

**Tattoo & Piercing Package Combined Policy Underwritten by AXA XL Insurance Company UK  
Limited (formerly known as XL Catlin Insurance Company UK  
Limited)**

**Arranged exclusively by Arthur J Gallagher Insurance Brokers Limited for**



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## **Important Information**

This policy consists of the Policy Definitions, Extensions, Exclusions and Conditions, the **schedule**, the coverage Sections stated as operative in the **schedule** and **endorsements**, if any, all of which are a single document and are to be read as one contract. In deciding to accept this policy and in setting the terms and premium **we** have relied on the information which **you** have provided to **us**.

This insurance is underwritten by **us** and administered through Arthur J Gallagher Insurance Brokers Limited in accordance with the authority granted under the Contract Number stated in the **schedule**.

**We** will, in consideration of the payment of the premium, insure **you**, subject to the terms and conditions of this policy, against the events set out in the operative Sections and occurring in connection with the **business** during the **period of insurance** or any subsequent period for which **we** agree to accept payment of premium.

Please read this policy carefully and make sure that it meets **your** needs. If any corrections are necessary, **you** should contact Arthur J Gallagher Insurance Brokers Limited through whom this policy was arranged.

Please keep this policy in a safe place – **you** may need to refer to it if **you** have to make a claim.

### **1. Accessibility**

Upon request Arthur J Gallagher Insurance Brokers Limited can provide Braille, audio or large print versions of the policy and the associated documentation. Please contact Arthur J Gallagher Insurance Brokers Limited who will be pleased to supply an alternative for **you**.

### **2. Fair Processing Notice**

#### **a) AXA XL Insurance Company UK Limited**

For information about how we process your personal information, please see our full privacy notice at: <https://axaxl.com/privacy-and-cookies>.

If you have questions or concerns regarding the way in which your personal information has been used, please contact: [dataprivity@axaxl.com](mailto:dataprivity@axaxl.com).

#### **b) Arthur J Gallagher Insurance Brokers Limited**

We are the data controller of any personal data you provide to us. We collect and process personal data in order to offer and provide insurance services and policies and to process claims. Personal data is also used for business purposes such as fraud prevention and detection, financial management, to generate risk modelling, conduct analytics including to advise, improve and develop our products and services and to comply with our legal and regulatory obligations. This may involve sharing information with, and obtaining information from, our group companies and third parties such as (re)insurers, other brokers, loss adjusters, credit reference agencies, service providers, professional advisors, our regulators or fraud prevention agencies.

We may record telephone calls to help us to monitor and improve the service we provide as well as for regulatory purposes.

Please see our Privacy Notice for further information on how your personal data is used, shared, disclosed and retained, your rights in relation to your personal data and how to contact our Data Protection Officer. Our Privacy Notice can be found at:

<https://www.aig.com/uk/privacy-policy/>

### **3. Third Party Rights**

A person who is not a party to this contract of insurance has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this contract of insurance but this does not affect any right or remedy of a third party that exists or is available apart from that Act.

### **4. Law and Jurisdiction**

The parties are free to choose the law applicable to this contract of insurance. Unless specifically agreed to the contrary this contract of insurance shall be governed by English law and subject to the exclusive jurisdiction of the courts of England and Wales.

The language of this contract of insurance and all communications relating to it will be in English.

### **5. Cancellation and Cooling Off Period**

#### **(a) Your Right to Cancel during the Cooling-Off Period**

**You** are entitled to cancel this policy by notifying Arthur J Gallagher Insurance Brokers Limited within fourteen (14) days of either:

- (i) the date **you** receive this policy; or
- (ii) the start of **your period of insurance**;

whichever is the later.

A full refund of any premium paid will be made unless **you** have made a claim in which case the full annual premium is due.

#### **(b) Your Right to Cancel after the Cooling-Off Period**

**You** are entitled to cancel this policy after the cooling-off period by notifying Arthur J Gallagher Insurance Brokers Limited in writing or by email. Cancellation will be effective from the date of such notice to cancel. Any return of premium due to **you** will be calculated at a proportional daily rate depending on how long the policy has been in force unless **you** have made a claim in which case the full annual premium is due.

#### **(c) Our Right to Cancel**

**We** are entitled to cancel this policy, if there is a valid reason to do so, including for example:

- (i) any failure by **you** to pay the premium; or
- (ii) a change in risk which means **we** can no longer provide **you** with insurance cover; or
- (iii) non-cooperation or failure to supply any information or documentation **we** request, such as details of a claim;

by giving **you** fourteen (14) days' notice in writing. Any return of premium due to **you** will be calculated at a proportional daily rate depending on how long the policy has been in force unless **you** have made a claim in which case the full annual premium is due.

### **6. Information You Have Given Us**

In deciding to accept this policy and in setting the terms including premium **we** have relied on the information which **you** have provided to **us**. **You** must take care when answering any questions **we** ask by ensuring that any information provided is accurate and complete.

If **we** establish that **you** deliberately or recklessly provided **us** with untrue or misleading information, **we** will have the right to:

- (a) treat this policy as if it never existed;
- (b) decline all claims; and
- (c) retain the premium.

If **we** establish that **you** carelessly provided **us** with untrue or misleading information **we** will have the right to:

- (i) treat this policy as if it never existed, refuse to pay any claim and return the premium **you** have paid, if **we** would not have provided **you** with cover;
- (ii) treat this policy as if it had been entered into on different terms from those agreed, if **we** would have provided **you** with cover on different terms;
- (iii) reduce the amount **we** pay on any claim in the proportion that the premium **you** have paid bears to the premium **we** would have charged **you**, if **we** would have charged **you** more.

**We** will notify **you** in writing if (i), (ii) and/or (iii) apply.

If there is no outstanding claim and (ii) and/or (iii) apply, **we** will have the right to:

- (1) give **you** a notice that **we** are terminating this policy; or
- (2) give **you** notice that **we** will treat this policy and any future claim in accordance with (ii) and/or (iii), in which case **you** may then give **us** a notice that **you** are terminating this policy in accordance with the Cancellation and Cooling-Off Period Provisions.

## 7. Changes We Need to Know About

**You** must tell **us** as soon as practicably possible of **you** becoming aware of any changes in the information **you** have provided to **us** which happen before or during any **period of insurance**.

When **we** are notified of a change **we** will tell **you** if this affects **your** policy. For example, **we** may cancel **your** policy in accordance with the Cancellation and Cooling-Off Provisions, amend the terms of **your** policy or require **you** to pay more for **your** insurance. If **you** do not inform **us** about a change, it may affect any claim **you** make or could result in **your** insurance being invalid.

## 8. Fraud

If **you**, or anyone acting for **you**, makes a claim which is fraudulent and/or intentionally exaggerated and/or supported by a fraudulent statement or other device, **we** will not pay any part of **your** claim or any other claim **you** have made or may make under this policy. In addition, **we** will have the right to:

- (a) treat this policy as if it never existed, or at **our** option terminate this policy, without returning any premium that **you** have paid;
- (b) recover from **you** any amounts that **we** have paid in respect of any claim, whether such claim was made before or after the fraudulent claim; and

(c) refuse any other benefit under this policy.

If **we** exercise **our** right under (c) above:

- (i) **We** shall not be liable to **you** in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to **our** liability under this policy (such as the occurrence of a loss, the making of a claim, or the notification of a potential claim); and
- (ii) **We** need not return any of the premium paid.

## 9. Sanctions

**We** shall not provide any benefit under this policy to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

## 10. Complaints Procedure

**We** are dedicated to providing a high quality service and **we** want to ensure that **we** maintain this at all times.

If **you** wish to make a complaint **you** can do so at any time by referring the matter to:

Complaints Department  
XL Catlin Services SE, UK Branch  
20 Gracechurch Street  
London  
EC3V 0BG  
United Kingdom  
Telephone Number: +44 (0)20 7743 8487  
Email: [axaxlukcomplaints@axaxl.com](mailto:axaxlukcomplaints@axaxl.com)

XL Catlin Services SE acts on **our** behalf in the administration of complaints.

If **you** remain dissatisfied after the Complaints Department has considered **your** complaint, or **you** have not received a final decision within eight (8) weeks, **you** can refer **your** complaint to the Financial Ombudsman Service at:

Financial Ombudsman Service  
Exchange Tower  
London  
E14 9SR  
United Kingdom

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Telephone Number: **From within the United Kingdom**

0800 0234 567 calls to this number are free on mobiles and landlines

0300 1239 123 calls to this number costs no more than calls to 01 and 02 numbers

**From outside the United Kingdom**

+44 (0)20 7964 0500

Fax Number: +44 (0)20 7964 1001

Text Number: 07860 027 586 Call Back Service

The Financial Ombudsman Service can look into most complaints from consumers and small businesses. For more information contact them on the above number or address, or view their website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

## **11. Financial Services Compensation Scheme**

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the Scheme if we are unable to meet our obligations under this contract of insurance. If you were entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this contract of insurance. Further information about the Scheme is available from the Financial Services Compensation Scheme (PO Box 300, Mitcheldean, GL17 1DY) and on their website: [www.fscs.org.uk](http://www.fscs.org.uk).

## **12. Regulatory Information**

### **a) AXA XL Insurance Company UK Limited**

We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm Reference No. 423308.) Our registered office is 20 Gracechurch Street, London, EC3V 0BG. Registered in England No. 5328622.

You can check this out on the FCA's website at [www.fca.org.uk](http://www.fca.org.uk) which includes a register of all the firms they regulate or by calling the FCA on 0800 111 6768.

### **b) XL Catlin Services SE**

XL Catlin Services SE acts on behalf of AXA XL Insurance Company UK Limited in the administration of complaints. XL Catlin Services SE is a registered insurance intermediary authorised and regulated by the Central Bank of Ireland.

Registered Office . Wolfe Tone House, Wolfe Tone Street, Dublin 1, D01HP90, Ireland

Registered in Ireland Number 659610.

You can check this information on the Central Bank of Ireland's website at [www.centralbank.ie](http://www.centralbank.ie) which includes a register of all the firms they regulate.

**c) Arthur J Gallagher Insurance Brokers Limited**

Arthur J. Gallagher Insurance Brokers Limited is authorised and regulated by the Financial Conduct Authority. Registered Office: Spectrum Building, 7th Floor, 55, Blythswood Street, Glasgow, G2 7AT. Registered in Scotland. Company Number: SC108909.

You can check this out on the FCA's website at [www.fca.org.uk](http://www.fca.org.uk) which includes a register of all the firms they regulate or by calling the FCA on 0800 111 6768.

**General Definitions**

*The following definitions apply in all sections of this policy unless otherwise stated. Each time one of the words below is used it will have the same meaning wherever it appears in the policy or **schedule**. To help identify these words they will appear in **bold** in the policy wording.*

**1. Buildings**

- (i) Buildings (being built mainly of brick, stone, concrete or other noncombustible materials unless otherwise stated in the **schedule**).
- (ii) Landlords' fixtures and fittings in and on the buildings.
- (iii) Small outside buildings, extensions, annexes, gangways.
- (iv) Walls, gates and fences, yards, car parks, roads, pathways and loading bays.
- (v) Services, meaning telephone, gas and water mains, electrical instruments, meters, piping, cabling and the like extending from the buildings to the perimeter of the **premises** or to the public mains (including those underground).

**Buildings** does not include electronic data.

**2. Business**

The business stated in the **schedule**.

**3. Communicable Disease**

Any illness, sickness, disease, infection, condition, or disorder caused, in whole or in part, by any direct or indirect contact with or exposure to any virus, parasite, or bacteria or any disease-causing agent of any nature regardless of the method of transmission, contact or exposure.

**4. Computer System**

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

## 5. **Cyber Act**

An unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.

## 6. **Cyber Incident:**

6.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System**; or

6.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**.

## 7. **Cyber Loss**

Any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any **Cyber Act or Cyber Incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act or Cyber Incident**.

## 8. **Damage**

Physical loss, destruction of or damage to tangible property.

## 9. **Data**

Information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.

## 10. **Employee**

Any person who is

- (a) under a contract of service or apprenticeship with **you**.
- (b) a labour master or supplied by a labour master.
- (c) employed by labour only sub-contractors.
- (d) self-employed and working for **you** and under **your** control.
- (e) hired to or borrowed by **you**.
- (f) supplied to **you** for the purposes of study, work or training experience.
- (g) a prospective employee who is undergoing practical work experience whilst being assessed as to their suitability for employment.
- (h) a voluntary helper while working under **your** supervision and control in connection with the **business**.
- (i) an outworker or homeworker employed under a contract to personally carry out any work in connection with the **business** while they are engaged in that work.

## 11. **Endorsement**

A change in the terms and conditions of this policy agreed by **us** that can extend or restrict cover.

## 12. **Excess**

This is the first part of any claim that **you** will have to pay after the application of all other terms and conditions of the insurance including underinsurance (General condition 2).

## 13. **Heave**

The upward movement of the ground beneath the **buildings** as a result of the soil expanding.

## 14. **Landslip**

Downward movement of sloping ground.

## 15. **Gallagher**

Arthur J Gallagher Insurance Brokers Limited

## 16. **Money**

Cash, bank and currency notes, postal and money orders, bankers' drafts, cheques, giro cheques, giro drafts, national giro payment orders, travellers cheques, crossed warrants, bills of exchange, securities for money, postage revenue, current postage stamps and unused postal franking machine units, national insurance and holiday with pay stamps, stamped national insurance and holiday with pay cards, national savings certificates, national savings stamps, saving stamps, war bonds, premium savings bonds, franking machine impressions, credit company sales vouchers, luncheon vouchers, trading stamps, VAT invoices, travel vouchers, travel tickets, airline tickets, uncrossed dividend warrants, consumer redemption vouchers, gift tokens, certificates of deposit and credit cards.

Money does not include electronic data.

## 17. **Period of insurance**

The period from the effective date shown in the **schedule** until midnight on the expiry date shown in the **schedule**.

## 18. **Pollution**

Pollution, discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant including for example smoke, vapours, soot, dust, fibres, fungi, mould, fumes, acids, alkalis, chemicals and waste (including for example material to be recycled, reconditioned or reclaimed) or contamination of any kind of the atmosphere or of any water, land, buildings or other tangible property.

## 19. **Premises**

The premises stated in the **schedule**.

## 20. **Schedule**

The document entitled Schedule that relates to and forms part of this policy.

## 21. **Settlement**

The downward movement as a result of the soil being compressed by the weight of the **buildings** within ten (10) years of construction.

## 22. **Subsidence**

The downward movement of the ground beneath the **buildings** other than by **settlement**.

## 23. **Terrorism**

An act, including for example the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

## 24. **We/us/our**

AXA XL Insurance Company UK Limited

## 25. **You/your**

The insured named in the **schedule**.

## **General Conditions**

### 1. **Your Duties**

At all times during the **period of insurance** **You** shall at **your** own expense:

- (a) take all practicable steps to prevent or reduce **damage**, loss or **bodily injury**;
- (b) maintain all buildings, furnishings, ways, works machinery, caravans and vehicles in sound condition;
- (c) exercise reasonable care in the selection and supervision of **employees**;
- (d) remedy any defect or danger as soon as practicably possible after discovery and in the meantime take such additional precautions as the circumstances may require;
- (e) comply with all statutory requirements and other safety regulations imposed by any authority.

In the event of breach of this term, **we** shall have no liability under this policy, unless **You** show that non-compliance with this term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

### 2. **Underinsurance**

If at the time of any **damage** the sum insured on any item of the property insured is less than the total value of such property, **you** shall be considered as being **your** own insurer for the difference and shall bear a rateable share of the loss accordingly.

