bears to the cost of reinstatement of the Property Insured arrived at in accordance with paragraph(1) of this Clause.

- (6) We will not indemnify You
- (a) until You have incurred the cost of replacing or repairing the property
  - (b) if You, or someone acting on Your behalf, have insured the property under another policy which does not have the same basis of reinstatement
  - (c) if You do not comply with any of the provisions of this Clause.

However the Sums Insured will be limited to 108% of the Declared Values stated in The Schedule.

- (4) The maximum We will pay in respect of each separate location subject to this Clause is as stated in The Schedule.

#### Deductible

We will deduct the amount of any deductible stated in The Schedule in respect of each and every claim at each separate premises as calculated after the application of all other terms of this Section.

We may charge You an additional premium if You arrange insurance in respect of the deductible.

#### European Union and Public Authorities – including Undamaged Property and Automatic Sprinkler Installations

Paragraph (3) of the Basis of Claim Settlement – Reinstatement clause contained in the Property Damage and Theft – Clauses is deleted and replaced by the following:

- (3) (a) (1) and (2) above includes the costs necessary to comply with any
- (i) European Union Legislation
  - (ii) Act of Parliament
  - (iii) Bye laws of any public authority.

## **Asset Protection** Property Damage – Additional Clauses (Continued)

- (b) where We require You to comply with current LPC Rules for Automatic Sprinkler Installations, the additional cost of reinstating water supply equipment which
  - (i) conformed to previous LPC Rules
  - (ii) conformed to current LPC Rules when installed but fails to conform to subsequent amendments to those rules.

However, the maximum We will pay will not exceed in total

- (a) in respect of Property Insured which has suffered Damage, the Sum Insured
- (b) in respect of undamaged portions of Property Insured, other than foundations, 15% of the amount We would have been liable to pay if the Property Insured by the item at The Premises where Damage occurred had been completely destroyed.

We will not indemnify You in respect of

- (1) the costs incurred
  - (a) for Damage not insured by this Section
  - (b) where notice was served on You before the Damage occurred
  - (c) where an existing requirement must be completed within a stipulated period.
- (2) any charge or assessment arising from capital appreciation following compliance with any legislation or Bye law.

### **Foundations**

Where any Buildings Sum Insured stated in The Schedule is subject to Average, the Sum Insured includes

- (1) that portion of the foundations within a 60 centimetre radius around and below a structural column or superstructure support
- (2) that portion of the foundations less than eight centimetres below the floor level of the lowest storey
- (3) machinery foundations.

We will not indemnify You in respect of any other portion of foundations.

## Asset Protection Property Damage – Additional Conditions

### Additional Conditions

*The following Additional Conditions apply to the Property Damage – All Risks Section if shown in The Schedule and in addition to the Conditions contained in this Section and Policy Conditions at the back of this policy.*

### Firebreak Doors and Shutters

If in relation to any claim for Damage to the Property Insured caused by or resulting from fire or explosion You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (1) close and secure all firebreak doors and shutters outside of business hours
- (2) keep all firebreak doors and shutters in efficient working order.

### Unoccupied Premises

If in relation to any claim for Damage while The Premises are Unoccupied, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (1) carry out internal and external inspections of the buildings at least every seven days and
  - (a) maintain a weekly log of such inspections to be retained for a period of at least 12 months.
  - (b) as soon as possible, repair, or arrange to repair, any damage or defects found including the removal of graffiti.
  - (c) carry out a monthly management check of the weekly inspections log.
- (2) remove all loose combustible items, including furniture, pallets, mail/flyers, waste, refuse, stock and materials in trade, and gas bottles, either within or outside the buildings, from The Premises.

- (3) securely lock all external doors, close and secure all windows, and secure and seal all letter boxes and openings.
- (4)
  - (a) turn off all sources of power, fuel and water at the mains and wherever possible, chain and padlock the isolation valves,
  - (b) drain all water and fuel supply tanks, apparatus and pipes.

However, where the buildings are protected by

- (i) an Intruder Alarm, CCTV or Fire Detection System You must provide sufficient power for their effective operation.
  - (ii) a sprinkler installation, You must provide sufficient power or water supplies for its effective operation and sufficient heat to prevent it freezing.
- (5) advise Us immediately if the buildings are to be occupied by contractors for renovation, alteration or conversion purposes or if the buildings are to become occupied or used.

### Stock Storage – Basements and Ground Floors

If in relation to any claim for Damage to the Property Insured caused by storm, flood or escape of water, You have failed to fulfil the following condition, You will lose Your right to indemnity or payment for that claim.

You must ensure that all stock stored in basements and/or on the ground floors of The Premises is stored at least 75mm above floor level.

### Stock Storage – Basements only

If in relation to any claim for Damage to the Property Insured caused by storm, flood or escape of water, You have failed to fulfil the following condition, You will lose Your right to indemnity or payment for that claim.

You must ensure that all stock stored in basements of The Premises is stored at least 75mm above floor level.

## Asset Protection Property Damage – Additional Conditions (Continued)

### Hot Work Condition

If in relation to any claim for Damage to Property Insured by fire and/or explosion, You have failed to fulfill the following condition, You will lose Your right to indemnity or payment for that claim

Whenever there is any hot work undertaken at The Premises involving

- (1) a naked flame
- (2) electric, oxy-acetylene or similar welding, cutting or grinding (including using abrasive disks or wheels) or other spark emitting equipment
- (3) blow lamp, blow torch, hot air gun or hot air stripper, asphalt, bitumen, tar or pitch heater.

All of the following Minimum Requirements must be complied with as stated herein

The Minimum Requirements comprise

- (1) Before any such hot work commences
  - (a) a designated competent person is to be made responsible for fire safety and for ensuring that all Minimum Requirements are achieved and to ensure a safe method of work is implemented by way of a hot work permit to work system.
- (2) Before the commencement of each instance of such hot work in each work area
  - (a) a formal fire risk assessment is to be undertaken by a designated competent person to identify any fire risks, assess if the work can be completed using alternative safer methods and identify actions to ensure a safe method of hot work if such is to be adopted
  - (b) all flammable liquids and movable combustible materials are to be removed from the area in which the hot work is to be carried out and secured
  - (c) where possible all immovable combustible materials including flooring, partitions and ceilings within ten (10) metres of the area in which the hot work is to be carried out are to be fully covered with overlapping protective non-combustible sheets or screens

- (d) all holes, openings in walls, partitions and ceilings through which sparks could pass are to be fully covered with overlapping non-combustible sheets or screens
  - (e) no hot work is to be carried out on composite insulation panels, unless it first be established by a designated competent person that the insulating or other materials behind or forming the core of the panels are non combustible
  - (f) where hot work is to be carried out on one side of a wall, partition or ceiling, all moveable combustible materials on the other side of such wall, partition or ceiling at risk of ignition are to be removed and all immovable combustible such materials are to be fully covered with overlapping protective non-combustible sheets or screens.
- (3) During the process of hot work being carried out
    - (a) gas cylinders not required for immediate use shall be kept at least ten (10) metres from where the application of heat is being applied
    - (b) a minimum of two (2) fire extinguishers of a type and capacity suitable for the combustible materials (or a hydraulic hose reel) that are in full working order shall be provided in the area in which work is undertaken involving the application of any heat and for thirty (30) minutes after the cessation of all hot work
    - (c) the lighting and use of all hot work equipment must be done in strict accordance with the manufacturer's instructions and when such equipment is still hot it must not be left unattended
    - (d) all hot work equipment involving the application of heat to be extinguished or switched off when it is not being used
    - (e) one designated competent person other than the person using hot work equipment shall be appointed to act as a specific fire watch to look out for any outbreak of fire and who will be trained in the use of

## **Asset Protection** Property Damage – Additional Conditions (Continued)

the fire extinguishers and have immediate access to such equipment as described in (2) above.

- (4) After ceasing each instance of such hot work

Upon completion of each instance of the hot work a continuous examination for any signs of smouldering or combustion must be made within above and below the area in which the hot work has been undertaken for a period not less than thirty (30) minutes after that completion. Such examinations to include any areas on the other side of any wall, partition or ceiling within ten (10) metres of the area in which the hot work has been carried out. In the event that there is the continuing use of the hot work equipment for separate instances of hot work all within one work area this requirement will be satisfied by one such continuous examination of that entire work area on completion of the final instance of hot work provided that the designated competent person maintains an effective fire watch over the entire work area throughout such instances of hot work.

# Asset Protection Theft

## Definitions

*The following Definitions apply to this Section in addition to the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Section unless an alternative definition is stated to apply.*

## Damage

Physical loss, destruction or damage.

## Property Insured

Property insured as detailed in The Schedule.

## Cover

We will indemnify You in respect of Damage to the Property Insured occurring during the Period of Insurance

- (1) in The Premises by theft or attempted theft
- (2) in respect of buildings at The Premises where You are responsible for the repairs by theft or attempted theft involving entry into or exit from The Premises by forcible and violent means
- (3) by theft involving violence or threat of violence to You, Your partners, directors or Employees.

## Clauses

*The following Clauses apply to this Section in addition to the Property Damage and Theft – Clauses.*

## Changing Locks

We will indemnify You in respect of the cost of changing locks at The Premises following loss of keys, including safe keys, by theft or attempted theft from

- (1) The Premises
- (2) Your home
- (3) Your directors' homes
- (4) Your authorised Employees' homes

or while in Your custody or that of an Employee following theft involving violence or threat of violence to You or an Employee.

If the keys belong to a safe they must be

- (i) removed from The Premises overnight
- (ii) kept in a secure place away from the safe when You or an Employee occupy The Premises.

The maximum We will pay in respect of any one loss is £5,000.

## Collusion

We will indemnify You in respect of Damage to the Property Insured in The Premises caused by

- (a) theft or attempted theft involving entry into or exit from The Premises by forcible and violent means,  
or
- (b) theft involving violence or threat of violence to You, Your directors, Your partners or Employees,

where any of Your Employees are involved as principal or accessory.

## Theft of Computers and Audio Visual Equipment

Cover under Item 1 of this Section extends to include computer hardware and software, audio and visual equipment at The Premises.

The maximum We will pay for any one claim in respect of such items will be the Sum Insured under Item 1 or £100,000 whichever is the lower.

## Conditions

*The following Conditions apply to this Section in addition to the Policy Conditions at the back of this policy.*

## Asset Protection Theft (Continued)

### (1) Average

Each of the Sums Insured shown in The Schedule is subject to average. This means that if at the time of Damage, the Item Sum Insured is less than the total value of the Property Insured, You will

- (a) be responsible for the difference
- (b) bear a proportionate share of the loss.

### (2) Our Rights

If Damage occurs which may lead to a claim We may

- (a) enter or take possession of the building or The Premises
- (b) take possession of, or require to be delivered to Us, the Property Insured which We will deal with in a reasonable manner

without incurring liability or reducing Our rights.

We will not pay for any Damage if You or anyone acting on Your behalf

- (i) do not comply with Our requirements
- (ii) hinder or obstruct Us.

### (3) Protections

If in relation to any claim in respect of Damage caused by theft or attempted theft, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

Whenever The Premises are

- (a) closed for business,  
or
- (b) left unattended

You must ensure that all security devices provided to protect The Premises are properly fitted and put into full operation.

### Additional Conditions

*The following Additional Conditions apply to this Section only if stated as applying in The Schedule and in addition to the Conditions contained in this Section and the Policy Conditions at the back of this policy.*

### Intruder Alarm Condition

If in relation to any claim for Damage to the Property Insured caused by theft or attempted theft at The Premises You have failed to fulfil any of Intruder Alarm Conditions (1) to (8) shown below, You will lose Your right to indemnity or payment for that claim.

### Intruder Alarm Conditions

- (1) While The Premises are unattended they must be protected by an Intruder Alarm System
  - (a) maintained in full and efficient working order under an ongoing maintenance contract provided by an Alarm Company.
  - (b) registered with an Alarm Receiving Centre.
  - (c) eligible for police response, via the issue and retention of a valid police unique reference number (URN).
  - (d) which is set in its entirety, with all means of communication used to transmit Activations to an Alarm Receiving Centre in full operation.
- (2) If requested, You must supply Us with a copy of the Intruder Alarm System specification.
- (3) The Protected Premises must not be left without at least one Responsible Person in attendance where
  - (a) the Intruder Alarm System is not set in its entirety
  - (b) the police have withdrawn their response to Activationsunless We agree otherwise.
- (4) During any period that the Intruder Alarm System is set, a Key Holder must, following notification of Activations or interruption of

## Asset Protection Theft (Continued)

any of the means of communication used to transmit Activations to an Alarm Receiving Centre

- (a) attend The Premises as soon as reasonably possible in order to confirm the security of The Premises  
and
- (b) reset the Intruder Alarm System in its entirety with all means of communication used to transmit Activations to an Alarm Receiving Centre in full operation.

If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to transmit Activations to an Alarm Receiving Centre are not in full operation, a Key Holder must remain at The Premises unless We agree otherwise.

- (5) You must advise Us as soon as possible and, in any event, not later than 10:00am on Our next working day
  - (a) of notice from
    - (i) the police giving warning of withdrawal of their services, or a reduction or delay in the level of their response to Activations
    - (ii) a Local Authority or Magistrate imposing any requirement for abatement of nuisance caused by the Intruder Alarm System
  - (b) when the Intruder Alarm System and the means of communication used to transmit Activations to an Alarm Receiving Centre cannot be returned to or maintained in full working order.

You must comply with Our subsequent requirements.

- (6) Any alteration or substitution of
  - (a) any part of the Intruder Alarm System
  - (b) the structure of The Premises or changes to the layout of The Premises which would reduce the effectiveness of the Intruder Alarm System

- (c) the means of communication used to transmit Activations to an Alarm Receiving Centre
- (d) the procedures agreed with Us for police or any other response to any Activations
- (e) the Intruder Alarm System maintenance contract

must not be made without Our written agreement.

- (7) You and each Key Holder must maintain
  - (a) the secrecy of all the codes  
and
  - (b) the security of all keys and other setting devices

for the operation of the Intruder Alarm System. All such keys and setting devices must be removed from The Premises when they are left unattended.

- (8) You must appoint at least two Key Holders and lodge written details (which must be kept up to date) with the Alarm Company, the Alarm Receiving Centre and, if they so require, the police or local authority.

For the purposes of this Additional Condition the following definitions apply.

### Intruder Alarm System

An electrical installation to detect and indicate the presence, entry or attempted entry of an intruder into the Protected Premises, including all devices used to transmit Activations to an Alarm Receiving Centre.

### Alarm Company

An organisation recognised as an 'approved company' by the National Security Inspectorate (NSI) or as a 'registered firm' by the Security Systems and Alarm Inspection Board (SSAIB).

### Alarm Receiving Centre

An organisation recognised as an 'approved company' by the NSI or as a 'registered firm' by the SSAIB and which agrees to receive Activations from



## Asset Protection Theft (Continued)

the Intruder Alarm System and make arrangements for notifying them to a Key Holder and/or the police.

### Activations

Signals or other information generated by the Intruder Alarm System which indicate

- (a) a suspected or confirmed intrusion into the Protected Premises
- (b) a fault or tamper event may have occurred
- (c) incorrect or unexpected setting or unsetting of the Intruder Alarm System.

### Key Holder

You, or any person or key holding company authorised by You, who must be

- (1) available at all times to
  - (a) accept notification of Activations
  - (b) attend and allow access to The Premises
- (2) fully trained in the operation of the Intruder Alarm System.

### Protected Premises

The Premises, or those portions of The Premises, protected by the Intruder Alarm System.

### Responsible Person

You or any person authorised by You to be responsible for the security of The Premises.

### Visible Signs

We will not indemnify You in respect of Damage caused by theft or attempted theft unless there are visible signs of entry into or exit from The Premises by forcible and violent means.

### Minimum Security

If in relation to any claim for Damage to the Property Insured caused by theft or attempted theft at The Premises, which occurs more than 30 days after the inception of this policy, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

In respect of all those parts of The Premises occupied by You in connection with The Business You must ensure that unless otherwise agreed by Us in writing

- (1) all Perimeter doors and opening Accessible Perimeter windows are provided with an appropriate security measure, as described in (1) – (6) below
- (2) whenever any part or parts of The Premises occupied by You in connection with The Business is or are unattended, all such doors and windows to that part or parts are closed and secured by such appropriate security measure being put into full and effective operation.
  - (1) Hinged doors are to be secured as follows
    - (a) single leaf doors and the final closing leaf of double doors
      - (i) timber framed doors – by a lock certified as meeting British Standard BS3621
      - (ii) aluminium or steel framed doors – by a five (or more) pin cylinder mortice swing lock
      - (iii) plastic framed doors – by a lock assembly certified as meeting PAS 3621 or a multi-point lock having at least 3 moving fastening points operated from a handle which is secured by a five (or more) pin cylinder lock
      - (iv) steel or composite construction (security) doors – by a security measure described in either 1(a) (i) or 1(a) (iii) above or by a five (or more) pin cylinder mortice lock
    - (b) the first closing leaf of double doors
      - (i) by having, adjacent to the top and bottom corners of the door, a rebate bolt or an internal key operated mortice rack bolt or a lockable bolt
      - (ii) by a multi-point lock having at least two moving fastening

## Asset Protection Theft (Continued)

- points operated from a handle which is secured by a five (or more) pin cylinder lock.
- (2) Rolling shutter and rolling panel doors are to be secured as follows
- (a) manually operated doors – by having the operating chain fastened to an internal chain stop, housing or wall bracket by means of a padlock having a hardened steel shackle.
  - (b) electrically operated doors – by having an internal operating switch permitting power to be isolated and secured in the 'off' position by means of an integral lock or a padlock.
  - (c) wicket gates/personnel doors within such doors – by a lock certified as meeting British Standard BS3621.
- (3) Cellar trap doors are to be secured as follows
- (a) by having an internal steel padlock bar fastened by a padlock having a hardened steel shackle.
  - (b) by having, adjacent to the top and bottom corners of the door(s), an internal key operated mortice rack bolt or a lockable bolt noting that, where one leaf of double doors when closed prevents the opening of the other, only that leaf needs securing as stated.
- (4) Doors described in 1 (a) and 2 (c) above which are not used as final exit doors are to be secured by a security measure described in 1 (a) or 2 (c) above or any type of door lock or lockable fastening not described therein which is supplemented by having, adjacent to the top and bottom corners of the door, an internal key operated mortice rack bolt or a lockable bolt.
- (5) Windows are to be secured as follows
- (a) roof lights – by an internal fastening device designed and supplied as suitable for the task.
  - (b) louvre windows – by internal or external fixed steel bars or grilles.
  - (c) other windows – internally by means of a fastening device having an integral lock, by a window lock or by a key operated mortice rack bolt.
- (6) Emergency Fire Exits are to be secured as follows
- any door or window described in (1) – (5) above which is formally designated as being solely for use as an emergency fire exit by the person(s) legally responsible under fire safety legislation for fire safety at The Premises is excluded from the stated requirements, but must instead be secured by a fastening device designed and supplied as suitable for the task.

### Definitions

For the purpose of these conditions the following definitions apply.

### Perimeter

Doors and windows that provide access from those parts of The Premises occupied by You in connection with The Business to the open air, into any area of The Premises not occupied by You in connection with The Business or into any adjoining premises.

### Accessible

Perimeter windows located on

- (1) basement and ground floors
- (2) other floors where they can be reached by a person standing within any communal areas, areas of The Premises not occupied by You in connection with The Business or any areas of adjoining or adjacent premises
- (3) other floors where they can be reached by a person standing on adjoining or adjacent land or any external structural feature of The

## Asset Protection Theft (Continued)

Premises, or any adjoining or adjacent premises, which can readily be climbed onto including but not limited to stairways, fire escapes, lower storey roofs, porches, balconies and downpipes.

### Exceptions

*The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.*

We will not indemnify You in respect of

- (1) Damage
  - (a) in any part of The Premises not occupied by You in connection with The Business
  - (b) in yards, open sided buildings, compounds, or other open spaces unless specifically mentioned in The Schedule
  - (c) when The Premises are Unoccupied
  - (d) caused by or consisting of acts of fraud or dishonesty
  - (e) caused by or consisting of
    - (i) disappearance
    - (ii) unexplained or inventory shortage
    - (iii) misfiling, misplacing of information or clerical error.
- (2) Damage to
  - (a) electronic audio and visual equipment
  - (b) cigarettes, cigars, tobacco, wines, spirits and other alcoholic drinks exceeding £1,000 in total
  - (c) computer hardware and software
  - (d) explosives and hazardous substances
  - (e) furs, curios and antiques
  - (f) gold and silver articles
  - (g) goods held in trust or on commission
  - (h) jewellery and precious stones
  - (i) Money and bullion
  - (j) non-ferrous metals

(k) securities and bonds  
(l) rare books and works of art  
unless specifically mentioned as insured in The Schedule.

- (3) Damage
    - (a) where You or Your partners, directors or Employees or any member of Your household is involved as principal or accessory
    - (b) caused by any person lawfully in The Premises.
  - (4) Damage to property more specifically insured by You or on Your behalf.
  - (5) any consequential loss or damage.
  - (6)
    - (a) Loss of Data
    - (b) any Damage to Computer and Electronic Equipment or Failure resulting directly or indirectly from, or in connection with
      - (i) Virus or Similar Mechanism,
      - (ii) Denial of Service Attack,
      - (iii) unauthorised access to or use of Computer and Electronic Equipment.
- However, We will indemnify You in respect of subsequent Damage to the Property Insured caused by or resulting from Defined Contingencies (15) and (16) which is not otherwise excluded.
- (7) the Excess stated in The Schedule.

# Asset Protection Business All Risks

## Definitions

The following Definitions apply to this Section in addition to the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Section unless an alternative definition is stated to apply.

## Damage

Physical loss, destruction or damage.

## Property Insured

Property insured as detailed in The Schedule.

## Cover

We will indemnify You in respect of Damage, occurring during the Period of Insurance, to Property Insured as detailed in The Schedule.

## Clauses

The following clauses apply to this Section.

### Automatic Reinstatement

The Sums Insured stated in The Schedule will not be reduced by the amount of any claim unless We or You give notice to the contrary.

You must pay any additional premium required by Us to reinstate the Sums Insured.

### Average

Each of the Sums Insured by this Section is subject to average. This means that if at the time of Damage, the Item Sum Insured is less than the total value of the Property Insured, You will

- (a) be responsible for the difference
- (b) bear a proportionate share of the loss.

### Basis of Claim Settlement – Reinstatement

In the event of Damage to the Property Insured, except for any items on Computer and Electronic Office Equipment, the basis upon which We will calculate the amount We will pay in respect of any claim will be

the reinstatement of the property lost, destroyed or damaged, subject to the following conditions

- (1) Where the Property Insured is
  - (a) lost or destroyed, We will pay for its rebuilding or replacement by similar property in a condition as good as, but not better or more extensive than, its condition when new.
  - (b) damaged, We will pay for the replacement or repair of the damaged portion to a condition as good as, but not better or more extensive than, its condition when new.

However, We will not pay more than We would have done if the property has been completely destroyed.

- (2) Where Computer and Electronic Office Equipment is insured by this Section and such property is
  - (a) lost or destroyed beyond economic repair, We will pay for its replacement by new Computer and Electronic Office Equipment of equal performance and/or capacity but if this is not possible, by Computer and Electronic Office Equipment with the nearest higher performance and/or capacity.
  - (b) damaged, if an economic repair is possible, We will pay for the repair computer and Electronic Office Equipment, to its condition when new. However, We will not pay more than We would have done if Computer and Electronic Office Equipment had been completely destroyed.
- (3) The work of reinstatement
  - (a) may be carried out on another site and in a manner suitable to Your needs. However, Our liability must not be increased.
  - (b) must begin and be carried out as quickly as possible.

- (4) The following condition of Average will apply. If the Sum Insured at the time the Damage occurred is less than 85% of the amount necessary to replace the whole of the Property

## Asset Protection Business All Risks (Continued)

Insured and/or Computer and Electronic Office Equipment at the time of rebuilding or replacement, You will be liable to bear a proportionate share of the loss.

- (5) We will not indemnify You under this clause
- (a) if You do not incur the cost of replacing or repairing the Property Insured and/or Computer and Electronic Office Equipment
  - (b) if You or someone acting on Your behalf, have insured the property under another policy which does not have a similar basis of reinstatement
  - (c) if You do not comply with any of the terms of this clause.

However, the Basis of Claim Settlement – Indemnity will apply.

For the purposes of this clause Computer and Electronic Office Equipment means

- (a) all computers, computer installations and systems, microchips, integrated circuits, microprocessors, embedded systems, hardware, data processing equipment, information repository, equipment capable of processing data and or similar devices, whether physically or remotely connected thereto
- (b) personal computers, laptops, small micro computers and similar equipment used for processing electronic data and which are designed to be carried by hand
- (c) all electronic office equipment including telecommunications equipment, facsimile, printing and photocopying machines.

Computer and Electronic Office Equipment does not include

- (i) Portable equipment away from The Premises
- (ii) Computer and Electronic Office Equipment held as stock or customer's Computer and Electronic Office Equipment held in trust
- (iii) Computer and Electronic Office Equipment controlling or monitoring any manufacturing process.

### Additional Conditions

*The following Additional Conditions apply to this Section only if stated in The Schedule and in addition to the Policy Conditions at the back of this policy.*

### Portable Computer Equipment

If in relation to any claim for Damage by theft or attempted theft of Portable Computer Equipment You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim.

You must ensure that

- (1) when Portable Computer Equipment is left in any Unattended Vehicle
  - (i) the vehicle is securely locked and all security devices set in operation
  - (ii) it is kept in a locked building of substantial construction or guarded security park between the hours of 9.00pm and 6.00am unless the vehicle is aboard a ship or ferry or on location
  - (iii) the Portable Computer Equipment is concealed from view
  - (iv) the Portable Computer Equipment is stored in the boot or under the parcel shelf if the vehicle is a private car
- (2) when Portable Computer Equipment is in transit by air it is carried as hand luggage unless instructed otherwise by airline staff.
- (3) when Portable Computer Equipment is in transit by ship or ferry it is kept in a securely locked cabin or road vehicle aboard such vessel.

The maximum We will pay for any one or all claims arising out of one cause is:

- (a) £2,500 in respect of theft or attempt thereof from an unattended road vehicle
- (b) £10,000 in respect of any other theft or attempt thereof
- (c) £50,000 in respect of any other Damage.

## Asset Protection Business All Risks (Continued)

### Definition Portable Computer Equipment

Personal computers, small microcomputers and similar equipment used by You for processing, communicating and storing electronic data and which are designed to be carried by hand.

