

CONTRACTORS' COMBINED POLICY

Insurance for Specialist Contractors

ECIC CONTRACTORS' COMBINED POLICY

Thank you for choosing ECIC as your Insurers

This Policy (and the Schedule which forms an integral part of the Policy) is a legal contract

Please examine it thoroughly to ensure it meets your requirements

If it does not please contact your insurance adviser immediately

Important

You are reminded that you must continue to inform us of any

- additions or alterations to the information previously provided or
- changes in your circumstances

which may influence or affect our acceptance or assessment of this insurance

Failure to do so may invalidate your Policy

If you are in any doubt as to whether a particular fact is material please contact your insurance adviser

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Helpline

To provide immediate telephone advice and guidance at the time when it is most needed our Policyholders have access to the following free 24-hour helpline service:

Operated by DAS Assistance Limited this helpline provides legal advice on any business related legal problem. Principals of a business insured with ECIC may also obtain advice on personal legal problems.

To contact the helpline please telephone 0117 934 0598 and quote helpline No. HL/3993386.

Customer Care

Electrical Contractors' Insurance Company Limited ('ECIC') is committed to maintaining a high standard of professional conduct in all our dealings with customers.

However if you feel that your insurance arrangements have not been handled appropriately and you wish to make a complaint, please contact the Underwriting Manager at the office of ECIC that issued your Policy. We will ensure that the matter receives immediate attention. You will be sent a copy of our Complaints Handling Procedure.

If you feel that the matter has not been settled to your satisfaction you may write to the Managing Director, ECIC, ECA Court, 24-26 South Park, Sevenoaks, Kent TN13 1DU.

If you are not satisfied with our investigation and conclusion of your complaint or eight weeks have passed since initially making your complaint and you are an individual consumer or a business with a group annual turnover of less than £1 million you may refer the matter to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR.

ECIC is authorised and regulated by the Financial Services Authority and is a member of the Association of British Insurers.

Your right as a policyholder to take legal action remains unaffected by the existence of the complaints procedures referred to above.

The Contract of Insurance

In consideration of the payment of the premium the Insurers will provide the insurance described in this Policy subject to the terms and conditions for the Period of Insurance shown in the Schedule and any subsequent period for which the Insured shall pay and the Insurers shall agree to accept the premium

This Policy the Schedule (including any Schedule issued in substitution) the Proposal the Declaration the Statement of Fact and any Endorsements or Memoranda shall be considered one document and any word or expression to which a specific meaning has been attached shall bear such meaning wherever it appears

The Proposal the Declaration the Statement of Fact and any information supplied by the Insured form the basis of and shall be incorporated in the contract

Interpretation

In this Policy

- 1 the singular includes the plural and vice versa
- 2 the male gender includes the female and neutral genders
- 3 references to any Act or law include any rules or regulations promulgated thereunder and any re-enactment replacement amendment or modification thereof in whole or in part and whether before or after the inception date of this Policy
- 4 the use of headings and sub-headings is for ease of reference only and is not intended to be construed as an aid to interpretation

Choice of Law

The law applicable to this contract of insurance is subject to agreement between the parties

Unless the parties have agreed otherwise in writing any dispute concerning the interpretation or application of the Policy shall be governed and construed in accordance with English law and shall be resolved within the exclusive jurisdiction of the courts of England and Wales

SECTIONS 1 – 3: CONTRACTORS' LIABILITY

Definitions

- 1 Insured
Insured shall mean the persons or companies named in the Schedule
- 2 Airside
Airside shall mean that part of any aerodrome airfield airport or military installation provided for
 - A) the take-off and landing of aircraft aerial or aerospace devices or the movement of aircraft aerial or aerospace devices on the ground
 - B) aircraft aerial or aerospace device parking including any associated service roads refuelling areas ground equipment parking areas aprons maintenance areas or hangars
 - C) the control or navigation of aircraft aerial or aerospace devices including any air traffic control tower or command centre
- 3 Asbestos Asbestos Dust Asbestos Containing Materials
Asbestos shall mean crocidolite amosite chrysotile fibrous actinolite fibrous anthophyllite or fibrous tremolite or any mixture containing any of those minerals
Asbestos Dust shall mean fibres or particles of Asbestos
Asbestos Containing Materials shall mean any material containing Asbestos or Asbestos Dust
- 4 Business
Business shall mean the Insured's business as specified in the Schedule conducted solely from premises in Great Britain Northern Ireland the Channel Islands or the Isle of Man and shall include
 - A) ownership repair and maintenance of the Insured's own property
 - B) provision and management of canteen social sports and welfare organisations and first aid and ambulance services for the benefit of any Person Employed
 - C) fire and security services maintained solely for the protection of premises owned or occupied by the Insured
 - D) private work undertaken by any Person Employed for any director member or partner of the Insured or Employee with the prior consent of the Insured
- 5 Damage
Damage shall mean physical loss of or physical damage
- 6 Data
Data shall mean information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware
- 7 Employee
Employee shall mean any individual under a contract of service or apprenticeship with the Insured
- 8 Event
Event shall mean one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
- 9 Excess
Excess shall mean the amount or amounts specified in the Schedule which the Insured shall pay in respect of
 - A) any claim or number of claims arising from one Event under Section 2 - Public and Products Liability
 - B) any one claim under Section 3 - Professional IndemnityThe Excess shall not apply to costs and expenses incurred with the Insurers' written consent in relation to the investigation defence or settlement of any matter which may form the subject of a claim for indemnity under this Policy
- 10 Failure of a System
Failure of a System shall mean the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a System whether or not owned by the Insured
 - A) correctly to recognise or utilise any Data concerning a date as being such calendar date as the Data is intended to represent

- B) to operate as a result of any command programmed into the System utilising any data
- 11 Injury
Injury shall mean bodily injury death disease illness wrongful arrest detention or false imprisonment
- 12 Microchip
Microchip shall mean a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly including integrated circuits and microcontrollers
- 13 Offshore
Offshore shall mean from the time of embarkation on to a vessel or aircraft for conveyance to an offshore rig or platform until disembarkation from the conveyance on to land upon return from such offshore rig or platform
- 14 Person Employed
Person Employed shall mean
- A) any Employee
 - B) any individual undertaking study or work experience while under the supervision of the Insured
 - C) any
 - 1) labour master and individuals supplied by him
 - 2) individual employed by labour only sub-contractors
 - 3) self employed individual (not being in partnership with the Insured)
 - 4) individual hired to or borrowed by the Insured while under the direct control and supervision of the Insured
- 15 Pollution or Contamination
Pollution or Contamination shall mean all pollution or contamination of buildings or other structures or of water land or the atmosphere
- 16 Products Supplied
Products Supplied shall mean anything (including labels containers and packaging and any advice instruction or design relating thereto) not in the custody or control of the Insured sold supplied leased installed erected commissioned tested processed altered repaired treated serviced stored handled transported or disposed of by the Insured
- 17 Property
Property shall mean material property but shall not include Data
- 18 Railway
Railway shall mean any tracked railway system for the conveyance of people or goods including any amusement leisure or funicular railway
- 19 System
System shall mean computers other computing and electronic and mechanical equipment linked to computer hardware software programs data electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation
- 20 Territorial Limits
Territorial Limits shall mean
- A) Great Britain Northern Ireland the Channel Islands or the Isle of Man
 - B) elsewhere in the world other than the United States of America or Canada (or any territory within their jurisdiction) in respect of
 - 1) any act or omission occurring with the territories specified in A) above
 - 2) Injury to or the acts or omissions of persons normally resident in the territories specified in A) above but temporarily engaged in the Business outside such territories
 - 3) Injury or Damage caused by Products Supplied
- 21 Terrorism
Terrorism shall mean any act of terrorism including but not limited to the use of force or violence or the threat thereof of any person or group of persons whether acting alone or on behalf of or in connection with any

organisation or government committed for political religious ideological or similar purposes including the intention to influence any government and/or international government organisation and/or to put the public or any section of the public in fear

22 Virus

Virus shall mean programming code or series of instructions designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a System or transmitted between Systems by transfer between computer systems via networks extranets internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMs or otherwise and whether involving self replication or not

SECTION 1 – EMPLOYERS' LIABILITY

Cover Provided

The Insurers will indemnify the Insured

- 1 against legal liability for damages in respect of Injury of any Person Employed caused during the Period of Insurance in the Territorial Limits and arising out of and in the course of employment by the Insured in the Business
- 2 against legal liability for claimant's costs and expenses in connection with 1 above
- 3 in respect of
 - A) the cost of legal representation at
 - 1) any coroner's inquest or inquiry in respect of any death
 - 2) proceedings in any court of summary jurisdiction arising out of any alleged breach of statutory duty resulting in Injury
which may be the subject of a claim for indemnity under 1 above
 - B) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 above
incurred with the Insurers' written consent

Provided that in respect of any one Event

- 1 the total amount payable under this Section (including all Extensions Endorsements and Memoranda) shall not exceed the Limit of Indemnity specified in the Schedule
- 2 the Insurers may at any time pay the Limit of Indemnity (less any sums already paid or incurred) or any lesser amount for which at the absolute discretion of the Insurers the claims arising out of such Event can be settled
The Insurers will then relinquish control of such claims and shall be under no further liability in respect thereof

Exclusions

The indemnity will not apply to legal liability

- 1 of whatsoever nature directly or indirectly caused by or contributed to by or arising from
 - A) ionising radiations 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 nuclear component thereof
where such legal liability is
 - 1) that of any principal
 - 2) accepted under agreement and would not have attached in the absence of such agreement
- 2 in respect of Injury for which the Insured is required to arrange motor insurance or security in accordance with any road traffic legislation within the European Community
- 3 arising from or in connection with any Offshore activity
- 4 for
 - A) fines or penalties
 - B) compensation ordered or awarded by a court of criminal jurisdiction
 - C) aggravated exemplary or punitive damages or any additional damages resulting from the multiplication of compensatory damages awarded by any court outside Great Britain Northern Ireland the Channel Islands or the Isle of Man

Special Condition – Right of Recovery

The Indemnity granted by this Section is deemed to be in accordance with the provisions of any law enacted in Great Britain Northern Ireland the Channel Islands or the Isle of Man relating to the compulsory insurance of liability to employees

However the Insured shall repay to the Insurers all sums paid by the Insurers which the Insurers would not have been liable to pay but for the provisions of such law

SECTION 2 – PUBLIC AND PRODUCTS LIABILITY

Cover Provided

The Insurers will indemnify the Insured

- 1 against legal liability for damages in respect of
 - A) accidental Injury of any person
 - B) accidental Damage to Property
 - C) nuisance trespass to land or trespass to goods or interference with any easement right of air light or water or way
other than legal liability for damages which result from a deliberate act or omission of the Insured or which is a natural consequence of the ordinary conduct of the Business and which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission
happening during the Period of Insurance within the Territorial Limits in connection with the Business
- 2 against legal liability for claimant's costs and expenses in connection with 1 above
- 3 in respect of
 - A) the cost of legal representation at
 - 1) any coroner's inquest or inquiry in respect of any death
 - 2) proceedings in any court of summary jurisdiction arising out of any alleged breach of statutory duty resulting in any occurrence
which may be the subject of a claim for indemnity under 1 above
 - B) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 above
incurred with the Insurers' written consent

Provided that in respect of

- A) any one Event
- B) all Events happening during any one Period of Insurance in respect of Products Supplied
- C) all incidents occurring or deemed to occur during any one Period of Insurance in respect of Pollution or Contamination

the following shall apply

- 1 the total amount payable by the Insurers in respect of 1 and 2 above and all Extensions Endorsements and Memoranda shall not exceed the Limit of Indemnity specified in the Schedule
- 2 the Excess will be payable before the Insurers shall be liable to make any payment
- 3 the Insurers may at any time pay the Limit of Indemnity (less any sums already paid or incurred) or any lesser amount for which at the absolute discretion of the Insurers the claims arising out of such Event can be settled The Insurers will then relinquish control of such claims and shall be under no further liability in respect thereof except for costs and expenses for which the Insurers may be responsible prior to the date of such payment
- 4 where the Insurers are liable to indemnify more than one party under this Section the total amount of indemnity in respect of damages and claimant's costs and expenses shall not exceed the Limit of Indemnity

Exclusions

The indemnity will not apply to legal liability

- 1 for Injury of any Person Employed arising out of and in the course of employment by the Insured in the Business
- 2 of whatsoever nature directly or indirectly caused by or contributed to by or arising from Terrorism
- 3 caused by or arising out of Pollution or Contamination other than Pollution or Contamination caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the Period of Insurance
Provided that all Pollution or Contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place
- 4 for or arising from Damage to any Property which at the time of the Event giving rise to such legal liability is owned by or held in trust by or in the custody or control of the Insured other than
 - A) Employees' directors' members' partners' or visitors' personal effects including vehicles and their contents but excluding tools of trade on contract sites

- B) premises and their contents not owned by or leased or rented to the Insured at which the Insured is undertaking work in connection with the Business
 - C) premises and their fixtures and fittings leased or rented to the Insured unless such legal liability
 - 1) has been accepted by agreement in which case the indemnity will only be provided to the extent that such liability would have attached in the absence of such agreement
 - 2) arises from an agreement to maintain in force insurance in respect of loss of or damage to such premises and their fixtures and fittings
- 5 arising from or out of the ownership possession or use by or on behalf of the Insured (or any other party claiming indemnity) of any
- A) mechanically propelled vehicle other than legal liability arising out of
 - 1) the use of plant as a tool of trade on site
 - 2) the use of plant at the premises of the Insured
 - 3) the loading or unloading of any vehicle
 except where an indemnity is provided by any motor insurance contract or where insurance or security is required by law
 - B) aircraft aerial or aerospace device
 - C) hovercraft or water-borne craft (other than hand propelled or sailing craft in inland or territorial waters)
- 6 for
- A) fines penalties or liquidated damages
 - B) compensation ordered or awarded by a court of criminal jurisdiction
 - C) aggravated exemplary or punitive damages or any additional damages resulting from the multiplication of compensatory damages awarded by any court outside Great Britain Northern Ireland the Channel Islands or the Isle of Man
- 7
- A) in respect of Damage to any Products Supplied caused by any defect therein or the unsuitability thereof for its intended purpose
 - B) for the costs of recall removal repair alteration replacement or reinstatement of any Products Supplied necessitated by any defect therein or the unsuitability thereof for its intended purpose
- 8 arising from or in connection with any Products Supplied where such legal liability has been accepted by agreement except to the extent that such liability would have attached in the absence of such agreement
- 9 in respect of which the Insured is required to effect insurance under the terms of clause 21.2.1 of the Joint Contracts Tribunal Standard Form of Building Contract 1980 Edition or any subsequent revision or substitution thereof or any clause of similar intent under any other conditions of contract
- 10 arising from or in connection with
- A) advice
 - B) design
 - C) specification
- provided for a fee
- 11 for the costs of remedying any defect or alleged defect in premises disposed of by the Insured
- 12 of whatsoever nature directly or indirectly caused by contributed to by or arising from
- A) exposure to
 - B) inhalation or ingestion of
 - C) fears of the consequence of exposure to or inhalation or ingestion of
 - D) the costs incurred by anyone in repairing removing replacing recalling rectifying reinstating or managing (including those of any person under a statutory duty to manage) any property arising from the presence or alleged presence of
Asbestos Asbestos Dust or Asbestos Containing Materials
- 13 arising from or in connection with any activity
- A) Airside
 - B) Offshore
 - C) on hovercraft or water-borne craft

- D) on or alongside railway tracks (other than work in a public access area)
- 14 arising from or in connection with Products Supplied specifically for use in any
- A) aircraft aerial or aerospace device or aviation system
 - B) offshore rig platform or structure
 - C) hovercraft or water-borne craft
 - D) Railway
- that are directly connected with their operation or safety
- 15 Damage to Property due to or alleged to be due to the failure of any intruder alarm to correctly fulfil its intended function other than
- A) in respect of intruder alarms protecting private dwellings provided that the Insurers liability shall not exceed £100,000 during any one Period of Insurance
 - B) where the Insured is engaged as an installation only contractor with no responsibility for design plan specification commissioning or maintenance of the alarm system
 - C) where the Insured subcontracts the provision of the intruder alarm to an SSAIB or NSI accredited contractor or consultant who accepts responsibility for the efficacy of the installed system

SECTION 3 – PROFESSIONAL INDEMNITY

Special Definitions

1 Professional Activities and Duties

Professional Activities and Duties shall mean the performance by the Insured in connection with the Business of any professional

- A) design or specification
- B) supervision of construction
- C) feasibility study
- D) technical information calculation
- E) surveying
- F) testing
- G) maintenance

undertaken only by or under the direction and control of a qualified architect engineer or surveyor or other Competent Person

For the avoidance of doubt Professional Activities and Duties

- A) include the duty to warn of defects in the services of others
- B) do not include supervision by the Insured of its own or its sub-contractors' work where such supervision is undertaken in its capacity as a building or engineering contractor while working to designs prepared and provided other than by the Insured or on their behalf

2 Competent Person

Competent Person shall mean

- A) in respect of electrical engineering an Approved Electrician (or higher grade) as defined within the current rules of the Joint Industry Board for the Electrical Contracting Industry in England and Wales
- B) in respect of heating ventilation air conditioning or plumbing services engineering an Advanced grade (or higher grade) as defined within the current rules of the Joint Industry Board for Plumbing Mechanical Engineering Services in England and Wales
- C) any other person having relevant professional qualifications or five years experience appropriate to the work undertaken

Cover Provided

The Insurers will indemnify the Insured

- 1 against legal liability to pay damages arising from any claim or claims first made against the Insured and notified to the Insurers during the Period of Insurance caused by
 - A) any neglect error or omission or breach of warranty of authority
 - B) any act of libel or slander committed or uttered in good faith
 - C) unintentional infringement of any intellectual property right design right registered design trademark or patent
 - D) unintentional breach of confidenceon the part of the Insured in the conduct and execution of the Professional Activities and Duties
- 2 against legal liability for claimant's costs and expenses in connection with 1 above
- 3 against costs and expenses incurred with the Insurers' written consent in relation to the investigation defence or settlement of any matter which may form the subject of a claim for indemnity under 1 above

Provided that

- A) the total amount payable by the Insurers under this Section (including all Extensions Endorsements and Memoranda) shall not exceed the Limit of Indemnity specified in the Schedule
- B) the Excess will be payable before the Insurers shall be liable to make any payment
- C) for the purposes of this Section all claims attributable to the same act error or omission or series of acts errors or omissions consequent upon or attributable to the same original cause or source will be regarded as one claim All such claims will be considered first made on the date on which the earliest claim is first made
- D) the Insurers may at any time pay the Limit of Indemnity (less any sums already paid or incurred) or any lesser amount for which at the absolute discretion of the Insurers any claim or series of claims can be settled The Insurers will then relinquish control of such claim or claims and shall be under no further liability in respect thereof
- E) where the Insurers are liable to indemnify more than one party under this Section the total amount of indemnity shall not exceed the Limit of Indemnity