### 3. **Index linking**

*(Applies only to section 1 - Material damage, section 2 - Business interruption, section 4 -*

*Trade all risks and section 5 - Goods in transit if insured)*

## **Renewal**

Where the **schedule** states that index linking applies, **we** will adjust the amounts insured to take into account movements in the appropriate index shown below.

### *Building and tenants improvements items*

The General Building Cost Index issued by the Building Cost Information Service of the Royal Institute of Chartered Surveyors.

### *Other items*

The Producer Price Index for Home Sales of Manufactured Products issued by the Department of Trade and Industry.

### **Claims**

For claims settlement purposes (except Section 2 - Business interruption) the adjustments set out above will continue during the **period of insurance** and the period of repair, replacement or reinstatement as long as the work is carried out and completed without undue delay.

*NOTE: If either of the above indices is not available, we may select a suitable alternative.*

#### **4. Discharge of liability**

**We** may at any time pay the limit of liability or the sum insured (less any sum already paid) or any lower amount for which a claim can be settled. **We** shall be under no further liability except for the payment of costs and expenses incurred before the date of payment.

#### **5. Excess**

**We** shall not be liable for the amount of the **excess** stated in the **schedule** in respect of each and every loss calculated after the application of all other terms and conditions of this policy.

#### **6. Adjustment of premium**

If the premium has been calculated on estimates given by **you**, **you** must keep an accurate record of all relevant particulars which shall be available to **us** for inspection. As soon as practicably possible after the end of each **period of insurance**, **you** shall supply to **us** an accurate statement so that the premium for that period can be calculated and the difference paid by or returned to **you**.

If **you** do not supply such a statement after the end of the **period of insurance**, **we** shall be entitled to make **our** own estimate and adjust the premium accordingly.

### **Instalments**

If **you** are paying the premium through a loan taken out with a finance house and **we** cancel the policy due to non-payment of an instalment or any other reason, any refund of premium will be made directly to the finance house.

In the event of a default, the cancellation will be effective from the day the finance house advises **us** of the default.

#### **7. Tax**

**You** will pay any tax due on the premium in accordance with current legislation.

### **Claims Conditions**

1. On the discovery of any incident which may give rise to a claim under this policy **you** shall:
  - (a) notify **us** through Charles Taylor Loss Adjusters as soon as practicably possible;

- (b) notify the police as soon as practicably possible in respect of **damage** caused by malicious persons or thieves if insured by this policy;
- (c) take all practical steps to prevent further **damage** and to minimise any interruption of the **business**;
- (d) remedy any defect or **damage** as soon as practicably possible after discovery and in the meantime take such additional precautions as the circumstances may require; and
- (e) send to **us** through Charles Taylor Loss Adjusters at **your** expense as soon as practicably possible after the incident (or within 7 days in the case of **damage** caused by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances or malicious persons if insured by this policy):
  - (i) full information in writing of the claim;
  - (ii) details of any other insurance relating to the claim;
  - (iii) any business books, documents, proofs, information and other evidence as **we** may require.

Email: [xlcatlinclaims@ctplc.com](mailto:xlcatlinclaims@ctplc.com)

Telephone: 01142 757030 Liability or 01245 347496 Property

2. **We** shall be entitled to refuse to pay, or reduce the amount they pay, for any claim under this policy if **you** do not comply with the provisions of condition 1.
3. If **we** choose or are required to reinstate or replace any property **you** shall at **your** own expense give **us** all such plans, documents, books and information as **we** may require. **We** shall not be bound to reinstate exactly or completely but only as circumstances permit and in a sufficient manner and shall not in any case be bound to pay out more than the sum insured on any item.
4.
  - (a) In the event of any **damage** for which a claim is or may be made under this policy **we** and any person authorised by **us** may without incurring any liability or diminishing **our** right to rely upon any conditions of this policy enter, of the building or **premises** where the **damage** has happened.

The property insured shall remain **yours** at all times. **We** will not take ownership, accept liability for, sell or dispose of any of the property insured unless **we** agree with **you** in writing that **we** shall do so.

- (b) **You** or anyone acting on **your** behalf must not make any admission, offer, promise or payment without **our** written consent. **We** have the right to take over and conduct in **your** name the defence or settlement of any claim or to prosecute any claim in **your** name for **our** own benefit and **we** shall have full discretion in the conduct of any proceedings and in the settlement of any claim.
- (c) **You** shall give all such assistance as **we** may require.

**We** shall be entitled to refuse to pay, or reduce the amount they pay, for any claim under this policy if **you** do not comply with the provisions of this condition.

5. Any claimant under this policy shall at **our** request and expense do and allow all such acts and things as **we** may require for the purpose of enforcing any rights and remedies **we** may

have of obtaining recovery or reimbursement from third parties, irrespective of whether **we** require this before or after **we** reimburse **you**.

6. **You** must send **us** through Charles Taylor Loss Adjusters unanswered every letter, claim, writ, summons and process in connection with the incident as soon as practicably possible after receipt. **You** shall also give **us** through Knowles Loss Adjusters notice as soon as practicably possible after **you** know of any prosecution or inquest in connection with any occurrence which may give rise to a claim under this policy.
7. *Not applicable to section 3 part 2 - Personal injury (robbery)*

If at the time of any claim there is any other insurance covering **your** interest in the property **damaged** or the same legal liability **our** liability under this policy shall be limited to its rateable proportion of such claim.

If the other insurance is subject to any condition of underinsurance this policy if not already subject to any condition of underinsurance shall be subject to underinsurance in the same way.

If any other insurance effected by **you** or on **your** behalf covers any of the property insured but is subject to any provision which excludes it from ranking concurrently with this policy either in whole or in part or from contributing rateably to the **damage**, **our** liability under this policy shall be limited to such proportion of the **damage** as the sum insured bears to the value of the property.

## General Exclusions

This policy does not apply to or include cover for or arising out of or relating to:

1. any award of punitive or exemplary damages whether as fines, penalties, multiplication of compensatory awards or damages, or in any other form whatsoever.
2. any liability assumed by **you** under any express warranty, agreement or guarantee unless such liability would have attached to **you** irrespective of such express warranty or guarantee.
3.
  - (a) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
  - (b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or its nuclear components; or
  - (c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
  - (d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
  - (e) any chemical, biological, bio-chemical, or electromagnetic weapon;

- (f) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;
- (g) nationalisation, confiscation, requisition, seizure or destruction by the government or any public or local authority.

**NOTE**

When related to section 6 – Employers’ liability, paragraphs a) and b) shall only apply in respect of bodily injury to an **employee** when **you** under a contract or agreement have undertaken:

- (i) to indemnify another party; or
- (ii) to assume the liability of another party in respect of such bodily injury.

- 5. pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

*Not applicable to section 6 - Employers’ liability or section 7 - Public/products liability.*

- 6. **money**, jewellery, precious stones, precious metals (except where parts of machinery or tools) bullion, bonds, furs, curiosities, rare books, works of art, patterns, models, moulds, plans and designs;

- (a) goods held in trust or on commission, documents, manuscripts, business books, computer systems, records, explosives, video tapes or cassettes for sale or hire; or
- (b) property in transit unless specifically mentioned.

*Apart from that specified under section 1 – Material damage, Section 2 - Business interruption, Section 3 – Money, Section 4 -Trade all risks and Section 5 – Goods in transit and not applicable to section 6 - Employers’ liability or section 7 - Public/products liability.*

- 7. **terrorism**.

This exclusion also applies to any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.

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

*Not applicable to section 6 - Employers’ liability.*

- 8. civil commotion in Northern Ireland.

- 9. **pollution** *apart from that specified under section 1 – Material damage, section 2 - Business interruption, section 4 – Trade all risks, section 6- Employer’ liability and section 7 - Public/products liability.*

- 10. the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently in any sequence to a loss or in respect of that part of any property insured by this policy which consists of asbestos.

*Not applicable to Section 6 – Employer’s liability*

11.

(a) Cyber

loss, damage, liability, cost or expense caused deliberately or accidentally by:

- (i) the use of or inability to use any application, software, or programme;
- (ii) any computer virus;
- (iii) any computer related hoax relating to i and/or ii above.

(b) Electronic Data

loss of or damage to any electronic data (for example files or images) wherever it is stored.

*Applicable to all sections other than Section 6 – Employers’ liability and section 7 - Public/products liability*

(c) any loss, damage, liability, claim, fines, penalties, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:

- (i) **Cyber Act or Cyber Incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act or Cyber Incident**; or
- (ii) loss of use, reduction in functionality, repair, replacement, restoration, reproduction, loss or theft of any **Data**, including any amount pertaining to the value of such **Data**;

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

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

*Applicable to section 7 - Public/products liability.*

12. in whole or in part:

1. any **communicable disease** (actual, threatened, perceived or suspected); or
2. any act, error, or omission in controlling, preventing, or suppressing, or failing to control, prevent, or suppress, or in any way relating to any actual, threatened, perceived or suspected outbreak of any **communicable disease**.

This exclusion applies regardless of any other cause or event contributing concurrently or in any other sequence with or to such loss, damage, claim, cost, expense, or other sum.

Any actual, alleged, threatened, perceived, or suspected presence or existence of any **Communicable disease** at, on, in, affecting, impacting, or impairing any property, or preventing any use of any property, shall not constitute loss or damage whether physical or otherwise, or loss of use to tangible or intangible property.

**The presence of a person or persons at an insured location that is/are possibly infected with a communicable disease or is/are actually infected with a communicable disease shall not constitute loss or damage, whether physical or otherwise.**

*Not applicable to Section 6 – Employer's liability*

## **Section 1 – Material Damage**

### **1. Definitions**

*The following words will have the same meaning wherever they appear in this section of the policy or in the **schedule** relating to this section. To help identify these words they will appear in **bold** in the section wording.*

#### **(a) All other contents**

(i) Personal effects, pedal cycles, tools, instruments and the like belonging to **employees**, principals, directors, customers and visitors to the extent that they are not more specifically insured.

We will not pay more than £750 in respect of any one person or for jewellery, watches, furs, contact lenses, portable electronic entertainment equipment, cameras or **money** or £250 for any one pedal cycle in respect of any one person.

(ii) Computer equipment and hardware, documents, manuscripts and business books for an amount not exceeding £25,000 in respect of any one loss.

(iii) Patterns, models, moulds, plans and designs.

(iv) **Money** and securities of any description but for not more than £1,000 in total and subject to any specific exclusions in this insurance.

(v) Wines, spirits, cigarettes and tobacco other than **stock** but for not more than £1,000 in total in respect of **damage** by theft (if insured).

(vi) Motor vehicles and their contents but only if they are not otherwise insured.

(vii) Rare books or works of art but for not more than £1,000 in total any one **period of insurance**.

#### **(b) General contents**

Machinery, plant, fixtures and fittings, alterations, decorations, improvements, internal and external glass being part of the **buildings** not owned by **you** but for which **you** are responsible, office equipment and **all other contents**. General contents do not include electronic data.

#### **(c) Other property**

Any other items of property not specifically insured above which **you** have advised to **us** and **we** have specified on the **schedule**.

**(d) Property insured**

**Buildings, general contents, tenants 'improvements, all other contents, stock and other property at the premises** (subject to any specific exclusions) all as defined below or more fully described in the **schedule** and all belonging to **you** or for which **you** are responsible but excluding:

- (i) property which is more specifically insured; and
- (ii) electronic data
- (iii) unless specifically notified to and accepted by **us** as insured
  - (1) land, piers, jetties, bridges, culverts or excavations
  - (2) livestock, growing crops or trees unless they form part of the **general contents**.

**(e) Stock**

Stock and materials in trade, work in progress, goods held in trust and finished goods for which **you** are responsible.

**(f) Tenants Improvements**

Tenants' improvements, alterations and decorations of **your** property or for which **you** are responsible

**2. Insuring clause**

**We** will at **our** option pay **you** for, repair or reinstate any **property insured** that sustains **damage** occurring during the **period of insurance** at the **premises** directly caused by any of the covers listed below provided they are shown as applying in the **schedule**.

**Our** liability in any one **period of insurance** shall not exceed

- (a) the total sum insured; or
- (b) in respect of any item its sum insured; or
- (c) any other stated limit of liability.

**3. Covers**

1. Fire, lightning and explosion but not **damage** caused by:

- (a) earthquake, subterranean fire, riot, civil commotion.
- (b) any heating process or any process involving the application of heat.
- (c) explosion of non – domestic steam pressure machinery or equipment under **your** control.

2. Aircraft or other aerial devices or articles dropped from them but not **damage** caused by:

- (a) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

(b) fire.

3. Riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances or malicious persons but not **damage** arising from:

(a) stopping work.

(b) fire caused by strikers, locked out workers or persons taking part in labour disturbances or malicious persons.

(c) theft or attempted theft directly caused by malicious persons to any **building** which is empty or not in use for more than thirty (30) days.

4. Earthquake or subterranean fire.

5. Storm but not **damage**:

(a) caused by lightning, frost, **subsidence**, **heave** or **landslip**.

(b) in respect of movable property in the open, fences and gates.

6. Flood but not **damage**:

(a) caused by lightning, frost, **subsidence**, **heave** or **landslip**.

(b) in respect of movable property in the open, fences and gates.

7. Escape of water from any tank, apparatus or pipe but not **damage**:

(a) by water discharged or leaking from any automatic sprinkler installation.

(b) in respect of any **building** which is empty or not in use for more than thirty (30) consecutive days.

8. Accidental escape of water from any automatic sprinkler installation in the **premises** but not **damage** caused by:

(a) freezing whilst the **building** is empty or not in use for more than thirty (30) consecutive days.

(b) explosion, earthquake, subterranean fire or heat caused by fire.

9. Impact by any road vehicle or animal.

10. Accidental **damage** but not:

(a) **damage** caused by any of the covers specified above.

(i) the causes expressly excluded from the covers specified above whether or not insured.

(ii) natural or man-made inherent flaws or defects, wear and tear being a reduction in value through age, natural deterioration, ordinary use, depreciation due to use, lack of maintenance or damage which happens gradually over a period of time, faulty or defective design or materials.

(iii) faulty or defective workmanship, operational error or omission on the part of **you** or any **employee** but this shall not include subsequent **damage** which itself results from a cause not otherwise excluded.

(iv) corrosion, rust, wet or dry rot, dampness, vermin or insects.

- (v) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunication services.
- (vi) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any steam and feed piping connected to them.
- (vii) mechanical, electronic, electrical or computer breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates but this shall not exclude subsequent **damage** so long as it is not excluded above.
- (viii) **pollution.**
- (ix) disappearance, unexplained or inventory shortage, misfiling or misplacing of information.
- (x) any process of production, packing, treatment, testing, commissioning, servicing or repair.

(b) **damage** to:

- (i) movable property in the open, fences and gates caused by wind, rain, hail, sleet, snow, flood or dust.
- (ii) vehicles licensed for road use (including their accessories) caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft.
- (iii) property or structures in course of construction or erection and materials or supplies in connection with this other than internal alterations or refurbishments not more specifically insured under a contract works policy.
- (iv) glass.

11. (a) Glass breakage at the **premises** all being plain sheet or plain plate glass unless stated otherwise in the **schedule** including the cost of boarding up and any lettering and artwork.