### Security Condition – Unattended Vehicles

We will not indemnify You in respect of Damage to the Property Insured by theft or attempted theft from any Unattended Vehicle, unless all locks, alarms and other security devices provided to protect the Vehicle are properly fitted and

- (1) put into operation and all keys removed and
- (2) maintained in accordance with the manufacturers instructions.

### Exceptions

*The following Exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.*

We will not indemnify You in respect of

- (1) Damage to the Property Insured caused by or consisting of
  - (a) an existing or hidden defect
  - (b) gradual deterioration or wear and tear
  - (c) frost or change in the water table level
  - (d) faulty or defective
    - (i) workmanship
    - (ii) design
    - (iii) materials used in its construction
  - (e) operating error or omission by You or any of Your Employees.

However, We will indemnify You in respect of any subsequent Damage which results from a cause not otherwise excluded.

- (2) Damage to the Property Insured caused by or consisting of

- (a)
  - (i) corrosion, rust or rot
  - (ii) shrinkage, evaporation or loss of weight
  - (iii) dampness or dryness
  - (iv) scratching
  - (v) vermin or insects
  - (vi) mould or fungus.
- (b) change in
  - (i) temperature
  - (ii) colour
  - (iii) flavour
  - (iv) texture
  - (v) finish.
- (c)
  - (i) nipple or joint leakage
  - (ii) failure of welds
- (d) its own mechanical or electrical breakdown or derangement.

However, We will indemnify You in respect of

- (i) Damage not otherwise excluded which results from Defined Contingencies (1) to (12), (14) and (16) or any other accidental cause
  - (ii) any subsequent Damage which results from a cause not otherwise excluded.
- (3) Damage to the Property Insured caused by pollution or contamination.

However, We will indemnify You in respect of Damage to the Property Insured not otherwise excluded caused by

    - (a) pollution or contamination which results from Defined Contingencies (1) to (12), (14) and (16).
    - (b) Defined Contingencies (1) to (12), (14) and (16) which results from pollution or contamination.
  - (4) Damage to the Property Insured caused by
    - (a) acts of fraud or dishonesty.

## Asset Protection Business All Risks (Continued)

- (b) (i) disappearance  
(ii) unexplained or inventory shortage  
(iii) misfiling, misplacing of information, or clerical error.
- (c) theft or attempted theft from any Unattended Vehicle unless there is evidence of forcible and violent entry into the vehicle.
- (5) Damage to any building or structure caused by its own cracking or collapse.  
However, We will indemnify You in respect of such Damage if it results from Defined Contingencies (1) to (12) and is not otherwise excluded.
- (6) Damage
- (a) to the Property Insured by fire resulting from its undergoing any process involving the application of heat.
- (b) to that portion of the Property Insured caused by its own self ignition, leakage of electricity, short circuiting, or over running.
- (c) Damage resulting from the Property Insured undergoing any process of
- (i) production or packaging  
(ii) treatment, testing or commissioning  
(iii) servicing or repair.
- However, We will indemnify You in respect of such Damage if it caused by fire or explosion and is not otherwise excluded.
- (7) Damage to the Property Insured caused by
- (a) escape of water from any tank, apparatus or pipe  
(b) malicious persons (other than by fire or explosion)  
(c) theft or attempted theft  
when The Premises are Unoccupied.
- (8) Damage more specifically insured by You or on Your behalf.
- (9) any consequential loss or damage.
- (10) any Damage to the Property Insured resulting directly or indirectly from or in connection with any of the following regardless of any other cause or event contributing concurrently or other sequence to the loss
- (a) Terrorism  
(b) civil commotion in Northern Ireland  
(c) any action taken in controlling, preventing, suppressing, or in any way relating to (a) and/or (b) above.
- Terrorism means
- (i) in respect of Damage occurring in England, Wales and Scotland only (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man or the Channel Islands) acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence Her Majesty's government in the United Kingdom or any other government de jure or de facto
- (ii) in respect of Damage occurring in any territory not specified in (i) above  
any act or acts including but not limited to
- the use or threat of force and/or violence  
and/or
  - harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means
- caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

## Asset Protection Business All Risks (Continued)

In any action, suit or other proceedings where We allege that any Damage results from Terrorism as defined above and is therefore not covered by this Section, the burden of proving that any such Damage is covered under this Section will be upon You.

- (11) (a) Loss of Data
- (b) any Damage to Computer and Electronic Equipment or Failure resulting directly or indirectly from, or in connection with
  - (i) Virus or Similar Mechanism,
  - (ii) Denial of Service Attack,
  - (iii) unauthorised access to or use of Computer and Electronic Equipment.

However, We will indemnify You in respect of subsequent Damage to the Property Insured, caused by or resulting from Defined Contingencies (1) to (11), (13), (15) and (16) which is not otherwise excluded.

- (12) the Excess stated in The Schedule.



# Asset Protection Money and Assault

## Definitions

*The following definitions apply to this Section in addition to the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.*

## Business Hours

Your normal working hours and any other period during which You or any Employee, entrusted with Money is on The Premises in connection with The Business.

## Insured Person

You or Your directors, partners or Employees.

## Loss of Hearing

Total and permanent loss of hearing in one or both ears.

## Loss of Limb

In respect of

- (1) an arm
  - (a) physical severance of all four fingers  
or
  - (b) total and permanent loss of use of an entire hand or arm  
at or above the metacarpal phalangeal joints (where the fingers join the palm of the hand)  
and/or
- (2) a leg
  - (a) physical severance  
or
  - (b) total and permanent loss of use of an entire leg  
at or above the talo-tibial joint (the ankle).

## Loss of Sight

Includes total and permanent loss of sight which will be deemed to have occurred

- (1) in both eyes when the Insured Person's name has been added to the register of blind persons on the authority of a fully qualified ophthalmic surgeon specialist
- (2) in one eye when the degree of sight is 3/60 or less on the Snellen Scale (which means the Insured Person is only able to see at three feet that which they should normally be able to see at 60 feet) and We are satisfied that the condition is permanent and without expectation of recovery.

## Loss of Speech

Total and permanent loss of speech.

## Permanent Total Disablement

Permanent disablement (other than Loss of Hearing, Loss of Limb, Loss of Sight or Loss of Speech) which

- (1) wholly prevents the Insured Person from engaging in or giving attention to their usual occupation  
and
- (2) lasts without interruption for more than 12 months from the date of the accident  
and
- (3) in all probability will continue for the remainder of the Insured Person's life.

## Temporary Partial Disablement

Disablement which prevents the Insured Person from attending to a substantial part of their usual occupation.

## Temporary Total Disablement

Disablement which entirely prevents the Insured Person from engaging in their usual occupation.

## Asset Protection Money and Assault (Continued)

### Money Cover

We will indemnify You in respect of

- (1) loss of Money, up to the Limit Any One Loss stated in The Schedule, which
  - (a) belongs to You  
or
  - (b) You are responsible for  
in connection with The Business while
    - (i) in transit
    - (ii) in the custody of collectors for 24 hours from the time they receive it or until the next working day whichever is later
    - (iii) on contract sites while You or Your Employees are working there
    - (iv) on The Premises
    - (v) at Your home or that of Your directors, partners or Employees
    - (vi) in a bank night safe until removed by the bank
    - (vii) in vending or gaming machines on The Premises. The maximum We will pay in respect of any one claim is £500 unless otherwise specified in The Schedule
    - (viii) in collection tins or boxes. The maximum We will pay in respect of any one claim is £100, and £500 in any one Period of Insurance
- (2) the cost of replacement or repair following loss of or damage to any
  - (a) safe or strongroom specified in The Schedule
  - (b) case, bag or waistcoat used for carrying Moneyfollowing theft or attempted theft of Money occurring during the Period of Insurance.

### Clauses

*The following clauses apply to Money.*

#### Clothing and Personal Belongings

We will indemnify You in respect of loss of or damage to clothing and personal belongings owned by You or any director, partner or Employee of Yours following theft or attempted theft involving violence or threat of violence which arises in connection with The Business.

The maximum We will pay for any one person is £500.

#### Fundraising Events

We will increase the Limit Any One Loss by 100% for the period two days before to seven days after a fundraising event for the following

- (a) Money not contained in locked safe in private dwelling houses of Your principals or authorised Employees
- (b) Money contained in locked safes outside Business Hours
- (c) Money on The Premises during Business Hours or in a bank night safe
- (d) Any other loss of Money.

### Condition

*The following condition applies to Money in addition to the Policy Conditions at the back of this policy.*

#### Records and Key Security

If in relation to any claim for loss of Money You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) keep a complete record of Money in a secure place other than in a safe or strongroom containing Money.

## Asset Protection Money and Assault (Continued)

- (b) ensure that outside Business Hours, all safes and/or strongrooms are kept locked and the keys are removed from The Premises unless The Premises are occupied by You or any director, partner or authorised Employee of Yours, in which case the keys must be kept in a secure place away from any safe or strongroom.
- (c) ensure that whenever The Premises are closed for business or left unattended, all security devices to protect The Premises are properly fitted and put into full operation.

### Additional Condition(s)

*The following additional conditions apply to Money in addition to the Condition contained in this Section and the Policy Conditions at the back of this policy.*

### Security Company Exception

We will not indemnify You in respect of loss of Money in the custody of any security company.

### Security Company Contingency Cover

We will indemnify You in respect of loss of Money in the custody of the security company You have an agreement with if You are unable to recover the Money from the security company.

If in relation to any claim for loss of Money in the custody or control of the security company that You have an agreement with, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (1) provide Us with a copy of the agreement between You and the security company
- (2) obtain Our written agreement before any changes are made to the agreement
- (3) comply with the terms of the agreement.

### Money in Transit

If in relation to any claim for loss of Money in transit (other than Money described in item 1 of The Schedule), You have failed to fulfil any of the

following conditions, You will lose Your right to indemnity or payment for that claim.

You must ensure that

- (1) such Money in transit is accompanied by the following number of persons, who must either be You and/or any director, partner or Employee of Yours
  - (a) over £2,500 up to £5,000 by at least 2 persons
  - (b) over £5,000 up to £8,000 by at least 3 persons
  - (c) over £8,000 up to £12,000 by at least 4 persons
  - (d) over £12,000 as stated in The Schedule
- (2) private transport is used for amounts of Money in transit greater than £2,500 where the distance exceeds half a mile.

The maximum We will pay in respect of any one claim will not exceed the Limit Any One Loss stated in The Schedule.

### Visible Evidence

We will not indemnify You in respect of any loss of Money by theft or attempted theft unless there is visible evidence of entry into or exit from any building at The Premises involving forcible and violent means.

### Exceptions

*The following exceptions apply to Money in addition to the Policy Exceptions at the back of this policy.*

We will not indemnify You in respect of

- (1) loss or shortages due to
  - (a) clerical or accounting
    - (i) errors
    - (ii) omissions
  - (b) accountancy depreciation
  - (c) currency fluctuation
  - (d) consequential loss of any kind.

## Asset Protection Money and Assault (Continued)

- (2) loss due to the fraud or dishonesty of any director, partner or Employee of Yours which is
  - (a) not discovered within seven working days of the loss
  - (b) more specifically insured elsewhere.
- (3) loss from any Unattended Vehicle.
- (4) loss or damage arising outside England, Wales, Scotland, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man.
- (5) loss resulting directly or indirectly from
  - (a) forgery
  - (b) fraudulent alteration or substitution
  - (c) fraudulent use of a computer or electronic transfer.
- (6) loss resulting from use of any form of payment which proves to be
  - (a) counterfeit
  - (b) false
  - (c) invalid
  - (d) uncollectible
  - (e) irrecoverablefor any reason.
- (7) loss of Money resulting directly or indirectly from, or in connection with
  - (a) Virus or Similar Mechanism
  - (b) Denial of Service Attack
  - (c) unauthorised access to or use of Computer and Electronic Equipment.

### Assault Cover

We will pay You, or Your personal representatives, compensation for bodily injury to an Insured Person caused by theft or attempted theft, involving violence or the threat of violence, which occurs in the course of The Business during the Period of

Insurance and solely, directly and independently of any other cause results in any of the following Contingencies

- (1) Death occurring within 24 months of Bodily Injury
- (2) Loss of Hearing and/or Loss of Sight and/or Loss of Speech occurring within 24 months of Bodily Injury
- (3) Loss of Limb occurring within 24 months of Bodily Injury
- (4) Permanent Total Disablement after 24 months of Bodily Injury
- (5) Temporary Total Disablement within 24 months of Bodily Injury
- (6) Temporary Partial Disablement within 24 months of Bodily Injury.

We will not provide compensation in respect of any claim relating to any non-contracting party's rights to enforce all or any part of this Section. The Contracts (Rights of Third Parties) Act 1999 does not apply to this Section.

### Clauses

*The following clauses apply to Assault.*

#### (1) Amounts Payable

- (1) We will pay
  - (a) the compensation stated in The Schedule
  - (b) weekly compensation at four weekly intervals
  - (c) compensation under Contingencies (5) and (6) for a maximum of two years from the date that the disablement started.
- (2) Weekly compensation being paid for the same injury will end if We pay compensation under any of Contingencies (1) to (4).
- (3) Insurance will end for the Insured Person if We pay compensation under any of Contingencies (1) to (4).

## **Asset Protection Money and Assault (Continued)**

### **(2) Medical Evidence**

- (1) We may, at Our option, arrange for the Insured Person to undergo a medical examination or, in the event of death, a post mortem examination.
- (2) You, or Your personal representatives, will supply to Us, at Your expense, any
  - (a) certificates
  - (b) information
  - (c) evidencein the format We require to support a claim.

### **(3) Medical and Dental Expenses**

Where compensation is payable for Contingency (5) – Temporary Total Disablement, or Contingency (6) – Temporary Partial Disablement, We will also pay up to 15% of this amount in respect of medical and/or dental expenses which have been incurred in respect of the Insured Person.

The maximum We will pay in respect of any one Insured Person is £500.

### **Exception**

*The following exception applies to Assault in addition to the Policy Exceptions at the back of this policy.*

We will not pay compensation for any Contingency directly or indirectly caused by the Insured Person suffering from any disability due to a gradually operating cause or any naturally occurring conditions or degenerative process.

## Asset Protection Frozen Foods

### Definitions

*The following Definition applies to this Section in addition to the Policy Definitions at the front of this policy and keeps the same meaning wherever it appears in the Section unless an alternative definition is stated to apply.*

### Damage

Physical loss, destruction or damage.

### Cover

We will indemnify You in respect of Damage occurring during the Period of Insurance to food, belonging to You or for which You are responsible while contained in any refrigeration unit, by deterioration or contamination caused by

- (1) a change in temperature as a result of
  - (a) the breaking, distortion or burning out of any part of the
    - (i) unit
    - (ii) unit wiring
    - (iii) supply cable to the unit, including the plug and fusecaused by mechanical or electrical defects in the unit while it is being used under normal working conditions
  - (b) failure of temperature controls to operate correctly
  - (c) accidental failure of Your electricity supply but only if this is not deliberately caused by Your supplier of electricity.
- (2) accidental leakage of refrigerant gases or refrigerant fumes from the unit.

The maximum We will pay under this Section is the Sum Insured or Limit of Liability stated in The Schedule.

### Clause

*The following clause applies to this Section.*

### Average

Each of the Sums Insured shown in The Schedule is subject to average. This means that if at the time of Damage, the Item Sum Insured is less than the total value of the Property Insured, You will

- (a) be responsible for the difference
- (b) bear a proportionate share of the loss.

### Exceptions

*The following Exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.*

We will not indemnify You in respect of

- (1) Damage caused by
  - (a) wear and tear, deterioration or gradually developing flaws or defects in the unit
  - (b) failure to correctly set any temperature controls
- (2) the Excess stated in The Schedule.

## **Asset Protection** Employee Dishonesty

### **Definitions**

*The following definitions apply to this Section in addition to the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.*

### **Aviva Group Company**

All subsidiaries from time of Aviva plc or any holding company thereof and any subsidiary of such holding company.

### **Cheque**

Cheque, draft, promissory note, bill of exchange, or similar written promise, order or direction to pay a fixed amount which is shown on the document.

### **Cheque Fraud**

Any act of Forgery or fraudulent alteration of, on or in any Cheque made or drawn by You against an account You hold with a financial institution located within the Geographical Limits to pay a specified third party or purporting to have been made or drawn as set out above.

### **Computer Fraud**

The intentional taking of Insured Property by fraudulent use of computer hardware, systems, software or program operated by You.

### **Discovery Period**

The period of 24 months commencing on the Termination Date.

### **Electronic Instructions**

Electronic instructions issued from a terminal or computer on Your premises to a bank or financial institution at which You hold an account directing them to make a payment for a fixed amount from Your account to the account of a third party.

### **Employee**

- (1) A Member of Staff.
- (2) Any person while working under Your control in connection with The Business who is
  - (a) under a work experience or training scheme.
  - (b) working exclusively for You and for no other party under a contract for services as a consultant having previously been employed by You.
  - (c) supplied to You by any agency furnishing temporary personnel on a temporary or contingent basis.
- (3) Any person included in (1) or (2) above for a period not exceeding 30 days immediately following the termination of such person's services.

### **Excess/Excesses/The Excess/ The Excesses**

The amount or amounts shown in Your policy or Schedule which You must bear for each and every claim.

### **Facsimile Instructions**

Instructions sent from a facsimile or other machine which scans a document, sends it electronically over a telephone or other telecommunications network so that a facsimile can be printed on receipt, to a bank or financial institution at which You hold an account directing them to make a payment using an electronic funds transfer system for a fixed amount from Your account to the account of a third party.

### **Forgery/Forged**

The signing of the name of one person by another person with the intent to deceive but not

- (1) the signing of a person's name signed by that person with or without authority in any capacity for any purpose, or
- (2) genuinely signed instruments which are false as to contents.

## Asset Protection Employee Dishonesty (Continued)

### Funds Transfer Fraud

Electronic Instructions, Facsimile Instructions, Telephone Instructions or Written Instructions which purport to have been sent, issued, given or transmitted by You but were in fact fraudulently sent, issued, given or transmitted by someone else without your knowledge or consent.

### Geographical Limits

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

### Improper Gain

Improper financial benefit

- (1) to the Employee, or
- (2) to any other person or organisation intended by that Employee to receive such benefit.

Salaries, commission, fees or other benefits earned or paid in the normal course of employment or service are not improper financial benefits.

### In Collusion

Where two or more people are involved or implicated together or where they assist each other materially.

### Inadvertent Breach

Any failure by any Employee to comply with any part of Your Procedures which was without Your knowledge or consent or the knowledge or consent of any of Your Principals or other officers but only if You can conclusively demonstrate that You

- (1) had communicated the relevant Procedures in writing to all Employees in Roles With Responsibility, and
- (2) instructed all Employees in Roles With Responsibility of their duty to comply with and ensure compliance with Your Procedures.

### Insured Party

You and the entities detailed in Clause 7 Other Parties having the benefit of Cover and any other entities named on The Schedule.

### Insured Property

Money or other property

- (1) belonging to You, or
- (2) owned by another for which You
  - (a) have taken physical control, and
  - (b) are legally responsible.

### Member of Staff

Any person under a full time, part time or temporary contract of service or apprenticeship with You in the ordinary course of Your business and whom You remunerate by salary, wages or commissions and have the right to govern and direct in the performance of such service.

### Money

The policy Definition of Money and monetary balances held to Your credit by a financial institution.

### One Claim

All loss or losses caused by any Employee or any other person or in which the Employee or other person is acting In Collusion either resulting from a single act, event or occurrence or any number of acts, events or occurrences irrespective of when they occur and who suffers the loss.

### Principal

Any person who is an owner, partner, director or trustee who is not also a Member of Staff in some other capacity.

### Procedures

The Controls and Reference Procedures.

### Reference Date

The earlier of

- (1) the commencement date of the Section Period or
- (2) the commencement date of any previous section, policy or cover issued by any Aviva Group Company and in respect of which Extension Interlocking Clause, is in force.



## Asset Protection Employee Dishonesty (Continued)

### References

Written or fully documented verbal references obtained directly from (1) to (4) below in respect of Members of Staff engaged on or after the Reference Date and for the period of two years immediately preceding the commencement of employment of the Member of Staff with You

- (1) previous employers in respect of any period(s) of employment confirming the dates and honesty of the Member of Staff.

Where the previous employer is no longer trading We will accept confirmation of the dates of employment from the administrator, liquidator or equivalent as a reference. If this is unavailable We will accept a copy of some form of independent evidence of the dates of employment (e.g. payslips, P60) which may be received directly from the Member of Staff.

Where the previous employer is HM Forces We will accept as a reference a copy taken by You of the original discharge papers received from the Member of Staff showing the dates of service.

- (2) the accountant or solicitor or a professional person with relevant knowledge in respect of any period(s) of self employment confirming the dates and honesty of the Member of Staff.
- (3) the school, college etc. in respect of any period(s) of full-time education confirming the dates and not indicating dishonesty by the Member of Staff.
- (4) the Job Centre or equivalent in respect of any period(s) of unemployment of the Member of Staff including confirmation of the dates.

### Reference Procedures

Your procedures to obtain References.

### Role With Responsibility

Any role to which any of the following applies

- (a) that involves handling Money, payments, orders, statements of account or stock.

- (b) that involves having update and amendment access to accounting and stock recording systems.
- (c) in Your accounts, information technology, information systems or computer departments.
- (d) with a supervisory, management or directorial content.

### Role Without Responsibility

Any role which is not a Role with Responsibility.

### Satisfactory References

For a Reference to be satisfactory

- (1) You must obtain it directly from the referee unless stated to the contrary in this Section.
- (2) You must specifically request from any previous employer confirmation of the honesty of the Member of Staff and should follow up any reference if honesty is ignored in the response. If, in the original response or in the follow up, the referee states that, in general, they do not provide references in respect of former employees We will consider the response to be a Reference for the purposes of this Section provided that the refusal to comment on honesty is not obviously particular to the individual and the reference confirms the period of employment involved.

For References in respect of a particular Member of Staff to be satisfactory

- (3) in total they should cover at least the period of two years immediately preceding the commencement of employment of the Member of Staff with You. If Extension Interlocking Clause applies the period involved will be as specified in the prior insurance.
- (4) the maximum acceptable period between two consecutive references without a further reference for the gap should be 28 days. If You cannot obtain a reference for any period You must obtain evidence of what the Member of Staff was doing which must not indicate dishonesty (e.g. for overseas travel the evidence might be a copy of the passport).

## Asset Protection Employee Dishonesty (Continued)

- (5) where a new Member of Staff is returning to work after an extended period (e.g. after raising a family) You should obtain a personal reference from a person, unrelated to the Member of Staff. The reference should confirm that the referee is not related, the period involved, any other circumstances and the honesty of the Member of Staff.

### Section Period

In respect of the cover or any applicable extension, the entire period during which the cover or extension remains in force, from its inception to its Termination Date irrespective of the number of years or Periods of Insurance involved.

### Subsidiary Company

Any company or other entity which You own more than 50% of and over which You retain management control.

### Telephone Instructions

Person to person verbal instructions over a telephone or telecommunications network made to a bank or financial institution at which You hold an account directing them to make a payment using an electronic funds transfer system for a fixed amount from Your account to the account of a third party.

### Termination Date

The date upon which cover ceases under this Section or in respect of any part of the cover the earlier date upon which cover ceases for that part.

### Terrorism

Any act or acts including but not limited to

- (1) the use or threat of force and/or violence and/or
- (2) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

## The Controls

### Audit

Independent professional accountants, or auditors will examine Your accounts, and those of each Subsidiary Company and other Insured Party, at least every 12 months.

### Cheque Issue

In respect of this item of The Controls the definition of Cheque is extended to include other instruments for the operation of Your bank accounts

- (a) Cheques will only be signed after they have been fully completed.
- (b) Unless signed by a Principal all manually prepared Cheques with a value over £5,000 will be signed by at least two authorised signatories.
- (c) If Cheques are prepared and signed by computer or machine
  - (i) dual control will be exercised over the operation.
  - (ii) at least one further manual signature will be applied where the value of the Cheque exceeds £25,000.
  - (iii) supporting documentation will be examined and authorised prior to signing by computer or machine.
- (d) All signatories, including Principals, will examine the supporting documentation against the Cheque prior to signing.

### Wage-roll

The cast of the payroll will be examined at least quarterly by someone other than the Employee responsible or by a Principal to check that the total amount drawn is correct and that there are no past or fictitious Employees included.

## **Asset Protection** Employee Dishonesty (Continued)

### **Money Received and Banking**

- (a) Any Employee who receives or collects Money and/or Cheques in the course of their duties away from Your premises will be required to remit them to You at least every week.
- (b) All Money and Cheques received by Employees at Your premises, including that remitted in (a) above, will be banked at least twice every week.

### **Debtors**

- (a) Where You allow credit, statements of account will be issued at least monthly. If the issue of statements involves any Employees who receive payments then all accounts including all suppressed and suspense accounts will be reviewed by a Principal or by someone other than the Employees responsible at least quarterly.
- (b) Management action will be taken before an account becomes three months overdue.

### **Reconciliation**

All cash book entries will be checked by a Principal or by someone other than the Employees responsible at least monthly against bank statements, receipts and other supporting documentation and the balance tested against cash and un-presented Cheques.

### **Cash balances, Floats and Petty Cash**

The amount of cash balances, floats and petty cash will be laid down and will be subject to a physical check against supporting documents by a Principal or by someone other than the Employees responsible at least every month.

### **Stock Control**

All stocks, including any raw materials and work in progress, will be subject to at least an annual physical check against verified stock records by a Principal or by someone other than the Employees responsible.

### **Purchases**

In respect of purchases with a value of over £1,000, of machinery, equipment, goods, materials, services, contracts and sub-contracts, no one Employee will be able to perform the following three stages on their own

- (a) order
- (b) certificate receipt or completion and
- (c) authorise payment.

### **Computer Security**

- (a) All update and amendment access to computer systems and programs containing accounting, stock and other valuable records will be protected by passwords. Passwords will be chosen by and confidential to the user and will be changed at least every 90 days.
- (b) If You allow dial-up, internet or other external access to Your computer systems You will protect them with firewalls and anti-virus software which You will update regularly.

### **Funds Transfer Controls**

- (a) Written Instructions to transfer funds will be signed in accordance with the Cheque Issue limits and procedures above.
- (b) In respect of funds transfers involving Electronic Instructions
  - (i) at least dual control will be imposed to ensure that no one Employee can complete a funds transfer payment from beginning to end.
  - (ii) all Employees involved will require unique passwords to access the terminal, computer or system. Passwords will be chosen by and confidential to the user and will be changed at least every 30 days.
  - (iii) password resets will be carried out by an Employee who does not have access to or other involvement in the fund transfer process.