Exclusions

The indemnity will not apply to legal liability

- 1 for
 - A) Injury of any Person Employed arising out of and in the course of employment by the Insured in the Business
 - B) Injury to any person other than a Person Employed Damage to Property nuisance trespass to land or trespass to goods or interference with any right of air light or water or way unless arising out of the Professional Activities and Duties
 - C) arising out of any obligation owed by the Insured as an employer or potential employer to any Person Employed or applicant for employment
- 2 of whatsoever nature directly or indirectly caused by or contributed to by or arising from Terrorism
- 3 caused by or arising out of Pollution or Contamination
- 4 arising out of or in connection with
 - A) the effecting or maintenance of any form of insurance suretyship or bond
 - B) the provision of finance or advice on financial matters
 - C) the insolvency of the Insured
 - D) any trading losses or liabilities incurred by the Insured or any business managed by or carried on by the Insured
 - E) any dishonest fraudulent criminal or malicious act or omission of the Insured
 - F) the ownership use occupation or leasing of mobile or immobile property by to or on behalf of the Insured
- 5 arising out of or in connection with
 - A) any action or proceedings brought
 - B) activities or operations undertakenin the United States of America or Canada or any territory within their jurisdiction
- 6 arising out of or in connection with estimates of construction unless compiled by a chartered quantity surveyor
- 7 arising out of or in connection with
 - A) any aircraft aerial or aerospace device or aviation system
 - B) any offshore rig platform or structure
 - C) any hovercraft or water-borne craft
 - D) any Railway driving or rolling stock
- 8 arising out of or in connection with any contractual agreement in respect of
 - A) any express guarantee or warranty given by the Insured other than a collateral warranty or duty of care agreement in which case the indemnity will not apply to legal liability arising from or in connection with
 - 1) any express fitness for purpose guarantee
 - 2) any express guarantee including any relating to performance or the period of a project
 - 3) any greater or longer lasting benefit than that given to the party with whom the Insured originally contracted
 - 4) any term requiring the Insured to exercise a standard of care greater than would normally be implied by common law or statute
 - B) any express contractual penalty
 - C) any acceptance by the Insured of liability for liquidated damagesin so far as liability assumed by the Insured exceeds the amount of the Insured's liability in the absence of such agreement
- 9 for any claim made against the Insured (or any party indemnified by this insurance in a like manner to the Insured) in their capacity as a director member partner officer or trustee in respect of the performance or non-performance of their duties as a director member partner officer or trustee
- 10 in respect of any fines penalties aggravated exemplary or punitive damages or for the multiple portion of any multiplied damage award

- 11 for
- A) that part of an adjudication award which is not legally binding on the Insured or would not have been the subject of a valid claim under this insurance but for referral to an adjudicator
 - B) that part of an adjudication award which relates to the payment of fees or charges owed by the Insured
 - C) a monetary award made by an adjudicator in a decision which the Insured has agreed to accept as finally determining the dispute except where the Insurers in their opinion would not wish to pursue the final determination of the dispute by legal proceedings by arbitration or by agreement
- 12 for any claim made against the Insured by
- A) any entity in which the Insured or any director member or partner or any combination of directors members or partners of the Insured exercises or has exercised a controlling interest
 - B) any entity exercising a controlling interest over the Insured by virtue of their having a financial or executive interest in the operation of the Insured
- unless such claim emanates from an independent third party
- 13 arising from Professional Activities and Duties provided prior to the Retroactive Date specified in the Schedule
- 14 A) arising from any circumstance
- 1) notified under any insurance which was in force prior to the inception of this Section
 - 2) known to the Insured or which in the reasonable opinion of the Insurers should have been known to the Insured at the inception of this Section and which may have been expected to give rise to a claim
- B) any claim made against the Insured prior to the Period of Insurance
- 15 of whatsoever nature directly or indirectly caused by or arising from
- A) the transmission or impact of any Virus
 - B) any unauthorised access to a System
 - C) interruption of or interference with electronic means of communication used in the conduct of the Insured's Business including but not limited to any diminution in the performance of any website or electronic means of communication
 - D) Failure of a System
 - E) Damage to Data
- 16 of whatsoever nature directly or indirectly caused by or contributed to by or arising from
- A) the presence of Asbestos Asbestos Dust or Asbestos Containing Materials
 - B) the release of Asbestos Dust
 - C) the exposure of persons or property to Asbestos Asbestos Dust or Asbestos Containing Materials

Special Conditions

1 Notification of circumstances

Any circumstance or event notified to the Insurers which subsequently gives rise to a claim shall be deemed to have been made in the Period of Insurance in which such notice has been given

2 Litigation

The Insured shall not be required to contest any legal proceedings unless a Queen's Counsel (or by mutual agreement between the Insured and the Insurers a similar authority) shall advise that such proceedings could be contested with a reasonable prospect of success and the Insured consents to such claim being contested (such consent not to be unreasonably withheld)

In the event of a dispute arising between the Insured and the Insurers as to what constitutes an unreasonable refusal to contest such a claim the Insurers shall nominate an independent referee to decide this point (only) and the decision shall be binding on both parties. The cost of such referee and any related advice shall be borne equally between the Insured and the Insurers

Standard Extensions (each of which is subject otherwise to the terms of this Policy)

Extensions Applicable to Section 1 and Section 2

1 Compensation for Court Attendance

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

- A) any director member or partner of the Insured £500
- B) any Employee £250

2 Conflict of Interest

In the event of a conflict of interest between the Insured and any Employee indemnified by this Policy separate representation will be arranged for each party

3 Indemnity to Other Parties

The Insurers will provide indemnity in the terms of this Section (excluding any Extensions) to

- A) the personal representatives of the Insured in respect of legal liability incurred by the Insured
- B) at the request of the Insured
 - 1) any principal for whom the Insured is carrying out a contract for the performance of work but only in respect of the principal's liability for the performance of the Insured to the extent required by the contract conditions
 - 2) any principal from whom the Insured has hired plant but only in respect of the principal's liability for the performance of the Insured to the extent required by the hire contract's conditions
 - 3) any director member or partner of the Insured
 - 4) any Person Employed
against legal liability in respect of which the Insured would have been entitled to an indemnity under this Section if the claim had been made against the Insured
 - 5) the officers committees and members of the Insured's canteen social sports and welfare organisations and first aid fire ambulance medical and security services in their respective capacities as such but this shall not include medical or dental practitioners in relation to medical services provided
 - 6) any director member or partner of the Insured or Employee in respect of private work undertaken by any Person Employed for such director member partner or Employee with the prior consent of the Insured

each of whom shall as though the Insured be subject to the terms of this Policy so far as they can apply

4 Statutory Defence Costs

The Insurers will provide indemnity to the Insured and if the Insured so requests to any Employee director member or partner of the Insured

in respect of

- A) legal costs and expenses incurred with the Insurers written consent
- B) prosecution costs awarded against the Insured or any Employee director member or partner of the Insured

in connection with the defence of criminal proceedings brought (or in appeal against a conviction arising from such proceedings) for alleged offences under

- 1) the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978
- 2) Part II of the Consumer Protection Act 1987 or Part II of the Food Safety Act 1990
- 3) the Corporate Manslaughter and Corporate Homicide Act 2007

alleged to have been committed during the Period of Insurance in the course of the Business

Provided that

- A) the total amount payable under this Extension in respect of all offences alleged to have been committed during any one Period of Insurance shall not exceed £1,000,000
- B) proceedings shall not be contested or convictions appealed unless the counsel appointed with the Insurers' written consent has advised there is a reasonable prospect of success
- C) the indemnity will not apply
 - 1) to fines or penalties of any kind
 - 2) to compensation ordered or awarded by a court of criminal jurisdiction

- 3) to proceedings consequent on any deliberate act or omission of any party seeking indemnity under this Extension which could reasonably have been expected by such party to constitute a breach of the legislation specified in this Extension
- 4) where indemnity is provided by any other insurance

Extensions Applicable to Section 1 only

5 Unsatisfied Court Judgements

In the event of a judgement for damages being obtained

- A) by any Employee or their personal representatives in respect of Injury of the Employee caused during the Period of Insurance and arising out of and in the course of employment by the Insured in the Business
- B) against any company or individual operating from premises within Great Britain Northern Ireland the Channel Islands or the Isle of Man

in any court situate in the territories specified in B) above and

- C) remaining unsatisfied in whole or in part six months after the date of such judgement

at the request of the Insured the Insurers will pay to the Employee or their personal representatives the amount of any such damages and any awarded costs to the extent they remain unsatisfied

Provided that

- 1) there is no appeal outstanding
- 2) if any payment is made under the terms of this Extension the Employee or their personal representatives shall assign the benefit of the judgment to the Insurers

Extensions Applicable to Section 2 only

6 Cross Liability

If the Insured comprises more than one party the Insurers will provide indemnity to each in the same manner and to the same extent as if a separate Policy had been issued to each

Provided that the total amount payable in respect of damages and claimant's costs and expenses shall not exceed the Limit of Indemnity regardless of the number of parties claiming to be indemnified

7 Contingent Motor Liability

Notwithstanding Exclusion 5 A) the Insurers will provide indemnity to the Insured against legal liability arising out of the use in the course of the Business by any Employee of any mechanically propelled vehicle not the property of nor provided by the Insured

The indemnity will not apply to legal liability

- A) in respect of Damage to such vehicle or to property conveyed thereby
- B) arising while such vehicle is being driven by the Insured
- C) arising while such vehicle is being driven with the general consent of the Insured or the Insured's representative by any person who to the knowledge of the Insured or the Insured's representative does not hold a licence to drive the vehicle unless such person has held and is not disqualified from holding such a licence
- D) in respect of which the Insured is entitled to indemnity under any other insurance
- E) arising outside Great Britain Northern Ireland the Isle of Man or the Channel Islands

8 Defective Premises Act

The Insurers will provide indemnity to the Insured against legal liability for accidental Injury of any person or Damage to Property arising under

- A) the Defective Premises Act 1972
- B) the Defective Premises (Northern Ireland) Order 1975 or the Defective Premises (Landlord's Liability) Act (Northern Ireland) 2001

in connection with any premises previously owned or occupied by the Insured for the purposes of the Business

This indemnity will not apply to legal liability in respect of which the Insured is entitled to indemnity under any other insurance

9 Data Protection Act

The Insurers will provide an indemnity to the Insured and if the Insured so requests any Employee director member or partner of the Insured against legal liability to pay damages and claimant's costs and expenses for damage or distress as described in Section 13 of the Data Protection Act 1988

Provided that the Insured is registered in accordance with the terms of the Act or has applied for such registration which has not been refused or withdrawn and has taken all reasonable care to comply with the requirements of the Data Protection Act 1998

This Extension shall not apply in respect of

- A) the payment of fines or penalties of any kind
- B) the costs of replacing reinstating rectifying or erasing blocking or destroying any personal data
- C) liability arising from or caused by a deliberate or intentional act or omission of any person eligible for indemnity by this Extension if the result thereof could reasonably have been expected by the Insured or such other person having regard to the nature and circumstances of such act or omission
- D) claims which arise out of circumstances notified to previous insurers or known to the Insured at inception of this Extension
- E) legal liability where indemnity is provided by any other insurance

10 Overseas Personal Liability

The Insurers will provide indemnity in the terms of this Section to the Insured and if the Insured so requests any Employee director member or partner of the Insured and their accompanying spouse and children against legal liability incurred in a personal capacity while temporarily outside Great Britain Northern Ireland the Isle of Man or the Channel Islands in connection with the Business

The indemnity will not apply

- A) to legal liability arising out of the ownership or occupation of land or buildings
- B) where indemnity is provided by any other insurance

11 Customers' Goods

Notwithstanding Exclusion 4 the Insurers will provide an indemnity to the Insured in respect of legal liability for accidental Damage to Property removed from a customer's premises by the Insured solely to enable the Insured to work upon such Property and whilst in the Insured's custody and control

Provided that

- A) the total amount payable under this Extension in respect of any one Period of Insurance shall not exceed £25,000
- B) the indemnity will not apply to
 - 1) Damage to Property more specifically insured under any other policy covering the Insured's interest in or liability for such Property
 - 2) loss of Property by disappearance or by shortage where such loss is revealed only by the making of an inventory or stocktaking unless it can be attributed to one specific incident

12 Financial Loss (including Products Supplied)

The Insurers will indemnify the Insured

- A) against legal liability (other than arising under contract) incurred in connection with the Business for damages in respect of a claim for financial loss which is
 - 1) first made in writing to the Insured during any Period of Insurance
 - and
 - 2) notified to the Insurers during or within 30 days after expiry of the same Period of Insurance
- B) against legal liability for claimants' costs and expenses in connection with A) above
- C) in respect of other costs and expenses incurred with the Insurers' written consent in relation to any matter which may form the subject of indemnity under this Extension

Provided that

- A) the financial loss is sustained within Great Britain Northern Ireland the Isle of Man or the Channel Islands
- B) the total amount payable under this Extension during any one Period of Insurance shall not exceed £500,000
- C) the indemnity will not apply to legal liability
 - 1) for 10 percent or the first £1,000 whichever is the greater of any amount otherwise payable in respect of any one claim or number of claims arising from one Event
 - 2) arising out of any deliberate act or omission of the Insured and which could reasonably have been expected having regard to the nature and circumstances of such act or omission
 - 3) for financial loss sustained by any Person Employed arising out of and in the course of employment by the Insured in the Business
 - 4) arising out of or in connection with strikes lock-outs or labour disturbances
 - 5) arising out of or in connection with any act of fraud dishonesty financial default or insolvency

- 6) arising out of any defamation injurious falsehood passing off or infringement of any patents copyrights trademarks names or other intellectual property rights
- 7) to any statutory authority arising out of the enforcement of statutory requirements or the performance of statutory duties
- 8) in respect of
 - a) Injury of any person
 - b) Damage to Property
 - c) nuisance trespass to land or trespass to goods or interference with any easement right of light or water or way

or where an indemnity is provided (or would but for the exhaustion of the Limit of Indemnity be provided) by any other Extension or Section within this Policy
- 9) directly or indirectly caused by or arising from
 - a) the transmission or impact of any Virus
 - b) any unauthorised access to a System
 - c) interruption of or interference with electronic means of communication used in the conduct of the Insured's Business including but not limited to any diminution in the performance of any website or electronic means of communication
 - d) Failure of a System
 - e) Damage to Data
- 10) of whatsoever nature directly or indirectly caused by contributed to by or arising from the presence or alleged presence of Asbestos Asbestos Dust or Asbestos Containing Materials
- 11) the diminution of the value of any property

Extensions Applicable to Section 3 only

13 Mitigation of Loss

The Insurers will provide indemnity to the Insured against reasonable costs and expenses necessarily incurred in respect of any action taken to mitigate a loss or potential loss that would otherwise be the subject of a claim under this Section

The onus of proving a claim under this Extension shall be upon the Insured who will be obliged to give prior written notice to the Insurers during the Period of Insurance of the intention to take action that will incur such costs and expenses

14 Sub-contractors

The Insurers will provide indemnity to the Insured against legal liability for claims caused by any neglect error or omission or breach of warranty of authority in the conduct of their Professional Activities and Duties committed by specialist designers consultants sub-contractors or any other party acting on the Insured's behalf and for whom the Insured are responsible

Provided that the Insured

- A) shall not waive or in any way impair the Insurers' rights of recourse against such parties
- B) has established and maintains an administrative procedure for obtaining written evidence that such parties effect professional indemnity insurance which
 - 1) covers the work to be undertaken
 - 2) remains in force throughout the duration of the contract with the Insured

15 Loss of Documents

Notwithstanding Exclusions 1 B) and 15 E) the Insurers will in the event of accidental loss of or damage to Documents occurring in the conduct of the Professional Activities and Duties and advised to the Insurers during the Period of Insurance indemnify the Insured in respect of all costs and expenses reasonably incurred by the Insured in replacing or restoring such Documents up to a maximum of £100,000 during the Period of Insurance

Provided that

- A) such loss or damage is sustained while the Documents are either in transit or in the custody of the Insured or of any party to whom the Insured has entrusted them
- B) where the Documents are in electronic format the Insured can demonstrate to the reasonable satisfaction of the Insurers that the Insured had in place sufficient and proper procedures for the security and daily back-up of the Documents
- C) the Insurers shall not be liable under this Extension for the first £250 of each and every claim

For the purposes of this Extension only Documents shall mean all

- 1) documents (excluding bearer bonds coupons bank or currency notes or other negotiable instruments)
- 2) computer system records

the property of the Insured or for which they are responsible

16 Self-employed Persons

For the purpose of this Section any part-time employees contract hire staff or self-employed persons working for the Insured in connection with the Business shall be deemed to be employed by the Insured under a contract of employment provided that

- A) all fees paid to such persons are declared to the Insurers
- B) all such persons are supervised as required and described in this Section
- C) all such persons shall be subject to and comply with the same professional disciplines and routines as the Insured's permanent staff

17 Joint Ventures and Consortiums

Cover is extended to indemnify the Insured and

- A) any firm company or individual with whom the Insured is operating jointly
- B) any joint venture or consortium which includes the Insured

but in respect of the Insured's liability only

18 Indemnity to Directors and Employees

At the request of the Insured the Insurers will provide indemnity to any Employee director member or partner of the Insured (or any former Employee director member or partner of the Insured) against legal liability in respect of which the Insured would have been entitled to an indemnity under this Section if the claim had been made against the Insured

Provided that

- A) any party seeking indemnity under this Extension shall as though the Insured be subject to the terms of this Policy so far as they can apply
- B) the indemnity will not apply to any claim arising from or contributed to by any dishonest fraudulent criminal or malicious act or omission of any party seeking indemnity under this Extension

19 Dishonesty of Employees

The Insurers will provide indemnity in the terms of this Section to the Insured for any claim brought about or contributed to or by any dishonest fraudulent criminal or malicious act or omission of any Person Employed other than a director member or partner of the Insured

Endorsements

These Endorsements are only operative where shown in the Schedule and are each subject otherwise to the terms of this Policy

1 Fire Precautions (Applicable to Section 2 – Public and Products Liability)

The Insured shall take all reasonable care that the following precautions are complied with whenever blow lamps blow torches flame guns hot air guns electric oxy-acetylene or other welding or cutting equipment (including angle grinders in circumstances where sparks are emitted) are used away from the Insured's premises