(b) **damage** to:

- (i) the contents of display windows;
- (ii) windows and doorframes, vitrolite, marble, marmerile and similar materials, intruder alarm foils and other detection devices and circuits;
- (iii) electric light fittings; or
- (iv) neon and illuminated signs

as a direct result of glass breakage as defined under paragraph 11. a)

provided that **our** liability shall not exceed £2,000 in total.

12. Breakage of fixed sanitary ware but not breakage or **damage**:

- (a) in vehicles, vending machines or to **stock** in trade.
- (b) in any **building** which is empty or not in use for more than thirty (30) consecutive days unless specifically agreed by **us**.
- (c) in transit or while being fitted.

- (d) due to settlement, expansion or contraction of frames or fittings in **buildings** under construction and during a period of six (6) months after the date of completion.
- (e) existing before the start of the **period of insurance**.
- (f) of neon and illuminated signs and electric light fittings.
- (g) by wear and tear being a reduction in value through age, natural deterioration, ordinary use, depreciation due to use, lack of maintenance or damage which happens gradually over a period of time, mechanical or electrical breakdown or removal from the fixed position otherthan by theft or attempted theft.
- (h) of bulbs or tubes unless the signs or fittings are also damaged.
- (i) caused by fire or explosion.

13. Theft or attempted theft but not **damage**:

- (a) which does not involve:
  - (i) entry to or exit from a **building** by forcible and violent means; or
  - (ii) actual or threatened assault or violence.
- (b) from any part of the **building** not occupied by **you** for the purpose of the **business**.
- (c) from the open or from any outbuilding not communicating with the main **building** unless otherwise specified.
- (d) to property in transit.
- (e) to **money** and securities of any description.

14. **Subsidence, heave or landslip** of any part of the site on which the property stands but no **damage**:

- (a) to yards, car parks, roads, pavements, walls, gates and fences unless also affecting the structure of a **building**.
- (b) caused by:
  - (i) **settlement**.
  - (ii) coastal or river erosion.
  - (iii) fire, subterranean fire, explosion, earthquake or the escape of water from any tank apparatus or pipe.
- (c) which originated before the inception of this cover.
- (d) resulting from:
  - (i) demolition, construction, structural alteration or repair of any property; or
  - (ii) groundwork or excavation at the same **premises**.

15. Special condition to cover 14

- (a) **You** must notify **us** as soon as practicably possible after **you** become aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site.

(b) **We** shall then have the right to vary the terms or cancel this cover in accordance with the Changes We Need to Know About Provisions.

#### 4. Excess

An **excess** applies to the covers under this section as shown in the **schedule**.

#### 5. Clauses

##### (a) Protection, Preservation and Security of Property

At all times during the **period of insurance** you shall use the utmost diligence and take all practical steps to protect, recover and save **property insured** and minimise any actual or potential **damage** when property has sustained or is in imminent danger of sustaining **damage**.

**We** shall be entitled to refuse to pay, or reduce the amount they pay, for any claim under this section if **you** do not comply with the above term.

The Section also includes the costs incurred to temporarily protect or preserve property due to actual or to prevent imminent **damage** but not exceeding the amount by which a loss under this Section is reduced by reason of such preventative or protective action. Such costs are subject to the **excess** that would have applied had the **damage** occurred.

You shall at all times maintain all property in a good, proper and workmanlike manner and ensure that all protection and security systems that have been advised to **us**, as well as all other protection and security systems, are in force at all times.

In the event of breach of this term, **we** shall have no liability under this section, unless **you** show that non-compliance with this term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

##### (b) Designation

For the purpose of determining the heading under which any property is insured **we** agree to accept the designation under which such property has been entered in **your** books.

##### (c) Additions

The insurance extends to include:

- (i) any newly acquired or built property which is not insured elsewhere; and
- (ii) alterations, additions and improvements to **property insured** but not increases in value anywhere in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Cover under this clause in any one situation is limited to 15% of the sum insured on **buildings**, **tenants' improvements** and **general contents** or £500,000 whichever is the lesser. **You** must advise **us** of all such additional property within six (6) months and pay the appropriate additional premium from the date on which the items become **your** responsibility. Once the premium has been paid for the additional property, the provisions of this clause are reinstated.

(d) **Professional fees**

The sum insured for each **building**, block of flats and machinery item described in the **schedule** includes an amount for professional fees necessarily incurred in reinstating or repairing the **property insured** following **damage** covered by this section.

**We** will not reimburse **you** in respect of fees:

- (i) more specifically insured; or
- (ii) incurred in preparing a claim.

(e) **Automatic reinstatement after a loss**

Unless **we** advise **you** to the contrary **our** liability shall not be reduced by the amount of any loss as long as:

- (i) **you** pay the appropriate additional premium for reinstatement of cover; and
- (ii) **you** carry out any recommendations **we** put forward to prevent further loss.

If the **damage** is by theft (if insured), automatic reinstatement shall apply once in each **period of insurance**.

(f) **Changes of temperature**

**We** will pay for **damage** to the **property insured** caused by change of temperature resulting from **damage** to the refrigerating plant, air conditioning plant or connected electrical plant or apparatus as a result of the operation of an insured cover.

(g) **Clearing of drains**

**We** will pay for expenses incurred in clearing, cleaning or repairing drains, gutters, sewers and the like for which **you** are responsible as a result of the operation of an insured cover.

(h) **Contract price**

If goods sold but not delivered for which **you** are responsible suffer **damage** and as a result the sale contract is cancelled either wholly or to the extent of the **damage**, **our** liability shall be based on the contract price for the purpose of underinsurance and the value of all goods to which this clause applies shall be calculated on the same basis.

(i) **Contracting purchaser's interest**

If at the time of **damage**, **you** have contracted to sell **your** interest in any **building** insured and the purchase has not been but will be completed, the purchaser on completion shall be entitled to benefit under this policy without prejudice to the rights and liabilities of **you** or **us** from the date of the **damage** until completion as long as the purchaser has not otherwise insured the **building** against such **damage**.

(j) **Customer's goods**

If **you** have intimated to **your** customers that **you** have accepted responsibility for **damage** to their goods or goods for which they may be legally responsible and which are temporarily in **your** custody

and control, **we** agree that all such goods shall be held to be insured by this policy as **stock** unless they are more specifically insured elsewhere.

**(k) Debris including stock removal**

The sum insured for each item of **property insured** includes costs and expenses **you** necessarily incur with **our** consent for:

- (i) removing debris from;
- (ii) dismantling or demolishing;
- (iii) shoring or propping up; and
- (iv) boarding up

those parts of the **property insured** damaged by any cover insured. **We** will not pay more than the sum insured for each item.

**We** will not pay for any costs or expenses:

- (1) incurred in removing debris except from the site of property **damaged** and the area immediately adjacent to it;
- (2) arising from **pollution** of property not insured by this policy; or
- (3) in respect of **damage** which occurred before the granting of cover under this insurance.

**(l) Exhibitions**

The insurance on **general contents** and **stock** applies also at any exhibition premises and while in transit to and from in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man subject to a maximum liability of £12,500 in any one **period of insurance**.

**We** shall not be liable for the first £250 of each and every loss.

**(m) Fire extinguishing expenses**

**We** will pay the costs incurred by **you** for:

- (i) refilling fire-extinguishing appliances and replacing used sprinkler heads solely in consequence of insured **damage**.
- (ii) extinguishing operations in order to minimise loss.
- (iii) **damage** to lawns, trees, shrubs and gardens caused by extinguishing operations.

**(n) Fire extinguishing appliances**

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

**(o) Interest**

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

(p) **Non-invalidation**

This insurance shall not be invalidated by any act, omission or alteration whereby the risk of **damage** is increased unknown to or beyond **your** control, provided that as soon as practicably possible after **you** become aware of it **you tell us** and pay any additional premium if required.

(q) **Property at other locations**

This insurance applies to the following **property insured** while it is not on the **premises** except that:

- (i) the insurance applies only if the property is not otherwise insured;
- (ii) this extension applies only to **damage** occurring within Great Britain, Northern Ireland, the Republic of Ireland, the Channel Islands or the Isle of Man; and
- (iii) **our** liability for any one loss shall not exceed the limit shown.

(1) Computer equipment and hardware, documents, manuscripts and business books at any location and while in transit subject to a limit of £25,000.

(2) **Stock** (excluding goods held in trust) at any location used by **you** for storage subject to a limit of:

- (a) £25,000 in respect of theft or attempted theft; and
- (b) 15% of the **stock** sum insured but not exceeding £500,000 in respect of other covers.

(3) **Other property** (excluding vehicles licensed for road use) at any location to which the property has been temporarily removed for cleaning, renovation or repair and whilst in transit subject to a limit of:

- (a) £25,000 in respect of theft or attempted theft; and
- (b) 15% of the **other property** sum insured but not exceeding £500,000 in respect of other covers.

(r) **European Union and public authorities**

Subject to the following special conditions, the insurance by this section extends to include the additional cost of reinstatement that may be incurred solely by reason of the necessity to comply with the stipulations of:

- (i) European Union legislation, or
- (ii) building or other regulations under or framed in pursuance of any Act of Parliament or public authority bye-law in respect of the lost, destroyed or damaged **property insured** and any undamaged portions but excluding the following:
  - (1) The cost incurred in complying with the stipulations:
    - (a) in respect of **damage** occurring before the inception of this clause;
    - (b) in respect of **damage** not insured by the section;
    - (c) under which notice has been served on **you** before the happening of the **damage**;

- (d) for which there is an existing requirement, which has to be implemented within a given period; or
- (e) in respect of property entirely undamaged by any insured cover.

(2) The additional cost that would have been required to make good the property lost, destroyed or damaged to a condition equal to its condition when new, had the necessity to comply with the stipulations not arisen.

(3) The amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by its owner by reason of compliance with the stipulations.

#### Additional Conditions

- (1) The work of reinstatement must be commenced and carried out as soon as practicably possible, and in any case must be completed within twelve (12) months after the **damage** or within any further time that **we** may allow (during the twelve (12) months), and may be carried out upon another site (if the stipulations require it) subject to **our** liability under this clause not being increased by this.
- (2) If **our** liability under any item of the section, apart from this clause, is reduced by the application of any of the terms and conditions of the policy, then **our** liability under the clause will be similarly reduced.
- (3) The total amount recoverable under any item of the section in respect of this clause will not exceed:
  - (a) in respect of the lost, destroyed or **damaged** property
    - (i) 15% of its sum insured;
    - (ii) where the sum insured by the item applies to property at more than one **premises**, 15% of the total amount for which **we** would have been liable had the **property insured** at the **premises** where the **damage** has occurred been wholly destroyed; or
  - (b) in respect of undamaged portions of property (other than foundations), 15% of the total amount for which **we** would have been liable had the **property insured** at the **premises** where the **damage** occurred been wholly destroyed.
- (4) The total amount recoverable under any item of the policy shall not exceed its sum insured.
- (5) All the terms and conditions of the policy, except where they are varied by this clause, will apply as if they had been incorporated in it.

(s) **Re-erection**

The insurance within the limits of the sum insured for **general contents** includes the cost of re-erection and fixing machinery and plant because of **damage** covered by this policy.

(t) **Reinstatement**

Subject to the following special conditions, the basis upon which **we** will calculate the amount payable in respect of **property insured** by all items, other than **stock**, motor vehicles and their accessories,

pedal cycles and personal effects belonging to **employees**, directors, visitors and guests or rent, shall be the reinstatement of the property damaged to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

For this purpose "reinstatement" means

- (i) the rebuilding or replacement of property **damaged** which may be carried out in any manner suitable to **your** requirements or on another site as long as **our** liability is not increased; or
- (ii) the repair or restoration of property **damaged**.

(1) Reinstatement of **stock** and motor vehicles and their accessories, pedal cycles and personal effects belonging to **employees**, directors, visitors and guests shall be on the basis of the cost of replacement of lost, destroyed or damaged **stock** or other **property insured** by similar property as new.

(2) **Our** liability for the reinstatement of property partly **damaged** shall not exceed the amount which would have been payable had such property been wholly destroyed.

(3) If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item exceeds its sum insured at the start of any **damage**, **our** liability shall not exceed that proportion of the amount of the **damage** which the sum insured shall bear to the sum representing the total cost of reinstating the whole of such property at that time.

(4) No payment beyond the amount which would have been payable in the absence of this clause shall be made:

- (a) unless reinstatement commences and proceeds as quickly as possible.
- (b) until the cost of reinstatement shall have been actually incurred.
- (c) if the **property insured** at the time of its **damage** shall be insured by any other insurance effected by or on **your** behalf which is not upon the same basis of reinstatement.

(5) All the other terms and conditions of the policy shall apply in respect of any claim payable under this clause so far as they are able.

(u) **Rent**

If **we** cover rent of **buildings** which suffer **damage**, **we** will pay:

- (i) in respect of rent receivable, the actual reduction in rent received solely in consequence of the **damage**.
- (ii) in respect of rent payable, the amount of rent which continues to be payable by **you** in respect of the **building** or parts of the **building** whilst unfit for occupation in consequence of the **damage**.

**Our** liability shall be limited to the loss suffered within the period of rent insured as shown in the **schedule** which starts from the date of the **damage**.

For the purpose of underinsurance (General condition 2) the total value shall be the annual rent receivable or payable at the start of the **period of insurance**. This amount will be proportionately increased where the period of rent insured exceeds twelve (12) months.

(v) **Subrogation waiver**

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

- (i) any company standing in the relation of parent to subsidiary(subsidiary to parent) to **you** as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**; or
- (ii) any company which is a subsidiary of a parent company of which **you** are a subsidiary as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**.

(w) **Theft cover**

Any cover in respect of theft includes:

- (i) the cost of repairing **damage** to the **buildings** (whether or not the **buildings** are insured under this section) if **you** are responsible for the repairs and the **damage** is not otherwise insured; and
- (ii) the expenses incurred in necessarily replacing locks to the **buildings** or safes and strongrooms;
- (1) following a hold-up accompanied by violence or threat of violence whilst such keys are in **your** personal custody or that of any of **your** directors, partners or authorised **employees**;
- (2) involving entry to or exit from the **premises** by forcible and violent means; or
- (3) involving entry to or exit from **your** residence or that of any of **your** directors, partners or authorised **employees** by forcible and violent means.

(x) **Trace and access**

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

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

**We** shall not pay more than £10,000 or 10% of the sum insured by this section, whichever is the lesser.

(y) **Workmen and alteration to the premises or business**

Workmen and tradesmen are allowed in or about the **premises** for maintenance purposes and for undertaking minor repairs and alterations without affecting this insurance, but if:

- (i) there are changes to the premises or the building in which it is located or to **your business** which may increase the risk of **damage**, liability, accident or injury; or
- (ii) there are changes in the occupancy or use of the **premises**;

**you** must inform **us** in accordance with the Changes We Need to Know About Provisions.

**(z) Additional metered water or oil charges**

The insurance covers additional metered water or domestic heating oil charges **you** incur as a result of **damage** by an insured cover to the water installation or heating installation at the **premises** insured by this policy.

**We** shall calculate the amount to be paid by comparing the charge made by the water suppliers for the period during which the **damage** occurred with the charges for the previous period, adjusted for any relevant factors affecting **your** consumption of water during the periods concerned.

This extension is not subject to any condition of underinsurance.

**We** shall not pay more than £10,000 in all in respect of any one **period of insurance** excluding the cost or value of metered water or heating oil lost when the **premises** are empty or not in use.

**(aa) Computer system records**

At all times during the **period of insurance** **you** shall ensure that any computer systems records used in connection with the **business** are backed up on a daily basis with a copy being kept elsewhere than at the **premises**.