## Asset Protection Employee Dishonesty (Continued)

- (c) In respect of all Telephone Instructions and Facsimile Instructions the bank or financial institution will be instructed to telephone a Principal or Employee other than the person who sent, issued, gave or transmitted, or purported to send, issue, give or transmit, the instructions to check that they are valid prior to transferring the funds.
  - (d) In all cases the banks will be required to confirm funds transfers in writing within 24 hours of the transfer. The confirmation should be checked against the source documentation within 48 hours of receipt and independently of any Employee involved in the payment process.
  - (e) You will comply with all process and security controls agreed with the bank or other financial institution, through which Your transfers are made.
- (2) investigation costs, solely to substantiate the amount of any claim You make, which are incurred with Our written consent, including professional fees, but not salaries, wages or any similar expenditure.
  - (3) the cost of reinstatement of electronic data with Our written consent if such data was destroyed, erased or stolen during the execution of a valid claim in respect of which payment has been made or agreed.

The maximum amount We will pay in the event of a claim is shown under Clause 1, Our Liability.

The amount of any payment will be determined in accordance with the Basis of Settlement.

### Written Instructions

Original written instructions signed in accordance with Your appropriate bank mandate issued to a bank or financial institution at which You hold an account directing them to make a payment using an electronic fund transfer system for a fixed amount from Your account to the account of a third party including instructions to make one payment, payments at specified intervals or under specified conditions.

### Cover

We will indemnify You in respect of

- (1) loss of Insured Property which You
  - (a) sustain during the Section Period, and
  - (b) discover prior to the expiry of the Discovery Period

solely and directly as a result of one or more act or acts of fraud or dishonesty committed by an Employee alone or acting In Collusion with the intent to cause You to sustain the loss and to obtain Improper Gain.

### Exceptions

*The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.*

We will not indemnify You in respect of

- (1) loss caused by any Employee or in which any Employee is acting In Collusion
  - (a) who You do not have the right to supervise and direct.
  - (b) subsequent to discovery by You of actual or suspected dishonesty by that Employee.
  - (c) whose normal place of employment or service is outside the Geographical Limits.
  - (d) who You are unable to identify by name.
  - (e) who at the time of the loss legally or beneficially controls more than 5% of Your share or other capital.
- (2) loss
  - (a) caused by any Principal or in which any Principal is acting In Collusion.
  - (b) sustained outside the Geographical Limits.
  - (c) the proof of which is dependent upon an inventory calculation or profit and loss calculation alone.

## Asset Protection Employee Dishonesty (Continued)

- (d) of a consequential nature including but not limited to loss of potential income, interest and dividends and additional expenditure based on incorrect figures and reports.
  - (e) sustained as a result of or involving actual or threatened extortion.
  - (f) sustained by any associated company or joint venture unless specified in The Schedule.
- (3) penalties and fines.
  - (4) malicious damage including computer viruses, worms, trojan horses and the like.
  - (5) loss of and/or damage to proprietary information, trade secrets, confidential processing methods, intellectual property or other confidential information of any kind.
  - (6) loss resulting from or in connection with any automatic teller or cash-point machine at any of Your premises or for which You have any responsibility.
  - (7) any loss or consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event
    - (a) Terrorism
    - (b) any action taken in controlling preventing suppressing or in any way relating to (a) above

In any action, suit or other proceedings, where We allege that by reason of Our Definition of Terrorism any consequence whatsoever resulting directly or indirectly from or in connection with (a) and/or (b) above regardless of any other contributory cause or event is not covered by this policy, the burden of proving that any consequence whatsoever resulting directly or indirectly from or in connection with (a) and/or (b) above regardless of any other contributory cause or event is covered shall be upon You.

- (8) the Excess.

### Clauses

*The following Clauses apply to this Section and any Extension applicable.*

#### (1) Our Liability

- (a) Our maximum liability in respect of One Claim, including any investigation fees and any costs of reinstatement of data, is the Limit of Indemnity shown in The Schedule.
- (b) Our liability applies in excess of the total amount of all Excesses applicable to any claim.
- (c) If, in the event of a claim, You are unable to produce References for a Member of Staff or every Member of Staff acting In Collusion Our maximum liability will be the lowest of
  - (i) 10% (one tenth) of the Limit of Indemnity shown in The Schedule
  - (ii) 10% (one tenth) of any lower limit applicable to the claim
  - (iii) £50,000.
- (d) Our maximum liability in respect of Cover item (2), investigation costs, is 10% (one tenth) of the total payment otherwise agreed under a claim subject to a maximum of £50,000.

#### (2) Non-Accumulation of Liability

- (a) Our maximum liability in respect of any One Claim will be the Limit of Indemnity applicable to that claim no matter how many Periods of Insurance are involved. Our liability will not be cumulative from Period of Insurance to Period of Insurance.
- (b) If this Section replaces any section, policy, insurance, indemnity or bond and/or is replaced by any section, policy, insurance, indemnity or bond

## Asset Protection Employee Dishonesty (Continued)

- (i) the maximum liability of all insurers involved in respect of One Claim will be the Limit of Indemnity applicable to that claim and no matter how many periods of insurance or insurers are involved. The liability of all insurers will not be cumulative from period of insurance to period of insurance or from insurer to insurer.
- (ii) insured losses forming part of any claim will be apportioned to the appropriate insurer so that the earliest loss sustained is paid first and then losses will be settled in date order until the limit applicable to the claim is reached.

### (3) Application of The Excess

- (a) The Excess will apply to each claim under this Section.
- (b) If any claim for losses that would have formed One Claim under this Section, had it been in force for the entire period of the losses, is partly recoverable under this Section and partly recoverable under any prior insurance and the prior insurance contains an excess The Excess applicable under this Section will be reduced by the amount of the excess applied to losses under the prior insurance, but only if,
  - (i) payment has been made or agreed under the prior insurance
  - (ii) the reduction will not exceed the amount of The Excess under this Section.

### (4) Changes to Limit of Indemnity and Excess

Any increase or reduction in either the Limit of Indemnity or The Excess will apply to all loss sustained after the effective date of the increase or reduction.

The date of any reduction in the Limit of Indemnity will be the Termination Date in respect of the amount by which the Limit of Indemnity is reduced.

### (5) References for Members of Staff

- (a) To benefit from the full Limit of Indemnity You will be required to produce Satisfactory References for all Members of Staff involved in any loss whose employment with You commenced on or after the Reference Date. See Clause Our Liability (1) (c) above.
- (b) If after two year's employment with You in a Role Without Responsibility a Member of Staff is transferred or promoted to a Role With Responsibility, Clause Our Liability (1) (c) above will not apply and You will have the benefit of the Limit of Indemnity otherwise applicable in respect of that Member of Staff, but only if
  - (i) You were not aware of any dishonest act by that Member of Staff at any time prior to the transfer or promotion, and
  - (ii) any References obtained at the time of Employment
    - are produced in the event of a claim
    - did not contain any evidence or indication of dishonesty.

If in the event of a claim losses are discovered that predate the promotion or transfer, Clause Our Liability (1) (c) above will apply in respect of any such losses.

- (c) If You did not obtain References when You first employed a Member of Staff We will allow You to obtain them in respect of any Member of Staff after the discovery of a loss but only if You can conclusively demonstrate that
  - (i) Your failure to obtain References was an Inadvertent Breach, and
  - (ii) You would normally have obtained References for a Member of Staff in this type of role or at a similar level of responsibility.

## Asset Protection Employee Dishonesty (Continued)

### (6) Compliance with The Controls

- (a) We will not be liable to pay any claim if You have not complied with and operated any one or more of The Controls which is material to any part of that claim unless You can conclusively demonstrate that this non-compliance was an Inadvertent Breach of The Controls.
- (b) If We pay or agree to pay any claim or part of any claim where You did not comply with or operate the Controls the amount of The Excess applicable to that claim will be increased by £5,000.

### (7) Other Parties having the benefit of Cover

You will be indemnified under this Section against loss sustained by any

- (a) Subsidiary Company but only if it complies with all other terms and conditions of this Section and policy, and
  - (i) is listed in The Schedule, or
  - (ii) Your details, provided to enable Us to assess the risk, include details in respect of all Subsidiary Companies.

The Employees of any Subsidiary Company will be deemed to be Your Employees and You will be responsible for ensuring compliance with all such terms and conditions.

- (b) Pension fund for which You are the sponsoring employer but only
  - (i) if the fund complies with all other terms and conditions of this Section and policy, and
  - (ii) in respect of loss sustained as a result of the act or acts of Your Employees while working in connection with the fund and either under Your control or under the control of the trustees.

### (8) Section Replaces Previous Cover With Us

If this Section replaces any previous section, policy or cover issued by an Aviva Group Company

- (a) the indemnity given by this Section will be in continuation of and not in addition to the indemnity given by the previous section, policy or cover.
- (b) provided Extension Interlocking Clause, is applicable under this policy all indemnity given to You by such previous section, policy or cover is cancelled, including any period for the discovery of claims and the Interlocking Clause under this Section will apply in respect of all losses discovered on or after the commencement date of the Section Period.

### (9) This Section Replaced by Cover With Us

If this Section is replaced by a section, policy or cover issued by an Aviva Group Company to which an Interlocking Clause or similar applies, the Discovery Period under this Section will not apply and all indemnity given to You will be under the replacement section, policy or cover for all loss discovered on or after the date of replacement.

### (10) Clarification of You/Your/ The Policyholder

However You are described in The Schedule all Insured Parties will be treated as a whole, are a single insured and the individual, company, organisation or other entity whose name appears first in The Schedule will act for all Insured Parties whether they are named in The Schedule or not.

### (11) Knowledge Possessed

Knowledge possessed by any Principal, director, partner, trustee or other officer of any Insured Party will constitute knowledge possessed by You.

## Asset Protection Employee Dishonesty (Continued)

### (12) Multiple Insured Parties Involved

- (a) Our aggregate liability for loss or losses sustained by one or more Insured Party will not exceed the amount for which We would be liable if all losses had been sustained by one of them.
- (b) We will not be liable for loss sustained by one or more Insured Party to the advantage of any other Insured Party.

### (13) Recoveries

If any amounts are recovered they will be distributed first to cover the costs of recovery then to You for the amount of Your loss in excess of the Limit of Indemnity then to Us for the amount paid under the claim and then to You for the amount of The Excess.

### (14) Employees Property

All Money, wages, salaries, bonds, deposits and other property in Your possession belonging to or owing to or in respect of an Employee who is the subject of a claim, including any amounts already recovered in respect of the claim must be deducted from the amount of Your claim.

### (15) Basis of Settlement

We will not be liable for more than

- (a) the lesser of
  - (i) the market value of securities on the business day immediately preceding the day on which the loss is discovered
  - (ii) the cost of replacing the securities.
- (b) the equivalent in UK currency (currently pounds sterling) of any other currency calculated at the rate of exchange applicable on the date of settlement. All payments hereunder will in the currency normally used by Us in respect of Our business in the UK.

- (c) the cost of labour for the transcription or copying of electronic data, which You will provide, in order to reinstate such data.
- (d) in respect of loss of other Insured Property the lesser of
  - (i) the value at the date of the loss
  - (ii) the cost of repairing or replacing the Insured Property with property of a similar quality and value.

### (16) Claims Procedure

- (a) Paragraph (b) of Policy Condition (4) Claims Procedure will not apply to losses sustained under this Section.
- (b) A written claim as specified in paragraph (c) of Policy Condition (4) Claims Procedure will always be required and We will not be liable unless You additionally
  - (i) include the name and address of every Employee, and
  - (ii) include all References obtained in respect of every Member of Staff, and
  - (iii) make available to Us for inspection the personnel or human resources file of every Employee involved or whom You accuse of involvement in any loss whether acting alone or acting In Collusion.

### (17) Volunteers Clause

In respect of all losses sustained

- (1) the following is added to the definition of Employees:
  - 2 (d) volunteers
- (2) any volunteer engaged in a Role with Responsibility will be classed as a Member of Staff.



## Asset Protection Employee Dishonesty (Continued)

### Extensions

*The following Extensions only apply if stated in The Schedule.*

#### Third Party Computer and Funds Transfer Fraud

We will indemnify You in respect of loss of Insured Property, which You

- (1) sustain after the effective date of this Extension and during the Section Period, and
- (2) discover prior to the expiry of the Discovery Period

solely and directly as a result of Computer Fraud or Funds Transfer Fraud.

#### Clauses to Extension Third Party Computer & Funds Transfer Fraud

The following Clauses apply to this Extension in addition to the Section Clauses and Conditions.

#### Our Liability – Aggregate

The total aggregate amount We will pay in respect of all losses or claims first discovered within any Period of Insurance will not exceed the Limit of Indemnity.

The Discovery Period will form part of the final Period of Insurance, immediately preceding the Termination Date, solely for the purposes of calculating the aggregate Limit of Indemnity to apply.

#### Minimum Excess

The Excess applicable to each claim under this Extension will be the higher of The Excess shown in The Schedule or £5,000.

#### Exceptions to Extension Third Party Computer & Funds Transfer Fraud

The following Exceptions apply to this Extension in addition to the Section Exceptions and Policy Exceptions at the back of this Policy.

We will not indemnify You in respect of

- (1) loss caused by any Employee or Principal alone or in which any Employee or Principal is acting In Collusion.
- (2) loss caused by any contractor or agent or other third party alone or acting In Collusion granted access to computer hardware, systems, software or program operated by You.
- (3) loss of computer time or use.

### Cheque Fraud

We will indemnify You in respect of

- (1) loss which You
  - (a) sustain after the effective date of this Extension and during the Section Period, and
  - (b) discover prior to the expiry of the Discovery Period

solely and directly as a result of Cheque Fraud.

- (2) reasonable legal fees, costs and expenses incurred by You with Our written consent in defence of any proceedings brought to enforce payment as a result of Your refusal to pay or honour any Cheque on the basis that it is Forged or fraudulently altered.

#### Clauses to Cheque Fraud

The following Clauses apply to this Extension in addition to the Section Clauses and Conditions.

#### Our Liability – Aggregate

The total aggregate amount We will pay in respect of all losses or claims first discovered within any Period of Insurance will not exceed the Limit of Indemnity.

The Discovery Period will form part of the final Period of Insurance, immediately preceding the Termination Date, solely for the purposes of calculating the aggregate Limit of Indemnity to apply.

## **Asset Protection** Employee Dishonesty (Continued)

### **Minimum Excess**

The Excess applicable to each claim under this Extension will be the higher of The Excess shown in The Schedule or £5,000.

### **Facsimile Signatures**

Mechanically reproduced facsimile signatures will be treated exactly as if they were hand-written signatures.

### **Exceptions to Cheque Fraud**

The following Exceptions apply to this Extension in addition to the Section Exceptions and Policy Exceptions at the back of this Policy.

We will not indemnify You in respect of

- (1) loss caused by any Employee or Principal alone or in which any Employee or Principal is acting In Collusion.

### **Interlocking Clause (Cover for losses Prior to Inception)**

We will indemnify You in respect of loss sustained prior to the commencement of the Section Period.

### **Clauses to Interlocking Clause**

The following Clauses apply to this Extension in addition to the Section Clauses and Conditions.

### **Cover Applicable**

We will only be liable for the lesser amount that would have been recoverable under

- (a) any prior insurance for which this Section is issued in substitution with all its terms conditions and limitations as they applied at the date of the loss, and
- (b) this Section with all its terms Conditions and limitations as they apply at the date of discovery of the loss had it been in force at the date of the loss.

### **Prior Wording**

We will not be liable under this Extension unless You are able to produce full details of the prior insurance

including a copy of the policy wording and schedules and evidence of all checks, controls, minimum standards, system of check and supervision or similar applicable at the time of any loss.

### **Our Maximum Liability**

If losses forming One Claim occur during the periods of both the prior insurance and this Section the maximum amount payable will be the Limit of Indemnity.

### **Application of Excess**

The excess applicable to each claim under this Extension will be the higher of The Excess shown in The Schedule or any excess or similar deduction for the first part of any claim or loss under the prior insurance.

### **Period for Discovery in Prior Insurance**

We will only be liable under this Extension if the loss is discovered after the expiry of any period allowed for discovery under the prior insurance.

### **References**

In respect of a Member of Staff whose employment with You began prior to the commencement of the Section Period

- (a) You will produce to us all references you were required to obtain under the prior insurance in force when such employment began  
and
- (b) if under such prior insurance You are only required to retain references for a period of time the Reference Date will be that date which is such period of time before the commencement date of the Section Period.

### **Continuous Cover**

We will only be liable under this Extension if the insurance for which this Section is issued in substitution remained continuously in force from the date of any act, event or occurrence that resulted in the loss until the commencement of the Section Period.

## Revenue Protection Business Interruption

### Definitions

The following definitions apply to this Section, in addition to the Policy Definitions at the front of this policy, and keep the same meaning wherever they appear in the Section, unless an alternate definition is stated to apply.

### Damage

Physical loss, destruction or damage.

### Cover

In respect of each item in The Schedule, We will indemnify You in respect of any interruption or interference with The Business resulting from

- (i) Damage to property used by You at The Premises for the purpose of The Business occurring during the Period of Insurance caused by any of the following Contingencies and
- (ii) provided that such Damage is not excluded by the Property Damage – All Risks Section of this policy, whichever is stated as insured in The Schedule.

The Schedule will state

- (a) which of the following Contingencies apply
- (b) any Clauses, Extensions and Additional Contingencies which apply.

The maximum We will pay in respect of any one claim is

- (a) for any Item, the Sum Insured stated in The Schedule
- (b) in aggregate, the Total Sum Insured unless stated otherwise in the Specification.

### Contingencies

#### Fire

- (1) Fire.
- (2) Lightning.

- (3) Explosion
  - (a) of boilers
  - (b) of gas in a building not being part of any gas works
    - used for domestic purposes or used for lighting or heating the building.

#### Explosion.

#### Aircraft

Aircraft including

- (a) other aerial devices
- (b) articles dropped from them.

#### Riot, Civil Commotion and Malicious Damage

Riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons.

#### Earthquake.

#### Underground Fire.

#### Spontaneous Combustion

Fire caused by spontaneous combustion.

#### Storm, Flood and Falling Trees.

#### Escape of Water/Oil

Escape of water from any tank, apparatus or pipe or escape of fuel from any fixed oil heating installation.

#### Impact

Impact by any vehicle, or by goods falling therefrom, or any animal.

#### Sprinkler Leakage

Water accidentally discharged or leaking from any automatic sprinkler installation at The Premises.

## Revenue Protection Business Interruption (Continued)

### Theft

- (1) Theft or attempted theft  
or
- (2) Theft involving violence or threat of violence to You, Your partners, directors or Employees.

### All Risks

- (1) Any Damage not excluded by the terms of the Property Damage – All Risks Section of this policy  
and
- (2) Damage not otherwise excluded by the terms of the Property Damage – All Risks Section of this policy caused by Defined Contingencies (1) to (12) to
  - (a) boilers on The Premises
  - (b) glass, china, earthenware, marble or other fragile objects
  - (c) vehicles licensed for road use including accessories on or attached to them
  - (d) caravans or trailers
  - (e) railway locomotives or rolling stock
  - (f) watercraft or aircraft
  - (g) property in the course of construction including materials for use in the construction
  - (h) land, roads or pavements, piers, jetties, bridges, culverts or excavations
  - (i) livestock
  - (j) growing crops or trees.

### Subsidence

Subsidence or ground heave of the site of The Premises or landslip.

### Conditions

*The following conditions apply to this Section in addition to the Policy Conditions at the back of this policy.*

### Alteration

We will not indemnify You under this Section if

- (a) any Policyholder
  - (i) agrees a composition or arrangement with creditors  
or
  - (ii) agrees a proposal for a voluntary arrangement for a composition of debts or a scheme of arrangement approved in accordance with the Insolvency Act 1986 (or any successor act)  
or
  - (iii) has an application made under the Insolvency Act 1986 (or any successor act) to the court for the appointment of an administrator  
or
  - (iv) has a winding up order made or a resolution for voluntary winding up passed (except for the purposes of amalgamation or reconstruction), or has a provisional liquidator, receiver, or receiver and manager of The Business duly appointed  
or
  - (v) has an administrative receiver, as defined in the Insolvency Act 1986 (or any successor act), appointed or has possession taken by or on behalf of the holders of any debentures secured by floating charge or of any property comprised in or subject to the floating charge.
- (b) Your interest ceases otherwise than by Your death.

However, We will indemnify You if We agree otherwise in writing.

### Claims Procedures

If in relation to any claim You have failed to comply with the following Claims Procedures You will lose Your right to indemnity under this Section.

## Revenue Protection Business Interruption (Continued)

You must

- (a) take any action reasonably practicable to minimise any interruption of or interference with The Business or to avoid or minimise any Damage
- (b) at Your expense, provide Us with
  - (i) a written claim
  - and
  - (ii) details of other insurances covering the Damagewithin 30 days after the expiry of the Indemnity Period or such further time that We may allow
- (iii) books, records and documents We require to assess Your claim
- (c) repay Us, any payment on account We have already made, if You fail to comply with this condition.

### Index Linking

Renewal

Where it states in The Schedule that index linking applies, the amounts insured will be adjusted for movements in the Producer Price Index for Home Sales of Manufactured Products issued by the relevant government department or any alternative index specified by Us in Our reasonable opinion.

In the event of a negative index We will retain Your existing estimates, unless You advise Us otherwise.

### Property Cover

We will not indemnify You under this Section unless

- (1) there is in force at the time of the Damage, an insurance policy covering Your interest in the property at The Premises for the Damage
- and
- (2) (i) payment has been made or liability admitted for such Damage
- or

- (ii) payment would have been made or liability would have been admitted for such Damage but for the exclusion of losses below a stated amount in such insurance policy.

### Subrogation Rights Waiver

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

- (1) any company whose relationship to You is either a parent to subsidiary or subsidiary to parent
- (2) any company which is a subsidiary of a parent company of which You are Yourself a subsidiary

as defined in, or within the meaning of the relevant Companies Act or Companies (NI) Order, current at the time of the Damage.

### Payments on Account

Claim payments on account may be made to You during the Indemnity Period, if required.

### Exceptions

*The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.*

We will not indemnify You in respect of

- (1) Damage caused by the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services.

However, We will indemnify You in respect of

- (a) such Damage which itself results from a cause not otherwise excluded
- (b) subsequent Damage which is not otherwise excluded.
- (2) erasure or distortion of Data unless caused by Damage to the equipment on or in which the Data is processed or recorded.

## Revenue Protection Business Interruption (Continued)

- (3) any Damage resulting directly or indirectly from or in connection with any of the following regardless of any other cause or event contributing concurrently or other sequence to the loss
- (a) Terrorism
  - (b) civil commotion in Northern Ireland
  - (c) any action taken in controlling, preventing, suppressing, or in any way relating to (a) and/or (b) above.

Terrorism means

- (i) in respect of Damage occurring in England, Wales and Scotland only (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man or the Channel Islands) acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence Her Majesty's government in the United Kingdom or any other government de jure or de facto
- (ii) in respect of Damage occurring in any territory not specified in (i) above any act or acts including but not limited to
  - the use or threat of force and/or violence  
and/or
  - harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

In any action, suit or other proceedings where We allege that any Damage results from Terrorism as defined above and is therefore not covered by this Section, the burden of proving that any such Damage is covered under this Section will be upon You.

- (4) any Damage to Computer and Electronic Equipment, Failure or Loss of Data resulting directly or indirectly from, or in connection with
- (i) Virus or Similar Mechanism,
  - (ii) Denial of Service Attack,
  - (iii) unauthorised access to or use of Computer and Electronic Equipment.

However, We will indemnify You in respect of subsequent Damage to property used by You for the purposes of The Business at The Premises caused by or resulting from Defined Contingencies (1) to (11), (13) and (15) which is not otherwise excluded.

## Revenue Protection Business Interruption – Additional Contingencies

### Additional Contingencies

*The Schedule will state which of the following Additional Contingencies described below apply. In some instances an Additional Contingency will apply with a standard limit unless stated otherwise in The Schedule.*

The insurance by Item 1 of this Section, is extended to include interruption or interference with The Business during the Period of Insurance, which results from the Additional Contingencies described below.

The maximum We will pay under each Additional Contingency in respect of any one loss will be the

- (1) amount
- or
- (2) percentage of the Sum Insured (or 133 $\frac{1}{3}$ % of the Estimated Amount) stated in The Schedule as the Limit

whichever is the lower, unless otherwise stated in The Schedule.

Provided that

- (1) The Additional Contingencies do not apply in respect of any Business Interruption Extension.
- (2) The amounts or limits stated in The Schedule are inclusive of any amounts payable under the provisions of any Clauses stated in The Schedule.

### Death or Adverse Publicity of a Patron

- (1) The death of Your Patron before the age of 70.
- (2) Your Patron being
  - (a) investigated for, accused of committing or charged with any criminal act or offence
  - (b) the subject of any Adverse Publicity.

The maximum We will pay in respect of any one Period of Insurance is £25,000.

We will not indemnify You in respect of

- (1) death of Your Patron caused by or resulting from a pre existing medical condition
- (2) Adverse Publicity caused directly as a result of activities or actions of The Business

- (3) Adverse Publicity unless appearing in media as stated in the definitions.

For the purposes of this additional contingency

- (1) Adverse Publicity means harmful damaging and negative information concerning the individual which has been disseminated through television, newspapers, radio and electronic media to attract public notice.
- (2) Criminal Investigation means an investigation into an activity which has the potential to be punishable by law and is forbidden by statute.
- (3) Indemnity Period means the period during which The Business results are affected due to the death or Adverse Publicity of Your Patron starting from the date
  - (a) Your patron dies
  - (b) Any Criminal Investigation commences
  - (c) Any Adverse Publicity outside Your control appears in the mediaand ending no later than the Maximum Indemnity Period.
- (4) Maximum Indemnity Period means three months.
- (5) Patron means an authorised figurehead who is recognised by The Business as a Patron and uses their name to regularly raise awareness, financial contributions or obtain help from the public to benefit the aims of The Business.

### Failure of Electricity Supply

The accidental failure of Your supply of electricity at the terminal ends of Your suppliers feed to The Premises.

The maximum We will pay in respect of any one Period of Insurance will be £50,000, unless any other limit is shown in The Schedule for Failure of Electricity Supply.

We will not indemnify You in respect of any accidental failure

- (1) caused by the deliberate act of any supplier of electricity
- (2) caused by the exercise of any supplier of electricity's power to withdraw or restrict supply or services

## **Revenue Protection Business Interruption – Additional Contingencies (Continued)**

- (3) caused by any industrial action
- (4) other than at premises in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- (5) lasting less than four hours but this will not apply in respect of accidental failure resulting from Damage to any generating station or sub-station of Your supplier(s) of electricity, in England, Wales, Scotland, Northern Ireland, the Channel Islands, the Isle of Man or France.