- A) The area of work is cleared of combustible material for a safe distance from and beneath the place where such work is being carried out A safe distance shall not be less than 15 metres when welding or cutting operations are carried out

Where such precautions are impracticable all combustible material (including combustible parts of premises) is to be covered with non-combustible blankets or screens

- B) At least one fire extinguisher of a type suitable for the environment in which the equipment is to be used will be kept immediately adjacent to the area of work in full working order and available for immediate use
- C) Flame equipment will be lit as short a time as possible before use and extinguished immediately after use
- D) Equipment which is lit or switched-on will not be left unattended
- E) A thorough examination for any signs of combustion is made of the vicinity of the work half an hour after the termination of each period of work In the event that it is not practicable for the examination to be carried out by the Insured then appropriate arrangements must be made with the occupier

2 Sub-contractors' Insurance Check (Applicable to Section 2 – Public and Products Liability)

It is a condition precedent to liability under this Policy in respect of legal liability arising from or caused by work undertaken on the Insured's behalf by sub-contractors (other than sub-contractors acting as a Person Employed) that the Insured has established and maintains an administrative procedure for obtaining written evidence that sub-contractors effect public liability insurance which

- A) covers the work to be undertaken by or on behalf of the sub-contractor
- B) remains in force throughout the duration of the contract with the Insured
- C) is subject to a Limit of Indemnity of not less than the amount specified against this Endorsement in the Schedule
- D) includes an indemnity to principals clause
- E) includes products liability insurance (including efficacy liability where the provision of fire or security systems is sub-contracted)

3 Underground Services (Applicable to Section 2 – Public and Products Liability)

It is a condition precedent to liability under this Policy in respect of Damage to cables pipes or other services located underground that the Insured has prior to undertaking digging boring or excavation

- A) taken all reasonable measures to identify the location of such services before any work is commenced which may involve a risk of Damage thereto

Reasonable measures include contacting the appropriate authorities where it is possible that any services traverse the site

- B) retained a written record of the measures taken to locate such services
- C) conveyed the location of such services to those who are to carry out such work

4 Defective Products Supplied Extension (Applicable to Section 2 – Public and Products Liability)

Notwithstanding Exclusions 7 and 8 in the event of

- A) accidental Injury of any person other than a Person Employed or
- B) accidental Damage to Property other than Products Supplied

happening during the Period of Insurance and caused by defective electrical Products Supplied the Insurers will indemnify the Insured in respect of their legal liability for the costs of rectifying the defective electrical Products Supplied

Provided that

- A) the total amount payable under this Extension in respect of any one Period of Insurance shall not exceed £50,000
- B) the indemnity will not apply to
- 1) the first £1,000 of such costs

- 2) liability for rectifying any defective mechanical services or any mechanical services forming part of an electrical–mechanical installation
 - 3) costs arising from a defect or error in or in connection with advice or instructions relating to the design plan specification use or storage of such Products Supplied or any omission from or in connection with such advice or instructions and any losses consequent thereon
 - 4) liability arising from any express warranty or guarantee which increases the Insured's liability
 - 5) liability for rectification of which notice to the Insured was first given or which the Insured was first asked or required to carry out prior to the completion of the contract for the Products Supplied and any maintenance or defects liability period attaching by reason of that contract or any subsequent contract or agreement
- 5 Professional Negligence Extension (Applicable to Section 2 – Public and Products Liability)
- Notwithstanding Extension 12 – Financial Loss – the Insurers will subject to the Limit of Liability stated against this Endorsement in the Schedule indemnify the Insured in respect of legal liability arising from
- A) any claim first made in writing against the Insured during the Period of Insurance or
 - B) any occurrence or circumstance of which the Insured first becomes aware during the Period of Insurance and which can reasonably be expected to give rise to a claim
- caused either in connection with the Business or by Products Supplied and arising from any neglect error omission or breach of warranty of authority committed by the Insured in the conduct and execution of any design or specification supervision of construction technical information calculation surveying testing or maintenance
- Provided that
- A) any claim occurrence or circumstance is notified to the Insurers in the Period of Insurance in which
 - 1) the claim was first made against the Insured or
 - 2) the Insured first became aware of the occurrence or circumstance
 - B) any occurrence or circumstance notified to the Insurers during a Period of Insurance which subsequently gives rise to a claim shall be deemed to have been made during the Period of Insurance when the occurrence or circumstance was originally notified to the Insurers
 - C) no indemnity will be provided to the Insured in respect of liability arising from any neglect error or omission or breach of warranty of authority committed or alleged to have been committed prior to the Retroactive Date specified against this Extension in the Schedule
 - D) for the purposes of this Extension (only) Exclusions 7 B) and 8 are of no effect however this Extension shall not indemnify the Insured in respect of
 - 1) any liability arising from
 - a) collateral warranty or duty of care agreements (i.e. any contractual agreement which acknowledges or accepts that the Insured owes a duty of care or is responsible for the losses of any party other than the Insured's direct client to whom services are being provided)
 - b) any express warranty or guarantee within a contract which increases the Insured's liability other than in respect of liability that would have attached to the Insured in the absence of such collateral warranty duty of care agreement express warranty or guarantee
 - 2)
 - a) Injury of any person
 - b) Damage to Property
 - c) nuisance trespass to land or trespass to goods or interference with any easement right of air light water or way

other than consequential losses flowing from Damage to Products Supplied
 - 3) the costs of recall removal repair alteration replacement or reinstatement of any Products Supplied necessitated by any defect therein or the unsuitability thereof for its intended purpose other than consequential losses flowing therefrom
 - 4) any liability arising from
 - a) or in connection with the effecting or maintenance of insurance or in connection with the provision of finance or advice on financial matters
 - b) any dishonest fraudulent criminal or malicious act or omission of the Insured
 - c) the insolvency of the Insured
 - d) defamation injurious falsehood passing off or infringement of any intellectual property rights or arising out of any breach or alleged breach of anti trust laws
 - 5) claims made against the Insured by any associated parent or subsidiary company or by any person or entity having a financial or executive interest in the operation of the Insured unless such claims are for an indemnity or contribution in respect of a claim made by another party against the said

associated parent or subsidiary company person or entity and arise out of services rendered by the Insured

- 6) 10 percent or the first £500 whichever is the greater of any amount payable in respect of any one claim or number of claims arising from one Event subject to a maximum contribution by the Insured in respect of any such claim or claims of £1,000
- 7) where an indemnity is provided (or would but for the exhaustion of the Limit of Indemnity be provided) by any other Extension or Section within this Policy
- 8) legal liability directly or indirectly caused by or arising from
 - a) the transmission or impact of any Virus
 - b) any unauthorised access to a System
 - c) interruption of or interference with electronic means of communication used in the conduct of the Insured's Business including but not limited to any diminution in the performance of any website or electronic means of communication
 - d) Failure of a System
 - e) Damage to Data
- 9) legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from the presence or alleged presence of Asbestos Asbestos Dust or Asbestos Containing Materials
- 10) legal liability arising from the diminution of the value of any property

6 Inadvertent Non – Disclosure (Applicable to Section 3 – Professional Indemnity)

In the event of non-disclosure or misrepresentation at first renewal (or any subsequent renewal thereafter) the Insurers will waive their rights to avoid this insurance provided that

- A) the Insured is able to establish to the satisfaction of the Insurers that such non-disclosure or misrepresentation was innocent and free from any fraudulent conduct or intention to deceive
- B) the Premium and terms shall be adjusted at the discretion of the Insurers to those which would have applied had such circumstances been disclosed
- C) where the Insured should have notified during a preceding Period of Insurance a circumstance which could give rise to a claim and the indemnity or cover to which the Insured would have been entitled was in any way more restricted than that provided at the date of notification the Insurers shall be liable only to the extent applicable during such preceding Period of Insurance
Where in the opinion of the Insurers the Insured has prejudiced the handling or settlement of any claim arising from any such circumstance the amount payable in respect of any subsequent claim (including costs and expenses) shall be reduced to such sum as in the Insurers' opinion would have been payable in the absence of such prejudice
- D) the Insurers shall not be liable as a result of this Extension to provide an indemnity where the Insured has failed to notify during a preceding Period of Insurance the receipt of any verbal or written notice from a third party of
 - 1) a claim or an intention to make a claim
 - 2) the commencement of or the intention to commence legal proceedings of any kind (including for the avoidance of doubt any arbitration or adjudication)

7 Infringement of Copyright (Applicable to Section 3 – Professional Indemnity)

The Insurers will provide indemnity to the Insured in respect of reasonable costs incurred by the Insured with the Insurers' written consent in prosecuting any claim for an injunction or damages arising from

- A) any breach of the Insured's confidential information patents or copyrights
 - B) the unauthorised use or infringement of the Insured's systems or designs
- of which the Insured first becomes aware (and notifies to the Insurers) during the Period of Insurance
Provided that the Insurers shall not be liable for the first £250 of any such costs

In the event of any dispute arising between the Insurers and the Insured as to the reasonableness of pursuing any such course of action the opinion of a Queen's Counsel to be mutually agreed between the Insurers and the Insured shall be obtained and his decision shall be binding

8 Indemnity to Holding Company (Applicable to Section 3 – Professional Indemnity)

The Insurers will provide indemnity in the terms of this Section to the holding company of the Insured specified against this Endorsement in the Schedule against any claim in respect of which the Insured would have been entitled to an indemnity under this Section if the claim had been made against the Insured

9 Specific Claims Exclusion (Applicable to Section 3 – Professional Indemnity)

The indemnity provided by this Section of the Policy will not apply to liability arising out of the disclosed circumstance or claim specified against this Endorsement in the Schedule

- 10 Extended Professional Activities and Duties (Applicable to Section 3 – Professional Indemnity)
Professional Activities and Duties are extended to include supervision by the Insured of its own or its sub-contractors' work where such supervision is undertaken in its capacity as a building or engineering contractor provided that the Insured has
- A) entered into a contract where there is no express contractual obligation to perform any of the Professional Activities and Duties but such Professional Activities and Duties are necessarily performed by the Insured to complete such contract or
 - B) accepted responsibility by its contract for professional services carried out by a third party under a separate contract independent of the Insured
- 11 Security Systems' Efficacy Extension (Applicable to Section 2 – Public and Products Liability)
Notwithstanding Exclusion 15 the Insurers will provide indemnity in the terms of this Section in respect of legal liability arising from the failure of
- A) any security Product Supplied to correctly fulfil its intended function
 - B) the Insured to carry out the security services they have been contracted to perform
- where such failure arises from negligence or wilful default (including wrongful advice other than where such advice has been provided for a fee) by the Insured
Provided that the total amount payable by the Insurers as a result of this Extension shall not exceed the Limit of Indemnity specified against this Endorsement in the Schedule
- 12 Loss of Keys Extension (Applicable to Section 2 – Public and Products Liability)
Notwithstanding Exclusion 4 the Insurers will provide indemnity in the terms of this Section in respect of legal liability arising from the loss of Keys entrusted to the Insured
Provided that
- A) the amount payable shall be restricted to
 - 1) the reasonable cost of replacement or alteration of lost Keys and the locks operated by such Keys
 - 2) the cost of necessary additional temporary protections to a customer's premises
 - 3) consequential loss suffered by a customer arising directly from
 - a) their inability to gain access to their premises
 - b) the misuse of such Keys
 - B) no details describing naming or locating the premises or item to which the Keys relate shall be attached to or kept with the Keys The Insured shall devise a code for the labelling of Keys and take all reasonable precautions to prevent unauthorised access to the code's cypher
 - C) the Insured shall replace (or make all possible efforts to replace) any external locks to which such Keys relate within 48 hours or one working day of the discovery (whichever is the lesser) of the loss of Keys
 - D) the indemnity will not apply to the first 10 per cent or any other amount specified against this Endorsement in the Schedule (whichever is the greater) of any amount otherwise payable in respect of any one claim or number of claims arising from one Event
 - E) the total amount payable under this Extension during any one Period of Insurance shall not exceed the Limit of Liability specified against this Endorsement in the Schedule
- For the purposes of this Endorsement only Keys shall mean customers' keys electronic pass cards and similar devices
- 13 Screening of Guarding Personnel (Applicable to Section 2 – Public and Products Liability)
The indemnity will not apply to legal liability arising from or caused by guarding activities or the provision of key holding services unless each Person Employed engaged in such activities has been vetted in accordance with
- A) British Standards BS7858 Code of Practice for Security Screening of Personnel Employed in a Security Environment and/or
 - B) British Standards BS7499 Manned Security Services Part 1 Code of Practice for Static Guarding and Mobile control Services
- 14 Fidelity Extension (Applicable to Section 2 – Public and Products Liability)
The Insurers will provide indemnity to the Insured in respect of legal liability for losses sustained by a customer of the Insured arising from any act of fraud dishonesty or embezzlement committed by any Person Employed
Provided that

- A) such acts of fraud dishonesty or embezzlement are committed during the Period of Insurance and notified to the Insurers during the same Period of Insurance or within 90 days of its expiry
 - B) the total amount payable shall not exceed £100,000 in respect of the acts of any one Person Employed and £250,000 in respect of all acts committed during any one Period of Insurance
 - C) not more than one claim in respect of any one Person Employed shall be payable regardless of the period during which the acts were committed
 - D) the total amount payable in respect of the misuse of telephones shall not exceed £10,000 any one claim
 - E) the Insured shall cooperate with the Insurers in seeking reimbursement from any Person Employed of any sum paid or payable
 - F) the indemnity will not apply to the first amount shown as the Deductible against this Endorsement in the Schedule of any sum otherwise payable in respect of any claim or number of claims arising from one Event
- 15 Loss of Extinguishant Gas Exclusion (Applicable to Section 2 – Public and Products Liability)
The indemnity will not apply to legal liability for the cost of refilling the gas cylinders of any fire extinguishing system arising from the discharge or loss of extinguishant gas
- 16 Loss of Extinguishant Gas Extension (Applicable to Section 2 – Public and Products Liability)
The total amount payable by the Insurers in respect the Insured's legal liability for the cost of refilling or re-charging the gas cylinders of any fire extinguishing system arising from the accidental discharge or loss of extinguishant gas shall not exceed the Limit of Liability specified against this Endorsement in the Schedule

SECTIONS 4 – 9: CONTRACTORS' PROPERTY

Definitions

1 Insured

Insured shall mean the persons or companies named in the Schedule

2 Business

Business shall mean the Insured's business as specified in the Schedule conducted solely from premises in Great Britain Northern Ireland the Chanel Islands or the Isle of Man

SECTION 4 – CONTRACTORS' ALL RISKS

Special Definitions

1 Property Insured

Item 1 Contract Works

Contract Works means the permanent and temporary works forming part of the Insured Contract including materials incorporated or to be incorporated therein all the property of the Insured or for which he is responsible but not Contract Works of a prototype or experimental nature unless the prior consent of the Insurers has been given to the insurance thereof

Item 2 Constructional Plant

Constructional Plant means tools tackle and contractors' plant and equipment the property of the Insured or hired to him under a hire purchase agreement taken or intended to be taken on to the Contract Site for use in connection with the Insured Contract but excluding

- A) any mechanically propelled vehicle and any trailer attached thereto other than any such vehicle not more specifically insured and which is
- 1) not licensed for road use and used in circumstances which do not require insurance or security under any road traffic legislation or
 - 2) designed or adapted primarily for use as a tool of trade
- B) any craft designed to travel in on or through water air or space (other than work boats safety boats and pontoons where such craft do not exceed six metres in length) or Property permanently fixed thereto

Item 3 Temporary Buildings

Temporary Buildings means site huts and other temporary accommodation and their contents all the property of the Insured or hired to him under a hire purchase agreement for use in connection with the Insured Contract

Item 4 Employees' Effects

Employees Effects means tools and personal effects the property of any Employee or for which he is responsible not being motor vehicles gold or silver articles watches jewellery or money

Item 5 Hired Plant

Hired Plant means Constructional Plant and/or Temporary Buildings hired to the Insured not under a hire purchase agreement and which are the responsibility of the Insured under the terms of his hiring agreement or otherwise

2 Contract Site

Contract Site shall mean the site of any Insured Contract

3 Damage

Damage means physical loss of or physical damage

4 Employee

Employee means

- A) any person under a contract of service or apprenticeship with the Insured or
- B) any person supplied to or hired or borrowed by the Insured while engaged in the course of the Business

5 Free-issue Materials

Free-issue Materials means any materials incorporated or to be incorporated in the Contract Works supplied by the Principal and/or his agents and for which the Insured is responsible. The Insured shall include the total value of all such Free-issue Materials in any declaration required by the Insurers under General Condition 10

6 Insured Contract

Insured Contract shall mean the contract or contracts specified in the Schedule

7 Principal

Principal means any party (other than a director member partner or Employee of the Insured) on whose behalf the Insured in the course of the Business is undertaking work

8 Property

Property means material property

9 Territorial Limits

Territorial Limits means Great Britain Northern Ireland the Channel Islands or the Isle of Man

Sub-section A - Contract Works

Cover Provided

The Insurers will by payment or at their option by reinstatement or repair indemnify the Insured in respect of Damage to the Contract Works happening during the Period of Insurance within the Territorial Limits from any cause not hereinafter excluded

Provided that

- 1 cover in respect of any one Insured Contract shall cease
 - A) on the expiry of any maintenance or defects liability period (not exceeding twelve months) under any standard printed form of contract conditions applying to the Insured Contract
 - B) in the absence of any such maintenance or defects liability period on the issue of a certificate of completion or a taking over certificate on completion of construction or erection and testing (if any) or on the use or occupation of the Contract Works by the Principal
- 2 the Insured shall demonstrate that Damage occurring during any maintenance or defects liability period (or after expiry of the first fourteen days of the maintenance period in connection with an Insured Contract performed under the I.C.E. Conditions of Contract) is the responsibility of the Contractor under a standard printed form of contract conditions applying to the Insured Contract and
 - A) has arisen from a cause occurring prior to the commencement of the maintenance or defects liability period or
 - B) has been occasioned by the Contractor in the course of any operations carried out by him during the maintenance or defects liability period for the purposes of making good defects in the Contract Works or otherwise fulfilling his obligations under the said contract conditions

Limits of Liability

The Insurers' liability in respect of any one Insured Contract shall not exceed the sum specified in the Schedule which may be increased by an amount not exceeding twenty per cent should the original estimated contract price of the Insured Contract (including the value of Free-issue Materials) increase by such an amount

The Limit of Liability shall not be reduced by the amount of any claim but an additional premium shall be payable which additional premium shall be disregarded for the purpose of any adjustment of premium under General Condition 10 of this Policy