**We** shall be entitled to refuse to pay, or reduce the amount **We** pay, for any claim under this Section if **You** do not comply with this condition.

**(bb) Underground Services**

**We** will pay for:

- (i)** accidental **damage** not otherwise excluded to underground water, gas, oil, drain or sewer pipes and underground electricity or telephone cables which extend from the **premises** to the public mains and for which **you** have responsibility for repair or reinstatement; and
- (ii)** **costs and expenses** incurred in clearing and cleaning drains, gutters, sewers, drain inspection covers and similar underground service areas for which **you** are responsible in consequence of any cover insured by this section.

**We** will not pay more than £5,000 in any one **period of insurance**.

**(cc) Electrical circuits condition**

At all times during the **period of insurance** **you** shall ensure that all electrical circuits are tested at least every five (5) years by qualified electrical engineers and that any defects identified are remedied in accordance with the regulations of the Institute of Electrical Engineers.

In the event of breach of this term, **we** shall have no liability under this section, unless **you** show that non-compliance with this term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

**(dd) Seasonal stock increase**

Any sum insured in respect of **stock** is increased by 25% for the months of November and December and for a period of thirty (30) consecutive days preceding Easter Day in each **period of insurance**.

**6. Exclusions**

This section does not cover:

(a) **Marine policies**

**Damage** to property which is insured by or would but for the existence of this insurance be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected.

(b) **Pollution and contamination**

**Damage** caused by **pollution**.

However, **we** will cover **damage** to the **property insured** caused by

- (i) **pollution** which itself results from any cover insured (other than cover 10); or
- (ii) any cover insured (other than cover 10) which itself results from **pollution** provided it is not otherwise excluded.

## **Section 2 – Business Interruption**

### 1. **Definitions**

*The following words will have the same meaning wherever they appear in this section of the policy or in the **schedule** relating to this section. To help identify these words they will appear in **bold** in the section wording.*

#### **Note 1**

*To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section shall be exclusive of such tax.*

#### **Note 2**

*For the purpose of these definitions any adjustment implemented for current cost accounting shall be disregarded.*

(a) **Customers**

The companies, organisations or individuals with whom, at the time of the **incident**, **you** have contracts or trading relationships to supply goods or services.

(b) **Incident**

**Damage** to property used by **you** at the **premises** for the purpose of the **business**.

(c) **Indemnity period**

The period beginning with the occurrence of the **incident** and ending not later than the period stated in the **schedule** thereafter during which the results of the **business** shall be affected in consequence of the **incident**.

(d) **Other property**

Any other items of property not specifically insured which **you** have advised to **us** and **we** have specified on the **schedule**. Other property does not include electronic data.

## 2. Insuring clause

If any **building or other property** used by **you** at the **premises** for the purpose of the **business** suffers **damage** occurring during the **period of insurance** by any of the covers specified in the **schedule** and there is a loss resulting from the interruption of or interference with the **business** in consequence of such **damage**, **we** will pay **you** in respect of each Appendix in the **schedule** the amount of the loss provided that:

- (a) at the time of the happening of the **damage** there is in force an insurance covering **your** interest in the property at the **premises** against such **damage** and that:
  - (i) payment has been made or liability admitted; or
  - (ii) payment would have been made or liability admitted but for the operation of a clause in such insurance excluding liability for losses below a specified amount.
- (b) **our** liability under this section shall not exceed:
  - (i) in the whole the total sum insured or in respect of any Appendix its sum insured or any other limit of liability stated in **schedule** at the time of the **damage**.
  - (ii) the sum insured remaining after deduction for any other loss occurring during the same **period of insurance** unless **we** have agreed to reinstate any such sum insured.

## 3. Covers

- 1. Fire, lightning and explosion but not any loss caused by:
  - (a) earthquake, subterranean fire, riot, civil commotion.
  - (b) any heating process or any process involving the application of heat.
  - (c) explosion of non – domestic steam pressure machinery or equipment under **your** control.
- 2. Aircraft or other aerial devices or articles dropped from them but not any loss caused by:
  - (a) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.
  - (b) fire.
- 3. Riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances or malicious persons but not any loss arising from:
  - (a) stopping work.
  - (b) fire caused by strikers, locked out workers or persons taking part in labour disturbances or malicious persons.
  - (c) theft or attempted theft directly caused by malicious persons to any **building** which is empty or not in use for more than thirty (30) days.

4. Earthquake or subterranean fire.
5. Storm but not any loss:
  - (a) caused by lightning, frost, **subsidence, heave or landslip**.
  - (b) in respect of movable property in the open, fences and gates.
6. Flood but not any loss:
  - (a) caused by lightning, frost, **subsidence, heave or landslip**.
  - (b) in respect of movable property in the open, fences and gates.
7. Escape of water from any tank apparatus or pipe but not any loss:
  - (a) by water discharged or leaking from any automatic sprinkler installation.
  - (b) in respect of any **building** which is empty or not in use for more than thirty (30) consecutive days.
8. Accidental escape of water from any automatic sprinkler installation in the **premises** but not any loss caused by:
  - (a) freezing whilst the **building** is empty or not in use for more than thirty (30) consecutive days.
  - (b) explosion, earthquake, subterranean fire or heat caused by fire.
9. Impact by any road vehicle or animal.
10. Accidental **damage** but not:
  - (a) any loss caused by:
    - (i) any of the covers specified above.
    - (ii) the causes expressly excluded from the covers specified above whether or not insured.
    - (iii) natural or man-made inherent flaws or defects, wear and tear being a reduction in value through age, natural deterioration, ordinary use, depreciation due to use, lack of maintenance or damage which happens gradually over a period of time, faulty or defective design or materials.
    - (iv) faulty or defective workmanship, operational error or omission on the part of **you** or any **employee** but this shall not include subsequent **damage** which itself results from a cause not otherwise excluded.
    - (v) corrosion, rust, wet or dry rot, dampness, vermin or insects.
    - (vi) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services.
    - (vii) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any steam and feed piping connected to them.

(viii) mechanical, electronic, electrical or computer breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates but this shall not exclude subsequent loss so long as it is not excluded above.

(ix) **pollution.**

(x) disappearance, unexplained or inventory shortage, misfiling or misplacing of information.

(xi) any process of production, packing, treatment, testing, commissioning, servicing or repair.

(b) any loss in respect of:

(i) movable property in the open, fences and gates caused by wind, rain, hail, sleet, snow, flood or dust.

(ii) vehicles licensed for road use (including accessories) caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft.

(iii) property or structures in course of construction or erection and materials or supplies in connection with this other than internal alterations or refurbishments not more specifically insured under a contract works policy.

(iv) glass.

11. (a) Glass breakage at the **premises** all being plain sheet or plain plate glass unless stated otherwise in the **schedule** including the cost of boarding up and any lettering and artwork.

(b) **Damage** to:

(i) the contents of display windows;

(ii) windows and doorframes, vitrolite, marble, marmerile and similar materials, intruder alarm foils and other detection devices and circuits;

(iii) electric light fittings; or

(iv) neon and illuminated signs

as a direct result of glass breakage as defined under paragraph 11a) provided that **our** liability shall not exceed £10,000 in total.

12. Breakage of fixed sanitary ware but not breakage or any loss:

(a) in vehicles, vending machines or to **stock** in trade.

(b) in any **building** which is empty or not in use for more than thirty (30) consecutive days unless specifically agreed by **us**.

(c) in transit or while being fitted.

(d) due to settlement, expansion or contraction of frames or fittings in **buildings** under construction and during a period of six (6) months after the date of completion.

- (e) existing before the start of the **period of insurance**.
- (f) of neon and illuminated signs and electric light fittings.
- (g) by wear and tear being a reduction in value through age, natural deterioration, ordinary use, depreciation due to use, lack of maintenance or damage which happens gradually over a period of time, mechanical or electrical breakdown or removal from the fixed position other than by theft or attempted theft.

- (h) of bulbs or tubes unless the signs or fittings are also damaged.

- (i) caused by fire or explosion.

13. Theft or attempted theft but not any loss:

- (a) which does not involve:

- (i) entry to or exit from a **building** by forcible and violent means; or

- (ii) actual or threatened assault or violence.

- (b) from any part of the **building** not occupied by **you** for the purpose of the **business**.

- (c) from the open or from any outbuilding not communicating with the main **building** unless otherwise specified.

- (d) to property in transit.

- (e) to **money** and securities of any description.

14. **Subsidence, heave or landslip** of any part of the site on which the property stands but not any loss

- (a) to yards, car parks, roads, pavements, walls, gates and fences unless also affecting the structure of a **building**.

- (b) caused by:

- (i) or bedding down of new structures.

- (ii) coastal or river erosion.

- (iii) fire, subterranean fire, explosion, earthquake or the escape of water from any tank apparatus or pipe.

- (c) which originated before the inception of this cover.

- (d) resulting from:

- (i) demolition, construction, structural alteration or repair of any property; or

- (ii) groundwork or excavation at the same **premises**.

Additional Conditions

- (a) **You** must notify **us** as soon as practicably possible after **you** become aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site.
- (b) **We** shall then have the right to vary the terms or cancel this cover in accordance with the Changes We Need to Know About Provisions.

#### 4. **Clauses**

##### (a) **Alteration**

The insurance by this section shall cease if:

- (i) the **business** is wound up, carried on by a liquidator or permanently discontinued; or
- (ii) **your** interest ceases otherwise than by death at any time after the commencement of this insurance unless **we** agree it may continue.

##### (b) **Automatic reinstatement after loss**

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.

##### (c) **Departments**

If the **business** is conducted in departments and their trading results can be calculated separately, clauses a) and b) of the Appendix on **gross profit** or **revenue** shall apply separately to each department affected.

##### (d) **Payments on account**

Payments on account will be made at **our** discretion during the **indemnity period** if desired.

##### (e) **Prevention of access**

Loss as a result of **damage** to property near the **premises (within 1km)** which prevents or hinders the use of the **premises** or access to them shall be treated as an **incident**, provided that **our** liability in respect of any one occurrence does not exceed £10,000 any one claim with a maximum indemnity period of three (3) months (whichever is the less).

##### (f) **Utilities**

Loss as a result of the accidental failure of the supply of electricity, gas or water at the **premises** or at the premises of any supply undertaking or as a result of **damage** to any of their pipes, stopcocks, meters, cabling and the like at the **premises** shall be deemed to be an **incident**, provided that **our** liability under this clause in respect of any one occurrence does not exceed £10,000 any one claim.

This extension does not cover any loss:

- (i) brought about by the deliberate act of any supply authority, by the exercise of any such authority of its power to withhold or restrict supply or by drought; or
- (ii) following any failure which does not involve a total cessation of supply for at least thirty (30) consecutive minutes.

(g) **Suppliers and customers**

Loss as a result of **damage** at any customer's or supplier's premises within member countries of the European Union, Norway, Switzerland, Great Britain and Iceland shall be treated as an **incident**, provided that **our** liability under this clause shall not exceed £10,000 any one claim.

(h) **Temporary removal**

Loss as a result of **damage**:

- (i) at any premises not occupied but used by **you** solely for storage purposes; or
- (ii) to insured computer equipment and hardware, other records, machinery and plant (but not motor vehicles) removed for cleaning, renovation, repair or other similar purposes, patterns, models, moulds, plans and designs whilst temporarily removed from the **premises** and in transit by road, rail or inland waterway to and from the **premises** in Great Britain, Northern Ireland, the Republic of Ireland, the Channel Islands or the Isle of Man shall be treated as an **incident**, provided that **our** liability shall not £10,000 any one claim.

(i) **Removal of computer disks and tapes condition**

In respect of any claim for **damage** to computer disks, tapes or other recording materials (excluding paper records) under this policy **you** shall ensure, that copies of all computer disks, tapes or other recording materials are made each day and the copies removed from the **premises** and kept at a secure location on a daily basis.

**We** shall be entitled to refuse to pay, or reduce the amount **We** pay, for any claim under this Section if **You** do not comply with this condition.

5. **Pollution and Contamination Exclusion**

**We** shall not be liable for loss resulting from **pollution**.

However, **we** will cover any loss caused by

- (a) **pollution** which itself results from any cover insured (other than cover 10); or
- (b) any cover insured (other than cover 10) which itself results from **pollution** provided it is not otherwise excluded.

6. **Appendix A – Gross profit (declaration-linked basis)**

(a) **Additional definitions**

*The following words will have the same meaning wherever they appear in this section or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section wording.*

**Notes**

1. *To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section shall be exclusive of it.*
2. *For the purpose of these definitions any adjustment implemented for current cost accounting*

*shall be disregarded.*

**(i) Annual turnover**

The **turnover** during the twelve (12) months immediately before the date of the **incident**.

**(ii) Estimated gross profit**

The amount **you** declare to **us** as representing the **gross profit** which **you** anticipate will be earned by the **business** during the financial year most nearly concurrent with the **period of insurance** (proportionately increased where the **indemnity period** exceeds twelve (12) months).

**(iii) Gross profit**

The amount of the **turnover** (net of discounts allowed), closing stock and work in progress less the amount of the opening stock, work in progress and **specified working expenses**.

**N.B.** For the purpose of this definition gross profit is as defined but the words and expressions used shall (subject to Note 2 above) have the meaning attached to them in **your** usual accounting methods, due provision being made for depreciation of stock and work in progress.

**(iv) Limit of liability**

133.33% of the **estimated gross profit** stated in the **schedule** and 100% of the sums insured on other Appendices.

**Our** liability shall not be reduced by the amount of any loss as long as **you** agree to pay the appropriate additional premium for such automatic reinstatement of cover.

**(v) Rate of gross profit**

The rate of gross profit earned on the **turnover** during the financial year immediately before the date of the **incident**.

**(vi) Specified working expenses**

- (1) 100% of purchases (less discounts received).
- (2) 100% of discounts allowed.
- (3) 100% of bad debts written off.

**(vii) Standard turnover**

The **turnover** during that period in the twelve (12) months immediately before the date of the **incident** which corresponds with the **indemnity period**. **We** will adjust the figures as necessary to provide for the trends or special circumstances affecting the **business** before or after the **incident** or which would have affected the **business** had the **incident** not occurred.

**(viii) Turnover**

The **money** paid or payable to **you** for goods sold or delivered and for services rendered in course of the **business** at the **premises**.

**(b) Claims - basis of settlement**

The insurance by this Appendix is limited to loss of **gross profit** not exceeding the **limit of liability** due to:

- (i) reduction in **turnover**; and
- (ii) increase in cost of working

and the amount payable as reimbursement shall be:

- (1) in respect of reduction in **turnover**, the sum produced by applying the **rate of gross profit** to the amount by which the **turnover** during the **indemnity period** shall as a result of the **incident** fall short of the **standard turnover**
- (2) in respect of increase in cost of working, the additional expenditure incurred for the sole purpose of avoiding or diminishing the reduction in **turnover** which but for that expenditure would have taken place during the **indemnity period** as a result of the **incident** but not exceeding the total of:
  - (a) the sum produced by applying the **rate of gross profit** to the amount of reduction thereby avoided; plus
  - (b) 25% of the sum insured by this Appendix (but not more than £250,000)

less any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **gross profit** as may cease or be reduced as a result of the **incident**.

Additional increased cost of working (if insured) is limited to additional expenditure as a result of the **incident** in excess of the amount recoverable under clause (ii) above, incurred to maintain the **business** during the **indemnity period**.