### **Failure of Gas Supply**

The accidental failure of Your supply of gas at the terminal ends of Your suppliers feed to The Premises.

The maximum We will pay in respect of any one Period of Insurance will be £50,000, unless any other limit is shown in The Schedule for Failure of Gas Supply.

We will not indemnify You in respect of any accidental failure

- (1) caused by the deliberate act of any supplier of gas
- (2) caused by the exercise of any supplier of gas's power to withdraw or restrict supply or services
- (3) caused by any industrial action
- (4) other than at premises in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- (5) lasting less than four hours but this will not apply in respect of accidental failure resulting from Damage to any land based premises of
  - (a) Your supplier(s) of gas and
  - (b) any natural gas producer directly linked to Your supplier(s) of gas, in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man.

### **Failure of Water Supply**

The accidental failure of Your supply of water at the terminal ends of Your suppliers feed to The Premises.

The maximum We will pay in respect of any one Period of Insurance will be £50,000, unless any other limit is shown in The Schedule for Failure of Water Supply.

We will not indemnify You in respect of accidental failure

- (1) caused by the deliberate act of any supplier of water
- (2) caused by the exercise of any supplier of water's power to withdraw or restrict supply or services
- (3) caused by any industrial action
- (4) caused by drought or other weather conditions unless equipment has been damaged
- (5) other than at premises in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- (6) lasting less than four hours but this will not apply in respect of accidental failure resulting from Damage to any water works or pumping station of Your supplier(s) of water, in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man.

### **Failure of Telecommunications**

The accidental failure of Your supply of telecommunications and internet services at the incoming line terminals or receivers at The Premises.

The maximum We will pay for any one loss will be

- (a) £100 for each day in respect of any one failure,
- (b) £2,500 in respect of all failures in any one Period of Insurance,

unless any other limit is shown in The Schedule for Failure of Telecommunications.

The maximum We will pay in respect of any one Period of Insurance will be £100,000, unless any other limit is shown in The Schedule for Failure of Telecommunications.



## **Revenue Protection Business Interruption – Additional Contingencies** **(Continued)**

We will not indemnify You in respect of an accidental failure

- (1) caused by the deliberate act of any supplier of telecommunications and internet services
- (2) caused by the exercise of any supplier of telecommunications and internet services power to withdraw or restrict supply or services
- (3) caused by any industrial action
- (4) caused by drought
- (5) caused by atmospheric or weather conditions but this will not exclude accidental failure due to Damage to equipment caused by such conditions
- (6) other than at Premises in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- (7) caused by failure of any satellite
- (8) lasting less than 24 consecutive hours but this will not apply in respect of accidental failure resulting from Damage to any land based premises of Your supplier(s) of telecommunications and internet services, in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man.

## **Revenue Protection** Business Interruption – Clauses

### **Business Interruption Clauses**

*The following Clauses apply to this Section only if stated in The Schedule.*

#### **Deductible**

We will deduct the amount of any deductible stated in The Schedule in respect of each and every claim as calculated after the application of all other terms of this Section.

#### **Salvage Sale**

If following Damage, giving rise to a claim under this Section, You hold a salvage sale during the Indemnity Period, Paragraph (a) of the Basis of Settlement in respect of Insured Profit is amended so that We will pay in respect of reduction in Turnover the sum produced by applying the Rate of Insured Profit to the amount by which, due to Damage the Standard Turnover exceeds the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) from which sum shall be deducted the Insured Profit actually earned during the period of the salvage sale.

## Revenue Protection Business Interruption – Endorsements

### Business Interruption Endorsements

*The following Endorsements only apply to this Section if stated in The Schedule.*

#### Rent Receivable

We will pay in respect of rent receivable the difference between

- (1) the rent which would have been receivable in respect of The Premises during the Indemnity Period but for the Damage
- (2) the amount of rent actually received during the same period

less any savings in charges or expenses of The Business, payable out of rent receivable, which reduce or cease due to the Damage.

If at the time of the Damage the Sum Insured by this item is less than the rent which, but for the Damage would have been receivable during the 12 months from the date of the Damage (proportionately increased where the Maximum Indemnity Period exceeds 12 months), You will

- (1) be Your own insurer for the difference
- (2) bear a rateable share of the loss.

The maximum We will pay is the Sum Insured stated in The Schedule.

#### Additional Increased Cost of Working

We will pay the additional expenditure necessarily and reasonably incurred due to the Damage solely for the purpose of avoiding or diminishing the reduction in Turnover (or Revenue, Fees, or Rentals as insured by this Section) during the Indemnity Period and which exceeds the amount recoverable as increase in cost of working, under Item 1 of this Section.

The maximum We will pay is the Sum Insured stated in The Schedule.

#### Fines or Damages

We will pay in respect of fines or damages for breach of contract, the sums You are legally liable to pay and will pay in discharge of fines or damages incurred solely due to the Damage, for non-completion or late completion of orders.

The maximum We will pay is the Sum Insured stated in The Schedule.

#### Additional Cost of Rent

We will pay the additional cost of rent necessarily and reasonably incurred by You for temporary premises, beyond the Maximum Indemnity Period under Item 1 of this Section during the Additional Maximum Indemnity Period stated in The Schedule.

The maximum We will pay is the Sum Insured stated in The Schedule.

#### Definition

Additional Maximum Indemnity Period

The number of months stated in The Schedule in excess of the Maximum Indemnity Period under Item 1.

# Revenue Protection Business Interruption

## Revenue Sum Insured Basis Specification

### Item

Revenue Sum Insured stated in The Schedule.

### Definitions

*The following definitions apply to this Specification in addition to the definitions stated in this Section and the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Specification.*

### Annual Revenue

The Revenue during the 12 months immediately before the date of the Damage.

### Standard Revenue

The Revenue during that period in the 12 months immediately before the date of the Damage which corresponds with the Indemnity Period.

Annual Revenue and Standard Revenue may be adjusted to reflect any trends or circumstances which

- (a) affect The Business before or after the Damage
- (b) would have affected The Business had the Damage not occurred.

The adjusted figures will represent, as near as possible, the results which would have been achieved during the same period had the Damage not occurred.

### Indemnity Period

The period during which The Business results are affected due to the Damage, beginning with the date of the Damage and ending no later than the Maximum Indemnity Period.

### Maximum Indemnity Period

The number of months stated in The Schedule, unless amended in any Additional Contingency.

### Revenue

As stated in The Schedule.

### Notes

- 1 All terms in this Section exclude Value Added Tax to the extent that You are accountable to the Tax Authorities for Value Added Tax.
- 2 Any adjustment made for current cost accounting will be ignored.

### Basis of Settlement

This insurance is limited to loss of Revenue due to

- (a) reduction in Revenue  
and
- (b) increase in cost of working.

We will pay

- (i) in respect of reduction in Revenue  
the amount by which due to the Damage, the Standard Revenue exceeds the actual Revenue during the Indemnity Period
- (ii) in respect of increase in cost of working  
any additional expense You necessarily and reasonably incur solely to prevent or limit a reduction in Revenue during the Indemnity Period which but for such additional expense would have taken place due to the Damage. We will not pay more than the reduction avoided by the expenditure

less any savings during the Indemnity Period in business charges or expenses, payable out of Revenue, which reduce or cease due to the Damage.

If at the time of the Damage the Sum Insured is less than the Annual Revenue (proportionately increased where the Maximum Indemnity Period exceeds 12 months), You will be Your own insurer for the difference and bear a rateable share of the loss.

### Clauses

*The following clauses apply to this Specification.*

### Alternative Premises

The Revenue during the Indemnity Period will include any money paid or payable to You during the Indemnity Period for goods sold or services provided elsewhere than at the Premises.

## Revenue Protection Business Interruption (Continued)

### Revenue Sum Insured Basis Specification

#### Auditors and Professional Accountants

We will pay Your auditor's and professional accountant's reasonable charges for

- (a) producing information We require for investigating any claim and
- (b) confirming the information is in accordance with Your business books.

The maximum We will pay for any claim, including auditor's and professional accountant's charges, is the Sum Insured.

#### Automatic Reinstatement

The Sums Insured stated in The Schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary.

However, You must pay the additional premium required to reinstate the Sum Insured.

#### Return Premium

We will allow a return premium for the Period of Insurance where

- (a) You provide Us with a professional accountant's declaration of Revenue earned in Your financial year most closely corresponding to that Period of Insurance  
and
- (b) the declared figure (proportionately increased where the Maximum Indemnity Period exceeds 12 months) is less than the Sum Insured.

The adjustment will be based on the difference between the declared figure (proportionately increased where necessary) and the Sum Insured.

The maximum We will repay is 50% of the premium paid by You for the Period of Insurance.

We will not return premium for any reduction in Revenue which is entirely due to a claim.

#### Workplace Recovery Office Facilities

- (1) Where You have in place prior to the Damage at The Premises occurring, contracted external
  - (a) Workplace Recovery Office Facilities  
or
  - (b) IT Recovery Services,

supplied by a disaster recovery services provider, We will reimburse You for the then current annual contract fee paid (or payable) by You for such facilities or services following Damage at The Premises, as insured by this Section, causing interruption to or interference with The Business, which necessarily and reasonably results in You using such facilities or services

or

- (2) where You have in place, Your own internal designated
  - (a) Workplace Recovery Office Facilities  
or
  - (b) IT Recovery Services,

We will reimburse You for the necessary and reasonable additional costs of any similar replacement Workplace Recovery Office Facilities or IT Recovery Services, following Damage at The Premises, as insured by this Section, causing interruption to or interference with The Business, which results in You using, or temporarily losing the use of, Your own internal designated facilities or services.

The maximum We will pay will be £25,000 in any one Period of Insurance.

#### Definitions

For the purposes of this extension, the following Definitions apply.

#### IT Recovery Services

Temporary Information Technology facilities.

#### Workplace Recovery Office Facility

Temporary replacement office accommodation and services.

We will not indemnify You where

- (a) the use of any contracted Workplace Recovery Office Facilities or IT Recovery Services or
- (b) the use of Your own internal designated Workplace Recovery Office Facilities or IT Recovery Services or
- (c) the temporary loss of use of Your own internal designated Workplace Recovery Office Facilities or IT Recovery Services

lasts less than 24 consecutive hours.

## Revenue Protection Business Interruption – Loss of Licence

### Definitions

The following definitions apply to this Section in addition to the Policy Definitions at the front of this Policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

### Rate of Insured Profit

Insured Profit earned on and expressed as a percentage of Turnover during the financial year immediately before the date of the Loss of Licence.

### Annual Turnover

The Turnover during the 12 months immediately before the date of the Loss of Licence.

### Standard Turnover

The Turnover during that period in the 12 months immediately before the date of the Loss of Licence which corresponds with the Indemnity Period.

Rate of Insured Profit, Annual Turnover and Standard Turnover may be adjusted to reflect any trends or circumstances which

- (1) affect The Business before or after the Loss of Licence
- (2) would have affected The Business had the Loss of Licence not occurred.

The adjusted figures will represent, as near as possible, the results which would have been achieved during the same period had the Loss of Licence not occurred.

### Insured Profit

- (1) The combined value of the Turnover, closing stock and work in progress,  
less
- (2) the combined value of opening stock and work in progress and Uninsured Working Expenses.

The values of opening and closing stocks and work in progress will

- (i) be calculated using Your usual accounting methods
- (ii) make due provision for depreciation.

### Indemnity Period

The period during which The Business results are affected due to the Loss of Licence, beginning with the date of the loss and ending no later than

- (1) the date the Licence is reinstated  
or
- (2) the date Your interest ceases due to the disposal of The Premises  
or
- (3) the Maximum Indemnity Period whichever is the earlier

### Licence

The licence or licences stated in The Schedule.

### Loss of Licence

- (1) forfeiture due to licensing regulations
- (2) refusal to renew by the licensing authority due to causes beyond Your control.

### Maximum Indemnity Period

12 months

### Turnover

Money paid or payable to You for

- (1) goods sold and delivered
  - (2) services provided
- in course of The Business at The Premises.

### Uninsured Working Expenses

- (1) purchases (less any discounts received)
- (2) discounts allowed  
and
- (3) any additional Uninsured Working Expenses stated in The Schedule.

The words and expressions used in this definition will have the meaning usually attached to them in Your books and accounts.

## Revenue Protection Business Interruption – Loss of Licence (Continued)

### Cover

In the event of Loss of Licence We will indemnify You in respect of either

- (1) loss of Insured Profit due to
  - (a) reduction in Turnover
  - and
  - (b) increase in cost of working.

We will pay

- (i) in respect of reduction in Turnover the sum produced by applying the Rate of Insured Profit to the amount by which due to the Loss of Licence, the Standard Turnover exceeds the Turnover during the Indemnity Period which but for such additional expenses would have taken place due to the Loss of Licence
- (ii) in respect of increase in cost of working any additional expense You necessarily and reasonably incur solely to prevent or limit a reduction in Turnover during the Indemnity Period which but for such additional expenses would have taken place due to the Loss of Licence We will not pay more than the amount produced by applying the Rate of Insured Profit to the reduction in Turnover avoided by the expenditure We will also pay any costs and expenses incurred with Our written consent where You appeal against the Loss of Licence

less any savings during the Indemnity Period in business charges or expenses, payable out of Insured Profit, which reduce or cease due to the Loss of Licence.

or

- (2) if You are unable to obtain a Licence for a period of 12 months and You dispose of The Premises We will indemnify You in respect of the reduction in the value of Your interest in
  - (a) The Premises,

or

- (b) The Business.

The maximum We will pay in respect of any one claim is

- (1) £100,000,
- or
- (2) the Sum Insured stated in The Schedule.

### Notes

1. All terms in this Section exclude Value Added Tax to the extent that You are accountable to the Tax Authorities for Value Added Tax.
2. Any adjustment made for current cost accounting will be ignored.

### Clauses

*The following clauses apply to this Section.*

#### Alternative Premises

The Revenue during the Indemnity Period will include any money paid or payable to You during the Indemnity Period for goods sold or services provided elsewhere than at The Premises.

#### Auditors and Professional Accountants

We will pay Your auditor's and professional accountant's reasonable charges for

- (1) producing information We require for investigating any claim
- and
- (2) confirming the information is in accordance with Your business books.

The maximum We will pay for any claim, including auditor's and professional accountant's charges, is the Sum Insured.

#### Uninsured Standing Charges

Any increase in cost of working settlement will take into account any standing charges of The Business which are not insured (having been deducted in arriving at the Insured Profit).

## Revenue Protection Business Interruption – Loss of Licence (Continued)

We will reflect in any such settlement the proportion only of any additional expenditure which

- (1) the Insured Profit bears to
- (2) the sum of the Insured Profit and the uninsured standing charges.

### Exceptions

The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.

We will not indemnify You

- (1) where You can obtain statutory compensation for Loss of Licence
- (2) where Loss of Licence arises out of
  - (a) any town or country planning, improvement or redevelopment
  - (b) compulsory purchase or surrender
  - (c) reduction or redistribution of licenses
  - (d) a change in the law.

### Conditions

The following conditions apply to this Section in addition to the Policy Conditions at the back of this policy.

### Alteration

We will not indemnify You under this Section if

- (1) any Policyholder
  - (a) agrees a composition or arrangement with creditors,or
  - (b) agrees a proposal for a voluntary arrangement for a composition of debts or a scheme of arrangement approved in accordance with the Insolvency Act 1986 (or any successor act),or

- (c) has an application made under the Insolvency Act 1986 (or any successor act) to the court for the appointment of an administrator,
- or
- (d) has a winding up order made or a resolution for voluntary winding up passed (except for the purposes of amalgamation or reconstruction), or has a provisional liquidator, receiver, or receiver and manager of The Business duly appointed,
- or
- (e) has an administrative receiver, as defined in the Insolvency Act 1986 (or any successor act), appointed or has possession taken by or on behalf of the holders of any debentures secured by floating charge or of any property comprised in or subject to the floating charge.
- (2) Your interest ceases otherwise than by Your death.

However, We will indemnify You if We agree otherwise in writing.

### Change in Risk

If in relation to any claim You have failed to comply with any of the following conditions, You will lose Your right to indemnity or payment for that claim. You must notify Us in writing immediately You become aware of

- (a) a change in tenancy or management of The Premises
- (b) a transfer or proposed transfer of the Licence
- (c) a complaint against The Premises or the control of The Premises
- (d) any action against the
  - (i) Licence holder
  - (ii) manager
  - (iii) tenant or other occupier of The Premisesfor any breach of the licensing law, or any other matter where the integrity of the person concerned is brought into question.



## **Revenue Protection** Business Interruption – Loss of Licence (Continued)

- (e) objection to renewal of the Licence, or other reasons which could endanger the Licence or its renewal.

### **Notification**

If in relation to any claim You have failed to comply with any of the following conditions, You will lose Your right to indemnity or payment for that claim.

In the event of Loss of Licence, You must inform Us in writing within 24 hours. You are also required to provide any assistance or information We may request.

# Asset and Revenue Protection Terrorism

## Definitions

*The following definitions apply to this Section in addition to the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.*

## Act of Terrorism

Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of HM Government in the United Kingdom or any other government de jure or de facto.

## Covered Loss

All losses arising under any of the Heads of Cover as a result of damage to or the destruction of Property in the Territory, the proximate cause of which is an Act of Terrorism.

## Denial of Service Attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or Computer Systems. Denial of Service Attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other Computer Systems.

## Excess

The amount(s) specified in this Section and The Schedule which We will deduct from each and every claim at each separate location. The amount(s) to be deducted after the application of any Average condition.

## Hacking

Unauthorised access to any Computer System, whether Your property or not.

## Heads of Cover

Any of the following types of direct insurance cover

- (1) Buildings and completed structures
- (2) Other property
- (3) Business Interruption
- (4) Book Debts

insured under this policy.

## Individual

Any person other than

- (1) a company, association, public body or partnership unless the partnership is not set up for the purpose of a business
- (2) a sole trader, trustee or body of trustees provided that the property insured is not solely occupied as a private residence of the sole trader or of either a trustee or beneficiary of the trust. If however, the property is a private dwelling house or a self-contained unit insured as part of a block of units (i.e. a block of flats), and is occupied as a private residence by any of the trustee(s) or any beneficiary of the trust, or sole trader(s), it will be considered that the property is insured in the name of the individual
- (3) a person insuring property which is the subject of a trust or of an executorship of a will unless some part of it is:
  - (a) occupied by a beneficiary or a trustee of the trust in question, or by a beneficiary or an executor of the will in question; or
  - (b) located in premises owned by any such person,  
and the commercially occupied proportion of the property does not exceed 20%
- (4) an individual insuring property that is of sole commercial use
- (5) an individual insuring property where the commercially occupied proportion of the property exceeds 20%.

## Asset and Revenue Protection Terrorism (Continued)

Where two or more persons have arranged insurance on a private residence or private property in their several names, and/or the name of The Policyholder includes the name of a bank, building society or other financial institution for the purpose of noting their interest in the property insured, then such persons will be deemed to be an Individual in respect of that private residence or private property.

### Nuclear Installation

Any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State (or any successor relevant authority) from time to time by statutory instrument, being an installation designed or adapted for

- (1) the production or use of atomic energy;
- (2) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations; or
- (3) the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter, being matter which has been produced or irradiated in the course of the production or use of nuclear fuel.

### Nuclear Reactor

Any plant (including any machinery, equipment or appliance, whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

### Phishing

Any access or attempted access to Data made by means of misrepresentation or deception.

### Property

For the purposes of this Section only, all property whatsoever, but excluding:

- (1) any land or building which is occupied as a private residence or any part thereof which is so occupied, unless
  - (a) insured under the same contract of direct insurance as the remainder of the building which is not a private residence or
  - (b) not insured in the name of an Individual
- (2) any Nuclear Installation or Nuclear Reactor and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such Nuclear Installation or Nuclear Reactor.

### Treasury

The Lords Commissioners of HM Treasury from time to time or any successor relevant authority.

### Virus or Similar Mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, Computer Systems, Data or operations, whether involving self-replication or not.

The definition of Virus or Similar Mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

### Cover

We will indemnify You in respect of a Covered Loss during the Period of Insurance subject to the provisions set out below.

The maximum We will pay in any one Period of Insurance will not exceed the limit of liability or Sum Insured for each of the Heads of Cover specified in the Section of this policy.

In any action, suit or proceedings where We allege that any loss is not covered by this Section, You must prove that the loss is covered.

## Asset and Revenue Protection Terrorism (Continued)

This Section is subject to all the Definitions, Conditions and Clauses of the Sections where the Heads of Cover are insured. If there is conflict between this Section and the rest of the policy, this Section will prevail.

### Conditions

- (1) We may cancel the cover provided by this Section by sending You 30 days written notice to Your last known address.

We will refund a proportionate part of any premium paid for the unexpired period provided that there has been no

- (a) claim(s) made under this Section for which We have made a payment or which are still under consideration
- (b) incident(s) which You are aware of and are likely to give rise to a claim which has already been or is yet to be reported to us

during the current Period of Insurance.

If in relation to any claim You have failed to fulfil any of the following conditions, We will not pay that claim.

You must

- (2) declare to Us all property and/or premises owned by You, or for which You are responsible, and, if applicable, all Business Interruption and Book Debt exposures, including all property and/or premises, Business Interruption and Book Debts of subsidiary companies
- (3) purchase Terrorism cover from a Pool Reinsurance Company Limited member company in respect of all
  - (a) such property and/or premises and
  - (b) such Business Interruption and Book Debts

unless We agree otherwise in writing.

### Exceptions

We will not indemnify You in respect of any losses whatsoever

- (1) occasioned by riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power
- (2) unless and until the Treasury issues a certificate certifying the event or events in question to have been an Act of Terrorism, or, in the event of the Treasury refusing to issue such a certificate, a tribunal formed following reference by Pool Reinsurance Company Limited or the Treasury determines the event or events in question to have been an Act of Terrorism.
- (3) directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from
  - (a) damage to or the destruction of any Computer System; or
  - (b) any alteration, modification, distortion, erasure or corruption of Data;

in each case whether Your property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism or Hacking or Phishing or Denial of Service Attack

#### Proviso to Exception (3)

- (1) Covered Loss otherwise falling within Exception (3) will not be treated as excluded by Exception (3) solely to the extent that such Covered Loss:
  - (a) results directly (or, solely as regards (b) (iii) below, indirectly) from
    - (i) fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system),
    - (ii) impact of aircraft or any aerial devices or articles dropped from them,

## Asset and Revenue Protection Terrorism (Continued)

- (iii) impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle,
  - (iv) destruction of, damage to or movement of buildings or structures, plant or machinery other than any Computer System; and
- (b) comprises:
- (i) the cost of reinstatement, replacement or repair in respect of damage to or destruction of Property insured under any of the Heads of Cover; or
  - (ii) the amount of business interruption loss suffered directly by You by way of loss of or reduction in profits, revenue or turnover or increased cost of working and not by way of liability to any third party as a direct result of either damage to or destruction of Property insured under any of the Heads of Cover or as a direct result of denial, prevention or hindrance of access to or use of the Property insured under any of the Heads of Cover by reason of an Act of Terrorism causing damage to other Property within one mile of the Property insured under any of the Heads of Cover to which access is affected; or
  - (iii) the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to or destruction of Property and any additional costs or charges reasonably and necessarily paid by You to avoid or diminish such loss; and
- (c) is not proximately caused by an Act of Terrorism in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.
- (2) For the purposes of this Proviso Property shall (additionally to those exclusions in the definition of Property below) exclude
- (a) any money, currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever, including anything referred to in the definition of "Money" as set out in this policy; and
  - (b) any Data.
- (3) Notwithstanding the exclusion of Data from Property, to the extent that damage to or destruction of Property within the meaning of sub-paragraph (1) (b) above indirectly results from any alteration, modification, distortion, erasure or corruption of Data, because the occurrence of one or more of the matters referred to in sub-paragraph (1) (a) above results directly or indirectly from any alteration, modification, distortion erasure or corruption of Data, that shall not prevent cost or business interruption loss directly resulting from damage to or destruction of such Property and otherwise falling within sub-paragraphs (1) (a) and (1)(b) above from being recoverable under this Section.
- In no other circumstances, however, will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of Data be recoverable under this Section.

## Legal Liabilities Employers' Liability

### Definitions

The following definitions apply to this Section, in addition to the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

### Bodily Injury

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

### Compensation

Damages, including interest.

### Costs and Expenses

- (1) Fees for The Insured's legal representation at
  - (a) any Coroner's Inquest or Fatal Accident Inquiry
  - (b) proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty
- (2) costs and expenses incurred with Our written consent
- (3) Any claimant's legal costs for which The Insured is legally liable in connection with any event which is or may be the subject of indemnity under this Section.

### Terrorism

Any act or acts including but not limited to

- (1) the use or threat of force and/or violence and/or
- (2) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

### The Defined Territories

Great Britain, Northern Ireland, the Channel Islands, or the Isle of Man within the Continental Shelf around such territories.

### The Insured

- (1) You.
- (2) Your personal representatives in respect of legal liability You incur.
- (3) At Your request
  - (a) any director, partner or Employee of Yours
  - (b) the officers, committees and members of Your
    - (i) canteen, social, sports, educational and welfare organisations
    - (ii) first aid, fire, security and ambulance servicesin their respective capacities as such
- (c) any principal for whom You are carrying out a contract to the extent required by the contract conditions
- (d) those who hire plant to You to the extent required by the hiring conditions or the personal representative of any of these persons in respect of legal liability for which You would have been entitled to indemnity if the claim had been made against You.

Each indemnified party will be subject to the terms of this Section so far as they apply.

The total amount which We will pay will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

### The Limit of Indemnity

The maximum amount, stated in The Schedule, including Costs and Expenses, which We will pay in respect of any one claim or series of claims against The Insured arising out of one cause.

## Legal Liabilities Employers' Liability (Continued)

### The Territorial Limits

Anywhere in the world in connection with The Business conducted by You from premises within The Defined Territories.

We will not provide indemnity in respect of Bodily Injury to any Employee engaged by You outside The Defined Territories for the purpose of work by any such Employee outside The Defined Territories.

### Cover

We will indemnify The Insured against

- (1) legal liability to pay Compensation and
- (2) Costs and Expenses

in respect of Bodily Injury caused during the Period of Insurance to any Employee arising out of and in the course of employment by You in The Business within The Territorial Limits.

The maximum We will pay is The Limit of Indemnity.