Exclusions

The Insurers shall not be liable in respect of

- 1 the cost of replacement or rectification of any portion of the Contract Works rendered necessary by defects of materials workmanship design plan or specification and should Damage occur to any portion of the Contract Works containing any of the said defects the cost of replacement or rectification which is hereby excluded is that cost which would have been incurred if replacement or rectification of the said portion of the Contract Works had been put in hand immediately prior to the said Damage
- 2 deeds bonds bills of exchange promissory notes cash bank notes cheques stamps or securities for money

Sub-section B - Contractors' Plant

Cover Provided

The Insurers will by payment or at their option by reinstatement or repair indemnify the Insured in respect of Damage to

- 1 Constructional Plant

2 Temporary Buildings

3 Employees' Effects at the Contract Site

happening during the Period of Insurance within the Territorial Limits from any cause not hereinafter excluded

Limits of Liability

The Insurers' liability shall not exceed

1 in respect of Damage to Constructional Plant and Temporary Buildings the sums specified in the Schedule

2 in respect of Damage to Employees' Effects arising from any one occurrence the sum specified in the Schedule in respect of any one Employee

The Limits of Liability in respect of Constructional Plant and Temporary Buildings shall not be reduced by the amounts of any claims but an additional premium shall be payable which additional premium shall be disregarded for the purpose of any adjustment of premium under General Condition 10 of this Policy

Exclusions

The Insurers shall not be liable in respect of

1 Damage to any item of Constructional Plant caused by its own electrical or mechanical breakdown or its own explosion

2 Damage to tyres by the application of brakes or by cuts bursts or punctures

Sub-section C - Hired Plant

Cover Provided

1 Damage to Hired Plant

The Insurers will indemnify the Insured in respect of legal liability under the terms of his hiring agreement or otherwise to pay compensation for Damage to Hired Plant happening during the Period of Insurance within the Territorial Limits from any cause not hereinafter excluded

2 Continuing Hire Charges

In the event of Damage to Hired Plant insured by this Sub-section the Insurers will indemnify the Insured against legal liability to pay continuing hire charges for a period not in excess of the Maximum Period stated in the Schedule

Provided that the terms of any hiring agreement are no more onerous than the Model Conditions for the Hiring of Plant of the Construction Plant-Hire Association

Limit of Liability

The Insurers' liability shall not exceed in respect of any one occurrence irrespective of the number or amount of claims thence arising the sum specified in the Schedule

In addition the Insurers will where legal proceedings have been defended with their written consent pay all legal expenses for which the Insured may be liable

Exclusions

The Insurers shall not be liable in respect of

1 Damage to tyres caused by the application of brakes or by cuts bursts or punctures

Exclusions Applicable to Section 4

The Insurers shall not be liable in respect of

1 the amount of the Deductible stated in the Schedule in respect of each and every occurrence of Damage otherwise payable under this Section

2 any costs or expenses arising from pollution or contamination of property not insured by this Section

3 the cost of rectification or making good of wear and tear gradual deterioration rust oxidisation corrosion or erosion

4 Damage to Property Insured whilst in transit by sea or air

5 loss of the Property Insured or any part thereof due to its being stolen or otherwise missing unless such loss is identifiable by the Insured with a specific occurrence which has been notified under the terms of General Condition 5 of this Policy

- 6 liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency or loss of use or any other form of consequential loss not specifically provided for
- 7 Damage to Property Insured whilst in an unattended vehicle between the hours of 7.00pm (19.00 hrs) and 8.00 am (08.00 hrs) unless such vehicle is in a locked private garage or a locked or permanently attended public garage
 Provided that this Exclusion shall not apply where the vehicle is
 - A) in use on Business at or in the vicinity of a Contract Site (which shall include the journey to or from such Contract Site) or
 - B) fitted with an electronic security system of at least category 1 or 2 standard (as defined by the Repair Research Centre Thatcham) and such system is fully operative whilst the vehicle is unattended
- 8 Damage to Property Insured arising from theft or any attempt thereat from any unlocked unattended vehicle

Special Conditions Applicable to Section 4

1 Change in Risk

If there is any material change in the risk insured during the Period of Insurance or if any defects or conditions of working are discovered which render the risk more than usually hazardous the Insured shall forthwith notify the Insurers and take such precautions as circumstances may require. In the event of stoppage of work on a Contract Site from any cause for a period of ninety consecutive days cover under this Section shall be suspended at the end of the ninetieth day in respect of Damage to Property Insured arising at that Contract Site unless its continuance be agreed to in writing by the Insurers

2 Reasonable Precautions

The Insured shall take and cause to be taken all reasonable precautions for the safety of the Property Insured. The Insurers' representatives shall have access at all reasonable times to the Contract Site and the Property Insured

3 Series Loss

If the development or discovery of a defect in any of the Contract Works shall indicate or suggest that a similar defect exists in other parts of the Contract Works the Insured shall forthwith investigate and if necessary rectify the defect in such other parts at his own expense or alternatively bear all loss arising out of such defect

Standard Extensions (each of which is subject otherwise to the terms of this Policy)

Extensions Applicable to Sub-sections A B and C

1 Indemnity to Principal

The Insurers will indemnify in the terms of this Section any Principal to the extent that the contract between the Insured and such Principal so requires

Extensions Applicable to Sub-section A only

2 Debris Removal

The Insurers will in addition to the Limit of Liability pay costs and expenses necessarily incurred by the Insured with the consent of the Insurers in

- A) removing debris from
- B) dismantling and/or demolishing
- C) shoring up or propping of

the Contract Works lost or damaged from any cause indemnifiable by this Sub-section of the Policy

The liability of the Insurers under this Extension shall in no case exceed ten percent of the Limit of Liability

3 Professional Fees

The Insurers will in addition to the Limit of Liability pay Architects' surveyors' consulting engineers' or other professional fees necessarily incurred in the reinstatement of the Contract Works consequent upon Damage thereto but not for preparing any claim. The amount payable for such fees shall not exceed those authorised by the appropriate professional body

4 Plans and Documents

The Insurers will indemnify the Insured against clerical costs necessarily incurred in rewriting redrawing or reproducing plans drawings or other contract documents that sustain Damage within the Territorial Limits

other than by an excluded cause. The Insurers' liability under this Extension shall not exceed £10,000 in respect of any one claim or number of claims arising from one cause.

5 Expediting Expenses

The insurance by the Contract Works Sub-section of this Policy is extended to cover any extra costs incurred in respect of express delivery airfreight overtime Sunday and holiday rates of wages in connection with repairs or replacements indemnifiable by the Contract Works Sub-section of this Policy.

The liability of the Insurers under this Extension shall in no case exceed fifty per cent of the amount which the repair or replacement would have cost if these expenses had not been incurred.

Extensions Applicable to Sub-sections B and C only

6 Immobilised Plant

In the event of Constructional Plant becoming unintentionally immobilised at any Contract Site within the Territorial Limits the necessarily incurred cost of recovery and/or withdrawal shall be deemed to be Damage within the meaning of this Sub-section of the Policy.

No indemnity shall be provided hereunder in these circumstances in respect of the cost of rectifying electrical and/or mechanical breakdown or derangement where such is the sole requirement necessary to effect the said recovery or withdrawal.

The Insurers' liability under this Extension shall not exceed £10,000 in respect of any one claim or number of claims arising from one cause.

Extensions Applicable to Sub-section C only

7 Emergency Hiring Insurance

The Insurers will in addition to the Limit of Liability pay extra costs incurred in hiring a replacement item of plant following Damage to the insured item. The liability of the Insurers under this Extension shall in no case exceed £200 per day during the repair period with a maximum of 30 days any one occurrence.

Endorsements Applicable to Section 4

These Endorsements are only operative where shown in the Schedule and are each subject otherwise to the terms of this Policy.

1 Contract price Limitation

The indemnity provided shall not apply to any contract where the original estimated contract price (including the value of Free-issue Materials) exceeds the sum specified in the Schedule against this Endorsement.

2 Testing Cover Period Limitation

The period of cover by the Contract Works Sub-section of this Policy in respect of Damage arising out of the testing of the Contract Works prior to the date of issue of a taking over certificate shall be limited to a period which in the aggregate for each Insured Contract shall not exceed from the date of commencement of testing the period specified in the Schedule against this Endorsement.

3 50/50 Clause

Applicable to goods the subject of Marine Cargo Insurance if a similar claim forms part of the Cargo Insurance.

Upon their arrival at the Contract Site goods are to be inspected by the Insured for possible Damage incurred during transit. In the case of packed goods which are to be left in their packing until a later date the packing is to be visually inspected for signs of possible Damage to the goods. If any sign of Damage is visible the goods themselves are to be unpacked and inspected. Any Damage discovered is to be reported under the marine cover.

Where the packing of goods manifests no sign of Damage to the goods having been incurred during transit any Damage to the goods which becomes manifest upon their unpacking within the period allowed will be ascribed to the marine cover or the Contract Works cover according to whether it clearly was caused before or after arrival of the goods at the Contract Site. Where it is not possible to establish the Damage was caused before or after arrival of the goods at the Contract Site it is agreed that settlement will be made 50/50 by the marine cover and this Policy.

SECTION 5 – ALL RISKS PROPERTY

Sub-section A - Property (excluding theft)

Special Definitions

Property Insured

- 1 Property Insured means
 - A) Buildings
 - B) Business Equipment
 - C) All Other Contents
 - D) Stock
 - E) other property or interestsas defined herein or more fully described in the Schedule
- 2 Buildings
 - A) Buildings include
 - A) landlord's fixtures and fittings
 - B) all tenant's improvements alterations additions and decorations belonging to the Insured or for which they are responsible
 - C) unless specifically insured annexes and small outside buildings conveyors trunks lines wires service pipes and other equipment walls and (except insofar as this Sub-section covers Storm or Flood) gates and fences the property of the Insured or for which the Insured is responsible
- 3 Business Equipment

Business Equipment means business equipment fixtures fittings furniture plant machinery and All Other Contents the property of the Insured or held in trust for which the Insured is responsible but excluding Stock and landlord's fixtures and fittings
- 4 All Other Contents

All Other Contents includes the following insofar as they are not otherwise or more specifically insured

 - A) money and stamps for an amount not exceeding £500 and National Insurance Stamps
 - B) documents manuscripts business books patterns models moulds plans and designs and computer systems records but only for the value of the materials together with the cost of labour or computer time expended in reproducing them but excluding
 - i any expenses in connection with the recompilation or retrieval of the information contained in them
 - ii the value to the Insured of the information that they contain
 - C) directors' partners' customers' visitors' and employees' pedal cycles and other personal effects and tools for an amount not exceeding £500 in respect of any one person
- 5 Stock

Stock means stock and materials in trade the property of the Insured or held by the Insured in trust or on commission for which the Insured is responsible
- 6 Rent Receivable

Rent Receivable means periodic payments made to the Insured as lessors of Buildings belonging to the Insured
- 7 Rent Payable

Rent Payable means periodic payments made by the Insured for the lease of Buildings not belonging to the Insured
- 8 Damage

Damage means accidental loss destruction or damage

Cover Provided

In the event of the Property Insured (or any part thereof) described in the Schedule sustaining Damage other than by an excluded cause during the Period of Insurance the Insurers will indemnify the Insured by at their option repairing replacing or paying the amount of the Damage

Limits of Liability

For all Damage arising during any one Period of Insurance the Insurers' liability under this Sub-section shall not exceed in respect of

- 1 each item of the Property Insured the Sum Insured set against it
- 2 all items of the Property Insured the total of the Sums Insured
- 3 each item on Rent Receivable 150 per cent of the Sums Insured set against it
- 4 each item on Rent Payable the Sums Insured set against it

Basis of Settlement – Rent

1 Rent Receivable

In the event of Damage to the Buildings the Insurers shall pay to the Insured in respect of any item on Rent Receivable relating to such Buildings

- A) the amount by which the Rent Receivable by the Insured during the period specified in such item shall in consequence of the Damage fall short of the rent which would have been received during such period had the Damage not occurred
- B) the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding a shortfall in rent but not exceeding the amount of the loss of rent which would otherwise have been payable under Paragraph A)

less any savings in respect of expenditure payable out of Rent Receivable which reduces or ceases in consequence of the Damage

In arriving at the amount of Rent Receivable such adjustments will be made as are necessary to provide for trend variations or other relevant circumstances either before or after Damage so that the figures thus adjusted represent as nearly as may be reasonably practicable the rent which but for the Damage would have been obtained during the relative period after the Damage

If following Damage the amount of Rent Receivable is maintained by the provision of alternative accommodation by the Insured such rent shall be taken into account in calculating the amount payable

If at the time of the Damage the sum insured by an item on Rent Receivable is less than the total rent which would have been received during the Period of Insurance if the Damage had not occurred (or a proportionately increased multiple thereof if the rental period exceeds twelve months) the amount payable will be reduced proportionately

The insurance by any item on Rent Receivable includes Damage caused by the explosion of any boiler or economiser

2 Rent Payable

In the event of Damage to the Buildings the Insurers will pay to the Insured in respect of any item on Rent Payable relating to such Buildings the amount of Rent Payable for the Buildings or part of the Buildings whilst unfit for occupation in consequence of the Damage for a period not exceeding the number of months specified in such item. If at the time of Damage the Sum Insured by any item on Rent Payable is less than the total Rent Payable during the period specified in such item the amount payable will be reduced proportionately

Exclusions

This Sub-section does not cover

- 1 the amount of the Deductible stated in the Schedule in respect of each and every occurrence of Damage otherwise payable under this Sub-section
- 2 Damage caused by
 - A) 1) faulty or defective design materials or workmanship inherent vice latent defect gradual deterioration wear tear change in water table level or frost
 - 2) explosion occasioned by the bursting of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the Insured
but this shall not exclude subsequent Damage resulting from an ensuing cause not otherwise excluded
 - B) 1) collapse or cracking of buildings
 - 2) corrosion rust change in temperature dampness dryness wet or dry rot shrinkage evaporation loss of weight change in colour flavour texture or finish vermin insects marring or scratching
but this shall not exclude such Damage resulting from a cause not otherwise excluded
 - C) 1) theft or any attempt thereat
 - 2) acts of fraud or dishonesty
 - 3) disappearance unexplained or inventory shortage misfiling or misplacing of information

- 4) cracking fracturing collapse or overheating of boilers economisers vessels tubes or pipes nipple leakage and/or the failure of welds of boilers
 - 5) mechanical or electrical breakdown or derangement of machinery or equipment
 - 6) bursting overflowing discharging or leaking of water tanks apparatus or pipes when the premises are empty or disused
- but this shall not exclude
- a) such Damage resulting from a cause not otherwise excluded
 - b) subsequent Damage resulting from an ensuing cause not otherwise excluded
- D) 1) subsidence ground heave or landslip
 - 2) normal settlement or bedding down of new structures
- 3 Damage by wind rain hail sleet snow flood or dust to moveable property in the open or fences and gates
- 4 consequential loss of any kind other than Rent insured hereby
- 5 A) loss or destruction or damage caused by pollution or contamination except (unless otherwise excluded or not insured) destruction of or damage to the Property Insured caused by
- 1) pollution or contamination which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons other than thieves earthquake storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes sprinkler leakage or impact by any road vehicles or animal
 - 2) any of the perils listed in 1) above which itself results from pollution or contamination
- B) loss or destruction or damage attributable solely to change in the water table level
- 6 Damage to
- A) money cheques stamps bonds credit cards securities of any description (and then only if specifically mentioned as insured by this Sub-section)
 - B) jewellery precious stones precious metals bullion furs curiosities rare books or works of art
 - C) glass china earthenware marble or other fragile or brittle objects
- except in respect of Damage not otherwise excluded caused by fire lightning explosion aircraft earthquake riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes or impact by any mechanically propelled vehicle or rail rolling stock or any animal
- 7 A) vehicles (including accessories thereon) licensed for road use caravans trailers railway locomotives or rolling stock watercraft or aircraft
- B) property in transit except as provided for under the Temporary Removal Extension
 - C) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection
 - D) land roads pavements piers jetties bridges culverts excavations
 - E) livestock growing crops or trees
 - F) property damaged as a result of its undergoing any process
- 8 Damage to property which at the time of Damage is insured by or would but for the existence of this Sub-section be insured by any Marine policy except in respect of any excess beyond the amount which would have been payable under the Marine policy had this insurance not been effected

Sub-section B - Theft

Special Definitions

- 1 Property Insured means
 - A) Business Equipment
 - B) All Other Contents
 - C) Stock
 - D) other property
 as defined herein or more fully described in the Schedule

2 Premises

Premises means that part of the building(s) situated at the address(es) referred to in Schedule and occupied by the Insured in connection with the Business but excluding any garden yard open space or outbuilding unless mentioned in the Schedule

3 Stock

Stock means stock and materials in trade the property of the Insured or held in trust or on commission for which the Insured is responsible excluding tobacco cigars cigarettes wines and spirits unless specifically mentioned in the Schedule

4 Business Equipment

Business Equipment means business equipment fixtures fittings furniture plant machinery and All Other Contents the property of the Insured or held in trust for which the Insured is responsible but excluding Stock

5 All Other Contents

All Other Contents includes the following insofar as they are not otherwise or more specifically insured

- A) documents manuscripts business books patterns models moulds plans and designs and computer systems records but only for the value of the materials together with the cost of labour or computer time expended in reproducing them but excluding
 - 1) any expenses in connection with the recompilation or retrieval of the information contained in them
 - 2) the value to the Insured of the information that they contain
- B) directors' partners' customers' visitors' and employees' pedal cycles and other personal effects and tools for an amount not exceeding £500 in respect of any one person
- C) tobacco cigars cigarettes wines and spirits kept for entertainment purposes for an amount not exceeding £500 per Premises

6 Damage

Damage means loss destruction or damage

Cover Provided

In the event of

- 1 the Property Insured (or any part thereof) in the Premises sustaining Damage by theft or attempted theft
 - A) involving entry to or exit from the Premises by forcible and violent means or
 - B) as a result of or in connection with actual or threatened assault or violence or use of force at the Premises against the Insured or any director member partner or employee of the Insured or any other person lawfully on the Premises
- 2 the Premises sustaining Damage falling to be made good by the Insured
 - A) as a result of or in connection with or
 - B) in an attempt to gain entry to commit theft or attempted theft as described in Paragraph 1A) and 1B) of Cover Provided

during the Period of Insurance the Insurers will indemnify the Insured by at their option repairing replacing or paying the amount of the Damage

Limits of Liability

For all Damage occurring during any one Period of Insurance the Insurers' liability shall not exceed in respect of

- 1 each item of the Property Insured the Sum Insured set against it and for all items the total of the Sums Insured
- 2 Damage to the Premises falling to be made good by the Insured the cost of repairs