**(c) Memoranda**

**(i) Alternative premises**

If during the **indemnity period** goods are sold or services carried out elsewhere than at the **premises** for the benefit of the **business** either by **you** or by others on **your** behalf, **we** shall take into account the **money** paid or payable for such sales or services in arriving at the **turnover** during the **indemnity period**.

**(ii) Professional accountants**

**We** will pay for professional accountants' charges **you** incur for producing and certifying any particulars, details, information or evidence that **we** may require under the terms of the claims conditions, provided that the amount payable under this memorandum together with the amount otherwise payable under this section does not exceed the **limit of liability**.

**(iii) Renewal**

**You** shall before each renewal tell **us** the **estimated gross profit** for the financial year most nearly concurrent with the next **period of insurance**.

**(iv) Premium adjustment**

The first and annual premiums for **gross profit** are provisional and are based on the **estimated gross profit** for the financial year most nearly concurrent with the **period of insurance**.

Within six (6) months of the expiry of each **period of insurance**, **you** shall give **us** a declaration of the **gross profit** earned during the financial year most nearly concurrent with the **period of insurance** as confirmed by **your** auditors.

If any **incident** has occurred giving rise to a claim for loss of **gross profit**, **we** shall increase the declaration for the purpose of premium adjustment by the amount by which the **gross profit** was reduced during the financial year solely in consequence of the **incident**.

If the declaration (adjusted as above and proportionately increased where the **indemnity period** exceeds (12) twelve months)

- (1) is less than the **estimated gross profit** for the relative **period of insurance**, **we** will allow a proportional return of premium not exceeding 50% of such premium.
- (2) is greater than the **estimated gross profit** for the relative **period of insurance**, **you** shall pay a proportional additional premium.

(v) **Uninsured standing charges**

If any standing charges of the **business** are not insured by this section (having been deducted in arriving at the **gross profit**), then in calculating the amount recoverable as increase in cost of working that proportion only of any additional expenditure shall be brought into account which the **gross profit** bears to the sum of the **gross profit** and the uninsured standing charges.

7. **Appendix B – Gross revenue (declaration-linked basis)**

(a) **Additional definitions**

*The following words will have the same meaning wherever they appear in this section or in the **schedule** relating to this section. To help identify these words they will appear in **bold** in the section wording.*

**Notes**

1. *To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms In this section shall be exclusive of it.*
2. *For the purpose of these definitions any adjustment implemented for current cost accounting shall be disregarded.*

(i) **Annual revenue**

The **revenue** during the twelve (12) months immediately before the date of the **incident**.

(ii) **Estimated revenue**

The amount **you** declare to **us** as representing the **revenue** which **you** anticipate will be earned by the **business** during the financial year most nearly concurrent with the **period of insurance** (proportionately increased where the **indemnity period** exceeds twelve (12) months).

(iii) **Limit of liability**

133.33% of the **estimated revenue** stated in the **schedule** and 100% of the sums insured by other Appendices.

**Our** liability shall not be reduced by the amount of any loss as long as **you** agree to pay the appropriate additional premium for such automatic reinstatement of cover.

**(iv) Revenue**

The **money** paid or payable to **you** in respect of the work done or services rendered in the course of the **business**.

**(v) Standard revenue**

The **revenue** during that period in the twelve (12) months immediately before the date of the **incident** which corresponds with the **indemnity period**. **We** will adjust the figures as necessary to provide for the trends or special circumstances affecting the **business** before or after the **incident** or which would have affected the **business** had the **incident** not occurred.

**(b) Claims - basis of settlement**

The insurance by this Appendix is limited to loss of **revenue** not exceeding the **limit of liability** due to:

- (i) reduction in **revenue**; and
- (ii) increase in cost of working

and the amount payable as reimbursement shall be:

- (1) in respect of reduction in **revenue** the amount by which the actual **revenue** during the **indemnity period** shall in consequence of the **incident** fall short of the **standard revenue**
- (2) in respect of increase in cost of working the additional expenditure incurred for the sole purpose of avoiding or diminishing the reduction in **revenue** which but for that expenditure would have taken place during the **indemnity period** as a result of the **incident** but not exceeding the total of:
  - (a) the amount of reduction in **revenue** thereby avoided; plus
  - (b) 25% of the sum insured by this Appendix (but not more than £250,000)

less any sum saved during the **indemnity period** in respect of such charges and expenses of the **business** payable out of **revenue** as may cease or be reduced as a result of the **incident**.

Additional increased cost of working (if insured) is limited to additional expenditure as a result of the **incident** in excess of the amount recoverable under clause b) above incurred to maintain the **business** during the **indemnity period**.

**(c) Memoranda**

**(i) Alternative premises**

If during the **indemnity period** goods are sold or services carried out elsewhere than at the **premises** for the benefit of the **business** either by **you** or by others on **your** behalf, **we** shall take into account the **money** paid or payable for such sales or services in arriving at the **revenue** during the **indemnity period**.

**(ii) Professional accountants**

**We** will pay for professional accountants' charges **you** incur for producing and certifying any particulars, details, information or evidence that **we** may require under the terms of the claims conditions provided that the amount payable under this memorandum together with the amount otherwise payable under this section does not exceed the limit of liability.

(iii) **Renewal**

**You** shall before each renewal tell **us** the **estimated revenue** for the financial year most nearly concurrent with the next **period of insurance**.

(iv) **Premium adjustment**

The first and annual premiums for **revenue** are provisional and are based on the **estimated revenue** for the financial year most nearly concurrent with the **period of insurance**.

Within six (6) months of the expiry of each **period of insurance**, **you** shall give **us** a declaration of the **revenue** earned during the financial year most nearly concurrent with the **period of insurance** as confirmed by **your** auditors. If any **incident** shall have occurred giving rise to a claim for loss of

**revenue**, **we** shall increase the declaration for the purpose of premium adjustment by the amount by which the **revenue** was reduced during the financial year solely in consequence of the **incident**.

If the declaration (adjusted as provided above and proportionately increased where the **indemnity period** exceeds twelve (12) months):

- (1) is less than the **estimated revenue** for the relative **period of insurance**, **we** will allow a proportional return of premium not exceeding 50% of such premium.
- (2) is greater than the **estimated revenue** for the relative **period of insurance**, **you** shall pay a proportional additional premium.

8. **Appendix C – Additional cost of working**

(a) **Claims - basis of settlement**

The insurance by this Appendix is limited to additional cost of working due to additional expenditure and costs incurred in order to minimise any interruption or interference with the **business** during the **indemnity period** but not exceeding the sum insured stated in the **schedule**.

(b) **Memorandum – Professional Accountants**

**We** will pay for professional accountants' charges **you** incur for producing and certifying any particulars, details, information or evidence that **we** may require under the terms of the claims conditions provided that the amount payable under this memorandum together with the amount otherwise payable under this section does not exceed the sum insured.

9. **Appendix D – Rent Receivable**

(a) **Additional definitions**

*The following words will have the same meaning wherever they appear in this section or in the **schedule** relating to this section. To help identify these words they will appear in **bold** in the section wording.*

1. *To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section shall be exclusive of it.*
2. *For the purpose of these definitions any adjustment implemented for current cost accounting shall be disregarded.*

(i) **Annual rent receivable**

The **rent receivable** during the twelve (12) months immediately before the date of the **incident**.

(ii) **Rent receivable**

The **money** paid or payable to **you** for accommodation and services provided in course of the **business** at the **premises**.

(iii) **Standard rent receivable**

The **rent receivable** during that period in the twelve (12) months immediately before the date of the **incident** which corresponds with the **indemnity period**.

We will adjust the figures as necessary to provide for trends or special circumstances affecting the **business** before or after the **incident** or which would have affected the **business** had the **incident** not occurred.

(b) **Claims - basis of settlement**

The insurance by this Appendix is limited to loss of **rent receivable** not exceeding the sum insured stated in the **schedule** due to:

- (i) loss of **rent receivable**; and
- (ii) increase in the cost of working

and the amount payable as reimbursement shall be:

- (1) in respect of loss of **rent receivable**, the amount by which the **rent receivable** during the **indemnity period** shall as a result of the **incident** fall short of the **standard rent receivable**
- (2) in respect of increase in cost of working, the additional expenditure

incurred for the sole purpose of avoiding or diminishing the reduction in **rent receivable** which but for that expenditure would have taken place during the **indemnity period** as a result of the **incident** but not exceeding the reduction in **rent receivable** thereby avoided less any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **rent receivable** as may cease or be reduced as a result of the **incident**.

However, if the sum insured by this Appendix is less than the **annual rent receivable** (proportionately increased where the **indemnity period** exceeds twelve (12) months) the amount payable shall be proportionately reduced.

(c) **Memoranda**

(i) **Alternative trading clause**

If during the **indemnity period**, **you** or others on **your** behalf provide accommodation or services elsewhere than at the **premises** for the benefit of the **business**, **we** shall take into account the **money** paid or payable for such accommodation or services in arriving at the **rent receivable** during the **indemnity period**.

(ii) **Professional accountants**

**We** will pay for professional accountants' charges **you** incur for producing and certifying any particulars, details, information or evidence that **we** may require under the terms of the claims conditions provided that the amount payable under this memorandum together with the amount otherwise payable under this section does not exceed the sum insured.

(iii) **Return of premium**

If the **rent receivable** earned (proportionately increased where the **indemnity period** exceeds twelve (12) months) during the accounting period of twelve (12) months most nearly concurrent with any **period of insurance** as certified by **your** auditors is less than the sum insured, **we** will make a proportional return of premium. If any **incident** shall have occurred giving rise to a claim under this section, the return of premium shall be made in respect only of so much of the difference as is not due to the **incident**.

## 10. **Appendix E – Research expenditure**

(a) **Additional definitions**

*The following words will have the same meaning wherever they appear in this section or in the **schedule** relating to this section. To help identify these words they will appear in **bold** in the section wording.*

1. *To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section shall be exclusive of it.*

2. *For the purpose of these definitions any adjustment implemented for current cost accounting shall be disregarded.*

(i) **Annual research expenditure**

The aggregate amount of **the research expenditure** incurred during the twelve (12) months immediately before the date of the **incident**.

**We** will adjust the figures as necessary to provide for trends or special circumstances affecting the **business** before or after the **incident** or which would have affected the **business** had the **incident** not occurred.

(ii) **Insured amount per week**

One-fiftieth part of the **research expenditure** incurred during the financial year immediately before the date of the **incident**.

(ii) **Research expenditure**

The total expenditure on research by **you** at the **premises** less the relative cost of raw materials consumed.

The insurance by this Appendix is limited to the loss sustained by **you** in respect of:

- (i) **research expenditure** and
- (ii) increase in cost of working

and the amount payable as reimbursement shall be:

- (1) in respect of **research expenditure**, for each working week in the **indemnity period** during which the activities of the **business** are as a result of the **incident**:
  - (a) totally interrupted or totally given over to the re-working of projects affected by the **incident** the **insured amount per week**; or
  - (b) partially interrupted or partially given over to the re-working of projects affected by the **incident**, an equitable proportion of the **insured amount per week** based upon the time rendered ineffective because of the **incident**;
- (2) in respect of increase in cost of working, the additional expenditure incurred solely as a result of the **incident** in order to minimise the interruption but the amount payable under this heading shall not exceed the additional amount that would have been payable under paragraph (1) above for loss of **research expenditure** if no such increase in cost of working had been incurred

less any sum saved during the **indemnity period** in respect of such of **research expenditure** as may cease or be reduced in consequence of the **incident**. However, if the sum insured by this Appendix is less than the **annual research expenditure** (proportionately increased where the **maximum indemnity period** exceeds twelve (12) months) the amount payable under paragraphs (1) and (2) above shall be proportionately reduced.

## 11. Appendix F – Loss of book debts

### (a) Additional definitions

*The following words will have the same meaning wherever they appear in this section or in the schedule relating to this section. To help identify these words they will appear in **bold** in the section of the wording.*

#### **Notes**

1. *To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section shall be exclusive of it.*
2. *For the purpose of these definitions any adjustment implemented for current cost accounting shall be disregarded.*

### (i) **Book debts**

The financial amounts due to **you** but not yet paid in respect of goods or services supplied by **you** to customers on a credit or hire purchase basis and for which they have accepted delivery.

### (ii) **Outstanding debit balances**

Where there are monthly declarations, the total declared under the last statement adjusted for:

- (1) bad debts;
- (2) amounts debited (or invoiced but not debited) and credited to customer accounts in the period between the date to which the statement applied and the date of **damage**; and
- (3) any abnormal trade condition which had or could have a material effect on the **business** OR

An estimate of the total outstanding debits at the date of the **damage** after adjustment for bad debts and as agreed between **you** and **us** provided that this estimate does not exceed 75% of the sum insured as set out in the **schedule**.

(b) **Claims - basis of settlement**

The insurance by this Appendix is limited to the loss not exceeding the sum insured sustained by **you** in respect of

- (i) loss of **book debts**; and
- (ii) additional expenditure

and the amount payable as reimbursement shall be

- (1) in respect of loss of **book debts**, the amount of total **outstanding debit balances** less the total of amounts of **outstanding debit balances** traced or received.
- (2) in respect of additional expenditure, the amount incurred solely in

consequence of the **incident** in order to trace and establish the amount of customer debit balances but the amount payable under this heading shall not exceed the additional amount that would have been payable under (1) for loss of **book debts** if no such increase in additional expenditure had been incurred.

(c) **Memoranda**

(i) **Professional accountants**

**We** will pay for professional accountants' charges **you** incur for producing and certifying any particulars, details, information or evidence that **we** may require under the terms of the claims conditions provided that the amount payable under this memorandum together with the amount otherwise payable under this section does not exceed the sum insured.

(ii) **Declaration**

Within thirty (30) days of the end of each calendar month, **you** will advise **us** in writing of the total amount of **outstanding debit balances** as shown in **your** accounts. If you **do not** advise **us**, **we** shall take the maximum sum insured as the total amount declared.

At the end of each **period of insurance** the actual premium shall be calculated on the average amount insured i.e. the total of the amounts declared divided by the number of declarations. If the actual

premium is greater than the first or annual premium paid, **you** shall pay **us** the difference. If it is less, **we** will refund the difference to **you**.

(iii) **Automatic reinstatement**

**We** will not reduce the sum insured by the amount of any loss as long as **you** pay the extra premium on the amount of the loss from the date it occurred to the date of the expiry of the **period of insurance**.

(d) **Special condition**

**You** shall ensure that:

- (i) **your** books of account and other business books or records in which **you** record customer accounts are kept in fire resisting safes or cabinets when not in use; and
- (ii) **you** calculate the total of outstanding customers' accounts every month and keep a record of each month's total (including back-up copies of computer data) in a place other than at the **premises**.

In the event of breach of this term, **we** shall have no liability under this section, unless **You** show that non-compliance with this term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

### **Section 3 – Money**

1. **Part 1 – Loss of money**

(a) **Definitions**

*The following words will have the same meaning wherever they appear in this section or in the **schedule** relating to this section. To help identify these words they will appear in **bold** in the section wording.*

(i) **Business hours**

The usual working hours (including overtime) during which **you** or **your employees** entrusted with **money** are on the **premises** for the purpose of the **business**.

(ii) **Estimated annual amount of money**

**Money** excluding stamped National Insurance Cards, crossed cheques, crossed bankers drafts, crossed warrants, national savings certificates, premium savings bonds, franking machine impressions, credit company sales vouchers and VAT invoices.