### Clauses

*The following clauses apply to this Section.*

### Additional Activities

The Business includes

- (1) ownership, use and upkeep of Your premises.
- (2) upkeep of vehicles and plant which are owned and used by You.
- (3) canteen, social, sports, educational and welfare organisations for the benefit of any Employee.
- (4) Your first aid, fire, security and ambulance services.
- (5) Your participation in exhibitions.
- (6) private work by any Employee, with Your prior consent, for You or for any director, partner or Employee of Yours.

### Contractual Liability

We will indemnify The Insured in respect of liability for Bodily Injury imposed on You solely by reason

of the terms of any agreement provided that the conduct and control of any claim is vested in Us.

We will not provide indemnity in respect of any agreement for or including the performance of work outside The Defined Territories.

### Cross Liabilities

We will indemnify each party named as The Policyholder in The Schedule as if a separate policy had been issued to each.

The total amount payable will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

### Legal Expenses arising from Corporate Manslaughter and Corporate Homicide Act 2007

We will indemnify You in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals.

- (2) costs of prosecution awarded against You which arise from criminal proceedings for any offence as defined in Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged offence committed during the Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which
  - (a) result from any deliberate act or omission by You.
  - (b) relate to any person other than an Employee.
- (3) in respect of any
  - (a) fines.
  - (b) remedial or publicity orders or any steps required to be taken by such orders.
- (4) where indemnity is provided by another insurance policy.

## Legal Liabilities Employers' Liability (Continued)

### Legal Expenses arising from Health and Safety Legislation

We will indemnify The Insured in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals
- (2) costs of prosecution awarded against The Insured

which arise from any health and safety inquiry or criminal proceedings for any breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged act, omission or incident committed during The Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which
  - (a) result from any deliberate act or omission by You.
  - (b) relate to the health and safety of any person other than an Employee.
- (3) where indemnity is provided by another insurance policy.

### Our Right of Recovery

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to the compulsory insurance of liability to employees in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

However, You will repay to Us all sums We would not have been liable to pay but for the provisions of such law.

### Payment for Court Attendance

We will compensate You if, at Our request, You, any director, partner or Employee of Yours, is attending court as a witness in connection with a claim for which The Insured is entitled to indemnity.

The maximum We will pay for

- (1) You, each director or partner is £500 per day.
- (2) each Employee is £250 per day.

### Unsatisfied Court Judgments

We will, at Your request, pay any Employee or his or her personal representative, the amount of damages and costs awarded to such person as a result of a judgment which has been obtained for Bodily Injury against any company registered in or any individual domiciled in The Defined Territories and which remain unpaid six months after the date of such judgment.

Payment will only be made where

- (1) the Bodily Injury was caused during any Period of Insurance to the Employee arising out of and in the course of employment by You in The Business.
- (2) the judgment was obtained in a court within The Defined Territories.
- (3) there is no appeal outstanding to the judgment.
- (4) the Employee, or his or her personal representative, assigns the judgment debt to Us.

### Exceptions

*The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.*

We will not provide indemnity in respect of

- (1) work in or on and travel to, from or within any offshore
  - (a) accommodation, exploration, drilling or production rig or platform.
  - (b) support vessel.
- (2) Bodily Injury sustained by any Employee when such person is
  - (a) carried in or upon a vehicle
  - (b) entering or getting on to, or alighting from, a vehicle

where any road traffic legislation requires insurance or security.



## Legal Liabilities Employers' Liability (Continued)

- (3)
  - (a) liquidated damages.
  - (b) penalty clauses.
  - (c) fines.
  - (d) aggravated, restitutionary, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages.
- (4) any consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event
  - (a) Terrorism
  - (b) any action taken in controlling, preventing, suppressing or in any way relating to (a) above

except as stated in **Special Provision – Terrorism** below

In any action, suit or other proceedings where We allege that any consequence whatsoever resulting directly or indirectly from or in connection with (4)(a) and/or (4)(b) above regardless of any other contributory cause or event is not covered under this Section (or is covered only up to a specified limit of liability) the burden of proving that any such consequence is covered (or is covered beyond that limit of liability) under this Section shall be upon You.

### **Special Provision – Terrorism**

Subject otherwise to the terms of the policy

Neither of the exclusions in (4)(a) and (4)(b) above shall apply to the Employers' Liability Section but the Limit of Indemnity for the purpose of this Special Provision – Terrorism is limited to £5,000,000 including Costs and Expenses.

### **Additional Endorsement**

This section extends to include the following Additional Endorsements.

### **Height Limit**

We will not provide indemnity in respect of work at a height where the drop exceeds 10 metres.

## Legal Liabilities Public and Products Liability

### Definitions

The following definitions apply to this Section, in addition to the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

### Asbestos

Asbestos, asbestos fibres or any derivatives of asbestos.

### Bodily Injury

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

### Compensation

Damages, including interest.

### Costs and Expenses

- (1) Fees for The Insured's legal representation at
  - (a) any Coroner's Inquest or Fatal Accident Inquiry
  - (b) proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty
- (2) Costs and expenses incurred with Our written consent
- (3) Any claimant's legal costs for which The Insured is legally liable

in connection with any event which is or may be the subject of indemnity under this Section.

### Damage

Physical

- (1) loss.
- (2) destruction.
- (3) damage.

### Personal Injury

- (1) Bodily Injury.
- (2) Wrongful
  - (a) arrest, detention or imprisonment.
  - (b) eviction.
  - (c) accusation of shoplifting.

### Pollution or Contamination

- (1) Pollution or contamination of buildings or other structures or of water or land or the atmosphere  
and
- (2) all loss, Damage to Property and Bodily Injury directly or indirectly caused by such pollution or contamination.

### Products Supplied

Anything which is

- (1) manufactured, sold, supplied, processed, altered or treated
- (2) repaired, serviced or tested
- (3) installed, constructed, erected or transported  
by You or on Your behalf and which is no longer in the custody or control of The Insured.

### Property

Material property.

### Terrorism

Any act or acts including but not limited to

- (1) the use or threat of force and/or violence  
and/or
- (2) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

## Legal Liabilities Public and Products Liability (Continued)

### The Defined Territories

Great Britain, Northern Ireland, the Isle of Man, or the Channel Islands within the Continental Shelf around such territories.

### The Insured

- (1) You.
  - (2) Your personal representatives in respect of legal liability You incur.
  - (3) At Your request
    - (a) any director, partner or Employee of Yours
    - (b) the officers, committees and members of Your
      - (i) canteen, social, sports, educational and welfare organisations
      - (ii) first aid, fire, security and ambulance servicesin their respective capacities as such
  - (c) any principal for whom You are carrying out a contract, to the extent required by the contract conditions
  - (d) those who hire plant to You to the extent required by the hiring conditions
- or the personal representatives of any of these persons
- 
- in respect of legal liability for which You would have been entitled to indemnity if the claim had been made against You.

Each indemnified party will be subject to the terms of this Section so far as they apply.

The total amount which We will pay will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

### The Limit of Indemnity

The maximum amount, stated in The Schedule, which We will pay in respect of any one event or all events of a series consequent on or attributable to one original cause.

In respect of

- (1) Products Supplied

- (2) Pollution or Contamination

The Limit of Indemnity will apply to the total of all events happening in any one Period of Insurance.

### The Territorial Limits

Anywhere in the world in connection with The Business conducted by You from premises within The Defined Territories.

### The Works

All works completed or to be completed by You or on Your behalf including

- (1) all materials incorporated or to be incorporated
- (2) plant, tools, equipment and temporary buildings used or to be used

for the period during which You are responsible under contract conditions.

### Cover

We will indemnify The Insured against

- (1) legal liability to pay Compensation and
- (2) Costs and Expenses

in respect of accidental

- (a) Personal Injury
- (b) Damage to Property
- (c) obstruction, trespass, nuisance or interference with any right of way, air, light or water

which arises in connection with The Business and which happens during the Period of Insurance and within The Territorial Limits.

The maximum We will pay is The Limit of Indemnity and any Costs and Expenses.

However, in respect of any claim brought in

- (1) the United States of America or any territory within its jurisdiction
- (2) Canada

the maximum We will pay, inclusive of Costs and Expenses, is The Limit of Indemnity.

## Legal Liabilities Public and Products Liability (Continued)

### Clauses

The following clauses apply to this Section.

### Additional Activities

The Business includes

- (1) ownership, use and upkeep of Your premises.
- (2) upkeep of vehicles and plant which are owned and used by You.
- (3) Your canteen, social, sports, educational and welfare organisations for the benefit of any Employee.
- (4) Your first aid, fire, security and ambulance services.
- (5) Your participation in exhibitions.
- (6) private work by any Employee, with Your prior consent, for You or for any director, partner or Employee.

### Buildings Temporarily Occupied

We will indemnify The Insured in respect of legal liability for accidental Damage to premises (and their contents) temporarily occupied by The Insured for the purpose of carrying out The Business.

We will not provide indemnity in respect of Damage to

- (1) premises and their contents which You own or are loaned, leased, hired or rented to
  - (a) The Insured.
  - (b) any other party who is carrying out work on Your behalf.
- (2) The Works.

### Legal Expenses arising from Consumer Protection Act 1987 and Food Safety Act 1990

We will indemnify The Insured in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals
- (2) costs of prosecution awarded against The Insured

which arise from criminal proceedings for any breach of Part II of the Consumer Protection Act 1987 or Part II of the Food Safety Act 1990.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged act, omission or incident committed during the Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which result from any deliberate act or omission by You.
- (3) where indemnity is provided by another insurance policy.

### Contractual Liability

We will indemnify The Insured in respect of accidental Bodily Injury or Damage to Property imposed on You solely by reason of the terms of any agreement provided that the conduct and control of any claim is vested in Us.

We will not provide indemnity in respect of any agreement for or including the performance of work outside The Defined Territories.

### Cross Liabilities

We will indemnify each party named as The Policyholder in The Schedule as if a separate policy had been issued to each.

The total amount payable will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

### Data Protection

We will indemnify The Insured in respect of

- (1) legal fees and defence costs
- (2) legal liability for Compensation to an individual, the subject of personal data The Insured holds and who suffers material or non-material damage caused by inaccuracy of data, loss of the data, unauthorised destruction or disclosure of the data

## Legal Liabilities Public and Products Liability (Continued)

arising from proceedings brought against The Insured under Section 13 of the Data Protection Act 1998 or under Article 82 of the General Data Protection Regulation (Regulation (EU) 2016/679) or under any legislation implementing the General Data Protection Regulation or under any replacement legislation in respect of any of the foregoing.

The maximum We will pay for all claims happening during any one Period of Insurance is £1,000,000.

We will not provide indemnity in respect of

- (1)
  - (a) Personal Injury other than as provided by this Clause
  - (b) Damage to Property
  - (c) fraud, dishonesty, insolvency, financial default, conspiracy, conversion, deceit, intimidation, inducement of breach of contract, injurious falsehood or breach of confidence
  - (d) libel, slander or defamation.
- (2) consequential losses.
- (3) liability as a result of You having authorised the destruction or disclosure of the data or which could reasonably have been expected to arise as a result of any other deliberate act or omission by You or any Employee.
- (4) liability which arises solely by reason of the terms of any agreement or in respect of liquidated damages.
- (5) liability under any penalty clause or any fine or statutory payment.
- (6) legal costs or expenses or financial losses in respect of any order for rectification or erasure of data or requiring that data to be supplemented by any other statements.
- (7) proceedings relating to Compensation for any Employee if the Employers' Liability Section of this policy is not in force.

### Defective Premises

We will indemnify The Insured in respect of legal liability for accidental Bodily Injury or Damage to Property arising under

- (1) the Defective Premises Act 1972
- (2) the Defective Premises (Northern Ireland) Order 1975 or the Defective Premises (Landlord's Liability) Act (Northern Ireland) 2001

in connection with any premises which You previously owned or occupied for the purposes of The Business.

We will not provide indemnity in respect of the cost of rectifying any defect or alleged defect in such premises.

### Employees' and Visitors' Personal Belongings

We will indemnify The Insured in respect of legal liability for accidental Damage to Employees' and visitors' vehicles and personal belongings which are in the custody or control of The Insured.

We will not provide indemnity where this Property is

- (1) loaned, leased, hired or rented to The Insured.
- (2) stored for a fee or other consideration by The Insured.
- (3) in the custody or control of The Insured for the purposes of being worked upon.

### Hired or Rented Premises

We will indemnify The Insured in respect of legal liability for accidental Damage to premises (including fixtures and fittings) within The Defined Territories which are hired, rented or loaned to The Insured in connection with The Business.

We will not provide indemnity in respect of

- (1) the first £250 of Compensation, Costs and Expenses in respect of such Damage caused other than by fire or explosion.
- (2) liability imposed on The Insured solely by reason of the terms of any hiring or renting agreement.

## Legal Liabilities Public and Products Liability (Continued)

- (3) Damage caused by fire or any other peril against which any hiring or renting agreement specifies that insurance is taken out by The Insured.

### Legal Expenses arising from Corporate Manslaughter and Corporate Homicide Act 2007

We will indemnify You in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals
  - (2) costs of prosecution awarded against You which arise from criminal proceedings for any offence as defined in Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007.
- We will not provide indemnity
- (1) unless the proceedings relate to an actual or alleged offence committed during the Period of Insurance within The Defined Territories and in connection with The Business.
  - (2) in respect of proceedings which
    - (a) result from any deliberate act or omission by You.
    - (b) relate to any Employee.
  - (3) in respect of any
    - (a) fines.
    - (b) remedial or publicity orders or any steps required to be taken by such orders.
  - (4) where indemnity is provided by another insurance policy.

### Legal Expenses arising from Health and Safety Legislation

We will indemnify The Insured in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals

- (2) costs of prosecution awarded against The Insured

which arise from any health and safety inquiry or criminal proceedings for any breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged act, omission or incident committed during the Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which
  - (a) result from any deliberate act or omission by You.
  - (b) relate to the health and safety of any Employee.
- (3) where indemnity is provided by another insurance policy.

### Motor Contingent Liability

We will indemnify You in respect of Your legal liability for accidental Bodily Injury and Damage to Property which arises from any vehicle or trailer attached thereto which is

- (1)
  - (a) not owned by
  - (b) not loaned, leased, hired or rented to You nor provided by You and
- (2) being used in connection with The Business in The Defined Territories.

We will not provide indemnity

- (1) in respect of Damage to the vehicle or trailer or goods carried in or on the vehicle or trailer.
- (2) while the vehicle is being driven by
  - (a) You.
  - (b) any person who to Your knowledge or that of Your representatives does not hold a licence to drive the vehicle unless such person has held and is not disqualified from holding or obtaining such a licence.

## Legal Liabilities Public and Products Liability (Continued)

- (3) where indemnity is provided by another insurance policy.

### Overseas Personal Liability

We will indemnify You and, at Your request, any director, partner or Employee of Yours in respect of legal liability for accidental Bodily Injury or Damage to Property incurred in a personal capacity whilst such persons are temporarily outside The Defined Territories in connection with The Business.

We will also indemnify any accompanying spouse and children.

Where You are an individual, this indemnity will also apply to Your personal liability whilst away from Your business premises in connection with The Business but within The Defined Territories.

We will not provide indemnity

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

### Payment for Court Attendance

We will compensate You if, at Our request, You, any director, partner or Employee of Yours, is attending court as a witness in connection with a claim for which The Insured is entitled to indemnity.

The maximum We will pay for

- (1) You, each director or partner is £500 per day.  
(2) each Employee is £250 per day.

### Exceptions

*The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.*

We will not provide indemnity in respect of

- (1) Personal Injury to any Employee arising out of and in the course of employment by You in The Business.
- (2) the ownership, possession or use by or on behalf of The Insured of any
- (a) aircraft, aerial device or hovercraft
  - (b) watercraft exceeding eight metres in length
  - (c) motor vehicle, trailer or plant in circumstances where compulsory insurance or security is required by any road traffic legislation other than
    - (i) where described in the Motor Contingent Liability Clause
    - (ii) the loading or unloading of any such vehicle, trailer or plant where indemnity is not provided by another insurance policy.
- (3) Damage to Property
- (a) which You own or is loaned, leased, hired or rented to The Insured
  - (b) which is held in trust or in the custody or control of
    - (i) The Insured
    - (ii) any other party who is carrying out work on Your behalf
- other than in the circumstances described in the Hired or Rented Premises Clause, the Employees' and Visitors' Personal Belongings Clause or the Buildings Temporarily Occupied Clause.
- (c) which requires to be insured under the terms of Clause 6.5.1 of the Standard Form of Building Contract issued by the Joint Contracts Tribunal or a clause

## Legal Liabilities Public and Products Liability (Continued)

- of similar intent under other contract conditions.
- (4) Damage to or the cost incurred by anyone in repairing, removing, replacing, reapplying, rectifying or reinstating
- (a) Products Supplied (other than Products Supplied under a separate contract)
- (b) The Works.
- (5) recalling or making refunds in respect of
- (a) Products Supplied
- (b) The Works.
- (6) advice, instruction, consultancy, design, formula, specification, inspection, certification or testing performed or provided separately for a fee or under a separate contract.
- (7) (a) the carrying out of any work
- (b) any Products Supplied
- which affects or could affect
- (i) the navigation, propulsion or safety of any aircraft or other aerial device
- (ii) the safety or operation of nuclear installations.
- (8) Pollution or Contamination other than caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.
- All Pollution or Contamination which arises out of one incident will be deemed to have happened at the time such incident takes place.
- (9) (a) work in or on and travel to, from or within
- (b) Products Supplied to
- any offshore
- (i) accommodation, exploration, drilling or production rig or platform
- (ii) support vessel.
- (10) (a) liquidated damages
- (b) penalty clauses
- (c) fines
- (d) aggravated, restitutionary, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages.
- (11) liability imposed on You solely by reason of the terms of any contract conditions or agreement in connection with Products Supplied.
- (12) any consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event
- (a) Terrorism
- (b) any action taken in controlling, preventing, suppressing or in any way relating to (a) above
- except as stated in **Special Provision – Terrorism** below.
- In any action, suit or other proceedings where We allege that any consequence whatsoever resulting directly or indirectly from or in connection with (12)(a) and/or (12)(b) above regardless of any other contributory cause or event is not covered under this Section (or is covered only up to a specified limit of liability) the burden of proving that any such consequence is covered (or is covered beyond that limit of liability) under this Section shall be upon You.
- Special Provision – Terrorism**
- Subject otherwise to the terms of the policy
- Neither of the exclusions in (12)(a) and (12)(b) above shall apply to the Public and Products Liability Section but The Limit of Indemnity for the purpose of this Special Provision – Terrorism is limited to
- (a) £5,000,000 in respect of any one event or all events consequent on or attributable to one original cause
- (b) £5,000,000 in respect of all events happening in any one Period of Indemnity in respect of Products Supplied



## Legal Liabilities Public and Products Liability (Continued)

or any other amount specified in the policy for Public and/or Products Liability whichever is the lower.

- (13) the amount of Compensation, Costs and Expenses shown in The Schedule as applying in respect of each and every event resulting in Damage to Property.

You will reimburse any such amount paid by Us.

- (14) (a) exposure to  
(b) inhalation of  
(c) fears of the consequences of exposure to or inhalation of  
(d) the costs incurred by anyone in repairing, removing, replacing, recalling, rectifying, reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of

Asbestos including any product containing Asbestos.

- (15) any liability arising directly or indirectly from, or in connection with, or consisting of any loss, destruction or damage, Failure or Loss of Data resulting directly or indirectly from or in connection with  
(a) Virus or Similar Mechanism  
(b) Denial of Service Attack  
(c) unauthorised access to or use of Computer and Electronic Equipment.

However We will not exclude any liability in respect of any ensuing accidental Bodily Injury or accidental Damage to Property which is not otherwise excluded.

### Conditions

*The following conditions apply to this Section in addition to the Policy Conditions at the back of this policy.*

### Suspension of Cover

We may, at any reasonable time, inspect any property and, in the event of any defect or danger being apparent We may by written notice to You suspend all Our liability that might otherwise arise from such defect or danger.

### Additional Endorsements

*This Section extends to include the following Additional Endorsements.*

### Events Activities and Exhibitions

We will not provide indemnity in respect of Events, Activities and Exhibitions

- (1) where combined numbers of entrants and spectators on site exceed 1000 at any one time
- (2) taking place outside England, Wales, Scotland, Northern Ireland, Republic of Ireland, Channel Islands and the Isle of Man
- (3) where the event duration lasts longer than 48 hours
- (4) organised by a separate third party event organiser/company
- (5) involving
  - (a) weapons
  - (b) passenger carrying amusement devices
  - (c) animal rides of any kind
  - (d) ballooning or aerial activities including parachuting, paragliding or parascending
  - (e) go-karting, quad biking or motor sports
  - (f) bungee jumping or abseiling
  - (g) professional sport teams or persons
  - (h) individual exhibitions valued at over £250,000
  - (i) racing or time trials other than on foot
  - (j) activity involving watercraft
  - (k) firework displays or bonfires
  - (l) bouncy castles and other inflatable devices

## **Legal Liabilities** Public and Products Liability (Continued)

- (6) for Bodily Injury to any person taking part in
  - (a) contact sports(including martial arts)
  - (b) jousting competitions
  - (c) 'It's a knockout' type competitions
  - (d) 'Donkey Derby' races

unless agreed by Us in writing.

### **Indemnity to Hirer**

Paragraph 3 of the definition of the Insured is extended to include

- (a) any hirer of The Premises whilst they are at The Premises

We will not provide indemnity

- (1) in respect of
  - (a) any commercial or business hire
  - (b) any individual, club, organisation, society or group who hire The Premises for activities regarded as not being for benefit of the local community.
- (2) where indemnity is provided by another insurance policy.

### **Height Limit**

We will not provide indemnity in respect of work at a height where the drop exceeds 10 metres.

## Legal Liabilities Commercial Legal Protection

### Claims and helpline

As soon as You are aware of an incident, You should get legal advice from the legal helpline on **0345 300 1899** without delay. Please have Your policy number to hand.

If You think that You might need to claim, contact the helpline on **0345 300 1899** and request a claim form. We can only proceed with Your claim once We have received details of the incident in writing. A claim form is available to download at [www.aviva.co.uk/legalprotection](http://www.aviva.co.uk/legalprotection).

Our claims handling is undertaken by DAS Legal Expenses Insurance Company Limited or such other company as We notify You of from time to time.

### Definitions

*The following definitions apply to this Section in addition to the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.*

### Appointed Representative

The lawyer, accountant or other suitably qualified person, who has been appointed by Us to act on behalf of an Insured Person.

### Aspect Enquiry

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

### Attendance Expenses

- (1) The salary or wages of the Insured Person for the time they are off work
  - (a) to attend any arbitration, court or tribunal hearing at Our request
  - (b) as a defendant or while attending jury service.
- (2) We will pay for each half or whole day that the
  - (a) court
  - (b) tribunal

(c) employer of the Insured Person will not pay for.

- (3) The amount We will pay is based on the following
  - (a) the time the Insured Person is off work including the time it takes to travel to and from the hearing. This will be calculated to the nearest half day assuming that a whole day is eight hours.
  - (b) if the Insured Person
    - (i) works full time, the salary or wages for each whole day equals 1/250th of the annual salary or wages of the Insured Person.
    - (ii) works part-time, the salary or wages will be a proportion of the weekly salary or wages of the Insured Person.

### Costs and Expenses

- (1) All reasonable and necessary legal and accountancy costs charged by the Appointed Representative and agreed by Us.
- (2) Legal costs which an Insured Person has been ordered to pay by a court or other body which We have agreed to authorise.

### Charity Commission

The appropriate body established to register and regulate charities in the part of Great Britain, Northern Ireland, the Isle of Man and the Channel Islands where You are established.

### Date of Occurrence

- (1) In all civil cases, when the cause of action accrued (other than Contingencies 4A, 4B or 4C – Tax).
- (2) In all criminal cases, when the Insured Person first broke or is alleged to have first broken the criminal law in question.
- (3) Full Enquiries, Aspect Enquiries or Intervention Enquiries, when HM Revenue and Customs first notifies in writing the intention to make enquiries.

## Legal Liabilities Commercial Legal Protection (Continued)

- (4) Employers Compliance and Value Added Tax disputes, when HM Revenue and Customs sends an assessment or written decision to You.
- (5) Licence or Registration Appeals, when You were first notified of the proposal by the relevant licensing or regulatory authority to suspend, alter the terms of, refuse to renew or cancel Your licence or British Standard Certificate of Registration.
- (6) For Charity Commission investigations, the date You receive notification from the Charity Commission that they are to conduct an investigation.

### Full Enquiry

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

### Insured Person

- (1) You
- (2) any director of Yours, or partner, or proprietor of The Business
- (3) any employee of Yours under a contract of employment with You
- (4) any other person agreed with Us.

### Intervention Enquiry

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

### Legal Proceedings

Legal proceedings for

- (1) the pursuit or defence of a claim for damages
- (2) the defence of a criminal prosecution
- (3) appeal proceedings
- (4) specific performance or injunction

dealt with by negotiation or in a court of law, tribunal or arbitration or any other body which We have agreed to or authorised.

### Limit of Indemnity

The maximum amount stated in The Schedule which We will pay for Costs and Expenses in respect of any or all claims arising out of one originating cause in connection with The Business stated in The Schedule.

### Prospects of Success

In respect of all civil cases, it is always more likely than not that an Insured Person will

- (1) recover damages or obtain any other legal remedy which We have agreed to
- (2) make a successful defence
- (3) make a successful appeal or defence of an appeal.

Prospects of success will be assessed by Us or an Appointed Representative on Our behalf.

### Territorial Limits

For Contingencies 2 Legal Defence (other than Contingency 2E) and 3B Bodily Injury

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

For all other Contingencies

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

### Cover

We will indemnify You or an Insured Person where specified for any Costs and Expenses and Attendance Expenses incurred in respect of Legal Proceedings following the occurrence of a Contingency stated as applying in The Schedule provided that

## Legal Liabilities Commercial Legal Protection (Continued)

- (1) the Contingency occurs within the Territorial Limits and the Date of Occurrence is within the Period of Insurance
- (2) any Legal Proceedings take place within the Territorial Limits
- (3) Prospects of Success exist for the duration of the claim
- (4) in respect of any appeal or defence of an appeal, it has been reported to Us at least 10 working days prior to the deadline for any appeal
- (5) the maximum We will pay is the Limit of Indemnity
- (6) You must report an incident to Us as soon as possible and in any event no later than 180 days after the date the Insured Person knew or should have known about the incident.