The Sums Insured will be reduced by the amount of any claims for Damage to the property until the expiry of the Period of Insurance unless the Insurers agree on payment of an additional premium to the reinstatement of such Sums Insured

Exclusions

This Sub-section does not cover

- 1 the amount of the Deductible stated in the Schedule in respect of each and every occurrence of Damage otherwise payable under this Sub-section
- 2 Damage

- A) where the Insured or any director partner or employee of the Insured or any member of the Insured's household is concerned as principal or accessory
 - B) caused by fire or explosion except as provided for under Extension 15
 - C) occasioned by or happening through riot or civil commotion occurring elsewhere than in Great Britain the Isle of Man or the Channel Islands
- 3 Damage to
- A) any property more specifically insured
 - B) cash bank notes cheques securities for money stamps deeds bonds bills of exchange or promissory notes
 - C) livestock unless specifically mentioned in the Schedule

Sub-section C – Glass

Special Definitions

- 1 All Glass
All Glass means all fixed glass in windows doors fanlights showcases and shelves and mirrored glass at the premises described in the Schedule and for which the Insured is responsible
- 2 External Glass
External Glass means all fixed external glass in windows doors and fanlights at the premises described in the Schedule and for which the Insured is responsible
- 3 Damage
Damage means destruction or damage but excluding scratching and chipping

Cover Provided

In the event of Damage to any of the Glass described in the Schedule during the Period of Insurance the Insurers will indemnify the Insured by at their option repairing replacing or paying the amount of Damage
In addition the Insurers will pay the cost of any necessary boarding up pending replacement

Exclusions

This Sub-section does not cover

- 1 the amount of the Deductible stated in the Schedule in respect of each and every occurrence of Damage otherwise payable under this Sub-section
- 2 Glass already cracked at the commencement of this insurance by this Sub-section
- 3 Damage to any lettering or other ornamental work unless such Damage is caused by or consequent upon the breakage of the Glass on which it is fixed
- 4 Damage to frames or framework of any description or the removal or replacement of any fittings or fixtures in order to replace the Glass
- 5 Damage to Glass caused by or happening through
 - A) fire lightning or explosion
 - B) riot or civil commotion occurring elsewhere than in Great Britain the Isle of Man or the Channel Islands

Special Conditions Applicable to Section 5

- 1 The insurance by this Section shall be avoided with respect to any item in regard to which there is any alteration after the commencement of this insurance
 - A) by removal or
 - B) whereby the risk of Damage is increased
 unless such alteration is agreed by the Insurers in writing except that workmen are allowed in and about any of the premises for the purposes of carrying out minor alterations decoration repairs general maintenance and the like
- 2 The Insured shall give notice to the Insurers when any Building insured by this Section becomes unoccupied or when an unoccupied Building or portion thereof is again occupied and a suitable premium paid if required
- 3 The Insured shall notify the Insurers as soon as possible in the event of alteration to External Glass at the premises

- 4 If at the time of Damage the Sum Insured on any item is less than the value of the property covered by such item then the Insured shall be considered as being his own insurer for the difference and the Insurers shall bear only that proportion of the Damage which the Sum Insured bears to the value

This Condition is not applicable to items solely on private dwelling houses rent debris removal professional fees documents manuscripts business books computer systems records patterns models moulds plans and designs
- 5 On the happening of any Damage in respect of which a claim is made under this Section the Insurers and any person authorised by the Insurers may without thereby incurring any liability or diminishing any of the Insurers' rights under this Section enter take or keep possession of the premises where such Damage has occurred and take possession of or require to be delivered to them any property insured and deal with such property for reasonable purposes and in any reasonable manner If the Insured or anyone acting on his behalf does not comply with the Insurers' requirements or hinders or obstructs the Insurers in carrying out any of the above mentioned acts then all benefit under this Section shall be forfeited

No property may be abandoned to the Insurers whether taken possession of by them or not
- 6 Every warranty to which any property insured is or may be made subject shall from the time the warranty attaches apply and continue to be in force during the whole currency of this Section and non-compliance with any such warranty whether it increases the risk or not shall be a bar to any claim in respect of such property

Provided that whenever this Section is renewed a claim in respect of Damage occurring during the renewal period shall not be barred by reason of a warranty not having been complied with at any time before the commencement of such period
- 7 The Insured shall exercise reasonable care in the selection and supervision of employees and shall take and cause to be taken reasonable precautions to safeguard the Property Insured and secure the Premises including the maintenance or installation and use of any protections stipulated by or agreed with the Insurers

Standard Extensions (each of which is subject otherwise to the terms of this Policy)

Extensions Applicable to Sub-sections A and B

1 Local Authorities

The insurance by each item of this Sub-section on Buildings and Business Equipment includes any additional cost of reinstatement incurred solely by reason of the necessity to comply with building or other regulations under or framed in pursuance of any Act of Parliament or with bye-laws of any municipal or local authority excluding

- A) the cost incurred in complying with any of such regulations or bye-laws
 - 1) under which notice has been served upon the Insured prior to the happening of the Damage
 - 2) in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from the insurance by this Section) of that portion destroyed or damaged
- B) the additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with such regulations or bye-laws not arisen
- C) the amount of any rate tax duty development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with such regulations or bye-laws

Provided that

- 1) the work of reinstatement is commenced and carried out with reasonable despatch and may be carried out upon another site (if such regulations or bye-laws so necessitate) subject to the Insurers' liability under this Sub-section not being thereby increased
- 2) if the Insurers' liability under any item of this Sub-section apart from this Extension is reduced by the application of any of the terms of this Sub-Section then the Insurers' liability under this Extension in respect of any such item shall be reduced in like proportion

2 Architects' Surveyors' Consultants' and Legal Fees

The Sum Insured by each item of this Sub-section covering Buildings and Business Equipment includes an amount in respect of architects' surveyors' consultants' and legal fees necessarily incurred in the reinstatement of such Property Insured consequent upon its Damage but not for preparing any claim The amount payable for such fees will not exceed those authorised under the scales of the various institutions or bodies regulating such charges

3 Removal of Debris

The insurance by each item of this Sub-section on Buildings and Business Equipment and Stock includes costs and expenses necessarily incurred by the Insured with the consent of the Insurers in removing debris demolishing shoring up or propping following Damage to such Property Insured

The Insurers will not pay for any costs or expenses

- A) incurred in removing debris except from the site of such Property Insured destroyed or damaged and the area immediately adjacent to the site
- B) arising from pollution or contamination of property not insured by this Sub-section

4 Automatic Reinstatement of Sum Insured (not applicable to items insuring Stock)

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

5 Index-Linking

The Sum Insured by any item of this Sub-section shown as Index-linked in the Schedule will be adjusted at monthly intervals in accordance with the percentage change in the relevant index specified below (or an alternative index selected by the Insurers)

Items on Buildings: The General Building Cost Index published by the Building Cost Information Service of the Royal Institution of Chartered Surveyors

Other items: The Producer Price Index published by the Department of the Environment

Provided that

- A) any adjustment made to the Sum Insured will be based on the latest figures available to the Insurers
- B) at each renewal the premium will be calculated on the adjusted Sum Insured then in force

Extensions Applicable to Sub-section A only

6 Capital Additions

The insurance by each item of this Sub-section on Buildings and Business Equipment extends to cover any newly acquired property insofar as it is not otherwise insured and alterations and improvements to the property but not in respect of appreciation in value during the current Period of Insurance at the premises

Provided that

- A) at any one situation this cover will not exceed 10 per cent of the total of the Sums Insured on such property or £250,000 whichever is the less
- B) the Insured undertakes to give particulars of such property each six months and to effect specific insurance thereon retrospective to the date of the commencement of the Insurers' liability

7 Temporary Removal

The Property Insured by any item of this Sub-section other than on Stock is covered whilst temporarily removed for cleaning renovation repair or other similar purposes elsewhere on the same or to any other premises or in transit thereto and therefrom by road rail or inland waterway in Great Britain Ireland Northern Ireland the Isle of Man or the Channel Islands

In respect of Damage occurring elsewhere than on the Insured's own premises the amount recoverable will not exceed 10 per cent of the Sum Insured by each item

Documents manuscripts business books plans and computer systems records are covered whilst temporarily removed from the premises and whilst in transit by road rail or inland waterway in Great Britain Ireland Northern Ireland the Isle of Man or the Channel Islands for an amount not exceeding 10 per cent of their total value

This Extension does not apply to the following property insofar as it is otherwise insured nor as regards Damage occurring elsewhere than at the premises from which the property is removed to

- A) motor vehicles and motor chassis licensed for normal road use
- B) property held by the Insured in trust other than machinery and plant

8 Contract Price

In respect only of goods sold but not delivered for which the Insured is responsible and with regard to which under the conditions of sale the sale contract is cancelled by reason of Damage the Insurers' liability will be based on the contract price and for the purpose of Special Condition 4 of this Sub-section the value of all goods to which this Extension would in the event of Damage be applicable will be ascertained on the same basis

9 Contracting Purchaser

Where the Insured contracts to sell his interest in any Building insured by this Sub-section the contracting purchaser who completes the purchase has the benefit of the insurance by this Sub-section up to the date of completion if and insofar as the Buildings are not otherwise insured and without prejudice to the rights and liabilities of the Insured or Insurers

10 Mortgagee

The interest of a mortgagee in this insurance shall not be prejudiced by any act or neglect of the mortgagor or occupier of any Building insured by this Sub-section whereby the risk of Damage is increased without the authority or knowledge of the mortgagee provided that the mortgagee immediately on becoming aware thereof gives notice to the Insurers and pays an additional premium if required

11 Non-Invalidation

The insurance by this Sub-section insofar as it relates to Buildings or parts of Buildings not occupied by the Insured shall not be invalidated by any act or omission or by any alteration whereby the risk of Damage is increased without the authority or knowledge or beyond the control of the Insured provided that the Insured immediately on becoming aware thereof gives notice to the Insurers and pays an additional premium if required

12 Subrogation Waiver

In the event of a claim arising under this Sub-section the Insurers agree to waive any rights remedies or relief to which they might become entitled by subrogation against

- A) a Company standing in the relation of a Parent to Subsidiary (or Subsidiary to Parent) to the Insured as defined in Section 154 of the Companies Act 1948
- B) any Company which is a subsidiary of a Parent Company of which the Insured are themselves a Subsidiary within the meaning of Section 154 of the Companies Act 1948

13 Trace and Access

In the event of Damage resulting from escape of water from any fixed water services or heating installation or fuel oil used for domestic purposes only as covered by this Sub-section the Insurers will pay

- A) the costs necessarily and reasonably incurred in locating the source of such Damage and subsequently making good
- B) the cost of repairing or replacing tanks apparatus pipes or appliances which have been damaged by freezing

Provided that the Insurers' liability under this Extension shall not exceed £25,000 during any one Period of Insurance

14 Extinguishment Expenses

The Insurers will pay reasonable costs incurred by the Insured in refilling fire extinguishing appliances and replacing used sprinkler heads solely in consequence of insured Damage to the Property Insured

Extensions Applicable to Sub-section B only

15 Explosives

The Insurers will in addition to the Limits of Liability indemnify the Insured in the terms of this Sub-section if as a consequence of the use of explosives on the occasion of any theft or attempted theft as described in Paragraphs 1 and 2 of Cover Provided the Property Insured or the Premises are destroyed or damaged by paying an amount up to £10,000 per Premises in any one Period of Insurance in respect of such destruction or damage provided that such destruction or damage is not otherwise insured

16 Breakage of Glass

The Insurers will indemnify the Insured in the terms of this Sub-section against Damage to fixed glass and framework forming part of the Premises provided that such Damage

- A) has arisen as a result of or in connection with theft or attempted theft as described in Paragraphs 1 and 2 of Cover Provided
- B) falls to be made good by the Insured
- C) is not otherwise insured

The Insurers will also pay the reasonable cost of any necessary boarding up as result of such Damage

17 Replacement of Locks

The Insurers will in addition to the Limits of Liability indemnify the Insured in the terms of this Sub-section in respect of costs incurred as a result of the necessary replacement of locks at the Premises following theft as described in Paragraphs 1A and 1B of Cover Provided of keys from the Premises or from the home of any

director member partner or employee authorised by the Insured to hold such keys provided that the liability of the Insurers shall not

- A) cover the cost of replacing the locks of any safe or strongroom if the keys to such locks are left on the Premises whilst closed for business
- B) exceed £1,000 any one occurrence of theft

18 Temporary Removal

Notwithstanding the limitation to the Premises as referred to in Paragraph 1 of Cover Provided the Insurers will indemnify the Insured in the terms of this Sub-section against Damage if

- A) plant machinery or equipment (other than motor vehicles and motor chassis licensed for normal road use) is for cleaning renovation repair or other similar purposes
- B) documents manuscripts or business books are

temporarily removed from the Premises to any other premises not occupied by the Insured but remain in Great Britain Northern Ireland the Isle of Man or the Channel Islands provided that the Insurers' liability shall not exceed 10 per cent of the Sum Insured on such Property Insured

Endorsements Applicable to Section 5

These Endorsements are only operative where shown in the Schedule and are each subject otherwise to the terms of this Policy

1 Reinstatement Provisions (Applicable to Sub-sections A and B only)

Applicable to the Buildings and Business Equipment items (except motor vehicles and personal effects) whose numbers are shown against Endorsement 1 in the Schedule

In the event of these items sustaining Damage the basis upon which the amount payable is to be calculated shall be the costs of Reinstatement subject to the Provisions set out below

Reinstatement means

- A) where property is lost or destroyed the rebuilding of the property if a Building or in the case of other property its replacement by similar property in either case in a condition equal to but not better or more extensive than its condition when new
- B) where property is damaged the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new

Provisions

- 1) No payment beyond the amount which would have been payable under this Section had this Endorsement not been operative shall be made
 - a) unless the work of Reinstatement is commenced and carried out with reasonable despatch
 - b) until the cost of Reinstatement has been incurred
 - c) unless any other insurance covering the Insured's interest in the property at the time of Damage is upon the same basis of Reinstatement as this Sub-Sectionand if no such payment is made the rights and liabilities of the Insurers and the Insured shall be those which would have applied had this Endorsement not been operative
- 2) Reinstatement may be carried out at another site and in any manner suitable to the Insured subject to the Insurers' liability not being increased as a result
- 3) In the event of partial damage to any property insured under this Endorsement the Insurers' liability for any loss shall not exceed the costs which would have been incurred had such property been totally destroyed
- 4) Each item insured under this Endorsement is declared to be separately subject to the following underinsurance condition

"If the Sum Insured on any item at the time of Damage is less than 85 per cent of the cost of reinstating the whole of the property covered by such item at the time of Reinstatement then the Insured shall be considered as being his own insurer for the difference between the Sum Insured and the cost of Reinstatement and shall bear a rateable proportion of the loss accordingly"

2 Day One Reinstatement (Non-Adjustable) (Applicable to Sub-sections A and B only)

Applicable to all Building and/or Business Equipment items whose numbers are shown against Endorsement 2 in the Schedule

- A) The Insured having stated in writing the Declared Value incorporated in each item to which this Endorsement applies the premium has been calculated accordingly

“Declared Value” means the Insured’s assessment of the cost of Reinstatement of the Property Insured arrived at in accordance with Paragraph A) of Endorsement 1 at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) including insofar as the insurance by such items provides due allowance for

- 1) the additional cost of Reinstatement to comply with local authorities’ requirements
- 2) professional fees
- 3) debris removal costs

B) At the inception of each Period of Insurance the Insured shall notify the Insurers of the Declared Value of the Property Insured by each of the said item(s) In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance

C) Where because of Provision 1) of Endorsement 1 no payment is to be made beyond the amount which would have been payable had Endorsement 1 not been operative the Sum Insured shall be limited to the Declared Value(s) after the application of the per cent increase shown against Endorsement 2 in the Schedule

D) Provision 4) of Endorsement 1 is amended to read

Each item insured under this Endorsement is declared to be separately subject to the following underinsurance condition

“If at the time of Damage the Declared Value of the Property covered by any item is less than the cost of Reinstatement at the inception of the Period of Insurance then the Insurers’ liability for any Damage shall be limited to the proportion that the Declared Value bears to the cost of Reinstatement”

3 Stock Declaration Condition (Applicable to Sub-sections A and B only)

Each item on Stock is subject to the following conditions

A) The premium is provisional being based on 75 per cent of the Sum Insured (or value at risk if insured on a First Loss basis) and shall at the expiry of each Period of Insurance be adjusted as set out below

B) The value of Stock on the dates shown against Endorsement 3 in the Schedule shall be declared in writing by the Insured to the Insurers within 60 days of such dates and if no declaration is made the Insured shall be considered as having declared the Sum Insured

C) On the expiry of each Period of Insurance the actual premium for each item on Stock shall be calculated at the appropriate rate per cent per annum on the average of the amounts declared If the actual premium payable is greater than the provisional premium paid the Insured shall pay the difference and if less the difference shall be repaid to the Insured

4 Special Limit of Liability (Applicable to Sub-section A only)

A) In respect of Damage by fire lightning explosion aircraft earthquake riot civil commotion strikers locked-out workers persons taking part in labour disturbances or malicious persons the Insurers’ liability will be as specified against Special Limit A in the Schedule

B) In respect of Damage by storm flood burst water pipes or apparatus or impact by any mechanically propelled vehicle or rail rolling stock or animal the Insurers’ liability shall not exceed the amount shown against Special Limit B in the Schedule

C) In respect of all other Damage the Insurers’ liability shall not exceed the amount shown against Special Limit C in the Schedule

5 Loss Limit (Applicable to Sub-section B only)

The Insurers’ liability under Sub-Section B in respect of any one occurrence of Damage shall not exceed the amount shown against Endorsement 5 in the Schedule

6 Subsidence (Applicable to Sub-section A only)

The insurance by this Sub-section extends to include Damage to the Property Insured caused by subsidence or ground heave of the site or any part of it on which the Property Insured stands or landslip excluding

A) Damage caused by the bedding down of new structures or by the settlement or movement of made-up ground or by coastal or river erosion

B) Damage occurring whilst the whole or part of the Property Insured is in the course of erection structural alteration or repair or demolition

C) Damage caused by defective design or workmanship or use of defective materials

D) Damage which commenced prior to the inception of the cover under this Sub-Section

E) the Deductible shown against this Endorsement in the Schedule in respect of each and every occurrence of Damage otherwise payable under this Sub-section

Provided that the Insured shall

A) keep the Property Insured in good and substantial repair

- B) notify the Insurers immediately in writing in the event of
- 1) the operation of a cause insured by this Endorsement
 - 2) demolition excavation or building being commenced at or affecting any part of the Property Insured or the site or any adjoining site