(iii) **Limits any one loss**

As stated in the **schedule** in respect of the following:

- (1) Stamped National Insurance Cards, crossed cheques (including crossed giro cheques and drafts but excluding pre-signed blank cheques crossed money orders, crossed postal orders, crossed bankers draft, crossed warrants, National savings certificates, premium savings bonds, unused units in franking machines, credit company sales vouchers and VAT invoices).
- (2) **Money** other than as described in item 1 not contained in locked safes:

- (a) in **your premises** outside **business hours**.
- (b) in the private houses of **your** principals or authorised **employees** or the premises of solicitors or authorised agents to the extent that **money** is not otherwise insured.
- (c) in the custody of collectors for twenty-four (24) hours from the time of receipt or until the next working day whichever is the later.
- (3) **Money** other than as described in item 1 from locked safes outside **business hours**. **We** shall not be liable for loss of **money** from any safe or strongroom not listed in the **schedule** above a limit of £1,500 in total
- (4) Any other loss of **money** other than as described in item 1 insured by this section.

(b) **Insuring clause**

Despite the exclusion listed under point 6 (a) of General Exclusions, **We** will reimburse **you** in respect of the following:

- (i) Loss of **money**, **your** property or for which **you** are responsible, in the course of the **business** up to the **limit any one loss** stated in the **schedule**:
  - (1) in transit.
  - (2) in the custody of collectors for twenty four (24) hours from time of receipt or until the next working day whichever is the later.
  - (3) on sites of contracts where **employees** are working.
  - (4) on the **premises**.
  - (5) at the private houses of **your** principals or authorised **employees** or the premises of solicitors or authorised agents, to the extent that **money** is not otherwise insured, up to a maximum amount of £500 for any one loss or any higher limit shown in the **schedule** for any one loss.
  - (6) deposited in any bank night safe and within bank premises until removed by a bank official, up to a maximum amount of £5,000 for any one loss or any higher limit shown in the schedule for any one loss.
  - (7) on the **premises** outside of **business hours** as shown in the **schedule**.
  - (8) on the **premises** outside of **business hours** in a locked safe or strongroom as shown in the **schedule**.
- (ii) Loss of or **damage** following theft or attempted theft to any safe or strongroom at the **premises**, any container, case, bag or waistcoat used for the carriage of **money** or any stamp franking machine used for **your business**.
- (iii) **Damage** to clothing and personal effects (including up to £25 per person for personal **money**) belonging to **you** or any of **your** directors, partners or **employees** following robbery or any attempted robbery subject to a limit any one person of £500.

(c) **Special conditions**

- (i) at all times during the **period of insurance** **you** shall ensure that outside **business hours** the safes are kept locked and the keys of the safes are not to be left on the **premises** unless:

- (1) the **premises** are occupied by **you** or an authorised **employee**, in which case such keys if left on the **premises** must be kept in a secure place not in the vicinity of the safes; or
- (2) if the **premises** are unoccupied for more than thirty (30) consecutive days, the keys to the safe(s) detailed under item 3 on the **schedule** are placed in a separate locked safe or strongroom and the keys to this removed from the **premises**. In this event **our** maximum liability shall not exceed the limit of liability stated in the **schedule** under item 3 or £5,000 whichever is the less in respect of loss of **money**.

If **you** do not comply with this special condition, **we** will deal with any loss of **money** under Item 2 i) of the **schedule** (**money** not contained in locked safes in **your premises** outside **business hours**), provided that **our** maximum liability shall not in the aggregate exceed the **limit any one loss** stated in the **schedule**.

(d) **Exclusions**

**We** will not be liable for losses from the following:

- (i) By theft by any of **your** directors, partners or **employees**
  - (1) not discovered within fourteen (14) working days of its occurrence; or
  - (2) more specifically insured by any other policy or policies except in respect of any excess beyond the amount payable under such other policy or policies.
- (ii) Arising elsewhere than in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
- (iii) From a vehicle where there is no one in charge keeping the vehicle under observation and able to interfere with any attempt by anyone to break into it or steal it or anything in it unless the vehicle is stolen at the same time or the vehicle is securely locked and **money** stored out of sight at the time of the loss.
- (iv) Due to the dishonest acts of any person in **your** employment or service not discovered within fourteen (14) days of the actual occurrence.
- (v) Due to falsification of accounts.
- (vi) More specifically insured under another policy except for any amount in excess of the amount payable under this policy.
- (vii) Arising from shortages due to error, omission, depreciation in value or the use of counterfeit **money**.
- (viii) Of **money** or contents from any gaming or vending machine in excess of £500.

2. **Part 2 – Personal injury (robbery)**

(a) **Definitions**

*Each time one of the definitions below is used in this section it will have the same meaning wherever it appears in this section or in the **schedule** in relation to this section. To help identify these words they appear in **bold** in this section wording.*

(i) **Bodily injury**

Injury resulting solely and directly from accident caused by outward, violent and visible means which shall directly and independently of any other cause result in death or disablement.

(ii) **Insured person**

**You** or any director, principal, partner or **employee**.

(iii) **Loss of limb**

Total loss of use or loss by physical separation of a hand at or above the wrist or of a foot at or above the ankle.

(iv) **Loss of sight**

Irrecoverable loss of sight of one or both eyes, as the case may be, such that visual acuity is 6/60 or less or visual field is reduced to 10 degrees of arc or less irrespective of corrected visual acuity or the Insured Person's name being added to the Register of Blind Persons under the authority of a qualified ophthalmic specialist.

(v) **Medical expenses**

The cost of medical, surgical or other remedial attention, treatment or appliances given or prescribed by a **Qualified Medical Practitioner** and all hospital, nursing home or ambulance charges.

(vi) **Permanent total disablement**

**Bodily injury** (not resulting in **loss of limbs** or **loss of sight**) which entirely prevents the **insured person** from engaging in or attending to their usual occupation. The disablement must last twelve (12) months and at the expiry of that period be beyond hope of improvement and should be certified by the **Qualified Medical Practitioner**.

(vii) **Qualified Medical Practitioner**

A Qualified Medical/Dental Practitioner or specialist who is registered or licensed to practice medicine under the laws of the country in which they practice but does not include an **Insured Person** or a member of the **Insured Person's** family.

(viii) **Temporary total disablement**

**Bodily injury** which temporarily prevents the **insured person** from entirely engaging in or attending to their usual business or occupation which is certified by the **Qualified Medical Practitioner**.

(ix) **Temporary partial disablement**

**Bodily injury** which temporarily prevents the **insured person** from engaging in or attending to a substantial part of their usual business or occupation, which is certified by the **Qualified Medical Practitioner**.

(b) **Insuring clause**

(i) **We** will pay the benefits stated in the **schedule** in respect of **bodily injury** sustained by the **insured person** as a result of robbery or attempted robbery arising in the course of the **business** and within two (2) years resulting in the following:

1. Death.
2. **Loss of sight.**
3. **Loss of limbs.**
4. **Permanent total disablement** (other than by **loss of limbs** or **loss of sight**).
5. **Temporary total disablement** .
6. **Temporary partial disablement.**
7. **Damage** to clothing or personal effects belonging to **you** or any of **your employees** subject to a limit of £500 any one person.

(ii) **We** will reimburse **you** in respect of **medical expenses** incurred in the treatment of the **insured person** up to 15% of any amount paid under benefit 5 and 6.

(c) **Benefits**

The benefits applicable are as stated in the **schedule**.

(d) **Limits of amounts payable**

- (i) The benefit under item 5 and 6 shall not be payable for more than one hundred and four (104) weeks in respect of any one injury calculated from the date of commencement of disablement.
- (ii) Any amount claimed for benefit 5 or 6 will be paid in addition to the sum insured for benefit 1,2,3 or 4. If and when benefit becomes payable under any of items 1, 2 or 3, any weekly benefit being paid in connection with the same injury will cease. **We** will only pay for the **bodily injury** **you** have suffered if it is directly as a result of a robbery. Any existing physical impairment or medical condition **you** had before the robbery will be taken into consideration in calculating the amounts payable on the basis of the difference between their physical impairment or medical condition before and after the robbery.
- (iii) **Permanent total disablement** shall have lasted for one hundred and four (104) weeks before benefit under item 4 becomes payable.
- (iv) Payment of a claim under one of the items 1, 2, 3 or 4 will end the cover granted insofar as it applies to the **insured person** concerned.
- (vii) No benefit shall be payable for more than one of the items 1, 2, 3 or 4 in respect of the same injury.

(e) **Special conditions**

(i) The cover under this part of the section applies only to persons between the ages of sixteen (16) and seventy (70) years.

(ii) **Bodily injury** must occur in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

(f) **Claims condition**

(i) **You** shall provide all certificates, information and evidence required by **us** in the form prescribed by **us** at **your** expense. The **insured person** shall as often as required submit to medical examination on **our** behalf and expense in connection with any claim.

In the event of the death of an **insured person**, **we** are entitled to have a post mortem examination at **our** own expense.

(ii) **We** shall not be affected by notice of any trust, charge, lien, assignment or other dealing with this section and **our** liability shall be discharged when **you** or **your** personal representative receive any compensation payable.

(iii) If more than one party has an interest in the **insured person**, the benefit shall represent the total amount payable in respect of that **insured person** for all interests covered by this insurance.

(g) **Exclusions**

**We** will not be liable for the following:

(i) Loss arising elsewhere than in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

(ii) Loss more specifically insured under another policy except for any amount in excess of the amount payable under this policy.

**Section 4 – Trade All Risks**

(a) **Definitions**

*The following words will have the same meaning wherever they appear in this section or in the **schedule** relating to this section. To help identify these words they will appear in **bold** in the section wording.*

(i) **Property insured**

Property belonging to **you** or for which **you** are responsible as set out in the **schedule**. Property insured does not include electronic data.

(ii) **Territorial limits**

The limits chosen by **you** and shown in the **schedule** attaching to this **policy**.

- (1) At **your business premises**;
- (2) Anywhere in the United Kingdom;
- (3) Anywhere in the European Union or in the United Kingdom; or
- (4) Anywhere in the world.

**(b) Insuring clause**

We will reimburse **you** for **damage** by any cause not specifically excluded to **property insured** set out in the **schedule** anywhere in the **territorial limits**, provided the **damage** occurs within the **period of insurance** and subject to the limits specified in the **schedule**.

**(c) Clauses**

**(i) Interest**

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

**(ii) Subrogation waiver**

In the event of a claim arising under this policy, **we** agree to waive any rights, remedies or relief to which **we** might become entitled by subrogation against

- (1) any company standing in the relation of parent to subsidiary(subsidiary to parent) to **you** as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**.
- (2) any company which is a subsidiary of a parent company of which **you** are a subsidiary as defined in the Companies Act or Companies (N.I.) Order current at the time of the **damage**.

**(iii) Reinstatement**

Subject to the following special conditions, the basis upon which **we** will calculate the amount payable in respect of **property insured** by all items, other than **stock** or rent, shall be the reinstatement of the **property damaged** to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

For this purpose reinstatement means:

- (1) the rebuilding or replacement of property damaged which may be carried out in any manner suitable to **your** requirements or on another site as long as **our** liability is not increased; or
- (2) the repair or restoration of property damaged.
  - (a) Reinstatement of **stock** and motor vehicles and their accessories or pedal cycles shall be on the basis of the cost of replacement of lost, destroyed or damaged **stock** or other **property insured** by similar property as new.

- (b) **Our** liability for the repair or restoration of property partly damaged shall not exceed the amount which would have been payable had such property been wholly destroyed.
- (c) If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item exceeds its sum insured at the start of any **damage**, **our** liability shall not exceed that proportion of the amount of the **damage** which the sum insured shall bear to the sum representing the total cost of reinstating the whole of such property at that time.
- (d) No payment beyond the amount which would have been payable in the absence of this clause shall be made unless reinstatement commences and proceeds as quickly as possible.
  - (i) until the cost of reinstatement shall have been actually incurred.
  - (ii) if the **property insured** at the time of its **damage** shall be insured by any other insurance effected by or on **your** behalf which is not upon the same basis of reinstatement.
- (e) All the other terms and conditions of the policy shall apply in respect of any claim payable under this clause so far as they are able.

**NB:** This clause does not apply to claims for **employees**, principals' or directors' personal effects.

**(d) Exclusions**

**We** will not pay for the following:

- (i) Financial loss caused by the loss of use or malfunction of the **property insured**.
- (ii) **Damage** arising from:
  - (1) faulty or defective design materials, natural or man-made inherent flaws or defects.
  - (2) mechanical, electrical, electronic, computer breakdown, failure or derangement.
  - (3) wear and tear being a reduction in value through age, natural deterioration, ordinary use, depreciation due to use, lack of maintenance or damage which happens gradually over a period of time .
  - (4) process of cleaning, restoring or repairing.
  - (5) process of production, packing, treatment, testing or commissioning.
  - (6) disappearance or shortage identified only by stocktaking.
  - (7) riot, civil commotion occurring elsewhere than in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
- (iii) **Damage** resulting from theft or attempted theft or unexplained disappearance or shortages:
  - (1) from a vehicle where there is no one in charge keeping the vehicle under observation and able to interfere with any attempt by anyone to break into it or steal it or anything in it unless the item stolen is stored in a locked boot; or

(2) of **property insured** which is unattended unless there is forcible and violent entry or exit.

(iv) **Damage** to:

- (1) **property insured** loaned or hired out by **you**.
- (2) glass and other fragile or brittle materials unless as a direct result of fire, theft or accident to the vehicle in which the **property insured** was being transported.
- (3) **property insured** left in the open by theft, attempted theft, storm or flood.
- (4) **property insured** carried on the outside of vehicles unless as a direct result of collision or overturning.

(v) **Damage** caused by **pollution**.

However, **r we will cover damage to the property insured** caused by:

- (1) **pollution** which itself results from fire, lightning, explosion, aircraft or other aerial devices dropped therefrom, 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 pipe, tank or apparatus, sprinkler leakage or impact by any road vehicle or animal; or
- (2) any of the above named covers which itself results from **pollution** provided it is not otherwise excluded.

(vi) **Damage** occurring outside the **territorial limits**.

(vii) **The excess** shown in the **schedule**.

## Section 5 – Goods in Transit

(a) **Definitions**

*The following words will have the same meaning wherever they appear in this section of the policy or in the **schedule** relating to this section. To help identify these words they will appear in **bold** in the section wording.*

(i) **High value property**

Cigars, cigarettes and tobacco, non-ferrous metals, wines and spirits, clocks and watches, photographic equipment, furs, jewellery, gold, silver, precious stones and precious metals, radio, TV, hi-fi and video equipment, computers, mobile phones, video tapes, cassettes, CDs and DVDs, antiques and works of art belonging to **you** or for which **you** are responsible. High value property does not include electronic data.

(ii) **In transit**

The period of time beginning when the **property insured** comes under the control of the carrier and ending when it is delivered.

This will include loading, temporary housing on the way for a period not exceeding thirty (30) consecutive days and unloading. This will also include return transits to **you** from **your** customers.

**(iii) Property insured**

Goods or merchandise belonging to **you** or for which **you** are responsible incidental to the **business**. This excludes any property carried for hire or reward. Property insured does not include electronic data.

**(iv) Territorial limits**

Great Britain, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man including direct sea or air transit between these territories.

**(v) Vehicle**

Vehicle including any trailer attached to it.

**(b) Insuring clause**

**We** will at **our** option reimburse **you** by payment or reinstatement for accidental **damage** to the **property insured** occurring during the **period of insurance** while in transit within the **territorial limits** from any of **your premises** whilst being carried by **your own vehicles** and/or by **vehicles** operated by **your** hauliers, rail or by parcel post.