### Contingencies

#### 1A Employment Disputes

We will defend You

- (1) prior to the issue of Legal Proceedings following the dismissal of an Insured Person
- (2) in the resolution of unfair dismissal disputes under the ACAS Arbitration Scheme
- (3) in Legal Proceedings in respect of any dispute with
  - (a) an Insured Person
  - (b) a former Insured Person
  - (c) a trade union acting on behalf of an Insured Person or a former Insured Person

which arises out of, or relates to, a contract of employment with You

- (4) in Legal Proceedings in respect of any dispute with
  - (d) an Insured Person
  - (e) a former Insured Person
  - (f) a prospective Insured Person

arising from an alleged breach of their statutory rights under employment legislation.

We will not provide indemnity for any claim in respect of damages for personal injury or loss of or physical damage to material property.

#### 1B Compensation Awards

We will pay

- (1) any basic and compensatory award
- (2) an order for compensation following a breach of Your statutory duties under employment legislation

which You are ordered to pay by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and approved by Us in writing in respect of a claim We have accepted under Contingency 1A – Employment Disputes.

The maximum amount We will pay in respect of compensation awards in any one Period of Insurance is £1,000,000.

We will not provide indemnity in respect of

- (1) non payment of money due under the relevant contract of employment or related statutory provision
- (2) any compensation award related to
  - (a) trade union activities, trade union membership or non-membership
  - (b) health & safety related dismissals brought under section 44 of the Employment Rights Act 1996
  - (c) statutory rights in relation to trustees of occupational pension schemes
  - (d) statutory rights in relation to Sunday shop and betting work
- (3) any award ordered as a result of a breach of National Minimum Wage laws
- (4) any compensation award or increase in compensation award ordered by the tribunal for failure to comply with a recommendation it has made including non-compliance with a reinstatement order or re-engagement order.

## Legal Liabilities Commercial Legal Protection (Continued)

### Conditions to Contingency 1B

If in relation to any claim You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim.

(1) Performance and/or conduct

In cases relating to performance and/or conduct of an Insured Person, or former Insured Person You must, throughout the dispute, have either

(a) followed the ACAS Code of Disciplinary Practice and Procedures in Employment as prepared by the Advisory Conciliation and Arbitration Service

or

(b) followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland

or

(c) sought and followed the advice from Our 24 hour legal helpline (**0345 300 1899**).

(2) Unlawful Discrimination

In respect of an order of compensation following a breach of Your statutory duties under discrimination legislation You must have at all times sought and followed the advice of Our 24 hour legal helpline since the date You knew or should have known about the employment dispute.

(3) Redundancy

In respect of any compensation award for

(a) redundancy

(b) alleged redundancy

(c) unfair selection for redundancy

You must have sought and followed the advice of Our 24 hour legal helpline prior to serving notice of dismissal (**0345 300 1899**).

### 1C Service Occupancy

We will negotiate for Your legal rights against an Insured Person or former Insured Person to recover possession of premises owned by You, or for which You are responsible.

We will not indemnify You in respect of any claim relating to defending Your legal rights other than defending a counter claim.

## 2 Legal Defence

### 2A Criminal Prosecution

We will defend an Insured Person

(1) prior to the issue of Legal Proceedings when dealing with the

(a) Police

and/or

(b) Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer

where it is alleged the Insured Person has or may have committed a criminal offence

(2) following an event which leads to the Insured Person being prosecuted in a court of criminal jurisdiction.

provided that in respect of proceedings under the Health and Safety at Work etc. Act 1974, the Territorial Limits shall be all territories in which the Act applies.

We will not provide indemnity in respect of any claim which leads to the Insured Person being prosecuted for infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

### 2B Data Protection

We will

(1) (a) defend the legal rights of an Insured Person following civil action taken against the Insured Person for compensation

(b) also pay any compensation award made against the Insured Person

under Section 13 of the Data Protection Act 1998 or under Article 82 of the General Data Protection Regulation (Regulation (EU) 2016/679) or under any legislation implementing the General Data Protection Regulation or under any replacement legislation in respect of any of the foregoing,

## Legal Liabilities Commercial Legal Protection (Continued)

provided that You are registered with the Information Commissioner at the time of the incident giving rise to the action.

- (2) represent You in appealing against the refusal of the Information Commissioner to register Your application for registration.

### 2C Wrongful Arrest

We will defend Your legal rights following civil action taken against You for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the Period of Insurance.

### 2D Employee Civil Legal Defence

At Your request We will defend the legal rights of an Insured Person (other than You) if

- (1) an event arising from their work as an Insured Person leads to civil action being taken against them under legislation for unlawful discrimination
- (2) civil action is being taken against them as a trustee of a pension fund set up for the benefit of Your employees.

### 2E Statutory Notice

At Your request We will represent the Insured Person in appealing against the imposition or terms of Statutory Notice issued under legislation affecting Your business.

### 2F Jury Service

We will pay the Attendance Expenses of an Insured Person for jury service.

### 2G Disciplinary Hearings

We will represent an Insured Person at a disciplinary hearing that they are required to attend by a regulatory authority or professional body as a result of a complaint being brought against them.

### 3A Property Protection

We will represent You in any Legal Proceedings for civil action relating to material property which is

owned by You, or for which You are responsible, following

- (1) any event which causes or could cause physical damage or loss to such material property
- (2) any nuisance or trespass including the eviction of squatters or any person occupying premises owned by You for which You are responsible.

We will not indemnify You in respect of any claim relating to

- (1) a contract entered into by You
- (2) tenancy disputes
- (3) goods
  - (a) in transit
  - (b) lent or hired out
  - (c) at premises You do not occupy unless for
    - (i) installation
    - or
    - (ii) use in work to be carried out by You
- (4) mining subsidence
- (5) a motor vehicle whilst being driven by an Insured Person.

### 3B Bodily Injury

We will pursue the legal rights of an Insured Person and their family members, if they are accompanying an Insured Person, following an event which causes the death of, or bodily injury to them.

We will not provide indemnity in respect of any claim relating to

- (1) any illness or bodily injury which develops gradually or is not caused by a specific or sudden accident
- (2) defending the legal rights of an Insured Person or their family members other than defending a counter claim
- (3) a motor vehicle whilst being driven by an Insured Person or a family member.

## Legal Liabilities Commercial Legal Protection (Continued)

### 4A Tax Protection or Charity Commission Investigations

We will represent You and negotiate on Your behalf in any appeal proceedings in respect of a Full Enquiry and/or Aspect Enquiry and/or Intervention Enquiry carried out by HM Revenue and Customs and/or an investigation carried out by the Charity Commission into Your business accounts.

The maximum amount We will pay for Aspect Enquiries and/or Intervention Enquiries in respect of any one claim is £5,000.

### 4B Employers' Compliance

We will represent You in any appeal proceedings in respect of a dispute concerning Your compliance with

(1) Pay as You Earn

or

(2) Social Security Regulations

following a review by HM Revenue and Customs.

### 4C VAT Disputes

We will represent You in any appeal proceedings following an assessment by HM Revenue and Customs in respect of value added tax due.

### Condition to Contingencies 4A, 4B and 4C

If in relation to any claim You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim.

### Reasonable Care

You must have taken reasonable care to ensure that all returns are complete and correct and such returns are submitted within the statutory time limits allowed.

We will not provide indemnity

- (1) in respect of any claim caused by Your failure to register for value added tax
- (2) in respect of any claim arising from any investigations or enquiries undertaken by HM Revenue and Customs Special Investigation Section or Special Compliance Office

- (3) in respect of any claim arising from any investigations or enquiry by HM Revenue and Customs into alleged dishonesty or alleged criminal offences
- (4) in respect of any claim arising from a tax avoidance scheme
- (5) for the first 10% of Costs and Expenses for Aspect Enquiries and/or Intervention Enquiries in respect of any one claim.

### 5 Contract Disputes

We will represent You in any Legal Proceedings for civil action relating to a contractual dispute arising from that agreement or that alleged agreement which has been entered into by You or on Your behalf for the

- (1) sale
- (2) provision
- (3) purchase
- (4) hire

of goods or services provided that

- (a) the amount in dispute exceeds £250
- (b) if the amount in dispute is payable by instalments, the instalments due and payable at the time of making the claim exceed £250
- (c) if the dispute relates to money owed to You, a claim must be made within 90 days of the money becoming due and payable.

We will not provide indemnity in respect of

- (1) any claim relating to
  - (a) the cover, claims process or settlement payable under an insurance policy other than claims for indemnity under this section
  - (b) a lease, licence or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease, licence or tenancy agreement
  - (c) a loan, mortgage, pension or any other financial product



## Legal Liabilities Commercial Legal Protection (Continued)

- (d) a motor vehicle owned by, hired or leased to You other than agreements relating to the sale or motor vehicles where You are engaged in the business of selling motor vehicles
- (2) a dispute with an Insured Person or former Insured Person which arises out of or relates to a contract of employment with You
- (3) a dispute relating to computer hardware, software, systems or services which have been specifically tailored
- (4) a dispute arising from the breach or alleged breach of professional duty by an Insured Person or former Insured Person
- (5) the recovery of money and interest due from another party other than disputes where the other party intimates that a defence exists.

### 6 Tenancy Disputes

We will represent You in any Legal Proceedings for civil action relating to a tenancy dispute between You and Your landlord arising from premises leased or rented to You. We will not provide indemnity in respect of any dispute arising from or relating to rent, service charges or renewal of the tenancy agreement.

### 7 Statutory Licence Protection

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

We will not provide indemnity in respect of

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

### 8 Debt Recovery

We will represent You in any Legal Proceedings for civil action including the enforcement of judgement to recover money and interest due from the sale or provision of goods or services provided that

- (1) the amount in dispute exceeds £250
- (2) You have exhausted all reasonable credit control and accounting procedures
- (3) We have the right to select the method of enforcement or to forego enforcing judgement if We are not satisfied that there are, or will be, sufficient assets available to satisfy judgement
- (4) You supply the correct and current name and address of the debtor
- (5) a claim for debt recovery under this Contingency is made within 90 days of the money becoming due and payable.

We will not provide indemnity in respect of

- (1) any claim relating to
  - (a) the cover, claims process or settlement payable under an insurance policy
  - (b) a lease, licence or tenancy of land or buildings
  - (c) a loan, mortgage, pension or any other financial product
- (2) a dispute with an Insured Person or former Insured Person which arises out of, or relates to, a contract of employment with You
- (3) a dispute relating to computer hardware, software, systems or services which have been specifically tailored
- (4) the recovery of money and interest due from another party where the other party intimates that a defence exists.

## Legal Liabilities Commercial Legal Protection (Continued)

### Exceptions – Applying to all Contingencies

*The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.*

We will not provide indemnity in respect of any claim

- (1) if an Insured Person does not keep to the terms, exceptions and conditions of this Section. The cover will also not apply if an Insured Person can claim under another policy
- (2) if any Costs and Expenses are incurred prior to Our written acceptance of a claim
- (3) for any legal action an Insured Person takes which We have not agreed to or where the Insured Person does anything to hinder Us or the Appointed Representative
- (4) for any fines, penalties, compensation or damages which an Insured Person is ordered to pay by a court or other authority other than compensation awards covered under Contingency 1B (Compensation Awards) and Contingency 2 (Legal Defence)
- (5) relating to
  - (a) patents
  - (b) copyrights
  - (c) trademarks
  - (d) merchandise marks
  - (e) registered designs
  - (f) intellectual property
  - (g) secrecy and confidentiality agreements
- (6) relating to franchise or agency rights where You have the legal capacity to alter the legal relations of another
- (7) deliberately or intentionally caused by an Insured Person
- (8) in respect of a dispute with Us not catered for in Section Conditions 6 and 7 for a judicial review
- (9) relating to any non-contracting party's rights to enforce all or any part of this Section. The

Contracts (Rights of Third Parties) Act 1999 does not apply to this policy

- (10) notified under this Section when, either at the start of or during the course of the claim You
  - (i) are bankrupt
  - (ii) have filed a bankruptcy petition or winding up petition
  - (iii) have made an arrangement with creditors
  - (iv) have entered into a deed or arrangement
  - (v) are in liquidation
  - (vi) are or part of or all of Your affairs or property are in the care or control of a receiver or administrator

### Conditions – Applying to all Contingencies

*The following Conditions apply to this Section in addition to the Policy Conditions at the back of this policy.*

#### (1) Claims – your duty

You must report an incident to Us as soon as possible and in any event no later than 180 days after the date the Insured Person knew or should have known about the incident.

#### (2) Claims – legal representation

- (a) On acceptance of a claim, if appropriate, We will appoint an Appointed Representative.
- (b) If it is necessary to start court proceedings or there is a conflict of interest, an Insured Person is free to nominate an Appointed Representative by sending to Us the name and address of the suitably qualified person.
- (c) If We do not agree to the Insured Person's choice of Appointed Representative under condition 2(b) above, an Insured Person may choose another suitably qualified person.

## Legal Liabilities Commercial Legal Protection (Continued)

- (d) If there is still a disagreement with regard to the Appointed Representative, We will ask the president of a relevant national law society to choose a suitably qualified person to represent an Insured Person. We and the Insured Person must accept such choice.
- (e) In all other circumstances We will be free to choose an Appointed Representative.
- (f) An Appointed Representative will be appointed by Us and represent an Insured Person according to Our standard terms of appointment.

### (3) Claims – Our rights and Your obligations

- (a) We will have direct access to the Appointed Representative who will, upon request, provide Us with any information or opinion on Your claim.
- (b) An insured person must co-operate fully with Us and the appointed representative and must keep Us up-to-date with the progress of the claim.
- (c) At Our request an Insured Person must give the Appointed Representative any instructions that We require.
- (d) An Insured Person must notify Us immediately if anyone offers to settle a claim or makes a payment into court.
- (e) If an Insured Person does not accept the recommendation of the Appointed Representative to accept a reasonable offer or payment into court to settle a claim, We may refuse to pay further costs and expenses.
- (f) No agreement to settle on the basis of both parties paying their own costs is to be made without Our prior approval.

### (4) Discontinuance of a claim

If an Insured Person

- (a) settles a claim or withdraws a claim without Our prior agreement

- (b) does not give suitable instructions to the Appointed Representative
- (c) dismisses an Appointed Representative without Our prior consent

the cover We provide will end immediately and We will be entitled to re-claim any Costs and Expenses We have incurred from the Insured Person.

### (5) Recoveries

An Insured Person must take every available step to recover Costs and Expenses that We have to pay and must pay Us any Costs and Expenses that are recovered.

### (6) Disputes

If any difference arises between Us and an Insured Person in respect of the acceptance, refusal, control or handling of any claim under this section, You can take the steps outlined in Our complaints procedure stated under Our Promise of Service.

### (7) Arbitration

You have the right to refer any difference that arises between Us and an Insured Person in respect of the acceptance, refusal, control or handling of any claim under this section to arbitration, which will be decided by counsel chosen jointly by Us and an Insured Person.

If there is a disagreement with regard to the choice of counsel, We will ask the president of a relevant national law society to choose a suitably qualified person.

The arbiter's decision shall be final and binding on both parties.

All costs for resolving the difference will be met by the party whom the decision is made against.

### (8) Acts of Parliament

All references to Acts of Parliament within this Section wording shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man or the Channel Islands as the case may be.

## **Legal Liabilities** Directors and Officers Liability (Charity Trustees Management Liability)

### **Definitions**

*The following definitions apply to this Section, in addition to the Policy Definitions at the front of this policy, and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.*

### **Bodily Injury**

Any injury, death, illness, sickness, psychological injury, emotional distress or nervous shock.

### **Claim**

Any

- (1) demand whether oral or in writing, for damages compensation
- (2) notice of
  - (a) Criminal Proceedings including those for corporate killing or manslaughter
  - (b) Disqualification Proceedings
  - (c) Employment Practice Proceedings
  - (d) regulatory proceedings
  - (e) other civil or arbitration proceedings.

### **Criminal Proceedings**

A prosecution brought before any criminal court in the United Kingdom against any Insured Person in their capacity as a director, officer or trustee of The Charity.

### **Defence Costs**

The cost and expenses incurred by an Insured Person or The Charity in the investigation or defence of any Claim in so far as those costs and expenses have been incurred with Our written consent.

Defence Costs shall not include The Charity's management costs or any overtime, wages, salaries, or fees of any Insured Person or any of The Charity's employees.

### **Disqualification Proceedings**

Proceedings commenced by pre-action protocol letter, summons, application or claim form against

any Insured Person in their capacity as a director, officer or trustee of The Charity, under the Company Directors' Disqualification Act 1986.

### **Documents**

Any

- (1) project models or displays
- (2) deeds, wills or agreements
- (3) maps, plans, records, photographs, negatives, calculations or drawings
- (4) written or printed books, letters, certificates, documents or forms of any nature whatsoever
- (5) computer software, files, documents and systems records

which are the property of The Charity or are under The Charity's custody or control.

This definition shall not include bearer bonds, evidence of share ownership (whether in electronic or other form), coupons, bank or currency notes and other negotiable paper.

### **Employment Practice Proceedings**

Proceedings commenced by pre-action protocol letter, IT1 or claim form against any Insured Person in their capacity as a director, officer or trustee of The Charity, arising out of any alleged or actual

- (1) discrimination
- (2) wrongful or unfair dismissal, discharge or termination of employment
- (3) breach of any written employment contract
- (4) wrongful failure to promote
- (5) wrongful demotion
- (6) wrongful deprivation of career opportunity
- (7) negligent evaluation
- (8) failure to furnish accurate job references.

### **Excess**

That first part of each and every payment in relation to a Claim or Loss which is payable by The Charity or any Insured Person, rather than Us. The amount of the Excess is stated in The Schedule.

## **Legal Liabilities** Directors and Officers Liability (Charity Trustees Management Liability) (Continued)

### **Formal Investigation**

Enquiry or investigation commenced by official notice instituted by statutory, regulatory or professional bodies empowered under statute to investigate the The Business of The Charity or an Insured Person in their capacity as a director, officer or trustee of The Charity.

### **Insured Person**

Any natural person who is or has been, during the Period of Insurance, a director, officer or trustee of The Charity.

### **Legal Representation Expenses**

Reasonable and necessary legal representation fees and related professional charges which an Insured Person incurs personally in their representation at a Formal Investigation.

### **Limit of Indemnity**

The maximum amount, stated in The Schedule, which We will pay in respect of any one Claim (including claimant's costs and expenses and Defence Costs) and in total for all Claims first made during any one Period of Insurance.

### **Loss**

Sums which any Insured Person is legally liable to pay in respect of any

- (1) damages, compensation or other settlements
- (2) claimants' costs and expenses
- (3) Defence Costs.

### **Pollution**

Any contamination by naturally occurring or man-made substances, forces or organisms or any combination of them, whether permanent or transitory and however occurring.

### **Proposal**

Any signed proposal form, renewal declaration, statement of fact and any additional information supplied by The Charity or on The Charity's behalf.

### **Retired Insured Person**

Insured Persons who have ceased to act in their insured capacity prior to the expiry of the Period of Insurance for reasons other than

- (1) disqualification, on grounds relating to fitness or propriety, from holding office or from managing a company
- (2) a Transaction having taken place.

### **Subsidiary**

Any organisation owned or controlled by The Charity.

### **Territorial Limits**

Territories specified in The Schedule.

### **Terrorism**

Any act or acts including but not limited to

- (1) the use or threat of force and/or violence and/or
- (2) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group of persons, or so claimed, in whole or in part for political, religious, ideological or similar purposes.

### **The Charity/The Insured**

The organisation named in The Schedule as The Policyholder.

### **Transaction**

The occurrence of any of the following events, the Charity

- (1) ceases to trade
- (2) consolidates with or merges into another entity
- (3) disposes of all or substantially all of its assets.

## **Legal Liabilities** Directors and Officers Liability (Charity Trustees Management Liability) (Continued)

### **United Kingdom**

The United Kingdom (including the Isle of Man and the Channel Islands).

### **Wrongful Act**

Any actual or alleged

- (1) breach of duty including fiduciary or statutory duty
- (2) negligent act, error or omission
- (3) defamation
- (4) breach of warranty of authority
- (5) misstatement or misleading statement
- (6) wrongful trading

committed by an Insured Person in their capacity as a director, officer or trustee of The Charity or The Charity within the Territorial Limits.

### **Cover**

#### **(1) Directors, Officers and Trustees Liability**

We will indemnify any Insured Person for Loss arising from a Claim as the result of a Wrongful Act, provided that

- (a) such Claim is first made and notified to Us during the Period of Insurance  
and
- (b) such Loss is not recoverable by the Insured Person from The Charity in which case Cover (2) Charity Reimbursement applies.

#### **(2) Charity Reimbursement**

In the event that The Charity is required or permitted to indemnify an Insured Person, We will pay on The Charity's behalf for Loss arising from a Claim as the result of a Wrongful Act, provided that

- (a) such Claim is first made and notified to Us during the Period of Insurance  
and

- (b) such Loss is not recoverable by The Charity from any other source.

#### **(3) Charity Liability**

We will indemnify The Charity for loss arising from a Claim as the result of a Wrongful Act, provided that

- (a) such Claim is first made and notified to Us during the Period of Insurance  
and
- (b) such loss is not recoverable by The Charity from any other source.

#### **(4) Heirs, Spouses or Legal Representatives**

In the event of an Insured Persons death, incapacity, insolvency or bankruptcy We will indemnify their lawful heirs, marital spouse, estate or legal representatives in respect of any legal liability by reason of their lawful status for Loss arising from a Claim as the result of a Wrongful Act.

#### **(5) Claims Brought By The Charity or Insured Person**

In the event of action or proceedings being brought by or on behalf of an Insured Person or The Charity in respect of a Claim arising from a Wrongful Act, We will provide indemnity for Loss arising from any

- (a) Claim brought by any retired director of The Charity
- (b) Claim brought by an administrator, liquidator or receiver appointed to deal with the insolvency of The Charity.

#### **(6) Bodily Injury Defence Costs**

We will pay Defence Costs arising from any Claim for Bodily Injury as the result of a Wrongful Act provided that such Claim is first made and notified to Us during the Period of Insurance.

Our total liability under this Cover during any one Period of Insurance and which is part of

## **Legal Liabilities** Directors and Officers Liability (Charity Trustees Management Liability) (Continued)

and not in addition to the Limit of Indemnity will not exceed £100,000 or the balance of the Limit of Indemnity available, whichever is the lesser.

### **(7) Pollution Defence Costs**

We will pay Defence Costs arising from any Claim for any Pollution as the result of a Wrongful Act provided that such Claim is first made and notified to Us during the Period of Insurance.

Our total liability under this Cover during any one Period of Insurance and which is part of and not in addition to the Limit of Indemnity will not exceed £100,000 or the balance of the Limit of Indemnity available, whichever is the lesser.

### **(8) Loss of Documents**

We will pay all reasonable costs and expenses incurred by The Charity in replacing, restoring or reconstituting Documents, lost or damaged in the conduct of The Business provided the loss or damage is suffered and first discovered by The Charity and notified to Us during the Period of Insurance.

Our total liability under this Cover shall not exceed £50,000 for any one occurrence and £150,000 in all in any one Period of Insurance.

We will not provide indemnity under this Section in respect of any loss or damage to Documents which are stored on Computer and Electronic Equipment, unless such Documents are backed up with the intention that in the event of loss or damage the back up can be used as the basis for restoring the Documents to their original status.

### **(9) Legal Representation Expenses**

We will pay on behalf of any Insured Person any reasonable costs and expenses incurred by them for representation at a Formal Investigation during the Period of Insurance, provided that

- (a) such costs and expenses are incurred with Our prior written consent

and

- (b) the attendance of that Insured Person is required directly in relation to the Formal Investigation

and

- (c) the subject of the Formal Investigation may become a Claim under this Section and in respect of which We may be obliged to provide an indemnity under the terms of this Section.

Our total liability under this Cover whether involving one or any number of Insured Persons will not exceed £15,000 which is part of and not in addition to the Limit of Indemnity in all any one Period of Insurance.

### **(10) Extended Reporting Period**

If We decline to offer renewal terms for this Section for reasons other than non-payment of premium, The Charity has the right to extend the Period of Insurance for an additional 12 months, hereafter referred to as the extended reporting period.

Provided that

- (a) The Charity makes written application to Us to exercise the extended reporting period within 15 days of the expiry date of the Period of Insurance.
- (b) payment of the additional premium chargeable is made by The Charity within 30 days of the expiry date of the Period of Insurance.
- (c) indemnity during the extended reporting period is only provided in respect of any Wrongful Act committed prior to the expiry date of the Period of Insurance
- (d) this Section is not superseded by another policy covering the same, or substantially the same, risks.

### **(11) Retired Insured Persons**

If this Section is neither renewed nor replaced with similar cover You shall be entitled to an

## Legal Liabilities Directors and Officers Liability (Charity Trustees Management Liability) (Continued)

extended reporting period of 72 months. This extended reporting period shall commence from the expiry date of the Period of Insurance and shall, for each Retired Insured Person, apply only to Wrongful Acts prior to the date on which that Retired Insured Person became a Retired Insured Person.

A Claim made during an extended reporting period shall be deemed to have been made during the Period of Insurance immediately preceding that extended reporting period. If, any Charity takes out any other insurance policy which affords cover similar to the extended reporting period described above, then the extended reporting period shall come to an end or, if not yet obtained, cease to be available.

### **Our total liability under this Section shall not exceed the Limit of Indemnity.**

We shall not be liable for the Excess or any lesser amount for which a Claim may be settled.

### **Exceptions**

*The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.*

We will not indemnify You in respect of any Claim

- (1) arising from proceedings brought against an Insured Person or The Charity and which have been issued prior to, or which are pending at, the prior and pending litigation date stated in The Schedule.
- (2) or circumstance that might give rise to a Claim which
  - (a) has been notified to and accepted under any other insurance attaching prior to the inception of this Section
  - (b) an Insured Person should after reasonable enquiry have been aware of prior to the inception of this Section.
- (3) arising from any Wrongful Act committed by the lawful heirs, marital spouse, estate or legal representatives of an Insured Person.
- (4) arising directly or indirectly from or in consequence of
  - (a) any dishonest or fraudulent act or omission by The Charity or any Insured Person if a court judgement or other final adjudication establishes such dishonest, fraudulent act or omission
  - (b) The Charity or any Insured Person having gained any personal profit, remuneration or advantage to which they were not legally entitled.
- (5) from any action or proceedings brought by or on behalf of an Insured Person or The Charity other than specifically indemnified under Cover (5) Claims Brought By The Charity or Insured Person.
- (6) directly or indirectly arising from
  - (a) the provision of, or failure to provide, professional services or professional advice
  - (b) a breach of any contract for the provision of professional services or professional advice.
- (7) arising directly or indirectly from any fines or penalties or any punitive, multiple, aggravated or exemplary damages where such can be identified separately within any award of any court.
- (8) directly or indirectly arising out of any
  - (a) pension or superannuation scheme
  - (b) health and welfare plan
  - (c) share option scheme or plan
  - (d) other employee benefit programme established or maintained for the benefit of The Charity or The Charity's employees.
- (9) arising directly or indirectly from any Bodily Injury other than Defence Costs indemnified under Cover (6) Bodily Injury Defence Costs.
- (10) arising directly or indirectly from or caused by Pollution other than Defence Costs indemnified under Cover (7) Pollution Defence Costs.