In the event of demolition excavation or building commencing the Insurers shall have the right to vary or cancel the cover provided by this Endorsement

7 Specified All Risks Items (Applicable to Sub-section A)

For the purposes of this Endorsement Exclusion 2 C) 1) (theft or any attempt thereat) is of no effect

The Cover Provided is extended to include Damage to the property specified against this Endorsement in the Schedule whilst in the custody or control of the Insured (or any director partner or employee of the Insured) within the territorial limits shown for each item

Provided that this Endorsement does not cover

- A) Damage arising from theft (or any attempt thereat) from any unattended
- 1) vehicle unless the property is hidden from view and the vehicle has been broken into by forcible and violent means
 - 2) vehicle between the hours of 7.00 p.m. (1900 hours) and 8.00 a.m. (0800 hours) unless such vehicle is in a locked private garage or locked or permanently attended public garage
 - 3) premises in or outside business hours unless such property is locked away in a secure place
- B) Damage to tools by means of scratching denting and breakage whilst in use
- C) the Deductible shown for each item in respect of each and every occurrence of Damage otherwise payable

The Insurers liability in respect of any one article of specified property shall not exceed the Single Article Limit specified in the Schedule

8 Fire Extinguishing Appliances (Applicable to Sub-section A and B only)

In consideration of there being kept on the premises mentioned in the Schedule appliances for the extinction of fire stipulated by the Insurers the discount shown against this Endorsement in the Schedule is allowed off the premium This discount is conditional upon the equipment being maintained in working order at all times

9 Intruder Alarm (Applicable to Sub-section B only)

It is a condition precedent to the Insurers' liability under Sub-section B that when an Intruder Alarm is installed at the Premises

- A) the Intruder Alarm is kept in an efficient condition
- B) a maintenance contract is in force with the company which installed the Intruder Alarm or any other company agreed with the Insurers and the maintenance contract company is immediately advised of any apparent defect in the Intruder Alarm or its signalling
- C) any detection devices and their circuits connected for continuous operation are fully operable at all times
- D) the Premises are not left unattended unless the Intruder Alarm is put into full operation and is at the time fully serviceable to the best knowledge or belief of the Insured or his authorised representative
- E) the Insurers are notified
- 1) as soon as possible if written notice is received from the Police warning of possible or intended withdrawal of response to calls from the Intruder Alarm
 - 2) before any alterations to or substitution of the Intruder Alarm and associated maintenance contract is made unless the terms of this Endorsement are varied with the express agreement of the Insurers

Definition

For the purposes of this Endorsement "Intruder Alarm" includes detection devices detection circuits control and processing equipment power supplies audible and remote signalling including any ancillary telecommunication systems

10 Collusion (Applicable to Sub-section B only)

Exclusion 2 A) of Sub-section B is deleted

11 Extended Theft (Applicable to Sub-section B only)

Paragraphs 1A and 1B of Cover Provided are deleted but in respect of theft other than theft involving entry to or exit from the Premises by forcible and violent means the Insurers shall not be liable for Damage to the Property Insured

- A) due to unexplained disappearance or shortages and omissions discovered during routine stocktaking or inventory checks

- B) where the Insured or any director partner or employee of the Insured or any member of the Insureds' household is concerned as principal or accessory
- C) caused by or resulting from any act of deception

Provided that the amount of the Deductible referred to in Exclusion 1 shall be increased to that amount shown against this Endorsement in the Schedule in respect of each and every loss otherwise payable under this Endorsement

Note: Loss by theft does not include loss of property where the Insured in good faith parts with title having accepted consideration purporting to be of value to him

12 Safe Keys (Applicable to Sub-section B only)

The Insurers shall not be liable for Damage resulting from a safe or strongroom being opened by the use of a key or a combination code or through the key or combination code having been left on the Premises whilst closed for business

13 Damage to Contents of Shop Windows (Applicable to Sub-section C only)

The insurance by this Sub-section extends to include accidental damage to goods on display fixtures and fittings internal blinds and grilles and the like (but excluding neon signs) the property of the Insured or for which he is responsible whilst in the windows in each of the premises described against this Endorsement in the Schedule caused by or resulting from

- A) Damage to Glass in windows
- B) impact by any vehicle aircraft or animal

Provided that

- 1) the Insurers' liability shall not exceed in respect of any one occurrence of accidental damage the amount shown against each of the premises described against this Endorsement in the Schedule
- 2) the Insurers shall not be liable in respect of accidental damage caused by or resulting from theft attempted theft fire lightning or explosion

14 Damage to Shopfront (Applicable to Sub-section C only)

The insurance by this Sub-section extends to include accidental damage to the shopfront (including external fittings blinds and fixed signs but excluding neon signs glass vitrolite marmorite and similar substances) at each of the premises described against this Endorsement in the Schedule

Provided that

- A) the Insurers' liability shall not exceed in respect of any one occurrence of accidental damage the amount shown against each of the premises described against this Endorsement in the Schedule
- B) the Insurers shall not be liable in respect of accidental damage caused by or resulting from
 - 1) theft attempted theft fire lightning explosion storm or other weather conditions
 - 2) vibration settlement subsidence vermin insects wear and tear depreciation or deterioration or any process of repairing restoring or renovating

15 Damage to Intruder Alarm Foil (Applicable to Sub-section C only)

The insurance by this Sub-section extends to include accidental damage to intruder alarm foil or other detection devices and their circuits attached to Glass in display windows and doors directly resulting from Damage to Glass in respect of which a claim under this Sub-section is admitted by the Insurer

SECTION 6 – ALL RISKS BUSINESS INTERRUPTION

Special Definitions

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

Note 2: For the purpose of these Definitions any adjustment implemented in Current Cost Accounting shall be disregarded

1 Premises

Premises means the premises specified in the Schedule

For the purpose of any item on Outstanding Debit Balances insured by this Section Premises shall extend to include any premises in Great Britain Ireland Northern Ireland the Isle of Man or the Channel Islands to which the records have been temporarily removed and whilst in transit between them

2 Damage

Damage means accidental loss destruction or damage

3 Turnover

Turnover means the money paid or payable to the Insured for goods sold and for services rendered in course of the Business at the Premises net of discounts allowed

4 Gross Profit

Gross Profit means the amount by which the

Turnover plus the value of the closing stock and work in progress exceeds purchases (net of discounts received) plus the value of the opening stock and work in progress and any Uninsured Working Expenses shown against Endorsement 9 in the Schedule

5 Rate of Gross Profit

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

6 Annual Turnover

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

7 Standard Turnover

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

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

8 Indemnity Period

Indemnity Period means the period beginning when the Damage occurs and ending when the results of the business cease to be affected in consequence of the Damage but not exceeding the Maximum Indemnity Period

9 Maximum Indemnity Period

Maximum Indemnity Period means the period specified in the Schedule

10 Outstanding Debit Balances

Outstanding Debit Balances means the sums outstanding in the Insured's records of the individual amounts owed to the Insured by the customers

Cover Provided

In the event of any building or other property used by the Insured at the Premises for the purpose of the Business sustaining Damage other than by an excluded cause during the Period of Insurance and the Business carried on by the Insured at the Premises being in consequence thereof interrupted or interfered with the Insurers will pay to the Insured in respect of each item in the Schedule the amount of loss resulting from such interruption or interference in accordance with the provisions of this Section provided that when the Damage occurs there shall

be an insurance in force covering the interest of the Insured in the property at the Premises against such Damage under which

- 1 payment shall have been made or liability admitted or
- 2 payment would have been made or liability would have been admitted but for the operation of a proviso in such insurance excluding liability for losses below a specified amount

Limits of Liability

For all loss resulting from interruption or interference arising during any one Period of Insurance the Insurers' liability under any item of this Section will not exceed the Sum Insured or in whole the total of the Sums Insured or any other stated Limit of Liability or such other sum or limit which may be substituted therefore by Endorsement

Basis of Settlement

1 Gross Profit

A) The amount payable under any item of this Section on Gross Profit shall be in respect of

1) Reduction in Turnover:

The sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the Damage fall short of the Standard Turnover

2) Increased Cost of Working:

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction avoided

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

B) Alternative Trading

If during the Indemnity Period goods are sold or services are rendered elsewhere than at the Premises for the benefit of the Business the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period

C) Professional Accountants

Any particulars in the Insured's accounts or other information or evidence which may be required by the Insurers under the Conditions of this Policy for the purpose of investigating or verifying any claim may be produced by professional accountants if at the time they are acting regularly as such for the Insured and their report will be prima facie evidence of the information to which it relates

The Insurers will pay the reasonable charges payable by the Insured to the accountants for producing such information

2 Outstanding Debt Balances

The amount payable in respect of any item of this Section on Outstanding Debit Balances shall be in respect of

A) Outstanding Debit Balances:

The amount by which the Outstanding Debit Balances traced or received following the Damage shall fall short of the Outstanding Debit Balances on the last statement made under the provisions of the Evidence of Amount clause hereunder before the Damage occurred

to which adjustments shall be made to allow for the trend and variations in the Business and for other circumstances affecting the amount of the Outstanding Debit Balances so that the adjusted figures shall represent as nearly as may be reasonably practicable those which would have been obtained if the Damage has not occurred

B) Additional Expenditure:

The additional expenditure incurred with the previous consent of the Insurers in tracing and establishing the Outstanding Debit Balances

Evidence of Amount

The Insured shall maintain a record elsewhere than in the building in which the original records are kept showing the total amount outstanding in the credit accounts of the Business at the end of each month and in the event of Damage giving rise to a claim shall supply that record to the Insurers

Exclusions

This Section does not cover loss resulting from

1 Damage caused by

- A) 1) faulty or defective design materials or workmanship inherent vice latent defect gradual deterioration wear tear change in water table level or frost

- 2) explosion occasioned by the bursting of any vessel machine or apparatus (other than a boiler or economiser) in which internal pressure is due to steam only and belonging to or under the control of the Insured
- but this shall not exclude loss resulting from subsequent Damage resulting from an ensuing cause not otherwise excluded
- B) 1) collapse or cracking of buildings
- 2) corrosion rust change in temperature dampness dryness wet or dry rot shrinkage evaporation loss of weight change in colour flavour texture or finish vermin insects marring or scratching
- but this shall not exclude loss resulting from such Damage resulting from a cause not otherwise excluded
- C) 1) theft (or any attempt thereof) not involving
- a) entry to or exit from a building by forcible and violent means or
- b) actual or threatened assault or violence
- 2) acts of fraud or dishonesty
- 3) disappearance unexplained or inventory shortage misfiling or misplacing of information
- 4) cracking fracturing collapse or overheating of boilers economisers vessels tubes or pipes nipple leakage or the failure of welds of boilers
- 5) mechanical or electrical breakdown or derangement of machinery or equipment
- 6) bursting overflowing discharging or leaking of water tanks apparatus or pipes when the Premises are empty or disused
- 7) the deliberate act of a supply authority in withholding the supply of water gas electricity or fuel
- but this shall not exclude loss resulting from
- a) such Damage resulting from a cause not otherwise excluded
- b) subsequent Damage resulting from an ensuing cause not otherwise excluded
- D) 1) subsidence ground heave or landslip
- 2) normal settlement or bedding down of new structures
- 3) wind rain hail sleet snow flood or dust to moveable property in the open or fences or gates
- 4) erasure or distortion of information on computer systems or other records whilst mounted in or on any machine or data processing apparatus or due to the presence of a magnetic flux unless caused by Damage to the machine or apparatus in which the records are mounted or by malicious persons
- 2) A) pollution or contamination except (unless otherwise excluded or not insured) loss resulting from destruction of or damage to property or any part thereof used by the Insured at the premises for the purpose of the business caused by
- 1) pollution or contamination at the premises which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons earthquake storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes sprinkler leakage or impact by any road vehicle or animal
- 2) any of the perils listed in 1) above which itself results from pollution or contamination
- B) loss attributable solely to change in the water table level
- 3) Damage to
- A) fixed glass
- B) glass (other than in 3 A) above) china earthenware marble or other fragile or brittle objects
- C) vehicles (including accessories thereon) licensed for road use caravans trailers railway locomotives or rolling stock watercraft or aircraft
- D) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection
- E) land roads pavements piers jetties bridges culverts or excavations
- F) livestock growing crops or trees
- other than in respect of Damage not otherwise excluded caused by fire lightning explosion aircraft riot commotion strikers locked-out workers persons taking part in labour disturbances malicious persons earthquake storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes or impact by any mechanically propelled vehicle or rail rolling stock or any animal
- 4) Damage to property as a result of its undergoing any process

Special Conditions

- 1 The insurance by this Section shall cease if any of the following events occurs unless its continuance is admitted in writing by the Insurers
 - A) the Business is wound up or carried on by a liquidator or receiver or permanently discontinued
 - B) the Insured's interest ceases otherwise than by death
 - C) any alteration is made either in the Business or in the Premises or property therein whereby the risk of Damage is increased

- 2 In the event of a claim being made under this Section the Insured shall within thirty days of the expiry of the Indemnity Period or within such further time as the Insurers may allow in writing at his own expense provide the Insurers with a written statement setting forth particulars of his claim together with details of all other insurances covering the Damage or any part of it or consequential loss of any kind resulting therefrom
No claim under this Section shall be payable unless the terms of this Condition have been complied with and in the event of non-compliance therewith in any respect any payment on account of the claim already made shall be repaid to the Insurers' forthwith

- 3
 - A) If at the time of Damage the Sum Insured by any item of this Section on Gross Profit is less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple where the Maximum Indemnity Period exceeds twelve months) the amount payable under this Section shall be proportionately reduced
 - B) If at the time of Damage the Sum Insured by an item of this Section on Outstanding Debit Balances is less than 75 per cent of the total of the Outstanding Debit Balances on the last statement made under the provisions of the Evidence of Amount Clause before the Damage occurred the amount payable shall be proportionately reduced

- 4 After the expiry of each Period of Insurance if the Insured provides the Insurers with a declaration of the Gross Profit earned as reported by the Insured's auditors during the financial year most nearly concurrent with that Period of Insurance and the declared amount (proportionately increased where the Maximum Indemnity Period exceeds twelve months) is less than the Sum Insured stated in the Schedule for that Period of Insurance the Insurers will allow a pro rata return of premium not exceeding 50 per cent of the premium paid
If any Damage has occurred giving rise to a claim for loss of Gross Profit the Insurers will increase such declaration for the purpose of premium adjustment by the amount by which the Gross Profit was reduced during the financial year in consequence of the Damage

Standard Extensions (each of which is subject otherwise to the terms of this Policy)

- 1 Automatic Reinstatement after a Loss
In consideration of the Sum Insured or estimate not being reduced by the amount of any loss the Insured shall pay the appropriate extra premium on the amount of the loss from the date thereof to the expiry of the Period of Insurance

Endorsements

These Endorsements are only operative where shown in the Schedule and are each subject otherwise to the terms of this Policy

- 1 Increased Cost of Working Only
The insurance under item 1 Gross Profit is limited to the Additional Expenditure necessarily and reasonably incurred by the Insured in consequence of the Damage in order to prevent or minimise the interruption of or interference with the Business during the Indemnity Period
Provided that the Insurers' liability shall not exceed
 - A) 50% of the Sum Insured during the first three months of the Indemnity Period and
 - B) for each of the succeeding months within the Indemnity Period an equal proportion of the balance of the remaining Sum Insured after deducting the amount paid in respect of the first three months

- 2 Additional Extensions
Loss as insured by this Section includes loss resulting from interruption of or interference with the Business in consequence of Damage at the undernoted premises (all in Great Britain Northern Ireland the Isle of Man or the Channel Islands unless otherwise stated in the Schedule)
Provided that the Insurers' liability under this Endorsement in respect of any one occurrence shall not exceed the percentage of the Sum Insured or Estimate or any monetary amount shown as the limit below

- A) Named Suppliers and Customers
The premises of the suppliers and customers named and subject to the limit shown against each in Endorsement 2 A) in the Schedule
- B) Unnamed Suppliers
The premises of any other of the Insured's suppliers of goods or services and sub-contractors and premises not in the Insured's occupation where the Insured's property is stored
Provided that the Insurers' liability shall not exceed the limit shown against Endorsement 2 B) in the Schedule but in no case exceeding £250,000
- C) Contract Sites
Any premises where the Insured are carrying out a contract
- 3 Failure of Supply
Loss as insured by this Section includes loss resulting from interruption of or interference with the Business in consequence of Damage to property at any
- A) land based generating station or substation of the public electricity supply undertaking
- B) land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith
- C) water works or pumping station of the public water supply undertaking
from which the Insured obtains electricity gas or water
- 4 Denial of Access
Loss as insured by this Section includes loss resulting from interruption of or interference with the Business in consequence of Damage to property within 5 miles of the Premises which prevents or hinders the use of the Premises or access thereto but excluding Damage which prevents or hinders the supply of electricity gas water or telecommunications services
- 5 Closure by Public Authority
Loss as insured by this Section includes loss resulting from interruption of or interference with the Business in consequence of closure or restrictions placed on the Premises by a competent public authority as a result of
- A) the outbreak of a notifiable human disease
- B) injury sustained by any person traceable to foreign or injurious matter in food or drink
- C) defective sanitary arrangements vermin or pests
- D) murder or suicide
- 6 Additional Perils - Subsidence
Loss as insured by this Section includes loss resulting from interruption of or interference with the Business in consequence of Damage to any building or other property used by the Insured at the Premises caused by subsidence or ground heave of the site or any part of it on which such property stands or landslip excluding
- A) Damage caused by the bedding down of new structures or by the settlement or movement of made-up ground or by coastal or river erosion
- B) Damage occurring whilst the whole or part of the property is in the course of erection structural alteration or repair or demolition
- C) Damage caused by defective design or workmanship or use of defective materials
- D) Damage which commenced prior to the inception of the cover under this Section
- Provided that the Insured shall
- A) keep the property in good and substantial repair
- B) notify the Insurers immediately in writing in the event of
- 1) the operation of a cause insured by this Endorsement
- 2) demolition excavation or building being commenced at or affecting any part of the property or the site or any adjoining site
- In the event of demolition excavation or building commencing the Insurers shall have the right to vary or cancel the cover provided by this Endorsement
- 7 Provisional Premium
Special Condition 5 of this Section shall read as follows
The first and annual premiums are provisional being 75 per cent of the premiums payable at the commencement of the Period of Insurance and the balance of 25 per cent is to be paid within six months of

the expiry of that period except that in respect of any item on Gross Profit the premium paid shall be adjusted on receipt by the Insurers of a declaration of Gross Profit earned during the financial year most nearly concurrent with the year of insurance as reported by the Insured's auditors

If the declaration (proportionately increased where the Maximum Indemnity Period exceeds twelve months)