**We** will not pay more than the limits shown in the **schedule** and **you** will be responsible for any **excess** that applies.

**(c) Extensions**

**We** will extend this section to cover the following:

- (i)** Extra costs and expenses incurred in reloading onto any vehicle any **property insured** which has fallen from the **vehicle** and removing debris of the **property insured** following **damage** which is not excluded or following accident to the **vehicle**.

**Our** limit of liability will not exceed £2,500.

- (ii)** **Damage** to containers, tarpaulins, ropes, chains and other fastenings owned by **you** or in **your** charge and control while carried on any **vehicle**.

- (iii)** **Damage** to the personal effects of the driver and their attendant up to a maximum amount of £500.

**We** will not be responsible for the first £25 of each claim.

**We** will not reimburse **you** or **your** driver for **damage** to any item insured by any other insurance policy.

- (iv)** Expenses incurred for which **you** are responsible in transferring the **property insured** to any other vehicle following fire, collision, overturning or impact of the **vehicle** including carrying the **property insured** to the original destination or to place of collection.

- (v)** Costs and expenses incurred by **you** in re-securing the **property insured** following a

dangerous movement of the load in transit for an amount not exceeding £500 any one event.

(vi) Any vehicle used temporarily in substitution of any **vehicle** referred to in the **schedule** applicable to this section whilst it is out of use for maintenance, repair or official vehicle testing. Any substitute vehicle will be subject to the terms applicable to the original **vehicle**.

(d) **Special conditions**

(i) **Due care**

All times during the **period of insurance** **you** shall ensure:

- (1) in respect of any **vehicle** **you** own or operate under **your** control that:
  - (a) it is maintained in an efficient and roadworthy condition and is regularly serviced with particular attention to the roadworthiness of steering, brakes, tyres, lights and all security devices fitted;
  - (b) all protective devices specified in the **schedule** and all other security devices fitted are properly maintained and not changed without **our** written agreement; and
  - (c) whenever the **vehicle** containing the **property insured** is left where there is no one in charge keeping the vehicle under observation and able to interfere with any attempt by anyone to break into it or steal it or anything in it:
    - (i) all doors and boot are locked and all windows and other openings are securely closed; and
    - (ii) all protective devices are put into operation.
- (2) **you** take all care in the selection and employment of drivers and should obtain satisfactory written references as to their ability, integrity and honesty from two previous employers before **property insured** is entrusted to them.
- (3) **you** ensure the monitoring of the performance of **your** drivers and attendants is carried out.
- (4) **you** take due care to make sure that each package or parcel insured is securely and adequately packed according to the nature of the goods and that each package or parcel is correctly and fully addressed. **You** should obtain proper receipts from the postal and rail authorities and any other carrier and keep them for **our** inspection at any time.

In the event of breach of this term, **we** shall have no liability under this policy, unless **You** show that non-compliance with this term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

(e) **Claims condition**

(i) **You** should keep any merchandise or package for which **you** are making a claim together with its packaging as far as possible in the same state as delivered so **we** or any person authorized by **us** can inspect it.

- (ii) **You** shall assist **us** at **our** expense in providing details of any claim against carriers or others for any **damage** for which **we** shall be liable.
- (iii) If **we** ask, **you** shall assign the claim against the carriers or others to **us** so **we** can make the claim in **our** own name.
- (iv) Once a claim has been paid, any compensation recovered from the carriers or others for and **damage** shall belong to **us**, except that any amount recovered in excess of the sum paid by **us** as compensation shall belong to **you**.
- (v) Once a claim has been paid, the property for which payment is made shall belong to **us**.

(f) **Exclusions**

**We** will not be liable for **damage**:

- (i) to **money**, deeds, bonds, documents, manuscripts, business books and computer system records, patterns, moulds, models, designs, plans.
- (ii) to **high value property** unless specifically insured.
- (iii) to livestock or other living creature.
- (iv) to explosives or goods of a dangerous nature.
- (v) to tools of trade.
- (vi) caused by deterioration due to change in temperature of **property insured** carried in a chilled, refrigerated, frozen or insulated condition unless caused by an accident to the **vehicle**.
- (vii) caused by:
  - (1) wear and tear being a reduction in value through age, natural deterioration, ordinary use, depreciation due to use, lack of maintenance or damage which happens gradually over a period of time, contamination, leakage spillage or shortage of weight, natural or man-made inherent flaws or defects insects, mildew, vermin or nature of the **property insured**;
  - (2) normal atmospheric conditions where the **property insured** is on an open vehicle unless it is properly protected;
  - (3) electrical, electronic, computer breakdown, failure or derangement unless external **damage** occurs first to the **property insured**;
  - (4) delays or loss of market;
  - (5) not making full and complete declarations or not getting receipts for parcels, packages or consignments.
- (viii) resulting from theft or attempted theft or unexplained disappearance:
  - (1) from a **vehicle** where there is no one in charge keeping the vehicle under observation and able to interfere with any attempt by anyone to break into it or steal it or anything in it unless the item stolen is stored in a locked boot; or
  - (2) of **property insured** which is unattended unless there is forcible and violent entry or exit.
- (ix) caused by strikes, riots, civil commotion and malicious damage in Northern Ireland.

- (x) to **property insured** carried on vehicles other than those listed in the **schedule**.
- (xi) to **property insured** in any **vehicle** **you** own or which is in **your** custody or control while it is being used for private purposes outside the course of **your business**.
- (xii) to **property insured** arising as a result of packing which was inadequate to withstand normal handling during transit or from overloading of the **vehicle**.
- (xiii) to **property insured** more specifically insured.

## Section 6 – Employers’ Liability

### (a) Definitions

*The following words will have the same meaning wherever they appear in this section of the policy or in the **schedule** relating to this section. To help identify these words they will appear in **bold** in the section wording.*

#### (i) **Bodily injury**

Death, injury, illness, disease or nervous shock.

#### (ii) **Business**

The business carried on in the **United Kingdom** including the following activities:

- (1) ownership, use, repair, maintenance and decoration of premises occupied by **you**;
- (2) repair or maintenance of vehicles or plant owned or used by **you**;
- (3) the provision and management of canteen, social, sports, educational and welfare organisations for the benefit of any **employee** and first aid, fire, security and ambulance services;
- (4) participation in exhibitions held in member countries of the European Union in connection with the business specified in the **schedule**; and
- (5) private work undertaken for **you** by any **employee** or for any director or **employee** with **your** prior consent.

#### (iii) **Costs and expenses**

- (1) Claimants costs and expenses arising in respect of any claim against **you** which may be the subject of cover under this **policy**.
- (2) All cost and expenses incurred by **you** with **our** written consent in respect of any claim against **you** which may be the subject of cover under this **policy**.

#### (iv) **Offshore**

From the time of embarkation by an **employee** onto a conveyance at the point of final departure to an offshore rig or offshore platform until disembarkation by that **employee** from a conveyance on to land upon return from an offshore rig or offshore platform.

(v) **United Kingdom**

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

(vi) **You/your**

- (1) The insured named in the **schedule**;
- (2) Any associated or subsidiary company of the insured provided it has been notified to us;
- (3) At the request of the named insured as mentioned in (1) above:
  - (a) any director or **employee** while acting on behalf of or in course of their employment or engagement with **you** in respect of liability for which **you** would have been entitled to cover under this **policy** if the claim against any such person had been made against **you**.
  - (b) any officer, member or **employee** of **your** social, sports or welfare organisation or fire, first aid or ambulance service in their respective capacity as such.
  - (c) any of **your** directors, partners or senior officials in respect of private work carried out by any **employee** for them with **your** consent.
  - (d) any principal for legal liability in respect of which **you** would have been entitled to cover under this **policy** if the claim had been made against **you** arising out of work carried out by **you** under a contract or agreement.
  - (e) **your** personal representatives (in the event of **your** death) in respect of liability incurred by **you** provided that if cover is extended to any party described in paragraphs a) to c) above that party shall be subject to the terms of this **policy** so far as they can apply and in any event our liability shall not exceed the limit of liability.

(b) **Insuring clause**

We will reimburse **you** against:

- (i) all sums which **you** shall become legally liable to pay as damages; and
- (ii) **costs and expenses**

in the event of **bodily injury** sustained by any **employee** which arises out of and in the course of their employment by **you** in the **business** and which is caused

- (1) in the **United Kingdom**.
- (1) elsewhere in the world in respect of temporary non-manual visits by any **employee** provided that such **employee** is normally resident in the **United Kingdom**.

(c) **Limit of liability**

(i) The amount specified in the **schedule**.

**Our** liability for all compensation payable to any claimant or any number of claimants in respect of or arising out of any one event or all events of the series consequent on or attributable to one source or original cause shall not exceed the limit of liability.

The limit of liability shall be the maximum amount payable including **costs and expenses**.

(ii) **Our** liability under this section for damages and **costs and expenses** payable in respect of any one claim arising out of any one event or all events of a series consequent on or attributable to one source or original cause and arising out of **terrorism** or **pollution, cyber loss** or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use or exposure to asbestos or materials or products containing asbestos shall not exceed £5 million.

(d) **Employers' liability compulsory insurance**

The cover granted by this section will be treated to be in accordance with the provisions of any law enacted in the **United Kingdom** relating to compulsory insurance of liability to **employees**.

If however **we** pay any sum which would not have been paid but for the provisions of such law, then **you** shall repay such sum to **us**.

(e) **Extensions**

These extensions are subject to all other terms of this policy so far as they can apply unless otherwise stated.

(i) **Unsatisfied court judgements**

In the event that:

- (1) a judgement for damages is obtained against any company or individual operating from premises within the **United Kingdom** by any **employee** in respect of **bodily injury** caused during any **period of insurance** arising out of and in the course of their employment by **you** in the **business** and
- (2) it remains unsatisfied in whole or in part six (6) months after the date of such judgement

**we** will reimburse the **employee** or their personal representative up to the limit of liability for the amount of damages and awarded costs which remain unsatisfied as long as:

- (a) there is no appeal outstanding;
- (b) any payment made by **us** shall only be in respect of **bodily injury** which would otherwise be within the scope of cover of this section of the policy;
- (c) any payment made by **us** shall only be in respect of liability for which **you** would have been entitled to reimbursement under this section of the policy if the judgement had been made against **you**; and
- (d) **we** shall be entitled to take over and prosecute for **our** own benefit any claim against any other party and **you**, the **employee** or their personal representatives shall give all information and assistance required.

(ii) **Contractual liability**

**We** will reimburse **you** under this section against liability in respect of **bodily injury** assumed by **you** to the extent that any contract or agreement entered into by **you** with any principal so requires provided that:

- (1) the liability arises out of the performance by **you** of such contract or agreement;
- (2) the conduct and control of claims is vested in **us**;
- (3) the cover granted shall apply only in respect of liability to any **employee**; and
- (4) nothing in this extension shall increase **our** liability to pay any amount in excess of the limit of liability under this section.

For the purpose of this extension, “principal” means the other party to a contract or agreement for whom **you** are undertaking work or services where such party is responsible for setting out the terms of the contract or agreement.

**(iii) Cross liabilities**

If the policyholder named in the **schedule** comprises more than one party, **we** will treat each party as though a separate policy had been issued to each of them. However, nothing in this extension shall increase **our** liability to pay any amount in excess of the limit of liability under this section.

**(iv) Compensation for court attendance**

In the event of any of **your** directors, partners or **employees** attending court as a witness at **our** request in connection with a claim in respect of which **you** are entitled to reimbursement under this policy, **we** will provide compensation at the following rates for each day on which attendance is required.

- (1) Any director or partner £250 per day
- (2) Any **employee** £150 per day

**(v) Legal expenses arising from Health and Safety legislation including Corporate Manslaughter**

In the event of:

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

**we** will provide reimbursement against **costs and expenses** incurred in representing **you** in such proceedings, including appealing the results of such proceedings, as long as the proceedings relate to an act, omission or incident or alleged act, omission or incident which has been committed during the **period of insurance** within the **United Kingdom** and in the course of the **business**. The following conditions apply.

- (a) **Our** total liability in respect of all **costs and expenses** shall not exceed £1,000,000 in the aggregate during any one **period of insurance**.

- (b) **We** will reimburse **you** where such **costs and expenses** arise as a result of any matter which is the subject of cover under this **policy**.
- (c) **We** will only be liable for **costs and expenses** incurred in respect of legal representation appointed by **us**.
- (d) If there is any other insurance or cover in force insuring the same costs and expenses, **our** liability shall be limited to a proportionate amount of the total costs and expenses but subject always to the limit of liability of £1,000,000.
- (e) This reimbursement will not apply:
  - (i) in respect of fines or penalties of any kind;
  - (ii) to proceedings consequent upon any **bodily injury** deliberately caused by **you**; or
  - (iii) to persons other than **you** or any of **your** directors, partners, proprietors or **employees**.

**(f) Employers' Liability Tracing Office Condition**

Certain information relating to **your policy**, namely:

- (1) the Policy Number; employers' names and addresses, including subsidiaries and any relevant changes of name;
- (2) coverage dates and;
- (3) if relevant, the employer's reference numbers provided by Her Majesty's

Revenue and Customs and Companies House Reference Numbers; will be provided to the Employers' Liability Tracing Office, (the "ELTO") and added to the Employers' Liability Database (ELD).

It is understood by you that the above named information provided to **us** will be processed by **us** for the purpose of providing the ELD, in compliance with the provisions of the Employers' Liability Insurance: Disclosure by Insurers Instrument 2010.

The ELTO may provide such information to third parties to assist individuals with claims arising out of their course of employment in the United Kingdom for employers carrying on, or who carried on, business in the United Kingdom, to identify an insurer or insurers that provided employers' liability insurance.

**(g) Exclusions**

- (i) **We** will not reimburse **you** under this section against liability for **bodily injury** to an **employee** in circumstances where compulsory insurance or security is required by Road Traffic Act legislation.
- (ii) **We** shall not reimburse **you** under this section against liability arising **offshore**.

## Section 7 – Public/Products Liability

### (a) Definitions

*The following words will have the same meaning wherever they appear in this section of the policy or in the **schedule** relating to this section. To help identify these words they will appear in **bold** in the section wording.*

#### (i) **Bodily injury**

Death, injury, illness, disease.

#### (ii) **Body artistry**

The act or practice of perforating a part of the human body with a sharp pointed instrument for the purpose of wearing jewellery in the opening created.

#### (iii) **Business**

The business carried on in the **United Kingdom** including the following activities:

- (1) Ownership, use, repair, maintenance and decoration of premises occupied by **you**.
- (2) Repair or maintenance of vehicles or plant owned or used by **you**.
- (3) The provision and management of canteen, social, sports, educational and welfare organisations for the benefit of any **employee** and first aid, fire, security and ambulance services.
- (4) Participation in exhibitions held in member countries of the European Union in connection with the business specified in the **schedule**.
- (5) Private work undertaken for **you** by any **employee** or for any director or **employee** with **your** prior consent.

#### (iv) **Contract work executed**

Work carried out by **you** or on **your** behalf away from **your** normal place of business or that of the party who carried out the work on **your** behalf and which at the time of the event giving rise to a claim under this insurance is no longer **your** property and not under the control of **you** or of any **employee**.

#### (v) **Costs and expenses**

- (1) Claimants costs and expenses arising in respect of any claim against **you** which may be the subject of cover under this section.
- (2) All cost and expenses incurred by **you** with **our** written consent in respect of any claim against **you** which may be the subject of cover under this section.