## **Legal Liabilities** Directors and Officers Liability (Charity Trustees Management Liability) (Continued)

- (11) arising directly or indirectly from or caused by damage to property other than Loss of Documents indemnified under Cover (8) Loss of Documents.
- (12) arising directly or indirectly from a Subsidiary established or acquired during the Period of Insurance unless We give our prior written consent to indemnity and the name of the Subsidiary is stated on The Schedule.
- (13) arising from, in respect of, or in any way connected with asbestos, or any actual or alleged asbestos related injury or damage involving the use, presence, existence, detection, removal, elimination or avoidance of asbestos or exposure to asbestos.
- (14) arising directly or indirectly, or in connection with, or consisting of any loss, destruction or damage, Failure or Loss of Data resulting directly or indirectly from or in connection with
  - (a) Virus or Similar Attack.
  - (b) Denial of Service Attack.
  - (c) unauthorised access to or use of Computer and Electronic Equipment.

However We will not exclude any liability in respect of any ensuing accidental Bodily Injury or accidental damage to property which is not otherwise excluded.

- (15) arising directly or indirectly from The Business in countries outside the Territorial Limits.
- (16) arising from any legal proceedings brought in a court of law outside the United Kingdom or brought in the United Kingdom to enforce a judgement or order made in any court of law outside the United Kingdom.
- (17) arising directly or indirectly from or in consequence of Terrorism.

### **Additional Exceptions applying to Cover 3 only**

- (18) for the breach of any contract or agreement, either written or oral, except to the extent that The Charity would have been liable in the absence of such a contract.

- (19) arising directly or indirectly from or in any way involving Employment Practice Proceedings.
- (20) arising directly or indirectly from or in consequence of or in any way involving breaches of law or regulation or other legal obligation concerning competition or for interference with trade.
- (21) for direct or indirect tax obligations of any kind.
- (22) arising directly or indirectly from or in any way involving Claims incurred as a result of any allegations of libel or slander.

## **Claims Conditions**

*If in relation to any Claim, The Charity fails to fulfil or observe the requirements imposed upon it by (1), (2) or (3) The Charity or any Insured Person will lose their right to indemnity or payment for that Claim.*

### **(1) Claims Notification**

If during the Period of Insurance, regardless of any Excess, The Charity or any Insured Person

- (a) receive any Claim, The Charity shall give written notice to Us as soon as practicable
- (b) become aware of any circumstance that might give rise to a Claim, The Charity shall give written notice to Us of such circumstance as soon as practicable. Any Claim subsequently arising from any circumstance notified to Us shall be deemed to have been made during the Period of Insurance in which the notice of such circumstance was first received by Us
- (c) discover a reasonable cause for suspicion of any dishonesty or fraud on the part of any Insured Persons, whether giving rise to a Claim or not, The Charity shall give written notice to Us of such discovery as soon as practicable, provided always that any such written notice under any part of Claims Condition (1) Claims Notification is received by Us during the Period of Insurance.

## Legal Liabilities Directors and Officers Liability (Charity Trustees Management Liability) (Continued)

Any written notice should be sent to  
Allied Westminster (Insurance Services) Ltd  
Allied House  
Holgate Lane  
Boston Spa  
LS23 6BN  
Tel. **01937 845245**  
Email. **insurance@alliedwestminster.com**

Remember to quote your policy number in any correspondence.

### (2) Admission of Liability

In the event of a Claim or the discovery of a circumstance that might give rise to a Claim, The Charity or any Insured Person must not admit liability for or settle any Claim, or incur any related costs or expenses, without Our written consent.

### (3) Claims Control and Subrogation

In the event of a Claim or the discovery of a circumstance that might give rise to a Claim, We will be entitled, at Our own expense at any time, to take over and conduct in the name of an Insured Person the defence or settlement of any such Claim or circumstance.

We shall not settle any Claim without the consent of the Insured Persons. If however the Insured Persons shall refuse to consent to any settlement recommended by Us, then Our liability for such Claim (including Defence Costs) shall not exceed the amount for which the Claim could have been settled inclusive of Defence Costs, incurred with their consent up to the date of such refusal and then only up to the Limit of Indemnity stated in The Schedule.

If We do take over and conduct the defence or settlement of any such Claim, The Charity or any Insured Person shall give Us all such information and assistance as We may reasonably require and that is in The Charity's or any Insured Persons power to provide.

Without prejudice to the generality of the above, Your duty to assist Us includes

- (a) providing all such information, assistance, signed statements or depositions as may be required to facilitate compliance with any civil procedure rules, practice directions and pre-action protocols as may be issued
- (b) allowing Us to present the best possible defence of a Claim within the time constraints available
- (c) ensuring ready access to all and any information that We may require in the defence of a Claim or investigation of a Loss
- (d) ensuring the payment, on demand, of the Excess in conjunction with the terms of any settlement agreed by Us.

We retain all rights of recovery available to The Charity or any Insured Person in respect of any payment which may be made under this Section.

## Conditions

*The following conditions apply to this Section in addition to the Policy Conditions at the back of this policy.*

### (1) Change of Control

If during the Period of Insurance The Charity

- (a) consolidates or merges into, sells all or the majority of its assets to any person, entity or group of persons or entities,  
or
- (b) becomes a subsidiary of another charity or becomes controlled by another unrelated charity

We will continue to provide indemnity but only in respect of any Claim as the result of a Wrongful Act prior to the date of change.

### (2) Allocation

We will do all that is reasonably required to determine a fair and equitable allocation between any Loss which is indemnified and any

## **Legal Liabilities** Directors and Officers Liability (Charity Trustees Management Liability) (Continued)

other losses or costs which are not indemnified under this Section taking into account the relative legal liability of each party involved.

If We cannot agree on a fair and equitable allocation with The Charity or the Insured Person, then the issue will be referred to a senior barrister (to be mutually agreed upon by the Insured Person, The Charity and Us) for arbitration whose decision shall be binding on all parties.

### **(3) Authorisation**

The Charity shall act upon behalf of any Insured Person or any other persons who maybe entitled to indemnity under this Section in respect of

- (a) the notification of any Claims in accordance with Claims Conditions (1), (2) and (3)
- (b) the payment of premiums or the receiving of any return premiums that may become due under this Section
- (c) the negotiation, agreement to an acceptance of renewal terms, and endorsements applying to this.

### **(4) Contracts (Rights of Third Parties)**

A person or company who is not a party to this Section has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this Section but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

### **(5) Policy Disputes**

In the event of any dispute, the law of England and Wales and the courts of England and Wales will have exclusive jurisdiction for hearing and determining any litigation arising out of or in connection with this Section.

### **(6) Liquidation**

In the event of The Charity's liquidation, We will continue to provide indemnity but only in respect of any Claim as the result of a Wrongful Act prior to the date of liquidation.

The date of liquidation will be deemed to be the date on which

- (a) a resolution for voluntary liquidation is passed by The Charity,
- or
- (b) a petition for compulsory liquidation is presented to the relevant authority.

### **(7) Other Insurances**

If any Insured Person or The Charity is, or would be but for the existence of this Section, entitled to indemnity under any other policy in respect of any Claim or Loss, We shall not be liable for any Loss or Defence Costs except in respect of any amount in excess of that which would have been payable under such insurance had this Section not been affected.

### **(8) Limit of Indemnity**

A separate aggregate Limit of Indemnity applies to this Section. We have no liability in excess of this Limit of Indemnity regardless of the number of Insured Persons or Companies or Claims made during the Period of Insurance.

### **(9) Excess Waiver**

We will refund the Excess if a final adjudication or a complete and final settlement exonerates all Insured Persons involved in such Claim from liability and imposes no recourse.

### **(10) Severability of Exceptions**

For the purposes of determining whether an exception applies, no fact pertaining to the conduct of any Insured Person shall be imputed to any other Insured Person.

### **(11) Originating Cause**

All Claims or Losses arising directly or indirectly from one source or originating cause shall be treated for the purposes of the Limit of Indemnity as a single Claim or loss.

## **Legal Liabilities** Directors and Officers Liability (Not for Profit Organisations' Management Liability)

### **Definitions**

*The following definitions apply to this Section, in addition to the Policy Definitions at the front of this policy, and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.*

### **Bodily Injury**

Any injury, death, illness, sickness, psychological injury, emotional distress or nervous shock.

### **Claim**

Any

- (1) demand whether oral or in writing, for damages or compensation.
- (2) notice of
  - (a) Criminal Proceedings including those for corporate killing or manslaughter
  - (b) Disqualification Proceedings
  - (c) Employment Practice Proceedings
  - (d) regulatory proceedings
  - (e) other civil or arbitration proceedings.

### **Criminal Proceedings**

A prosecution brought before any criminal court in the United Kingdom against any Insured Person in their capacity as a director or officer of the Not for Profit Organisation.

### **Defence Costs**

The cost and expenses incurred by an Insured Person or The Not for Profit Organisation in the investigation and defence of any Claim in so far as those costs and expenses have been incurred with Our written consent.

Defence Costs shall not include The Not for Profit Organisation's management costs or any overtime, wages, salaries, or fees of any Insured Person or any of The Not for Profit Organisation's employees.

### **Disqualification Proceedings**

Proceedings commenced by pre-action protocol letter, summons, application or claim form against any Insured Person in their capacity as a director or officer of The Not for Profit Organisation, under the Company Directors' Disqualification Act 1986.

### **Documents**

Any

- (1) project models or displays
- (2) deeds, wills or agreements
- (3) maps, plans, records, photographs, negatives, calculations or drawings
- (4) written or printed books, letters, certificates, documents or forms of any nature whatsoever
- (5) computer software, files, documents and systems records

which are the property of The Not for Profit Organisation or are under The Not for Profit Organisation's custody or control.

This definition shall not include bearer bonds, evidence of share ownership (whether in electronic or other form), coupons, bank or currency notes and other negotiable paper.

### **Employment Practice Proceedings**

Proceedings commenced by pre-action protocol letter, IT1 or claim form against any Insured Person in their capacity as a director, officer or trustee of The Not for Profit Organisation, arising out of any alleged or actual

- (1) discrimination
- (2) wrongful or unfair dismissal, discharge or termination of employment
- (3) breach of any written employment contract
- (4) wrongful failure to promote
- (5) wrongful demotion
- (6) wrongful deprivation of career opportunity
- (7) negligent evaluation
- (8) failure to furnish accurate job references.

## **Legal Liabilities** Directors and Officers Liability (Not for Profit Organisations' Management Liability) (Continued)

### **Excess**

That first part of each and every payment in relation to a Claim or Loss which is payable by The Not for Profit Organisation, or any Insured Person, rather than Us. The amount of the Excess is stated in The Schedule.

### **Formal Investigation**

Enquiry or investigation commenced by official notice instituted by statutory, regulatory or professional bodies empowered under statute to investigate The Business of The Not for Profit Organisation or an Insured Person in their capacity as a director or officer of The Not for Profit Organisation.

### **Insured Person**

Any natural person who was, is or becomes during the Period of Insurance, a director, officer or trustee of The Not for Profit Organisation.

### **Legal Representation Expenses**

Reasonable and necessary legal representation fees and related professional charges which an Insured Person incurs personally in their representation at a Formal Investigation.

### **Limit of Indemnity**

The maximum amount, stated in The Schedule, which We will pay in respect of any one Claim (including claimant's costs and expenses and Defence Costs) and in total for all Claims first made during any one Period of Insurance.

### **Loss**

Sums which any Insured Person or The Not for Profit Organisation is legally liable to pay in respect of any

- (1) damages, compensation or other settlements
- (2) claimants' costs and expenses
- (3) Defence Costs.

### **Pollution**

Any contamination by naturally occurring or man-made substances, forces or organisms or

any combination of them, whether permanent or transitory and however occurring.

### **Proposal**

Any signed proposal form, renewal declaration, statement of fact and any additional information supplied by The Not for Profit Organisation or on The Not for Profit Organisation's behalf.

### **Retired Insured Person**

Insured Persons who have ceased to act in their insured capacity prior to the expiry of the Period of Insurance for reasons other than

- (1) disqualification, on grounds relating to fitness or propriety, from holding office or from managing a company
- (2) a Transaction having taken place.

### **Subsidiary**

Any organisation owned or controlled by The Not for Profit Organisation.

### **Territorial Limits**

Territories specified in The Schedule.

### **Terrorism**

Any act or acts including but not limited to

- (1) the use or threat of force and/or violence  
and/or
- (2) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group of persons, or so claimed, in whole or in part for political, religious, ideological or similar purposes.

### **The Not for Profit Organisation/The Insured**

The organisation named in The Schedule as The Policyholder.

## **Legal Liabilities** Directors and Officers Liability (Not for Profit Organisations' Management Liability) (Continued)

### **Transaction**

The occurrence of any of the following events, The Not for Profit Organisation

- (1) ceases to trade
- (2) consolidates with or merges into another entity
- (3) disposes of all or substantially all of its assets.

### **United Kingdom**

The United Kingdom (including the Isle of Man and the Channel Islands).

### **Wrongful Act**

Any actual or alleged

- (1) breach of duty including fiduciary or statutory duty
- (2) negligent act, error or omission
- (3) defamation
- (4) breach of warranty of authority
- (5) misstatement or misleading statement
- (6) wrongful trading

committed by an Insured Person, in their capacity as a director, officer or trustee of The Not for Profit Organisation or The Not for Profit Organisation within the Territorial Limits.

### **Cover**

#### **(1) Directors and Officers Liability**

We will indemnify any Insured Person for Loss arising from a Claim as the result of a Wrongful Act, provided that

- (a) such Claim is first made and notified to Us during the Period of Insurance  
and
- (b) such Loss is not recoverable by the Insured Person from The Not for Profit Organisation in which case Cover (2) Not for Profit Organisation Reimbursement applies.

#### **(2) Not for Profit Organisation Reimbursement**

In the event that The Not for Profit Organisation is required or permitted to indemnify an Insured Person, We will pay on The Not for Profit Organisation's behalf for Loss arising from a Claim as the result of a Wrongful Act, provided that

- (a) such Claim is first made and notified to Us during the Period of Insurance  
and
- (b) such Loss is not recoverable by The Not for Profit Organisation from any other source.

#### **(3) Not for Profit Organisation Liability**

We will indemnify The Not for Profit Organisation for Loss arising from a Claim as the result of a Wrongful Act, provided that

- (a) such Claim is first made and notified to Us during the Period of Insurance  
and
- (b) such loss is not recoverable by The Not for Profit Organisation from any other source.

#### **(4) Heirs, Spouses or Legal Representatives**

In the event of an Insured Persons death, incapacity, insolvency or bankruptcy We will indemnify their lawful heirs, marital spouse, estate or legal representatives in respect of any legal liability by reason of their lawful status for Loss arising from a Claim as the result of a Wrongful Act.

#### **(5) Claims Brought By The Not for Profit Organisation or Insured Person**

In the event of action or proceedings being brought by or on behalf of an Insured Person or The Not for Profit Organisation in respect of a Claim arising from a Wrongful Act

## **Legal Liabilities** Directors and Officers Liability (Not for Profit Organisations' Management Liability) (Continued)

We will provide indemnity for Loss arising from any

- (a) Claim brought by any retired director of The Not for Profit Organisation
- (b) Claim brought by an administrator, liquidator or receiver appointed to deal with the insolvency of The Not for Profit Organisation.

### **(6) Bodily Injury Defence Costs**

We will pay Defence Costs arising from any Claim for Bodily Injury as the result of a Wrongful Act provided that such Claim is first made and notified to Us during the Period of Insurance.

Our total liability under this Cover during any one Period of Insurance and which is part of and not in addition to the Limit of Indemnity will not exceed £100,000 or the balance of the Limit of Indemnity available, whichever is the lesser.

### **(7) Pollution Defence Costs**

We will pay Defence Costs arising from any Claim for any Pollution as the result of a Wrongful Act provided that such Claim is first made and notified to Us during the Period of Insurance.

Our total liability under this Cover during any one Period of Insurance and which is part of and not in addition to the Limit of Indemnity will not exceed £100,000 or the balance of the Limit of Indemnity available, whichever is the lesser.

### **(8) Loss of Documents**

We will pay all reasonable costs and expenses incurred by The Not for Profit Organisation in replacing, restoring or reconstituting Documents, lost or damaged in the conduct of The Not for Profit Organisation's business provided the loss or damage is suffered and first discovered by The Not for Profit Organisation and notified to Us during the Period of Insurance.

Our total liability under this Cover shall not exceed £50,000 for any one occurrence and £150,000 in all in any one Period of Insurance.

We will not provide indemnity under this Section in respect of any loss or damage to Documents which are stored on Computer and Electronic Equipment, unless such Documents are backed up with the intention that in the event of loss or damage the back up can be used as the basis for restoring the Documents to their original status.

### **(9) Legal Representation Expenses**

We will pay on behalf of any Insured Person any reasonable costs and expenses incurred by them for representation at a Formal Investigation during the Period of Insurance, provided that

- (a) such costs and expenses are incurred with Our prior written consent  
and
- (b) the attendance of that Insured Person is required directly in relation to the Formal Investigation  
and
- (c) the subject of the Formal Investigation may become a Claim under this Section and in respect of which We may be obliged to provide an indemnity under the terms of this Section.

Our total liability under this cover whether involving one or any number of Insured Persons will not exceed £25,000 which is part of and not in addition to the Limit of Indemnity in all any one Period of Insurance.

### **(10) Extended Reporting Period**

If We decline to offer renewal terms for this Section for reasons other than non-payment of premium, The Not for Profit Organisation has the right to extend the Period of Insurance for an additional 12 months, hereafter referred to as the extended reporting period.

## Legal Liabilities Directors and Officers Liability (Not for Profit Organisations' Management Liability) (Continued)

Provided that

- (a) The Not for Profit Organisation makes written application to Us to exercise the extended reporting period within 15 days of the expiry date of the Period of Insurance
- (b) payment of the additional premium chargeable is made by The Not for Profit Organisation within 30 days of the expiry date of the Period of Insurance
- (c) indemnity during the extended reporting period is only provided in respect of any Wrongful Act committed prior to the expiry date of the Period of Insurance
- (d) this Section is not superseded by another policy covering the same, or substantially the same, risks.

### (11) Retired Insured Persons

If this Section is neither renewed nor replaced with similar cover Retired Insured Persons shall be entitled to an extended reporting period of 72 months. This extended reporting period shall commence from the expiry date of the Period of Insurance and shall, for each Retired Insured Person, apply only to Wrongful Acts prior to the date on which that Retired Insured Person became a Retired Insured Person.

A Claim made during an extended reporting period shall be deemed to have been made during the Period of Insurance immediately preceding that extended reporting period. If, any Not for Profit Organisation takes out any other insurance policy which affords cover similar to the extended reporting period described above, then the extended reporting period shall come to an end or, if not yet obtained, cease to be available.

#### **Our total liability under this Section will not exceed the Limit of Indemnity.**

We shall not be liable for the Excess or any lesser amount for which a Claim may be settled.

### Exceptions

*The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.*

We will not indemnify You in respect of any Claim

- (1) arising from proceedings brought against an Insured Person or The Not for Profit Organisation and which have been issued prior to, or which are pending at, the prior and pending litigation date stated in The Schedule.
- (2) or circumstance that might give rise to a Claim which
  - (a) has been notified to and accepted under any other insurance attaching prior to the inception of this Section
  - (b) an Insured Person should after reasonable enquiry have been aware of prior to the inception of this Section.
- (3) arising from any Wrongful Act committed by the lawful heirs, marital spouse, estate or legal representatives of an Insured Person.
- (4) arising directly or indirectly from or in consequence of
  - (a) any dishonest or fraudulent act or omission by The Not for Profit Organisation or any Insured Person if a court judgement or other final adjudication establishes such dishonest, fraudulent act or omission
  - (b) The Not for Profit Organisation or any Insured Person having gained any personal profit, remuneration or advantage to which they were not legally entitled.
- (5) from any action or proceedings brought by or on behalf of an Insured Person or The Not for Profit Organisation other than specifically indemnified under Cover (5) Claims Brought By The Not for Profit Organisation or Insured Persons.
- (6) directly or indirectly arising from
  - (a) the provision of, or failure to provide, professional services or professional advice



## **Legal Liabilities** Directors and Officers Liability

### **(Not for Profit Organisations' Management Liability) (Continued)**

- (b) a breach of any contract for the provision of professional services or professional advice.
- (7) arising directly or indirectly from any fines or penalties or any punitive, multiple, aggravated or exemplary damages where such can be identified separately within any award of any court.
- (8) directly or indirectly arising out of any
  - (a) pension or superannuation scheme
  - (b) health and welfare plan
  - (c) share option scheme or plan
  - (d) other employee benefit programme established or maintained for the benefit of The Not for Profit Organisation or The Not for Profit Organisation's employees.
- (9) arising directly or indirectly from any Bodily Injury other than Defence Costs indemnified under Cover (6) Bodily Injury Defence Costs.
- (10) arising directly or indirectly from or caused by Pollution other than Defence Costs indemnified under Cover (7) Pollution Defence Costs.
- (11) arising directly or indirectly from or caused by damage to property other than Loss of Documents indemnified under Cover (8) Loss of Documents.
- (12) arising directly or indirectly from a Subsidiary established or acquired during the Period of Insurance unless We give our prior written consent to indemnity and the name of the Subsidiary is stated on The Schedule.
- (13) arising directly or indirectly from The Business in countries outside the Territorial Limits.
- (14) arising from any legal proceedings brought in a court of law outside the United Kingdom or brought in the United Kingdom to enforce a judgement or order made in any court of law outside the United Kingdom.
- (15) any liability in respect of, or in any way connected with asbestos, or any actual or alleged asbestos related injury or damage involving the use, presence, existence, detection, removal, elimination or avoidance of asbestos or exposure to asbestos.
- (16) arising directly or indirectly from, or in connection with, or of any loss, destruction or damage, Failure or Loss of Data resulting directly or indirectly from or in connection with
  - (a) Virus or Similar Attack.
  - (b) Denial of Service Attack.
  - (c) unauthorised access to or use of Computer and Electronic Equipment.However We will not exclude any liability in respect of any ensuing accidental Bodily Injury or accidental damage to property which is not otherwise excluded.
- (17) arising directly or indirectly from or in consequence of Terrorism.

#### **Additional Exceptions applying to Cover 3 only**

- (18) for the breach of any contract or agreement, either written or oral, except to the extent that The Not for Profit Organisation would have been liable in the absence of such a contract.
- (19) arising directly or indirectly from or in any way involving Employment Practice Proceedings.
- (20) arising directly or indirectly from or in consequence of or in any way involving Claims incurred as a result of breach of law or regulation or other legal obligation concerning competition or for interference with trade.
- (21) for direct or indirect tax obligations of any kind.
- (22) arising directly or indirectly from or in any way involving Claims incurred as a result of any allegations of libel or slander.

## **Legal Liabilities** Directors and Officers Liability (Not for Profit Organisations' Management Liability) (Continued)

### **Claims Conditions**

*If in relation to any Claim, The Not for Profit Organisation fails to fulfil or observe the requirements imposed upon it by (1), (2) or (3) The Not for Profit Organisation or any Insured Person will lose their right to indemnity or payment for that Claim.*

#### **(1) Claims Notification**

If during the Period of Insurance, regardless of any Excess, The Not for Profit Organisation or any Insured Person

- (a) receives any Claim, The Not for Profit Organisation shall give written notice to Us as soon as practicable
- (b) becomes aware of any circumstance that might give rise to a Claim, The Not for Profit Organisation shall give written notice to Us of such circumstance as soon as practicable. Any Claim subsequently arising from any circumstance notified to Us shall be deemed to have been made during the Period of Insurance in which the notice of such circumstance was first received by Us
- (c) discovers a reasonable cause for suspicion of any dishonesty or fraud on the part of any Insured Persons, whether giving rise to a Claim or not, The Not for Profit Organisation shall give written notice to Us of such discovery as soon as practicable, provided always that any such written notice under any part of Claims Condition (1) Claims Notification is received by Us during the Period of Insurance.

Any written notice should be sent to  
Allied Westminster (Insurance Services) Ltd  
Allied House  
Holgate Lane  
Boston Spa  
LS23 6BN  
Tel. **01937 845245**  
Email. **insurance@alliedwestminster.com**

Remember to quote your policy number in any correspondence.

#### **(2) Admission of Liability**

In the event of a Claim or the discovery of a circumstance that might give rise to a Claim, The Not for Profit Organisation or any Insured Person must not admit liability for or settle any Claim, or incur any related costs or expenses, without Our written consent.

#### **(3) Claims Control and Subrogation**

In the event of a Claim or the discovery of a circumstance that might give rise to a Claim, We will be entitled, at Our own expense at any time, to take over and conduct in the name of an Insured Person the defence or settlement of any such Claim or circumstance.

We shall not settle any Claim without the consent of the Insured Persons. If however the Insured Persons shall refuse to consent to any settlement recommended by Us, then Our liability for such Claim (including Defence Costs) shall not exceed the amount for which the Claim could have been settled inclusive of Defence Costs, incurred with their consent up to the date of such refusal and then only up to the Limit of Indemnity stated in The Schedule.

If We do take over and conduct the defence or settlement of any such Claim, The Not for Profit Organisation or any Insured Person shall give Us all such information and assistance as We may reasonably require and that is in Not for Profit Organisation's or any Insured Persons power to provide.

Without prejudice to the generality of the above, Your duty to assist Us includes

- (a) providing all such information, assistance, signed statements or depositions as may be required to facilitate compliance with any civil procedure rules, practice directions and pre-action protocols as may be issued
- (b) allowing Us to present the best possible defence of a Claim within the time constraints available
- (c) ensuring ready access to all and any information that We may require in the

## **Legal Liabilities** Directors and Officers Liability (Not for Profit Organisations' Management Liability) (Continued)

defence of a Claim or investigation of a loss

- (d) ensuring the payment, on demand, of the Excess in conjunction with the terms of any settlement agreed by Us.

We retain all rights of recovery available to The Not for Profit Organisation or any Insured Person in respect of any payment which may be made under this Section.