- A) is less than 75 per cent of the Sum Insured on Gross Profit for a relative period the Insurers will allow a pro rata return of premium not exceeding 33 per cent of the provisional premium paid
- B) is greater than 75 per cent of the Sum Insured on Gross Profit for the relative period the Insured shall pay a pro rata additional premium not exceeding 33 per cent of the provisional premium paid

In the event that no declaration is received within six months of the expiry of the Period of Insurance the Sum Insured shall be presumed to have been declared

If any Damage has occurred giving rise to a claim for loss of Gross Profit the Insurers will 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 Damage

8 Declaration-Linked Basis

A) Special Conditions 3 A) and 4 of this Section are cancelled and replaced by the following

- 1) Prior to each renewal the Insured shall provide the Insurers with an estimate of the amount representing not less than the Gross Profit which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the Period of Insurance (referred to in this Section as the Estimate) If the Maximum Indemnity Period exceeds twelve months the Insurers will increase the declared amount proportionately to arrive at the Estimate
- 2) The first premium and renewal premiums are provisional and are based on the Estimate Not later than six months after the expiry of each Period of Insurance the Insured shall provide the Insurers with a declaration confirmed by the Insured's auditors of the Gross Profit earned during the financial year most nearly concurrent with that Period of Insurance

If the declared amount (proportionately increased where the Maximum Indemnity Period exceeds twelve months) is less than the Estimate stated in the Schedule for that Period of Insurance the Insurers will allow a pro rata return of premium If the declared amount (proportionately increased where the Maximum Indemnity Period exceeds twelve months) is greater than the Estimate stated in the Schedule for that Period of Insurance the Insured shall pay a pro rata additional premium

If any Damage has occurred giving rise to a claim for loss of Gross Profit the Insurers will increase the declaration for the purpose of premium adjustment by the amount by which the Gross Profit was reduced during the Period of Insurance in consequence of the Damage

B) The Limit of Liability applicable to Gross Profit is replaced by the following

The Insurers' liability in respect of Gross Profit shall not exceed 133 per cent of the Estimate

9 Uninsured Working Expenses

The Uninsured Working Expenses stated in the Schedule shall be deducted in arriving at the Gross Profit

If any standing charges of the Business are not insured by this Section (having been deducted as Uninsured Working Expenses) the amount recoverable as Increased Cost of Working will be proportionately reduced

SECTION 7 - MONEY

Special Definitions

1 Money

Money means Cash Bank Notes Cheques Girocheques Bankers' Drafts Money Orders Postal Orders Bills of Exchange unused Postage Stamps National Insurance Stamps National Savings Stamps and Certificates Holidays with Pay Stamps Credit Company Sales Vouchers and V.A.T. Purchase Invoices all the Insured's own or for which he is responsible and Luncheon Vouchers the Insured's own only whilst in his custody

2 Non-Negotiable Money

Non-Negotiable Money means Crossed Cheques Crossed Girocheques Crossed Bankers' Drafts Crossed Money Orders Crossed Postal Orders used National Insurance Stamps National Savings Certificates Credit Company Sales Vouchers and V.A.T. Purchase Invoices

3 Money in Safe

Money in Safe means Money (excluding Non-Negotiable Money) contained in locked safe or strongroom in the Insured's premises when closed for business

4 Any Other Money

Any Other Money means Money (excluding Non-Negotiable Money and Money in Safe)

- A) in the Insured's premises when open for business and
- B) elsewhere

Cover Provided

In the event of

- 1 Money being lost destroyed or damaged by any cause
- 2 any safe or strongroom belonging to the Insured being lost destroyed or damaged as a result of theft or attempted theft of Money

during the Period of Insurance whilst within or in transit between Great Britain Ireland Northern Ireland the Isle of Man or the Channel Islands the Insurers will indemnify the Insured by at their option repairing replacing or paying the amount of such loss destruction or damage

Limits of Liability

The Insurers' liability shall not exceed the Limit of Liability set against any item in the Schedule and furthermore shall not exceed in respect of

- | | |
|---------------------------------------------------------------------------------------------------------|-------------------------------|
| 1 Non-Negotiable Money | £250,000 |
| 2 Money not contained in a locked safe or strongroom in the Insureds' premises when closed for business | £500 |
| 3 Money in the dwelling of the Insured or of any person to whom such Money is entrusted | £500 |
| 4 loss or destruction of or damage to safe or strongroom | cost of repair or replacement |

Exclusions

This Section does not cover

- 1 shortages due to error or omission
- 2 loss destruction or damage arising from the dishonesty of any employee
 - A) unless such loss destruction or damage is discovered within seven working days of its occurrence
 - B) insured under a Fidelity Guarantee policy except in respect of any excess beyond the amount which would have been payable under such policy had this insurance not been effected
- 3 loss destruction or damage resulting from a safe or strongroom being opened by the use of a key or combination code having been left on the Insured's premises whilst closed for business
- 4 loss destruction or damage happening through confiscation nationalisation requisition or wilful destruction by any government public municipal local or customs authority
- 5 the amount of the Deductible stated in the Schedule in respect of each and every occurrence of loss or damage otherwise payable under this Section

Special Conditions

- 1 If the premium has been calculated on estimates supplied by the Insured of the amount of Money at risk during the Period of Insurance the Insured shall keep an accurate record
 - A) of the total value paid into or drawn from the bank or Giro
 - B) of the total payments for the purchase of Money Orders Postal Orders Postage Stamps National Insurance Stamps National Savings Stamps and Certificates Holidays with Pay Stamps and Luncheon Vouchers

and this shall be available to the Insurers for inspection Within one month of the expiry of each Period of Insurance the Insured shall supply the Insurers with a true statement of the above particulars necessary for assessment of premium and should these particulars differ from the estimates upon which the premium has been paid the difference in premium shall be met by a further proportionate payment or refund as the case may be Failure to supply such particulars shall entitle the Insurers to estimate if they so wish such particulars and to assess the further premium payment due calculated on such estimated particulars

Endorsements

These Endorsements are only operative where shown in the Schedule and are each subject otherwise to the terms of this Policy

1 Personal Accident Assault

If during the Period of Insurance and as a direct result of robbery or attempted robbery in the course of the Business an Insured Person suffers

- A) Bodily Injury the Insurers will pay to the Insured or to his legal personal representatives the relevant Benefit for Death or Disablement
Provided that
 - 1) the Insurers shall not be liable for
 - a) more than one Benefit in respect of Bodily Injury sustained by any Insured Person for Death or Disablement as defined under 4 A) and 4 B)
 - b) weekly compensation as defined under 4 C) in excess of 104 weeks
 - 2) weekly compensation as defined under 4 C) shall become payable when the period of disablement has been ascertained and the total amount agreed or at the request of the Insured at intervals of not less than four weeks
 - 3) the Insured Person shall act upon medical or surgical advice as soon as practicable and submit to medical examination at the Insurers' expense as often as they require
- B) loss or destruction of or damage to clothing or personal effects (excluding jewellery and watches) the Insurers will at their option repair replace or pay the amount of such loss destruction or damage up to a limit of £500 in respect of any one Insured Person following any one such robbery or attempted robbery

For the purposes of this Endorsement

- 1 Insured Person means
 - A) the Insured or any director member partner or employee of the Insured or
 - B) any person to whom the Insured has entrusted Money other than an employee of a professional security company or organisation
- 2 Bodily Injury means accidental bodily injury drowning gassing poisoning or exposure of an Insured Person to the elements resulting in Death or Disablement
- 3
 - A) Benefit 1 shown in Endorsement 1 in the Schedule is the amount payable in respect of Death or Disablement as defined in 4 A)
 - B) Benefit 2 shown in Endorsement 1 in the Schedule is the amount payable in respect of Disablement as defined in 4 B)
 - C) Benefit 3 shown in Endorsement 1 in the Schedule is the amount payable in respect of Disablement as defined in 4 C)
- 4 Death or Disablement means
 - A) Bodily Injury which within 24 months from its occurrence is the sole and direct cause of
 - 1) death or
 - 2) loss of one or more limbs by physical separation at or above the wrist or ankle or
 - 3) permanent and total loss of use of one or both hands or feet or
 - 4) total and irrecoverable loss of sight in one or both eyes
 - B) Bodily Injury not resulting in loss of limbs or sight as defined in 4 A) which is the sole and direct cause of the Insured Person being totally disabled and prevented from attending to his business or occupation or to business or occupation of any kind with proof satisfactory to the Insurers that such

disablement has continued for six months from the date of the occurrence of Bodily Injury and will in all probability continue for the remainder of the Insured Person's life

- C) Bodily Injury which is the sole and direct cause of the Insured Person being totally disabled and prevented from attending to his business or occupation

2 Security Companies Contingency Cover

The insurance provided by this Section shall not apply to loss or destruction of or damage to Money whilst in the custody or control of a security company unless such loss destruction or damage is not recoverable from the security company when the Insurers will indemnify the Insured up to the Limits of Liability

Provided that the Insured shall notify the Insurers' as soon as possible of any changes in the terms of the contract between the Insured and the security company

3 Money Accompaniment Condition

It is a condition precedent to the Insurers' liability that Money in transit (other than whilst in the custody or control of a security company) is accompanied by not less than one able-bodied director member partner or employee of the Insured between 18 and 70 years of age for each £5,000 carried and that the sum carried shall be divided between such persons

4 Intruder Alarm

It is a condition precedent to the Insurers' liability under this Section that when an Intruder Alarm is installed at the Insured's premises

- A) the Intruder Alarm is kept in an efficient condition
- B) a maintenance contract is in force with the company which installed the Intruder Alarm or any other company agreed with the Insurers and the maintenance contract company is immediately advised of any apparent defect in the Intruder Alarm or its signalling
- C) any detection devices and their circuits connected for continuous operation are fully operable at all times
- D) the premises are not left unattended unless the Intruder Alarm is put into full operation and is at the time fully serviceable to the best knowledge or belief of the Insured or his authorised representative
- E) the Insurers are notified
 - 1) as soon as possible if written notice is received from the Police warning of possible or intended withdrawal of response to calls from the Intruder Alarm
 - 2) before any alterations to or substitution of the Intruder Alarm and associated maintenance contract is made unless the terms of this Endorsement are varied with the express agreement of the Insurers

Definition

For the purposes of this Endorsement "Intruder Alarm" includes detection devices detection circuits control and processing equipment power supplies audible and remote signalling including any ancillary telecommunication systems

SECTION 8 - GOODS IN TRANSIT

Special Definitions

- 1 Property Insured
Property Insured means goods and tools incidental to the Business but excluding goods and tools mentioned in Exclusion 1 unless described in the Schedule
- 2 Specified Vehicles
Specified Vehicles means the road vehicles or trailers as specified in the Schedule
- 3 Limit any one vehicle
Limit any one vehicle means the maximum amount which the Insurers will pay in respect of any occurrence or series of occurrences of loss destruction or damage arising out of one cause in respect of any one Specified Vehicle

Cover Provided

In the event of the Property Insured or any part of it being lost destroyed or damaged during the Period of Insurance by any accident or misfortune whilst in or on or being loaded onto or unloaded from any Specified Vehicle or whilst temporarily housed in the course of transit whether on or off such conveyance all within the land limits of Great Britain Ireland Northern Ireland the Isle of Man or the Channel Islands the Insurers will indemnify the Insured by at their option repairing replacing or paying the amount of the loss destruction or damage

Limits of Liability

For all loss destruction or damage the Insurers' liability under this Section shall not exceed

- 1 the Limits specified in the Schedule or
- 2 during any one Period of Insurance the Sum Insured set against any item in the Schedule

Exclusions

This Section does not cover

- 1 loss or destruction of or damage to
 - A) livestock explosives goods of a dangerous nature tobacco cigarettes cigars wines spirits furs watches jewellery gold and silver articles precious metals and stones bullion cash stamps bank notes bills of exchange security deeds documents manuscripts or plans unless described in the Schedule
 - B) china glass earthenware pictures scientific instruments statuary marble or plasterwork unless caused by fire theft an accident to the conveyance or an object falling onto the conveyance
 - C) refrigerated goods as a result of breakdown or failure of refrigeration equipment unless such breakdown or failure is caused by fire theft an accident to the conveyance or an object falling onto the conveyance
 - D) Property Insured whilst temporarily housed in course of transit for the purpose of storage making-up packing or processing
- 2 loss destruction or damage caused by or happening through
 - A) vermin wear and tear defective packing depreciation or deterioration delay loss of market or consequential loss of any kind
 - B) confiscation nationalisation requisition or wilful destruction by any government public municipal local or customs authority
- 3 the amount of the Deductible stated in the Schedule in respect of each and every occurrence of loss or damage otherwise payable under this Section

Special Conditions

- 1 If the Property Insured on any road vehicle or trailer shall at the time of loss destruction or damage be of greater value than the Sum Insured in respect of such vehicle or trailer then the Insurers shall bear only that proportion of the loss destruction or damage which the Sum Insured bears to the value

Endorsements

These Endorsements are only operative where shown in the Schedule and are each subject otherwise to the terms of this Policy

- 1 Consignments
The Insurance by this Section extends to cover the Property Insured whilst in or on any road vehicle or trailer not being the Insured's own vehicle and whilst in or on any railway train subject to the Consignment Limit and Single Article Limit as stated on the Schedule

- 2 Limited Short Sea Transits
The insurance by this Section extends to cover the Property Insured whilst in or on any water-borne craft being used to carry the Property within or between Great Britain Ireland Northern Ireland the Isle of Man or the Channel Islands
- 3 Containers Tarpaulins and Ropes
The Property Insured by this Section includes containers tarpaulins and ropes belonging to the Insured or for which the Insured is responsible
Provided that the Insurers' liability under this Endorsement for such articles shall not exceed in respect of any one claim the amount shown against Endorsement 3 in the Schedule
- 4 Removal of Debris
In respect of any road vehicle or trailer owned by or operated under the direct control of the Insured the insurance by this Section extends to cover additional costs and expenses necessarily incurred in
 - A) removing or reloading the Property Insured or any part of it
 - B) removing debris of such Property Insured
 - C) dismantling or breaking up such Property Insuredin consequence of loss destruction of or damage to the Property Insured or the spilling of the Property Insured from any road vehicle or trailer to which this Section applies or as a result of an accident to such vehicle or trailer
Provided that the Insurers' liability under this Endorsement shall not exceed in respect of any one claim the amount shown against Endorsement 4 in the Schedule
- 5 Cover restricted to Fire Collision Overturning or Derailment
The insurance by this Section applies only in respect of loss destruction or damage to the Property Insured caused by fire collision overturning or derailment of the road vehicle or trailer or railway train conveying the Property Insured
- 6 Overnight Exclusion
The Insurers will not indemnify the Insured against loss or damage to Property Insured contained in a vehicle left unattended between the hours of 7.00 p.m. (1900 hours) and 8.00 a.m. (0800 hours)
- 7 Electronic Security System Condition
It is a condition of this insurance in respect of loss destruction or damage by theft (or any attempt thereof) that the vehicles specified against this Endorsement in the Schedule are fitted with an electronic security system of at least category 1 or 2 standard (as defined by the Repair Research Centre Thatcham) or as otherwise specified by the Insurers and such system is fully operative whilst the vehicle is unattended
- 8 Garaging Condition
The Insurers shall not be liable for loss of or damage to Property Insured in any unattended vehicle insured hereunder between the hours of 7.00 p.m. (1900 hours) and 8.00 a.m. (0800 hours) unless such vehicle is in a locked private garage or locked or permanently attended public garage
- 9 Unattended Vehicle Locking Warranty
The Insurers shall not be liable for loss or damage arising from theft or any attempt thereof from any unlocked unattended vehicle
- 10 Single Article Limit
The Insurers' liability in respect of any single article shall not exceed the amount shown against Endorsement 10 in the Schedule
- 11 Tools Limit
The Insurers' maximum liability in respect of tools shall not exceed the amount shown against Endorsement 11 in the Schedule

SECTION 9 - PERSONAL ACCIDENT

Special Definitions

1. Annual Salary
Annual Salary means the total annual remuneration excluding payments for overtime commission or bonus payable by the Insured to the Insured Person at the date accidental bodily injury is sustained
2. Employee
Employee means any person under a contract of service or apprenticeship with the Insured
3. Insured Person
Insured Person means any person or category of persons shown in the Schedule
Cover applies until the expiry of the Period of Insurance in which the Insured Person attains the age of 75
4. Medical Practitioner
Medical Practitioner means any legally qualified medical practitioner other than
 - A) an Insured Person
 - B) a member of the immediate family of an Insured Person
 - C) an employee of the Insured
5. Multi-Engined Aircraft
Multi-Engined Aircraft means
 - A) any multi-engined aircraft
 - B) any helicopter operating a scheduled service from an international airport
6. Proposal
Proposal means the proposal form (including the declaration) which has been completed and signed by or on behalf of the Insured and any information supplied in addition to or in place of it
7. Operative Time
Operative Time means the Operative Time shown in the Schedule and shall have the following meanings:

24 hour:	At any time
Occupational Accidents Only:	While engaged on the Insured Person's occupation in the Business
Occupational Accidents plus Commuting:	While engaged on the Insured Person's occupation in the Business and while in the course of daily travel directly between residence (normal or temporary) and place of Business
8. Disablement
Disablement shall mean Benefits 2 to 6
9. Benefits
Benefits shall mean
Under Continental Scale
 - 1 Death
 - 2 Loss of two or more Limbs or both Eyes or one of each

The amount payable for Benefit 3 shall be a percentage of the amount for that Benefit shown in the Schedule
The following scale states the percentages applicable to the forms of disablement specified For forms of permanent disablement not specified the degree of disability will be assessed by comparison with the percentages shown in the scale without taking into account the Insured Person's occupation The appropriate percentage shall be applied to the amount for Benefit 3 shown in the Schedule or to the Limit per Person under Benefit 3 whichever is the lesser

3	A) Loss of one Eye	100%
	B) Permanent and total loss of speech	100%
	C) Permanent and total loss of hearing	
	1) in both ears	100%
	2) in one ear	25%

Loss by permanent physical severance or permanent and total Loss of use of

D) one limb	100%	
E) one big toe	10%	
F) any other toe	5%	
	Right*	Left*
G) one thumb	25%	20%
H) one forefinger	20%	15%
I) any other finger	10%	6%

Permanent total loss of use of

J) shoulder or elbow	25%	20%
K) wrist	20%	15%

*To be reversed if the Insured Person is left-handed

L) hip or knee or ankle	20%
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Removal by surgical operation of

M) lower jaw	30%
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- 4 Permanent Total Disablement from the Insured Person's usual occupation in the Business
- 5 Temporary Total Disablement from usual occupation
- 6 Temporary Partial Disablement i.e. disablement from a substantial part of the usual occupation
- 7 Medical Expenses necessarily incurred in the treatment of the Insured Person