#### (vi) **Offshore**

From the time of embarkation by an **employee** onto a conveyance at the point of final departure to an offshore rig or offshore platform until disembarkation by that **employee** from a conveyance on to land upon return from an offshore rig or offshore platform.

(vii) **Products**

Any tangible products or goods (including containers, labelling, instructions or advice provided in connection therewith) which are manufactured, sold, supplied, erected, repaired, altered, treated, designed, tested, installed, formulated, constructed, or serviced by **you** in the course of the **business**.

(viii) **Property**

Property which is both material and tangible.

(ix) **Tattooing**

The act or practice of adding colour by marking the skin with indelible patterns, pictures, lines or legends by making punctures under the skin and inserting pigments. Tattooing also includes the application of colour in the form of temporary tattoos and body decals which are not of a permanent nature.

(x) **United Kingdom**

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

(xi) **You/your**

- (1) The insured named in the **schedule**;
- (2) Any associated or subsidiary company of the insured provided it has been notified to **us**;
- (3) At the request of the named insured as mentioned in (1) above:
  - (a) any director or **employee** while acting on behalf of or in course of their employment or engagement with **you** in respect of liability for which **you** would have been entitled to cover under this section if the claim against any such person had been made against **you**.
  - (b) any officer, member or **employee** of **your** social, sports or welfare organisation or fire, first aid or ambulance service in their respective capacity as such.
  - (c) any of **your** directors, partners or senior officials in respect of private work carried out by any **employee** for them with **your** consent.
  - (d) any principal for legal liability in respect of which **you** would have been entitled to reimbursement under this section if the claim had been made against **you** arising out of work carried out by **you** under a contract or agreement.
  - (e) **your** personal representatives (in the event of **your** death) in respect of liability incurred by **you** provided that if cover is extended to any party described in paragraphs (1) to (3) above that party shall be subject to the terms of this policy so far as they can apply and in any event **our** liability shall not exceed the limit of liability.

(b) **7A – Public liability**

(i) **Insuring clause**

**We** will reimburse **you** under this section of the policy against:

- (1) all sums which **you** shall become legally liable to pay as damages; and
- (2) **costs and expenses**  
in the event of:
  - (a) accidental **bodily injury** to any person other than any **employee**;
  - (b) accidental **damage to property**; or
  - (c) obstruction, loss of amenities, trespass, nuisance or interference with any right of way, light, air or water

occurring during the **period of insurance** and arising out of **your business**:

- (i) in the **United Kingdom**
- (ii) elsewhere in the world other than the United States of America or Canada arising out of business visits by directors or non-manual **employees** ordinarily resident in the **United Kingdom**.

(ii) **Limit of Liability**

- (1) **Our** liability in respect of all claims arising out of one original cause shall not exceed the limit of liability detailed in the **schedule** irrespective of the number of claims or claimants.
- (2) **Costs and expenses** are payable within the limit of liability detailed in the **schedule** which means the limit of liability shall be the maximum amount payable including **costs and expenses**.

(iii) **Extensions**

These extensions are subject to all other terms of this policy so far as they can apply unless otherwise stated.

**(1) Defective premises**

**We** will reimburse **you** against liability in respect of **bodily injury** or **damage to property** arising in respect of any premises disposed of by **you**. This cover does not apply to any **costs or expenses** incurred in repairing, replacing or making any refund in respect of any such premises.

**(2) Leased premises**

**We** will reimburse **you** against liability for **damage** to premises or fixtures or fittings thereof which are leased to **you**. This cover does not apply in respect of liability for:

- (a) **damage** if the liability is assumed under any tenancy or other agreement and would not have attached in the absence of such an agreement; or
- (b) the first £250 of such **damage**.

(3) **Contingent liability (non-owned vehicles)**

We will reimburse **you** in respect of legal liability for **bodily injury and damage to property** arising out of the use of any motor vehicle, which is not **your property** or leased or hired to **you** and is not provided by **you**, while being used in connection with the **business**. This cover does not apply in respect of:

- (a) **damage** to such vehicle;
- (b) **bodily injury or damage to property** while such vehicle is being driven by **you**;
- (c) liability arising from circumstances in which it is compulsory for **you** to insure or provide security in respect of such vehicle as a requirement of relevant Road Traffic Act legislation; or
- (d) a vehicle being used outside the **United Kingdom**.

For the purposes of this extension “**you**” is restricted to paragraphs (1) and (2) of Definitions only.

(4) **Overseas personal liability**

Where **you** or any of **your** directors or **employees** are temporarily visiting a country outside the **United Kingdom** in connection with the **business**, we will provide cover to **you** and to:

- (a) any of **your** directors or **employees**; or
- (b) any spouse or child of **your** director or **employee** accompanying them

incurred in a personal capacity for accidental **bodily injury or damage to property** occurring during such visit. The cover will not apply to legal liability:

- (i) arising out of the ownership or occupation of land or buildings; or
- (ii) in respect of which any person referred to above is entitled to cover under any other insurance.

(5) **Car park and cloakroom liability**

We will provide reimbursement against legal liability in respect of accidental **damage** to vehicles or personal effects of other persons which **you** hold in trust or in **your** custody or control as long as:

- (a) they are not being stored by **you** for a fee or other consideration; and
- (b) they are not held in trust by **you** or in **your** custody or control for the purpose of work being carried out on such property.

(6) **Consumer Protection Act and Food Safety Act**

We will provide cover to **you** and any of **your** directors, partners or **employees** up to the limit of liability in respect of

- (a) costs of prosecution awarded against **you** and any of **your** directors, partners or **employees**; and
- (b) legal fees and expenses incurred with **our** consent

in the defence of and arising from criminal proceedings brought, or in an appeal against conviction in respect of breach of Part II of the Consumer Protection Act 1987 or of Part II of the Food Safety Act 1990, as long as the proceedings relate to an offence committed or alleged to have been committed during the **period of insurance** and in the course of the **business**.

The cover will not apply:

- (i) to fines or penalties of any kind;
- (ii) where cover is provided by any other insurance; or
- (iii) in respect or proceedings consequent upon any deliberate act or omission.

**(7) Wrongful arrest**

**We** will reimburse **you** against all sums **you** shall become legally liable to pay as compensation for wrongful arrest, malicious prosecution, false imprisonment, defamation or assault of any person (other than an **employee**) occurring during the **period of insurance** and arising out of any theft or suspicion of theft at the **premises**.

**(iv) Exclusions**

**We** will not reimburse **you** under this section against liability for the following:

- (1) For **damage** to **property** belonging to **you** or in the custody or control of **you** or any **employee** other than:
  - (a) **property** including motor vehicles belonging to an **employee** or visitor; or
  - (b) any premises including contents (not being premises leased to **you**) which are temporarily occupied by **you** for the purpose of carrying out work in or to such premises.
- (2) Arising from the ownership, possession or use under the control of **you** or any **employee** of any mechanically propelled vehicle in circumstances where compulsory insurance or security is required under any Road Traffic Act legislation.
- (3) Arising out of the ownership, possession or use by **you** or on **your** behalf of any aircraft or other aerial devices, hovercraft, **offshore** installation or watercraft (other than hand-propelled or wind-powered watercraft whilst on inland waterways).
- (4) Arising from any **products** after they have ceased to be in **your** custody or control other than food or drink for consumption on **your premises**.
- (5) Caused by or arising out of:
  - (a) advice, design or specification given by **you** for a fee; or
  - (b) professional services rendered by **you** or on **your** behalf.
- (6) For the costs incurred by anyone in
  - (a) recalling or making refunds in respect of any **products** or **contract work executed**; or
  - (b) remedying any defects or alleged defects in land or buildings or structures or other premises disposed of by **you**.
- (7) For the compensation, damages, losses, costs, expenses, fines, penalties or any other sum arising out of breach of privacy rules or legislation including the Data Protection Act 2018, whether **Your** liability arises directly or indirectly.

(c) **7B – Products liability**

(i) **Insuring clause**

We will reimburse **you** under this section of the policy against:

(1) all sums which **you** shall become legally liable to pay as damages; and

(2) **costs and expenses**

in the event of:

(a) accidental **bodily injury** to any person; or

(b) accidental **damage to property**

occurring anywhere in the world during the **period of insurance** and caused by any **products**.

(ii) **Limit of liability**

(1) Our liability for all sums payable in respect of any one **period of insurance** shall not exceed the limit of liability detailed in the **schedule**.

(2) **Costs and expenses** are payable within the limit of liability under this section.

(iii) **Exclusions**

We will not reimburse **you** under this section against liability for the following.

(1) Caused by or arising out of any **products** which:

(a) to **your** knowledge are for delivery or use in the United States of America or Canada; or

(b) are sold, supplied, erected, repaired, altered, treated, installed in or for use in any aircraft, aerospace device, hovercraft or waterborne craft or for marine or aviation purposes;

(2) For the costs incurred in the repair, reconditioning, replacement, removal or breaking out of any **products** or part thereof;

(3) Arising out of **damage to products**; or

(4) For the costs incurred by anyone in recalling or making refunds in respect of any **products**.

(5) Caused by or arising out of:

(a) advice, design or specification given by **you** for a fee; or

(b) professional services rendered by **you** or on **your** behalf.

(d) **Extensions applying to 7A – Public liability and 7B – Products liability** These extensions are subject to all other terms of this policy so far as they can apply unless otherwise stated.

(i) **Contractual liability**

We will reimburse **you** under this section against liability in respect of **bodily injury or damage to property** assumed by **you** to the extent that any contract or agreement entered into by **you** with any principal so requires provided that:

- (1) the liability arises out of the performance by **you** of such contract or agreement;
- (2) the conduct and control of claims is vested in **us**; and
- (3) nothing in this extension shall increase **our** liability to pay any amount in excess of the limit of indemnity under this section.

For the purpose of this extension, “principal” means the other party to a contract or agreement for whom **you** are undertaking work or services or providing **products** where such party is responsible for setting out the terms of the contract or agreement.

(ii) **Cross liabilities**

If the policyholder named in the **schedule** comprises more than one party, **we** will treat each party as though a separate policy had been issued to each of them. However, nothing in this extension shall increase **our** liability to pay any amount in excess of the limit of liability under this section.

(iii) **Compensation for court attendance**

In the event of any of **your** directors, partners or **employees** attending court as a witness at **our** request in connection with a claim in respect of which **you** are entitled to reimbursement under this **policy**, **we** will provide compensation at the following rates for each day on which attendance is required.

- (1) Any director or partner £250 per day
- (2) Any **employee** £150 per day

(iv) **Legal expenses including Corporate Manslaughter** In the event of

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

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

The following conditions apply.

- (a) **Our** liability in respect of all **costs and expenses** shall not exceed £1,000,000 in the aggregate during any one **period of insurance**.
- (b) **We** will only reimburse **you** where such **costs and expenses** arise as a result of any matter which is the subject of cover under this policy.
- (c) **We** will only be liable for **costs and expenses** incurred in respect of legal representation appointed by **us**.
- (d) If there is any other insurance or cover in force insuring the same costs and expenses,

our liability shall be limited to a proportionate amount of the total costs and expenses but subject always to the limit of liability of £1,000,000.

- (e) This cover will not apply:
  - (i) in respect of fines or penalties of any kind;
  - (ii) to proceedings consequent upon any **bodily injury** deliberately caused by **you**; or
  - (iii) to persons other than **you** or any of **your** directors, partners, proprietors or **employees**.
- (v) **Treatment Risk**

We will reimburse **you** under this section against liability in respect of claims made against **You** arising out of accidental bodily injury following **tattooing, body artistry** or any other treatment stated in the **schedule** for breach of professional duty (treatment) by reason of any negligent act, error or omission occurring or committed in good faith by **you**, any **employee** or any of **your** guest artistes unless more specifically insured. Our liability under this extension including all **costs and expenses** shall be limited to the amount stated in the **schedule** in the aggregate during any one **period of insurance**. We will not reimburse **you** under this extension against liability for the following:

- (a) any **tattooing, bodily artistry or any other treatment stated in the schedule** undertaken in non-sterile conditions;
- (b) any act, error or omission occurring prior to the inception of this policy;
- (c) any actual or alleged plagiarism, misappropriation of likeness or breach of confidence;
- (d) any libel and slander or any other form of defamation;
- (e) **you** or any **employee** or any of **your** guest artistes being under the influence of intoxicants, narcotics or hallucinogens;
- (f) the transmission of a **communicable disease** or infection by **you** or any **employee** or any of **your** guest artistes;
- (g) the use or supply of dyes, pigments or other products, including devices used, which are either non approved by the relevant regulatory body or have not been on sale or in use in the United Kingdom, European Union, United States or Federal Drug Agency market for more than two (2) years;
- (h) the use or supply of any jewellery that has not been manufactured in the United Kingdom, European Union or United States and is not made of surgical steel at 316L, 14K or 18K solid yellow or white gold, platinum, niobium, titanium or surgical plastic.
- (i) any **tattooing or body artistry** where the person receiving the treatment has not signed a consent form;
- (j) any work on persons under the age of eighteen (18) years old other than:
  - (i) ear piercings, nose and navel piercings on persons aged fourteen (14) years; ear lobe piercings on persons aged eight (8) and over or
  - (ii) tongue and eyebrow piercing on persons aged sixteen (16) years or over provided that written parental or legal guardian consent is obtained (a copy to be retained by **you**) with the parent or legal guardian being present during the procedure;

- (iii) hairdressing, manicure, pedicure.
- (k) **your** failure to run spore strip testing on the heat sterilization unit in accordance with manufacturer's instructions/recommendations;
- (l) the operation of unlicensed **premises** or persons
- (m) the **excess** stated in the **schedule**;
- (n) any of the following procedures:
  - (i) eye concealer
  - (ii) intradermal camouflage tattoos;
  - (iii) black henna tattoos;
  - (iv) any product containing paraphenylenediamine (PPD).

(vi) **Breach of Copyright**

**We** will reimburse **you** under this section against any liability in respect of claims made against **You** arising out of **tattooing, body artistry** or any other treatment stated in the **schedule** for any for any passing-off or infringement of any intellectual property right, including patent, trademark, trade secret or copyright committed unintentionally and in good faith by **you**, any **employee** or any of **your** guest artistes.

**Our** liability under this extension shall not exceed GBP 50,000 in the aggregate during any one **period of insurance**.

(e) **Exclusions applying to 7A – Public liability and 7B – Products liability**

**We** will not reimburse **you** under this section against liability for the following:

- (i) In respect of any judgement award or settlement made within these countries which operate under the laws of the United States of America or Canada or to any order made anywhere in the world to enforce such judgement award or settlement in whole or in part.
- (ii) Caused by or arising out of the deliberate, conscious or intentional disregard of **your** obligation to take all reasonable steps to prevent **bodily injury or damage to property**.
- (iii) Caused by or arising out of liquidated damages clauses, penalty clauses or performance warranties unless such liability would have attached in the absence of such clauses or warranties.
- (iv) Caused by or arising out of **pollution**.

But **we** will reimburse **you** against liability in respect of accidental **bodily injury** or accidental **damage to property** caused solely by **pollution** which results from a sudden, identifiable, unintended and unexpected incident and such incident takes place in its entirety at a specific and identified time and place during the **period of insurance** provided that:

- (a) all **pollution** which arises out of any one incident shall be treated as having occurred at the time such incident takes place;

- (b) **we** shall not cover **you** against liability in respect of **pollution** happening anywhere in the United States of America or Canada; and
- (c) nothing in these provisos shall increase **our** liability to pay damages, costs, fees and expenses in excess of the limit of liability in the **schedule** in the aggregate in respect of any one period of insurance.