### **Conditions**

*The following conditions apply to this Section in addition to the Policy Conditions at the back of this policy.*

#### **(1) Change of Control**

If during the Period of Insurance The Not for Profit Organisation

- (a) consolidates or merges into, sells all or the majority of its assets to any person, entity or group of persons or entities,  
or
- (b) becomes a subsidiary of another not for profit organisation or becomes controlled by another unrelated not for profit organisation

We will continue to provide indemnity but only in respect of any Claim as the result of a Wrongful Act prior to the date of change.

#### **(2) Allocation**

We will do all that is reasonably required to determine a fair and equitable allocation between any Loss which is indemnified and any other losses or costs which are not indemnified under this Section taking into account the relative legal liability of each party involved.

If We cannot agree on a fair and equitable allocation with The Not for Profit Organisation or the Insured Person, then the issue will be referred to a senior barrister (to be mutually

agreed upon by the Insured Person, The Not for Profit Organisation and Us) for arbitration whose decision shall be binding on all parties.

#### **(3) Authorisation**

The Not for Profit Organisation shall act upon behalf of any Insured Person or any other persons who maybe entitled to indemnity under this Section in respect of

- (a) the notification of any Claims in accordance with Claims Conditions (1), (2) and (3)
- (b) the payment of premiums or the receiving of any return premiums that may become due under this Section
- (c) the negotiation, agreement to an acceptance of renewal terms, and endorsements applying to this.

#### **(4) Contracts (Rights of Third Parties)**

A person or company who is not a party to this Section has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this Section but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

#### **(5) Policy Disputes**

In the event of any dispute, the law of England and Wales and the courts of England and Wales will have exclusive jurisdiction for hearing and determining any litigation arising out of or in connection with this Section.

#### **(6) Liquidation**

In the event of The Not for Profit Organisation's liquidation, We will continue to provide indemnity but only in respect of any Claim as the result of a Wrongful Act prior to the date of liquidation.

The date of liquidation will be deemed to be the date on which

## **Legal Liabilities** Directors and Officers Liability (Not for Profit Organisations' Management Liability) (Continued)

- (a) a resolution for voluntary liquidation is passed by The Not for Profit Organisation,  
or
- (b) a petition for compulsory liquidation is presented to the relevant authority.

### **(7) Other Insurances**

If any Insured Person or The Not for Profit Organisation is, or would be but for the existence of this Section, entitled to indemnity under any other policy in respect of any Claim or Loss, We shall not be liable for any Loss or Defence Costs except in respect of any amount in excess of that which would have been payable under such insurance had this Section not been affected.

### **(8) Limit of Indemnity**

A separate aggregate Limit of Indemnity applies to this Section. We have no liability in excess of this Limit of Indemnity regardless of the number of Insured Persons or Companies or Claims made during the Period of Insurance.

### **(9) Excess Waiver**

We will refund the Excess if a final adjudication or a complete and final settlement exonerates all Insured Persons involved in such Claim from liability and imposes no recourse.

### **(10) Severability of Exceptions**

For the purposes of determining whether an exception applies, no fact pertaining to the conduct of any Insured Person shall be imputed to any other Insured Person.

### **(11) Originating Cause**

All Claims or Losses arising directly or indirectly from one source or originating cause shall be treated for the purposes of the Limit of Indemnity as a single Claim or loss.

## Employee Benefits Personal Accident

### Definitions

*The following definitions apply to this Section in addition to the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.*

### Accidental Bodily Injury

- (1) injury caused by accidental and/or violent means
- (2) exposure

occurring within 24 months from the date of the accident by which such injury is caused.

### Gross Wages

The Insured Person's wages plus the average annual overtime/commission/bonus payments received in the three years immediately preceding the date of accident (all prior to deductions) or for weekly paid employees 52 times the Insured Person's weekly wage plus the average weekly overtime/commission/bonus payments received in the 156 weeks immediately preceding the date of accident (all prior to deductions).

### Insured Journey

Any authorised journey in connection with The Business which begins during the Period of Insurance and

- (1) starts from the time the Insured Person leaves their home or, if later, their place of business to travel within the Geographical Limits stated in The Schedule  
and
- (2) continues during the entire period of the journey  
and
- (3) terminates at the time of return to their home, or if earlier, their place of business.

If the Insured Journey is solely within the United Kingdom, cover will only be operative only if the journey involves an air flight and/or overnight stay away from home.

Any period of holiday which is purely ancillary to the Insured Journey shall be deemed to be included within the period of the Insured Journey provided that it is otherwise within the period set out above.

### Insured Person

- (1) You
- (2) any director of Yours, or partner, or proprietor of The Business
- (3) any Employee of Yours under a contract of employment with You

aged 85 or under.

### Loss of Limb

Shall mean in respect of

- (1) an arm – physical severance of all four fingers at or above the metacarpal phalangeal joints (where the fingers join the palm of the hand) and/or
- (2) a leg – physical severance at or above the level of the ankle (talo-tibial joint)

and shall also mean permanent total loss of use of an entire hand or arm at or above the metacarpal phalangeal joints (where the fingers join the palm of the hand), or leg at or above the level of the ankle (talo-tibial joint).

### Terrorism

Any act or acts including but not limited to

- (1) the use or threat of force and/or violence  
and/or
- (2) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

## Employee Benefits Personal Accident (Continued)

### Cover

We will pay compensation to You or Your personal representatives for Accidental Bodily Injury to an Insured Person occurring during the Period of Insurance which, solely, directly and independently of any other cause, results in any of the following Contingencies

- (1) death
- (2) total and permanent loss of sight in one or both eyes and/or total and permanent loss of hearing in one or both ears
- (3) loss of one or more limbs
- (4) any other total and permanent disablement which lasts without interruption for more than 12 months from the date of the accident and prevents the Insured Person from pursuing any occupation
- (5) temporary total disablement which prevents the Insured Person from pursuing their normal occupation
- (6) temporary partial disablement which prevents the Insured Person from pursuing a substantial part of their normal occupation.

We will not provide compensation in respect of any claim relating to any non-contracting parties rights to enforce all or any part of this Section. The Contracts (Rights of Third Parties) Act 1999 does not apply to this Section.

The amount of compensation payable to You for any Insured Person shall be the amount as stated in The Schedule for that category of Insured Person.

### Clauses

*The following clauses apply to this Section.*

#### (1) Amounts Payable

We will pay

- (a) the compensation stated in The Schedule with weekly benefit being paid at four weekly intervals

- (b) compensation under contingencies (5) and/or (6) for a maximum of two years from the date that the disablement started but where We pay compensation under any of contingencies (1) to (4)
  - (i) any weekly benefit being paid for the same injury will stop
  - (ii) this insurance will end for the Insured Person.

We shall not be liable for any amount in excess of the maximum accumulation limit of £1,000,000 in respect of any one accident. If the aggregate amount of all benefits payable exceeds the maximum accumulation limit, the benefit payable to each Insured Person shall be proportionately reduced until the total of all benefits does not exceed the maximum accumulation limit.

#### (2) Disappearance

If an Insured Person has been missing for a period of 180 consecutive days and there is sufficient evidence to support the conclusion that death has been caused by Accidental Bodily Injury, that person will be presumed to have died.

However, You will repay any compensation if the Insured Person is found to have been alive or is found alive.

#### (3) Medical Evidence

- (a) We may, at Our expense, arrange for an Insured Person to undergo
  - (i) a medical examination
  - or
  - (ii) a post mortem examination
- (b) You or Your legal representative will supply to Us, at Your expense, any
  - (i) certificate
  - (ii) information
  - (iii) evidencein the format We require.

## Employee Benefits Personal Accident (Continued)

### (4) Medical Expenses

When We pay compensation under contingencies (5) or (6), We will also pay up to 30% of this amount in respect of medical expenses incurred, subject to a maximum of £10,000 in respect of any one Insured Person.

### (5) Gross Wages

Where compensation is on a wages basis, the amount payable shall be the average weekly wage

- (a) in the 12 week period before the date of the Accidental Bodily Injury  
or
- (b) any shorter period if the Insured Person has been employed by You for less than 12 weeks.

We will not include overtime, commission or bonus payments unless these are guaranteed.

### Exceptions

*The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.*

We will not pay compensation for Accidental Bodily Injury directly or indirectly caused by

- (1) (a) the Insured Person suffering from any disability due to a gradually operating cause
- (b) suicide or attempted suicide
- (c) deliberate exposure to danger (except in an attempt to save human life)
- (d) the Insured Person's own criminal act
- (e) the Insured Person being in a state of insanity
- (f) flying or other aerial activities (except while travelling as a passenger by a recognised airline)
- (g) pregnancy or childbirth

- (2) an Insured Person practising for or taking part in
  - (a) mountaineering or rock climbing requiring use of ropes or guides
  - (b) pot-holing
  - (c) winter sports
  - (d) any kind of racing (except foot races)
  - (e) speed or time trials
  - (f) naval military or air force service or operations
- (3) the effects of alcohol or drugs (other than drugs prescribed by a doctor)
- (4) any treatment for drug addiction
- (5) any consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event
  - (a) Terrorism
  - (b) any action taken in controlling, preventing, suppressing or in any way relating to (a) above

except as stated in **Special Provision – Terrorism** below

In any action, suit or other proceedings where We allege that any consequence whatsoever resulting directly or indirectly from or in connection with (5)(a) and/or (5)(b) above regardless of any other contributory cause or event is not covered under this Section (or is covered only up to a specified limit) the burden of proving that any such consequence is covered (or is covered beyond that limit) under this Section shall be upon You.

#### **Special Provision – Terrorism**

Subject otherwise to the terms of the policy

Neither of the exclusions in (5)(a) and (5)(b) above shall apply to this Section provided that the total amount payable in respect of all losses arising out of any one occurrence shall not exceed the lesser of

## Employee Benefits Personal Accident (Continued)

- (i) any limits, amounts payable or maximum accumulation stated in The Schedule,  
or
- (ii) £1,000,000

In the event of a claim exceeding the total amount payable under this **Special Provision – Terrorism** Our liability in respect of each Insured Person claimed for shall be proportionately reduced until the total does not exceed such total amount payable.

### Endorsements and Conditions

*The following endorsements and conditions apply to this Section in addition to the Policy Conditions at the back of this policy.*

If in relation to any claim You fail to fulfil any of the following conditions, You will lose Your right to indemnity or payment for the claim.

### Index Linking

At renewal, where it is stated in The Schedule that index linking applies, the estimates upon which the premium is based will be adjusted for movements in The Average Earnings Index issued by the relevant government department or any alternative index specified by Us in Our reasonable opinion.

In the event of a negative index We will retain Your existing estimates, unless You advise Us otherwise.



# Policy Conditions

## Policy Conditions

All of the following Policy Conditions apply in addition to the conditions contained in each Section of the policy.

### (1) Alteration of Risk

If

- (a) there has been any alteration to the Property Insured and/or The Premises and/or The Business after the effective date of this insurance which increases the risk of loss, destruction, damage, accident or injury  
or
- (b) Your interest ceases except by will or operation of law

We will at Our option avoid the policy from the date of such alteration or when Your interest ceases, unless We accept the alteration.

### 2) Arbitration

If We accept liability but You disagree with the amount We offer to pay, the claim will be referred to an arbitrator who will be jointly appointed in accordance with statutory provisions.

### (3) Cancellation

- (1) You may cancel this policy at any time after the date We have received the premium by providing 30 days notice in writing to Us.
- (2) If there is a default under Your Aviva credit agreement which finances this policy, We may cancel this policy by providing notice in writing to You in accordance with the default termination provisions set out in Your Aviva credit agreement.

If Your policy is cancelled under (1) or (2) above and provided that there have been no:

- (a) claim(s) made under the policy for which We have made a payment
- (b) claim(s) made under the policy which are still under consideration

- (c) incident(s) which You are aware of and are likely to give rise to a claim which has already been or is yet to be reported to Us

during the current Period of Insurance We may, at Our discretion, refund to You a proportionate part of the premium paid for the unexpired period.

- (3) Where there is no Aviva credit agreement to finance this policy, We will cancel this policy from the inception date if the premium has not been paid and no return premium will be allowed. Such cancellation will be confirmed in writing by Us to Your last known address.
- (4) We may also cancel this policy at any time by sending not less than 30 days notice in writing to Your last known address.

We will refund a proportionate part of the premium for the unexpired period provided that there have been no:

- (a) claim(s) made under the policy for which We have made a payment
- (b) claim(s) made under the policy which are still under consideration
- (c) incident(s) which You are aware of and are likely to give rise to a claim which has already been or is yet to be reported to Us

during the current Period of Insurance.

### (4) Claims Procedure

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) tell Us immediately of any event or occurrence which may result in a claim.
- (b) notify the police immediately of loss, destruction or damage caused by malicious persons or thieves.

## Policy Conditions (Continued)

- (c) at Your expense, provide Us with a written claim containing as much information as possible of the loss, liability, destruction, damage, accident or injury, including the amount of the claim within
  - (i) 30 days
  - or
  - (ii) seven days in the case of loss, destruction or damage caused by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances or malicious personsof You becoming aware of the event or occurrence, or such further time that We may allow.
- (d) provide Us with all information and help We require in respect of the claim.
- (e) pass to Us, immediately all communications from third parties in relation to any event which may result in a claim under the policy.
- (f) not admit or repudiate liability, nor offer to settle, compromise, make payment which may result in a claim or pay any claim under this policy without Our written agreement.
- (g) allow Us to take over and conduct in Your name the defence or settlement of any claim. You will also allow Us to prosecute at Our own expense and for Our own benefit, any claim for indemnity or compensation against any other person and You must give Us all information and assistance required.

### (5) Contribution

#### Applicable to Employers' Liability Section and Public and Products Liability Section

- (a) If the insurance provided by these Sections is also covered by another policy (or would be but for the existence of these Sections), We will only indemnify You in respect of any excess beyond the amount which would be payable under such other insurance had these Sections not been effected.

#### Applicable to all other Sections insured by this Policy

- (b) Where any loss, destruction, damage or liability covered by the policy is also covered by another policy, (or would be but for the existence of this policy), We will only pay a rateable share of the loss.
- (c) If the other insurance is subject to a condition of average and this policy is not, this policy will become subject to the same condition of average.
- (d) If the Property Insured covered by the other insurance is subject to a provision excluding proportional payment in whole or in part, the payment We make will be limited to the proportion of loss, destruction or damage as the Sum Insured bears to the value of the property.

### (6) Discharge of Liability

We may at any time pay

- (a) the Limit of Indemnity,
- or
- (b) the Sum Insured
- or
- (c) a smaller amount for which a claim can be settled

after deduction of any sum already paid.

We will not make any further payment except for costs and expenses incurred prior to the payment of the claim.

### (7) Fraud

If a claim made by You or anyone acting on Your behalf is fraudulent or fraudulently exaggerated or supported by a false statement or fraudulent means or fraudulent evidence is provided to support the claim, We may

- (a) refuse to pay the claim
- (b) recover from You any sums paid by Us to You in respect of the claim

## Policy Conditions (Continued)

- (c) by notice to You cancel the policy with effect from the date of the fraudulent act without any return of premium.

If We cancel the policy under (c) above, then We may refuse to provide cover after the time of the fraudulent act. This will not affect any liability We may have in respect of the provision of cover before the time of the fraudulent act.

If this policy provides cover to any person other than You and a claim made by such person or anyone acting on their behalf is fraudulent or fraudulently exaggerated or supported by a false statement or fraudulent means or fraudulent evidence is provided to support the claim, We may

- (a) refuse to pay the claim
- (b) recover any sums paid by Us in respect of the claim (from You or such person, depending on who received the sums or who benefited from the cover provided)
- (c) by notice to You and such person cancel the cover provided for such person with effect from the date of the fraudulent act without any return of premium in respect of such cover.

If We cancel a person's cover under (c) above, then We may refuse to provide cover after the time of the fraudulent act. This will not affect any liability We may have under such cover occurring before the time of the fraudulent act.

### (8) Identification

The policy and The Schedule will be read as one contract.

### (9) Non Disclosure, Misrepresentation or Misdescription

#### 1. Before this policy was entered into

If You have breached Your duty to make a fair presentation of the risk to Us before this policy was entered into, then:

- a) where the breach was deliberate or reckless, We may avoid this policy and

refuse all claims, and keep all premiums paid;

- b) where the breach was neither deliberate nor reckless, and but for the breach:
  - i) We would not have agreed to provide cover under this policy on any terms, We may avoid this policy and refuse all claims, but will return any premiums paid
  - ii) We would have agreed to provide cover under this policy but on different terms (other than premium terms), We may require that this policy includes such different terms with effect from its commencement, and/or
  - iii) We would have agreed to provide cover under this policy but would have charged a higher premium, Our liability for any loss amount payable shall be limited to the proportion that the premium We charged bears to the higher premium We would have charged, as outlined in Schedule 1 to the Insurance Act 2015.

#### 2. Before a variation was agreed

If You have breached Your duty to make a fair presentation of the risk to Us before any variation to this policy was agreed, then:

- (a) where the breach was deliberate or reckless, We may cancel this policy with effect from the date of the variation, and keep all premiums paid;
- (b) where the breach was neither deliberate nor reckless, and but for the breach:
  - (i) We would not have agreed to the variation on any terms, We may treat this policy as though the variation was never made, but will return any additional premiums paid
  - (ii) We would have agreed to the variation but on different terms (other than premium terms), We may require

## Policy Conditions (Continued)

that the variation includes such different terms with effect from the date it was made, and/or

- (iii) We would have agreed to the variation but would have increased the premium, or would have increased it by more than We did, or would not have reduced it or would have reduced it by less than We did, Our liability for any loss amount payable shall be limited on a proportionate basis, as outlined in Schedule 1 to the Insurance Act 2015.

This condition operates in addition to any provisions relating to underinsurance in this policy.

### (10) Reasonable Precautions

You must

- (a) maintain The Premises, machinery, plant and equipment in a satisfactory state of repair.
- (b) take all reasonable precautions to prevent
  - (i) loss, destruction or damage to the Property Insured
  - (ii) accident or injury to any person or loss, destruction or damage to their property.
- (c) comply with all legal requirements and safety regulations and conduct The Business in a lawful manner.
- (d) keep books with a complete record of purchases and sales.

### (11) Reinstatement

When We decide, or are required to reinstate or replace any property, You will at Your expense provide

- (a) plans
- (b) documents
- (c) books

- (d) information which We require.

We will not be obliged to reinstate property exactly but only in a satisfactory manner as circumstances allow.

The maximum amount We will pay in respect of one item is the Limit of Indemnity or Sum Insured for that item.

### (12) Subrogation

Anyone making a claim under this policy must, at Our request and expense, do everything We reasonably require to

- (a) enforce a right or remedy
  - or
- (b) obtain relief or indemnity

from other parties to which We will become entitled or subrogated because of payment for or making good loss, destruction, damage, accident or injury.

We may require You to carry out such actions before or after We make any admission of or payment of a claim.

### (13) Index Linking

- (a) Renewal.

Where it states in The Schedule that index linking applies, the amounts insured will be adjusted for movements in the following indices or any alternative index specified by Us in Our reasonable opinion

- (i) any buildings and tenants improvements item

The General Building Cost Index issued by the Building Cost Information Service of the Royal Institution of Chartered Surveyors.

## Policy Conditions (Continued)

- (ii) other items

The Producer Price Index for Home Sales of Manufactured Products issued by the relevant government department.

In the event of a negative index We will retain Your existing amounts insured, unless You advise Us otherwise.

- (b) Claims.

These adjustments will continue during the

- (i) Period of Insurance
- (ii) period of repair, replacement or reinstatement provided that such work is carried out and completed without undue delay.

### (14) Long Term Undertaking

Where a Section is stated in The Schedule to be subject to a Long Term Undertaking a discount under that Section as stated in The Schedule is allowed in consideration of You having provided an undertaking with effect from the date stated in The Schedule to offer annually for the period stated in The Schedule the insurance under the Section on the terms and conditions in force at the expiry of each Period of Insurance and to pay the premiums annually in advance, it being understood that:

- (a) We will be under no obligation to accept an offer made in accordance with such an undertaking
- (b) the Sums Insured may be reduced at any time to correspond with any reduction in value or reduction in The Business.

The above mentioned undertaking applies to any policy which may be issued by Us in substitution for this policy and the same discount shall be allowed.

### (15) Subjectivity

At the inception of or during each Period of Insurance, the insurance provided by this policy may be subject to You

- (a)
  - (i) providing Us with any additional information
  - (ii) completing any actions agreed between You and Us
  - (iii) allowing Us to complete any actions agreed between You and Us.
- (b) If required by Us, allowing Us access to The Premises and/or The Business to carry out survey(s) and Your compliance with any risk improvements identified.

If this is the case, then The Schedule will clearly state the information required and/or the actions to be completed and the dates We require such information or the actions to be completed by.

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

- (i) modify Your premium,
- (ii) amend the terms and conditions of this policy,
- (iii) require You to make alterations to The Premises and/or to comply with any risk improvements identified,
- (iv) exercise Our right to cancel Your policy under Policy Condition (3) Cancellation,
- (v) leave the policy terms, conditions, and premium unaltered.

If We proceed with any of (i) (ii) and (iii) above, You have the right to cancel this policy from a date agreed by You and Us and, providing no claims have been made, We will refund a proportionate part of the premium paid for the unexpired period of cover.

# Policy Exceptions

## Exceptions

*The following Policy Exceptions apply to all Sections unless otherwise stated and in addition to the Exceptions contained in each Section.*

We will not indemnify You in respect of

- (1) any consequence whatsoever which is the direct or indirect result of any of the following, or anything connected with any of the following, whether or not such consequence has been contributed to by any other cause or event
  - (a)
    - (i) war, invasion, act of a foreign enemy, hostilities or a warlike operation or operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power
    - (ii) mutiny or military uprising, martial law
  - (b) nationalisation, confiscation, requisition, seizure, damage or destruction by or by order of any government or any local or public authority, and
  - (c) any action taken in controlling, preventing, suppressing or in any way relating to (1) (a) and/or (1) (b) above.

However,

- (1) exception (1) (a) (ii) shall only apply in respect of the following Sections, when insured by this policy
  - (a) Property Damage – Specified Contingencies
  - (b) Property Damage – All Risks
  - (c) Theft
  - (d) Computer
  - (e) Electronic Equipment
  - (f) Business All Risks
  - (g) Goods in Transit
  - (h) Money and Assault

- (i) Glass
    - (j) Engineering
    - (k) Contract Works
    - (l) Business Interruption
    - (m) Book Debts
    - (n) Loss of Licence.
  - (2) exceptions (1) (a) (b) and (c) do not apply to the following Sections, when insured by this policy
    - (a) Employee Dishonesty
    - (b) Terrorism
    - (c) Employers' Liability
    - (d) Professional Indemnity
    - (e) Directors and Officers Liability
    - (f) Management Liability.
  - (3) exception (1) (b) does not apply to the following Sections, when insured by this policy
    - (a) Public and Products Liability
    - (b) Personal Accident.
  - (4) exceptions (1) (a) and (1) (c) do not apply to the Personal Accident Section and Business Travel Sections, when insured by this policy, while the Insured Person is undertaking an Insured Journey.
- (2) death or disablement, loss or destruction of or damage to any property, any loss or expense whatsoever, any consequential loss or any legal liability directly or indirectly caused by or contributed to by or arising from
    - (a)
      - (i) ionising radiations or contamination by radioactivity from nuclear fuel or from nuclear waste from the combustion of nuclear fuel
      - (ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.

## Policy Exceptions (Continued)

- (b) the use of any weapon or device
  - (i) dispersing radioactive material and/or ionising radiation
  - or
  - (ii) using atomic or nuclear fission and/or fusion or other like reaction.
- (c) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this will not apply in respect of radioactive isotopes at The Premises (other than nuclear fuel or nuclear waste) used in the course of The Business for the purposes for which they were intended.

However,

- (1) in relation to the Employers' Liability Section, exception (2) (a) only applies when You under a contract or agreement have undertaken to
  - (a) indemnify another party
  - or
  - (b) assume the liability of another party.
- (2) exceptions (2) (a) and (2) (b) do not apply to the following Sections, when insured by this policy
  - (a) Employee Dishonesty
  - (b) Terrorism
  - (c) Professional Indemnity
  - (d) Directors and Officers Liability
  - (e) Management Liability.
- (3)
  - (a) Money, negotiable instruments and specie
  - (b) securities and bonds
  - (c) jewellery
  - (d) precious stones
  - (e) precious metals
  - (f) bullion
  - (g) furs
  - (h) curios and antiques

- (i) rare books
- (j) works of art
- (k) goods held in trust or on commission
- (l) documents
- (m) manuscripts
- (n) business books
- (o) computer systems records
- (p) explosives and hazardous substances
- (q) property in transit

unless specifically mentioned.

However, exceptions (3)(a) to (q) do not apply to the following Sections, when insured by this policy

- (1) Terrorism
  - (2) Employers' Liability
  - (3) Public and Products Liability
  - (4) Commercial Legal Protection.
- (4) any claim which arises directly or indirectly from or consists of the failure or inability of any
    - (a) electronic circuit, microchip, integrated circuit, microprocessor, embedded system, hardware, software, firmware, program, computer, data processing equipment, telecommunication equipment or systems, or any similar device
    - (b) media or systems used in connection with anything referred to in (a) above

whether Your property or not, at any time to achieve any or all of the purposes and consequential effects intended by the use of any number, symbol or word to denote a date and this includes without any limitation the failure or inability to recognise, capture, save, retain or restore and/or correctly to manipulate, interpret, transmit, return, calculate or process any date, data, information, command, logic or instruction as a result of

- (i) recognising, using or adopting any date, day of the week or period of time, otherwise than as, or other than, the true or correct date, day of the week or period of time

## Policy Exceptions (Continued)

- (ii) the operation of any command or logic which has been programmed or incorporated into anything referred to in (a) and (b) above.

However,

- (1) We will not exclude any claim for subsequent loss or destruction of or damage to any property or consequential loss which itself results from a Defined Contingency arising under any of the following Sections, but only to the extent that such claim would otherwise be insured under that Section
  - (a) Property Damage
  - (b) Money and Assault
  - (c) Engineering
  - (d) Computer
  - (f) Electronic Equipment.
  - (g) Business Interruption.
- (2) exceptions (4) (a) and (4) (b) do not apply to the following Sections, when insured by this policy
  - (a) Employee Dishonesty
  - (b) Loss of Licence
  - (c) Terrorism
  - (d) Employers' Liability
  - (e) Personal Accident
  - (f) Professional Indemnity
  - (g) Directors and Officers.

### Definition

The following definition only applies to this exception

'Defined Contingency'

fire, lightning, explosion, aircraft and other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any tank apparatus or pipe, impact by any road vehicle or animal, or theft.











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