Under Standard Scale

- 1 Death
- 2 Loss of two or more Limbs or both Eyes or one of each
- 3 A) Loss of one Limb or Eye
B) Permanent total loss of speech
C) Permanent total loss of hearing
 - 1) in both ears
 - 2) in one ear
- 4 Permanent Total Disablement from the Insured Person's usual occupation in the Business
- 5 Temporary Total Disablement from usual occupation
- 6 Temporary Partial Disablement i.e. disablement from a substantial part of the usual occupation
- 7 Medical Expenses necessarily incurred in the treatment of the Insured Person

10 Loss of Limb

Loss of Limb shall mean

- A) in the case of a leg loss by permanent physical severance at or above the ankle or permanent and total loss of use of a complete foot or leg
- B) in the case of an arm loss by permanent physical severance of the four fingers at or above the meta carpo phalangeal joints (where the fingers join the palm of the hand) or permanent and total loss of use of a complete arm or hand

11 Medical Expenses

Medical Expenses shall mean the cost of medical surgical or other remedial attention treatment or appliances given or prescribed by a Medical Practitioner and all hospital nursing home and ambulance charges

12 Loss of Eye

Loss of Eye shall mean permanent and total loss of sight which will be considered as having occurred

- A) in both eyes if the Insured Person's name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist
- B) in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the Insured Person should see at 60 feet)

13 Area of Unrest

Area of Unrest means any country or area within a country which the Foreign and Commonwealth Office is advising against all travel to such country or area

14 Terrorism

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

15 War

War means war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

16 War or Terrorism occasioned by any Nuclear Chemical or Biological Incident

War or Terrorism occasioned by any Nuclear Chemical or Biological Incident means use of any nuclear weapon or device or the deliberate emission discharge dispersal release or escape of any solid, liquid or gaseous Chemical agent and/or Biological agent as a direct or indirect result of War and Terrorism

Chemical agent shall mean any compound which when suitably disseminated produces bodily injury or Death Disablement or incurring of Medical Expenses

Biological agent shall mean any pathogenic micro-organism and/or biologically produced toxin(s) including genetically modified organisms and chemically synthesised toxins which results in bodily injury or Death Disablement or incurring of Medical Expenses

17 Britain

Britain means the United Kingdom the Channel Islands and the Isle of Man

18 Incident

Incident means all individual losses arising out of and directly occasioned by one sudden unexpected unusual specific event occurring at an identifiable time and place

19 External Journey

External Journey means any journey by an Insured Person outside their normal country of residence

Cover Provided

If during the Operative Time the Insured Person sustains accidental bodily injury which within two years is the sole cause of Death Disablement or incurring of Medical Expenses the Insurers will pay to the Insured the amount appropriate to the Benefit shown in the Schedule

Exclusions

The Insurers will not pay in respect of any Benefit where bodily injury or Death Disablement or incurring of Medical Expenses is the result of or is contributed to by

- 1 engaging in flying of any kind other than as a passenger
- 2 committing or attempting to commit suicide
- 3 A) War in Britain or the Insured Person's country of residence
B) War or Terrorism occasioned by any Nuclear Chemical or Biological Incident
- 4 A) illness or disease (not resulting from accidental bodily injury)
B) any naturally occurring condition or degenerative process
C) any gradually operating cause

Special Conditions

1 Disappearance

In the event of disappearance of the Insured Person if after a suitable period of time it is reasonable to believe that death has occurred as a result of accidental bodily injury the amount for Benefit 1 shall become payable subject to a signed undertaking that if the belief is subsequently found to be wrong such amount shall be refunded to the Insurers

2 Benefits

- A) The Insurers will not pay in respect of any one Insured Person for more than one of Benefits 1 to 4 in connection with the same accident
- B) On the happening of an accident giving rise to a claim for 100% of the amount for any of Benefits 1 to 4 this Insurance will not cover any further accidents to that Insured Person
- C) Benefit shall not be payable in respect of any Insured Person who had ceased to be an Employee prior to the accident giving rise to the claim
- D) Loss of Limb or Eye or speech or hearing must be proved to the reasonable satisfaction of the Insurers to be permanent and without expectation of recovery before the Insurers will pay for Benefits 2 or 3
Total Disablement must be proved to the reasonable satisfaction of the Insurers to be permanent and without expectation of recovery and any claim for weekly compensation must have been settled in full before the Insurers will pay for Benefit 4
- E)
 - 1) If Benefit 1 is not included for an Insured Person the Insurers will not pay for Loss of Limb or Eye or Speech or hearing until at least thirteen weeks after the date of the accident and the Insurers will only then pay if the Insured Person has not in the meantime died as a result of the accident
 - 2) If Benefit 1 is included but the amount payable therefore is less than the amount payable for Loss of Limb or Eye or speech or hearing the Insurers will not pay more than the amount for Benefit 1 until at least thirteen weeks after the date of the accident and the Insurers will only then pay the balance if the Insured Person has not died as a result of the accident
- F) If Benefit 3 under Continental Scale is claimed in respect of the same Insured Person for more than one form of Permanent Disablement as the result of the same accident the total of the percentages payable shall not exceed 100% of the amount for Benefit 3 If a claim is payable for loss of use of a whole member of the body a claim for parts of that member cannot also be made
- G) If Benefit 3 under Standard Scale is claimed for permanent total loss of hearing in one ear the Insurers will not pay more than 25% of the amount which would have been payable had the claim been for permanent total loss of hearing in both ears
- H) The Insurers will not pay any amount for any Benefit solely because the Insured Person is unable to take part in sports or pastimes

3 Exposure

If an Insured Person suffers Death or Disablement as a result of exposure to the elements the Insurers will consider that as having been caused by accidental bodily injury

4 Minors

If the Insured Person is i) under the age of 16 or ii) aged 16 or 17 and is not one of the Insured's full-time employees

- A) the amount for Benefit 1 will be limited to £5,000
- B) Benefit 4 shall read 'Permanent Total Disablement from gainful employment of any and every kind'
- C) no amount will be payable for Benefit 5 or 6

5 Non-Employees

If the Insured Person is not an Employee Benefit 4 shall read 'Permanent Total Disablement from gainful employment of any and every kind'

6 Reasonable Care

The Insured and each Insured Person must take all reasonable steps to avoid or minimise any loss or damage

7 Evidence Required

The Insured must produce for the Insurers at the Insured's own expense all the detailed particulars and evidence relating to the cause and amount of the loss damage or expense If the Insurers consider it necessary each Insured Person must also agree to have a medical examination (which the Insurers will pay for) as often as the Insurers may require in connection with any claim following any accident or illness

8 Interest

Interest will not be added to any amount paid

9 Assignment

The Insurers will not be bound to accept or be affected by any trust charge lien assignment or other dealing with or relating to this Policy

10 Other Interests

The Insured's receipt shall discharge the Insurers liability to pay any amount in respect of a claim. The Insured Person or the Insured Person's personal representatives shall have no right to claim from or sue the Insurers. If the Insured comprises more than one party having an interest in the Insured Person or the property insured the settlement made by the Insurers shall represent the total amount payable in respect of that Insured Person or property for all interests covered by this Policy.

11 Travel to Areas of Unrest

The Insured must notify the Insurers in advance of any travel to Areas of Unrest.

12 Cancellation of Terrorism and War Risks Cover

The Insurers may cancel any insurance provided by this Section against War and Terrorism by sending seven days' notice to the Insured at the Insured's last known address. The insurance in respect of any journey involving travel outside the Insured Person's country of residence which commences before the expiry of such notice shall not be affected.

Endorsements

These Endorsements are only operative where shown in the Schedule and are each subject otherwise to the terms of this Policy.

1 Limit per Insured Person

If the Benefits are expressed as a multiple of Annual Salary the maximum Benefit for any one Insured Person shall not exceed the amounts specified against this Endorsement in the Schedule.

2 Aircraft Accumulation Limit

The maximum amount the Insurers will pay in the aggregate under this Section and any other policy of Personal Accident Insurance issued by the Insurers in the Insured's name in respect of all Insured Persons in the same aircraft shall not exceed the Aircraft Accumulation Limit specified against this Endorsement in the Schedule.

In the event of a claim exceeding the Aircraft Accumulation Limit the Insurers liability in respect of each Insured Person claimed for shall be proportionately reduced until the total does not exceed that limit.

3 Incident Limit

The maximum amount the Insurers will pay in the aggregate under this Section and any other policy of Personal Accident Insurance issued by the Insurers in the Insured's name in respect of all losses arising out of one and the same Incident shall not exceed the Incident Limit specified against this Endorsement in the Schedule.

In the event of a claim exceeding the Incident Limit the Insurers liability in respect of each Insured Person claimed for shall be proportionately reduced until the total does not exceed that Limit.

The duration and radius of any one Incident shall be limited to

- A) 72 consecutive hours and
- B) 100 miles

no loss which occurs outside this distance or period shall be included in that Incident.

GENERAL EXCLUSIONS

(Applicable to all Sections unless otherwise stated)

- 1 Radioactive Contamination (Not Applicable to Sections 1 or 9)
The Insurers shall not be liable in respect of
 - A) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
 - B) any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from
 - 1) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - 2) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
 - 2 War (Not Applicable to Sections 1 or 9)
The Insurers shall not be liable in respect of any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection military or usurped power confiscation commandeering nationalisation or requisition or Damage to any property by or under the order of any government de jure or de facto or public municipal or local authority
 - 3 Sonic Bangs (Not Applicable to Sections 1 - 3 or 9)
The Insurers shall not be liable in respect of loss destruction or damage directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds
 - 4 Terrorism (Not Applicable to Sections 1 - 3 or 9)
This Policy does not cover DAMAGE or loss resulting from DAMAGE occasioned by or happening through or in consequence directly or indirectly of
 - A) Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
and
 - B) in Northern Ireland civil commotion

This Policy also excludes DAMAGE or loss resulting from DAMAGE directly or indirectly caused by resulting from or in connection with any action in controlling preventing suppressing or in any way relating to any act of Terrorism

In any action suit or other proceedings where the Insurers allege that by reason of this Exclusion any DAMAGE or loss resulting from DAMAGE is not covered by this Policy (or is covered only up to a specified limit of liability) the burden of proving that such DAMAGE or loss resulting from DAMAGE is covered (or is covered beyond that limit of liability) shall be upon the Insured
- ### DEFINITIONS
- For the purpose of this Policy Terrorism shall mean any act including but not limited to the use of force or violence or the threat thereof of any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government committed for political religious ideological or similar purposes including the intention to influence any government and/or international government organisation and/or to put the public or any section of the public in fear
- For the purpose of this Exclusion the word DAMAGE in capital letters shall mean physical loss destruction or damage
- 5 Electronic Risk (Not Applicable to Sections 1 – 3 or 9)
This Policy does not cover Damage or loss resulting from Damage
 - A) to Data which shall include but shall not be limited to
 - 1) Damage to or corruption of Data whether in whole or in part
 - 2) unauthorised appropriation of use of access to or modification of Data
 - 3) unauthorised transmission of Data to any third parties
 - 4) Damage arising out of any misinterpretation use or misuse of Data
 - 5) Damage arising out of any operator error in respect of Data
 - B) arising directly or indirectly from
 - 1) the transmission or impact of any Virus
 - 2) unauthorised access to a System

- 3) interruption of or interference with electronic means of communication used in the conduct of the Insured's Business including but not limited to any diminution in the performance of any website or electronic means of communication
- 4) Failure of a System
- 5) anything described in (A) above

but in respect of B)1) B)2) B)3) and B)4) this shall not exclude subsequent Damage which itself results from fire lightning explosion earthquake aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances storm flood escape of water from any tank apparatus or pipe impact by any road vehicle or animal accidental escape of water from any automatic sprinkler installation subsidence ground heave or landslip or theft or malicious damage by natural persons at the premises where the Damage occurs

Definitions

For the purposes of this Exclusion

Damage means loss or destruction or damage

Data means information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

Failure of a System means the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a System whether or not owned by the Insured to operate at any time as desired as specified or as required in the circumstances of the Insured's business activities

System means computers other computing and electronic equipment linked to computer hardware electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation

Microchip means a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly including integrated circuits and microcontrollers

Virus means programming code designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a System transmitted between Systems by transfer between computer systems via networks extranets internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMs or otherwise and whether involving self replication or not

GENERAL CONDITIONS

(Applicable to all Sections unless otherwise stated)

1 Compliance with Policy terms

Observance of the terms of this Policy relating to anything to be done or complied with by the Insured is a condition precedent to the liability of the Insurer

2 Non-disclosure

This Policy shall be voidable in the event of misrepresentation misdescription or non-disclosure in any material particular

3 Alteration of Risk

This Policy shall be voidable by the Insurers if

- A) the Business be wound up or carried on by a liquidator or receiver or permanently discontinued or
- B) the Insured's interest cease except by will or operation of law or
- C) any alteration be made either in the Business or otherwise whereby the risk is increased at any time after the commencement of this insurance unless its continuance be admitted by the Insurers in writing

4 Reasonable Precautions

The Insured shall at his own expense

- A) take and cause to be taken all reasonable precautions to prevent or diminish loss destruction or damage or any circumstance or occurrence or cease any activity which may give rise to liability under this Policy and maintain all premises ways works machinery plant and vehicles in a sound condition
- B) exercise care in the selection and supervision of employees
- C) as soon as possible after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances require

5 Claims

The Insured shall

- A) notify the Insurers immediately in writing as soon as they are aware
 - 1) of any circumstance event claim or allegation (whether written or oral)
 - 2) of any legal proceedings prosecution inquest or enquiry in connection with any circumstance or eventwhich may give rise to a claim under this Policy
Notice must be given to the Claim Notification Address specified in the Schedule
- B) notify the Police immediately in the event of loss destruction or damage by malicious persons theft or accidental loss
- C) preserve any damaged or defective insured property for inspection by the Insurers' officials
- D) immediately forward to the Insurers unacknowledged every claim claim-form writ or other document in connection with any such circumstance or event which may give rise to a claim under Sections 1 – 3 of this Policy
- E) provide all such information and assistance as the Insurers may require as soon as reasonably practicable but at the latest within 7 days in the event of loss destruction or damage caused by riot civil commotion or malicious persons
- F) notify the Insurers immediately by telephone (or on the first working day thereafter) upon receipt of a notice of adjudication relating to any circumstance or event which has given or may give rise to a claim under this Policy

No admission offer promise payment or indemnity shall be made or given by or on behalf of the Insured without the Insurers' written consent

The Insurers shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute any claim in the name of the Insured for its own benefit and shall have full discretion in the conduct of any proceedings and in the settlement of any claim The Insured shall give all such assistance as the Insurers may require

6 Rights of Recourse

In the event of a claim the Insured shall permit the Insurers at their own discretion and expense to take all necessary steps for enforcing any rights and remedies against other parties in the name of the Insured before or after meeting the Insured's claim

7 Reinstatement

If the Insurers elect or become bound to reinstate or replace any property the Insured shall at his own expense produce and give to the Insurers all such plans documents books and information as the Insurers may reasonably require The Insurers shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the sum insured thereon

8 Contribution

Applicable to Sections 1 to 4

If the loss destruction damage or liability which is the subject of any claim under this Policy is (or would be but for the existence of this Policy) insured under any other insurance the Insurers shall not be liable under this Policy except in respect of any amount beyond that which would have been payable under such other insurance had this Policy not been effected

Applicable to Sections 5 to 8 and Benefit 7 in Section 9

If at the time of any claim there is (or would be but for the existence of this Policy) any other insurance covering the Insured's interest in the property lost destroyed or damaged or any loss arising therefrom the Insurers' liability under this Policy shall be limited to its rateable proportion of such claim

If any such other insurance is subject to any condition of average this Policy if not already subject to any condition of average shall be subject to average in like manner

If any other insurance effected by or on behalf of the Insured is expressed to cover any of the property hereby insured but is subject to any provision whereby it is excluded from ranking concurrently with this Policy either in whole or in part or from contributing rateably to the loss destruction or damage the Insurers' liability hereunder shall be limited to such proportion of the loss destruction or damage as the sum insured hereby insured bears to the value of the property

9 Fraud

If any claim be in any respect fraudulent or if any fraudulent means or devices are used by the Insured or anyone acting on the Insured's behalf to obtain any benefit under this Policy or if any loss destruction or damage be occasioned by the wilful act or with the connivance of the Insured all benefit under this Policy shall be forfeited

10 Adjustment of Premium (Not Applicable to Sections 3 or 5 to 9)

If any part of the premium is based on estimates the Insured shall within one month of the expiry of each Period of Insurance supply the Insurers with a true statement of the particulars necessary for the assessment of premium and shall at the request of the Insurers provide an auditors certificate in support thereof If the particulars differ from the estimates upon which premium has been paid the difference in premium shall be met by a further proportionate payment or refund subject to any minimum premium that may apply Should the Insured fail to supply such particulars the Insurers shall be entitled to charge a reasonable additional premium for such Period of Insurance

11 Cancellation

This Policy may be cancelled

A) by the Insurers sending 30 days written notice to the last known address of the Insured who subject to any minimum premium that may apply shall be entitled to a pro rata return of premium

B) by the Insurers sending 7 days written notice to the last known address of the Insured in the event of non-payment of any premium or instalment premium on its due date

C) by the Insured who subject to any minimum premium that may apply shall be entitled to a pro rata return of premium provided that where a Certificate of Employers' Liability has been issued cancellation shall only be effective from the date of its return to the Insurer

Provided always that the Insured shall not be entitled to a return of premium if any claim has been made in respect of the expired Period of Insurance or any incident has occurred during such period that may give rise to a claim

12 Contract (Rights of Third Parties) Act 1999

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

13 Subjectivity

Where the cover provided by this Policy at first inception or any renewal is subject to the Insured

A) providing the Insurers with additional information or

B) completing risk improvements or other actions or

C) allowing the Insurers to complete risk surveys or other actions

the Insurers will provide written confirmation of such requirements (including the date by which such actions are to be completed) at inception or renewal

The Insured shall provide the Insurers with access to the Insured's premises contract sites and/or the Business to carry out any required surveys or risk assessments within 60 days of the inception or renewal date unless otherwise agreed in writing by the Insurers

Upon completion of these requirements (or if they are not completed by the required date) the Insurers may at their option

A) amend the terms and conditions of the Policy (including the premium) or withdraw cover

B) require the Insured to complete additional risk improvements or alterations within a specified time period

The Insurers will provide written confirmation of their decision within

1) 30 days of receiving the required information

2) 15 days of the required date where the requirements have not been completed